

LEGISLATIVE COUNCIL

Thursday 25 October 2012

The President (The Hon. Donald Thomas Harwin) took the chair at 9.30 a.m.

The President read the Prayers.

Pursuant to sessional orders Formal Business Notices of Motions proceeded with.

BUSINESS OF THE HOUSE

Formal Business Notices of Motions

Private Members' Business item No. 937 outside the Order of Precedence objected to as being taken as formal business.

EDWARDS V CANADA PRIVY COUNCIL DECISION

Motion by the Hon. John Ajaka, on behalf of the Hon. TREVOR KHAN, agreed to:

1. That this House notes that:
 - (a) on 29 October 1927, the Privy Council delivered its report into the decision of the Supreme Court of Canada in the decision of *Edwards v Canada*,
 - (b) the Supreme Court had received a reference from the Federal Government of Canada asking whether the Constitution of Canada allowed for the appointment of a female to the Senate of Canada,
 - (c) the Supreme Court interpreted the words "qualified person" in the Constitution based upon the Court's understanding of the intention of the drafters of the Constitution, and rejected the proposition that women could serve in the Senate,
 - (d) when the matter was considered by the Privy Council on appeal the Council considered that the meaning of "qualified person" in the Canadian Constitution should be read broadly to include women, overruling the decision of the Supreme Court, and
 - (e) in arriving at its decision the Privy Council stated that the Canadian "Constitution is a living tree which, by way of progressive interpretation, accommodates and addresses the realities of modern life".
2. That this House acknowledges:
 - (a) the importance of the changing role and status of women in society, and
 - (b) the commonsense of the Privy Council in its approach to statutory interpretation.

NATIONAL WEEK OF DEAF PEOPLE

Motion by the Hon. HELEN WESTWOOD agreed to:

That this House:

- (a) notes that the National Week of Deaf People from Saturday 20 October to Friday 26 October 2012,
- (b) notes that the theme of National Week of Deaf People 2012 is "Sign Bilingualism is a human right",
- (c) notes that the National Week of Deaf People provides an opportunity for the deaf to celebrate their community, language, culture and history and recognises the achievements and skills of people from the deaf community,
- (d) notes that the National Week of Deaf People is used as an opportunity to make the public aware of the local, state and national deaf communities,
- (e) notes that around 10 per cent of the New South Wales population, over 660,000 people, live with complete or partial hearing loss, many of whom rely on Australian Sign Language or Auslan to communicate and are amongst the state's most vulnerable workers and job seekers, and
- (f) calls on the House to use the National Week of Deaf People as an opportunity to promote a wider understanding of the uniqueness of the deaf community and their need to receive "signed" information to ensure their full inclusion in society.

REPUBLIC OF NAGORNO-KARABAKH INDEPENDENCE TWENTIETH ANNIVERSARY**Motion by the Hon. MARIE FICARRA agreed to:**

1. That this House notes that 2012 marks the twentieth anniversary of the declaration of independence of the Republic of Nagorno-Karabakh.
2. That this House:
 - (a) acknowledges the importance of the basic human right to self-determination and a free and a democratic society,
 - (b) recognises the right to self-determination of all peoples including those of the Republic of Nagorno-Karabakh,
 - (c) notes Nagorno-Karabakh's sustained efforts towards creating a free and democratic society through the use of legitimate parliamentary elections and its continued efforts to develop a responsible government,
 - (d) supports and encourages Nagorno-Karabakh's involvement within the international community and further encourages its engagement with the international community to reach a solution to the existing regional problems to establish peace and stability,
 - (e) encourages peaceful relations and the continued promotion of humanitarian and economic support for the people of Nagorno-Karabakh, and
 - (f) calls on the Commonwealth Government to officially recognise the independence of the Republic of Nagorno-Karabakh and strengthen Australia's relationship with the Nagorno-Karabakh and its citizens.

TRIBUTE TO MR NABIL TANNOUS**Motion by the Hon. Lynda Voltz, on behalf of the Hon. SHAOQUETT MOSELMANE, agreed to:**

1. That this House notes that:
 - (a) Mr Nabil Tannous, a stalwart of Arabic radio broadcasting, passed away in Sydney earlier this week after a long battle with cancer,
 - (b) Mr Tannous was born 7 July 1937 and is well known for his role as Coordinator of the Arabic program on SBS Radio in the 1980s,
 - (c) Mr Tannous was active at Radio 2000 FM for the past 20 years, since its establishment in 1992,
 - (d) in the late 1990s, Mr Tannous donated the seed funding required to re-establish Radio 2000 FM and was an ardent supporter of the revival process after the station was closed down,
 - (e) Mr Tannous is an Australian of Palestinian descent and has been one of the most influential voices for the Arabic-speaking community of New South Wales,
 - (f) Mr Tannous is survived by his son, Anthony, and
 - (g) Mr Tannous was buried on 23 October 2012 after a mass at St Nicholas Church, Henry Street, Punchbowl, at 11.00 am.
2. That this House notes the passing of Nabil Tannous and expresses its condolences to his son, Anthony, relatives, the Arabic media and the wider Arabic community in New South Wales.

TRIBUTE TO HIS GRACE BISHOP DANIEL**Motion by the Hon. DAVID CLARKE agreed to:**

1. That this House acknowledges that:
 - (a) on Saturday 13 October 2012, a celebration took place at St Marks Coptic Orthodox Church at Arncliffe to mark the Tenth Anniversary of the Enthronement of His Grace Bishop Daniel as the Bishop of the Coptic Orthodox Church's Diocese of Sydney and Affiliated Regions, and
 - (b) dignitaries that attended the ceremony included:
 - (i) His Eminence, Archbishop Malki Malki of the Syrian Orthodox Church,
 - (ii) His Eminence Archbishop Yacub Daniel of the Ancient Church of the East,
 - (iii) Most Reverend Father Basil Soussanian of the Armenian Catholic Church,

- (iv) Reverend Father Estavros Ivanos, representing His Eminence Archbishop Stilianos of the Greek Orthodox Church,
 - (v) Reverend Father Joseph Joseph, representing the Holy Apostolic Catholic Church of the East,
 - (vi) Father Shernouda Mansour, President of the NSW Ecumenical Council,
 - (vii) Reverend John Namour, Pastor of the Guildford Arabic Baptist Church and representing the Arab World Evangelical Ministers Association,
 - (viii) His Excellency Mr Ayman Kamel, Consul-General of the Arab Republic of Egypt,
 - (ix) Mr Nick Kaldas, Deputy Commissioner, NSW Police Force,
 - (x) Mr Craig Kelly, MP, Federal member for Hughes,
 - (xi) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice,
 - (xii) the Hon. Amanda Fazio, MLC, Opposition Whip in the Legislative Council,
 - (xiii) the Hon. Shaoquett Moselmane, MLC,
 - (xiv) Mr Graeme Mundine of the Aboriginal Catholic Ministry,
 - (xv) Reverend Fathers representing various parishes of the Coptic Orthodox Church,
 - (xvi) representatives of various Coptic Orthodox Community organisations.
2. That this House:
- (a) congratulates His Grace Bishop Daniel on the occasion the tenth Anniversary of his Enthronement as Bishop of the Diocese of Sydney and Affiliated Regions of the Coptic Orthodox Church,
 - (b) notes that the Diocese of Sydney and Affiliated Regions has experienced enormous growth in recent years so that today it comprises tens of thousands of members in some 22 parishes and maintains four schools, a theological college and a monastery, and
3. That this House commends and pays tribute to the Coptic Orthodox Community of New South Wales for its many achievements and positive contribution to the life of the State of New South Wales.

AUSTRALIAN EGYPTIAN COUNCIL FORUM

Motion by the Hon. DAVID CLARKE agreed to:

1. That this House notes that:
- (a) for the last 20 years, and for the 20 years prior to that under other names, the Australian Egyptian Council Forum has worked to:
 - (i) promote good relations between Egyptian-Australians and the wider Australian community,
 - (ii) provide a greater awareness of Egyptian heritage and culture within Australia,
 - (iii) encourage greater ties between Australia and Egypt on both a government and non-government level,
 - (iv) develop programs that enhance leadership skills amongst Egyptian-Australian youth,
 - (b) in pursuing its aims the Australian Egyptian Council Forum has an ongoing program of activities which include:
 - (i) giving practical support to Egyptian international students studying in Australia,
 - (ii) maintaining an Arabic Book Club at Marrickville Library,
 - (iii) operating a volunteer welfare service to assist newly arrived migrants from Egypt, particularly those entering Australia on humanitarian grounds,
 - (iv) organising each year an Annual Egyptian Cultural Festival in Tumbalong Park at Darling Harbour attended by several thousand Sydneysiders,
 - (v) conducting an annual Egyptian Australia of the Year Award Dinner, and
 - (c) on Sunday 21 October 2012, the forum held a successful Egyptian Australian of the Year Award Dinner attended by representatives of many Egyptian cultural, social and religious organisations at which Mr Michael Ibrahim received the Egyptian Australian of the Year Award in recognition of his 40 years service to the Scouting Movement amongst Egyptian-Australian youth.

2. That this House acknowledges the dignitaries that attended the awards ceremony, including:
 - (a) His Excellency, Mr Ayman Kamel, Consul-General of the Arab Republic of Egypt,
 - (b) the Hon. David Clarke, MLC, New South Wales Parliamentary Secretary for Justice, representing the Premier, the Hon. Barry O'Farrell, MP,
 - (c) Ms Tania Mihailuk, MP, member for Bankstown, representing the Leader of the Opposition, Mr John Robertson, MP,
 - (d) Mr Tony Issa, OAM, MP, member for Granville,
 - (e) His Worship Councillor Maurice Mansour, Mayor of Ashfield,
 - (f) Mr Nick Kaldas, Deputy Commissioner, NSW Police Force, and
 - (g) Mr Peter Khalil, representing SBS.
3. That this House:
 - (a) congratulates and commends Mr Michael Ibrahim on being bestowed the award of Egyptian Australian of the Year,
 - (b) acknowledges and commends the Egyptian-Australian Council Forum for its many years of service to the Egyptian-Australian community and to the state of New South Wales, and particularly commends the Forum's Committee, being:
 - (i) President: Mr John Nawar,
 - (ii) Communications Director: Mr Amir Salem,
 - (iii) Events Organiser: Mr Victor Bassily,
 - (iv) Secretary: Mr Adrian Salem,
 - (v) Cultural Director: Dr Madgy Shehata,
 - (vi) Treasurer: Dr Wafik Latif, and
 - (c) pays tribute to the Egyptian-Australian community for its ongoing and positive contribution to the State of New South Wales.

JOINT COMMITTEE ON THE OFFICE OF THE VALUER-GENERAL

Report: Interim Report on the Eighth General Meeting with the Valuer-General

The Hon. Scot MacDonald tabled a report entitled, "Interim Report on the Eighth General Meeting with the Valuer-General", dated October 2012.

Ordered to be printed on motion by the Hon. Scot MacDonald.

The Hon. SCOT MacDONALD [9.36 a.m.]: I move:

That the House take note of the report.

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

BUSINESS OF THE HOUSE

Postponement of Business

Government Business Orders of the Day Nos 1 to 6 postponed on motion by the Hon. Duncan Gay.

SPECIAL ADJOURNMENT

Motion by the Hon. Duncan Gay agreed to:

That this House at its rising today do adjourn until Tuesday 13 November 2012 at 2.30 p.m.

BUSINESS OF THE HOUSE**Precedence of Business****Motion by the Hon. Duncan Gay agreed to:**

That on Thursday 25 October 2012 Government business will have precedence of General business.

PETROLEUM (ONSHORE) AMENDMENT (ROYALTIES AND PENALTIES) BILL 2012**Second Reading**

The Hon. JOHN AJAKA (Parliamentary Secretary) [9.41 a.m.], on behalf of the Hon. Duncan Gay:

That this bill be now read a second time.

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

Leave granted.

The Petroleum (Onshore) Amendment (Royalties and Penalties) Bill 2012 amends the Petroleum (Onshore) Act 1991 and the Petroleum (Onshore) Regulation 2007 regarding the payment of royalties for petroleum production.

These amendments will support the establishment of regional community funds to channel royalties from coal seam gas production into projects to benefit local communities.

The bill also amends the Petroleum (Onshore) Act 1991 and the Mining Act 1992 to increase penalties for certain offences.

These amendments will strengthen the enforcement and compliance framework for exploration and mining by significantly increasing penalties for key offences.

The Government is serious about compliance with the legislation. Those who do the wrong thing may face penalties of up to \$1.1 million.

Finally, the bill amends the Petroleum (Onshore) Act 1991 to confer jurisdiction on the Land and Environment Court to hear proceedings under that Act.

The Petroleum (Onshore) Act 1991 sets up a framework to regulate the petroleum exploration and production industry. The Act provides for a system of titles for exploration, assessment and production activities. It provides for payment of royalties by titleholders for petroleum production.

The Act also includes mechanisms to ensure the interests of landholders and the community are protected. These include landholder compensation under access arrangements, and the imposition of environmental management requirements on titles.

To encourage initial investment in the petroleum industry, the Act and regulation established a royalty holiday for production companies followed by an introductory sliding scale of royalty payments.

This meant that petroleum producers did not have to pay royalty on petroleum for the first five years of production. Over the next five years, the royalty amount increased incrementally to 10 per cent of the value of petroleum produced.

The bill now removes this royalty holiday. Royalty payments will commence when petroleum production starts. This will apply to all current and future production leases from 1 January 2013.

In New South Wales, coal seam gas production is currently valued at around \$34.5 million per annum. However, given that current estimates of potential New South Wales resources are larger than existing total natural gas reserves for Australia, there is potential for coal seam gas production in New South Wales to exceed \$1 billion annually by 2025.

It is understood that the potential for coal seam gas production in New South Wales is similar to that identified in Queensland.

In the last quarter to June 2012, employment in Queensland's coal seam gas industry surged to 18,500 direct and indirect jobs. It is also expected that gross state product will increase to over \$3 billion per annum and provide royalty returns of over \$850 million per annum.

The removal of the current royalty provisions from the Act will increase revenue to the State and will therefore increase revenue for the people of New South Wales.

In addition to revising the royalty regime under the Act, the bill will enhance the enforcement and compliance framework under the Petroleum (Onshore) Act 1991 and the Mining Act 1992, particularly in relation to environmental management.

I turn now to the detail of the proposed amendments, first in relation to royalties.

The bill will amend the Act to provide that the royalty rate will now be prescribed in the regulation. This is consistent with coal royalties under the Mining Act 1992.

Previously, the petroleum titleholder could make an agreement with the Minister as to the value of the petroleum produced at the well head. This is the value of petroleum that is used to calculate the amount of royalty payable.

The bill provides for the Minister to determine the value of petroleum in all cases, as occurs with coal under the Mining Act 1992.

The bill will also amend the Petroleum (Onshore) Act 1991 to require appropriate measuring systems for petroleum production for the purpose of royalty payments. This will ensure that royalty payments are accurately calculated.

The bill also amends the Petroleum (Onshore) Regulation 2007 to prescribe the royalty rate at 10 per cent of the value of petroleum produced. This rate will now apply to all petroleum produced from 1 January 2013.

Created to encourage petroleum exploration and investment, the royalty holiday provisions have achieved their purpose. The petroleum industry is now a viable and competitive one.

Royalty concessions are no longer necessary. The amendments will bring the Petroleum (Onshore) Act 1991 into line with other royalty regimes, such as for coal mining under the Mining Act 1992.

I turn now to the second main area of amendments. These relate to strengthening the enforcement and compliance framework for exploration and mining.

The bill provides for increased penalties for certain offences in both the Petroleum (Onshore) Act 1991 and the Mining Act 1992.

Current penalties under the Petroleum (Onshore) Act 1991 and the Mining Act 1992 are considered inadequate to act as effective deterrents for a breach or wrongdoing, particularly in relation to environmental management.

The bill therefore introduces a number of key changes to the penalty regime contained in both Acts. It significantly increases the maximum penalty for several offences, such as mining without an authority, failure to comply with a direction, and breach of a condition.

Maximum penalties for these offences have mostly increased to 10,000 penalty units or \$1.1 million dollars for corporations and 2,000 penalty units or \$220,000 for individuals.

These represent substantial increases. For example, the maximum penalty for failure to comply with a direction under the Petroleum (Onshore) Act 1991 was previously only 100 penalty units, or \$11,000 dollars, hardly an effective deterrent for a corporation.

Under the Mining Act 1992 the maximum penalty for stealing minerals and for obstruction of a person exercising their functions under the Act was 1,000 penalty units or \$110,000. This will now also be increased to \$1.1m for a corporation.

These maximum penalties are consistent with penalties for similar offences under the Protection of Environment Operations Act 1997 and the Water Management Act 2000. The amendments recognise the serious nature of these offences. A breach of a condition or a direction could have the potential to significantly impact the environment. The amendments show how serious the Government is about preventing harm and dealing with those who do the wrong thing.

The bill also introduces a number of amendments to support the increased penalty regime.

These include providing the Land and Environment Court with jurisdiction to deal with offences under the Petroleum (Onshore) Act 1991, and increasing the penalty limit for offences that can be dealt with by the local court.

In summary, this bill introduces important reforms designed to meet the needs of a growing, financially viable industry.

Removal of the royalty holiday provisions will ensure this State, and by consequence, the people of New South Wales, can financially benefit from our resource rich land.

The increased penalty rates will serve as a reminder to industry about the importance of best practice, especially in relation to environmental management, when conducting exploration and mining activities.

I commend the bill to the House.

The Hon. STEVE WHAN [9.42 a.m.]: The Petroleum (Onshore) Amendment (Royalties and Penalties) Bill 2012 implements, in part, a previously announced policy of the Government, but it also includes a number of provisions that the Government had not previously announced and that deserve comment. Consequently, I will deal with the bill in two parts. The first part of this bill will implement the Government's announced policy to end the royalty holiday for coal seam gas. That has been discussed publicly, and the Opposition supports that objective.

The second part of the bill contains provisions that have not been announced by the Government; indeed, there has been no consultation about them. Although the Opposition will not oppose that part of the bill, it should not go forward without at least some consultation with industry. It contains some quite significant

increases to penalties under the Mining Act 1992 and the Petroleum (Onshore) Act 1991. The penalty increases in some cases are tenfold and they relate to a number of items, primarily to do with appropriate uses of licences—for example, prospecting except in accordance with an authorisation and mining except in accordance with an authorisation. That is fine, but some penalties for corporations will increase significantly, from \$110,000 to \$1.1 million. Whilst most of us would probably agree that a major mining corporation found guilty of mining in contravention of one of its authorisations should be hit with a significant fine, I believe it would have been appropriate for the Government to consult elements of the industry about such increases.

The Opposition is concerned about one of the additional provisions that targets employees—that is, the provision relating to the fraudulent removal and concealment of minerals by employees. The proposal is to raise the maximum fine for an individual found to commit such an offence from \$110,000 to \$220,000. That is a significant increase. In the time that has been available to me since the Government gave us copies of the bill, I have not been able to get considered comment from unions about this. We will not oppose the provision, but I place on record my view that such a significant increase to a fine of that nature applying to an individual should not have been introduced without some discussion with the industry. That has not happened. It is pretty poor that Minister Hartcher in the other place has introduced this part of the bill without consultation.

When I contacted the Minerals Council of New South Wales to ask whether it had been consulted about the penalty increases for the industry, it indicated that the first it had heard of the proposal was when I phoned to notify it of the legislation. Before the last election, the Coalition had a lot to say about commitments to consultation and openness, and this constitutes a fundamental breach of those commitments. Minister Hartcher is obviously far too engaged working with his factional colleague, Minister Gallacher, doing over the left of the Liberal Party to be concentrating on his portfolio. We have seen that he is far more interested in the action in the Supreme Court to slow down State councils of the Liberal Party than he is about consulting with the industry.

The Hon. John Ajaka: Point of order: My point of order is on relevance. There is no way that the member's last comment has anything to do with any part of the bill or the long title of the bill.

The Hon. STEVE WHAN: To the point of order: The point about this bill is that there has been a complete lack of consultation, and I think it is entirely reasonable to talk about what might have been occupying the Minister's attention other than appropriate consultation.

DEPUTY-PRESIDENT (The Hon. Paul Green): Order! It is not appropriate for members to speak in terms of hypotheticals. The member with the call should stay within the leave of the bill.

The Hon. STEVE WHAN: The fact is that there has been no consultation with the Minerals Council about these increases in fines. While it may be appropriate to make significant increases to penalties—indeed, I suspect that most of us would probably agree that the fines were in need of review—it is not appropriate that the Minister for Resources and Energy should seek to ram this legislation through the other place without the Opposition being given a formal briefing on it. We were provided with the bill and it was put through the other place without any briefing being offered to the Opposition and without any opportunity for anyone to undertake appropriate consultation. When such action is taken by governments towards the end of sittings for the year it usually relates to a matter that is particularly urgent. But that is not the case with this bill. There clearly should have been more consultation and the Government should have allowed an opportunity for the Opposition to consult with industry. I would have expected the Government to have done at least that.

The Minister, who leads one of the Liberal Party's major factions, failed to consult with the Minerals Council of New South Wales. The council indicated to me that it was unhappy that it had not been consulted and that it would have to tell its members that that was the case. Unfortunately, the Minister for Resources and Energy seems to be far too occupied with things other than his portfolio responsibilities, and that is something that—

The Hon. John Ajaka: Point of order—

The Hon. STEVE WHAN: Come off it! That is ridiculous.

The Hon. John Ajaka: There are two bases to my point of order. First, the member's comments are not relevant to the bill. Secondly, the member is making imputations against a Minister in the other House. The member well knows that he cannot make such imputations other than by way of substantive motion. The member is not permitted to keep dropping in what he thinks are little gems of imputation against the Minister.

The Hon. Lynda Voltz: To the point of order: The Hon. John Ajaka is a serial offender in taking spurious points of order. It is completely appropriate for a member of this House to ask whether the Minister has consulted the industry about significant increases in royalties. Yesterday the Hon. John Ajaka took lengthy and frivolous points of order that interrupted the contribution of the Hon. Steve Whan. The member is well within the leave of the bill in asking such questions.

DEPUTY-PRESIDENT (The Hon. Paul Green): Order! There is no point of order. The Hon. Steve Whan may proceed.

The Hon. STEVE WHAN: It is entirely relevant to speak about a Minister whose only real portfolio is Resources and Energy. He does not have any other responsibilities as Special Minister of State, as we found out in budget estimates hearings. Ask him a question on the Central Coast and he never has an answer. When he is asked in estimates hearings any questions about the Central Coast he refers them to portfolio Ministers. So it really is not too much to expect, when the Minister has introduced legislation that includes tenfold increases in penalties, that the Minister would have consulted with the industry. That he clearly has not, demonstrates that his mind is not switched on regarding this portfolio. He seems far more interested in factional machinations, such as the fight to stop Robyn Parker from establishing a left of the Liberal Party in the Hunter, which I understand is the Minister's real problem at the moment.

The Hon. Dr Peter Phelps: Point of order: In no way could any discussion about alleged internal activities in the Liberal Party be within the leave of the bill. It is not within a bull's roar of being relevant to the bill. I ask that the member be drawn back to the bill.

The Hon. Lynda Voltz: To the point of order: Given the nature of some comments from the Government side regarding Opposition members, a question about how the Minister is spending his time rather than consulting the industry is well within the purview of the bill. If members on the other side do not like the comments being made by the Hon. Steve Whan, maybe they should think about some of the comments they make in this Chamber.

DEPUTY-PRESIDENT (The Hon. Paul Green): Order! I have ruled that the member should remain within the leave of the bill and not discuss hypotheticals. I uphold the point of order and ask the member to respect that ruling of the Chair. The leave of the bill enables the member to speak about matters within a Minister's relevant portfolio. The Hon. Steve Whan may proceed.

The Hon. STEVE WHAN: I understand the sensitivity of Government members on this matter and their ridiculous jumping up and down. The Whip is a prime offender; he uses every occasion available to him to berate members of other political parties. He might think about his own actions. I do not want to be seen to be defending The Greens, but the Whip constantly lectures them.

The Hon. Dr Peter Phelps: Are you defending them?

The Hon. STEVE WHAN: The member has not noticed me doing that, has he? Whether it is a mothers day motion, a grandparents day motion, you name it, the Whip rises to criticise members of The Greens. I certainly will not engage in hypotheticals, because it is a fact that the Minister has been obsessed with court cases about stopping Liberal Party council meetings, and it is a fact that the right faction that he leads—of which the Leader of this House is a member—has been engaged in a fight in the Hunter.

The Hon. Dr Peter Phelps: Point of order: Once again my point of order is relevance. It would appear that the member is cavilling with rulings of the Chair, if not totally disregarding them. I ask that the member be called to order and directed to return to the leave of the bill, and not discuss any wild theories he has about the internal machinations of the Liberal Party.

DEPUTY-PRESIDENT (The Hon. Paul Green): Order! I remind members that it is disorderly at all times to interject, as it is for the member with the call to respond to interjections. The Hon. Steve Whan should adhere to my earlier ruling, and I would appreciate his respect for the Chair in doing so.

The Hon. STEVE WHAN: I do understand the sensitivity of those opposite. The Parliamentary Secretary needs to take seriously the fact that he and his Minister have failed to engage in the consultation process that should have taken place on this bill. I do not think most people would have a problem with an increase in penalty from \$22,000 to \$550,000 for corporations where prospecting is undertaken otherwise than

in accordance with an authorisation, or an increase in the penalty from \$110,000 to \$1.1 million for mining except in accordance with an authorisation. But they might question whether the maximum penalty of \$220,000 for an individual who steals minerals is appropriate.

It may be, but the Opposition has not had time to consult with those who represent such people and get an opinion because of the Government's rush to introduce this proposed legislation, particularly when this part of the bill is not urgent and does not need to be thrust through this place in a day. The penalty for fraudulent removal and concealment of minerals is increased from \$110,000 to \$1.1 million for partners of a corporation and from \$110,000 to \$220,000 for individuals. A \$220,000 maximum fine is very significant for an individual. Here we are mainly talking about employees in the metals industry—mining for gold, copper and silver, for example.

The Hon. Jeremy Buckingham: And opals.

The Hon. STEVE WHAN: And potentially opals as well. It is certainly a significant penalty increase, and it would have been entirely reasonable for industry and the union representatives to have been consulted on it. I have sent this legislation to the Australian Workers Union, which covers a number of these areas. It has not come back to me with any issues about it at the moment, but it has not had a lot of time to consider the matter.

The Hon. Dr Peter Phelps: What about the Construction, Forestry, Mining and Energy Union? Have you talked to them?

The Hon. STEVE WHAN: The Government Whip is interjecting about which union covers which area. The Construction, Forestry, Mining and Energy Union, which I have also consulted, mainly covers the coalmining workforce in New South Wales. Generally, employees are not prosecuted for leaving a coalmine with a lump of coal in their pockets.

The Hon. Dr Peter Phelps: They might.

The Hon. STEVE WHAN: Given the price of electricity, they might. But these measures mainly apply to the metals mining industry, and more serious consultation about them should have been undertaken. The amendments to the Mining Act included in the Petroleum (Onshore) Amendment (Royalties and Penalties) Bill 2012 might have been better dealt with in separate legislation and been the subject of longer consultation. Nevertheless, the Opposition will support that aspect of the bill, but puts on record its concern about that lack of consultation.

I turn to the headline part of the bill which was announced by the Government previously and with which the Opposition does not have a problem—the removal of the royalty holiday for coal seam gas. That measure has been flagged. Yes, this royalty holiday was put in place by a Labor Government—lest The Greens and Government members say that this was put in place by the previous Government—but it was put in place at a time when the community opinion generally was that the industry needed to be encouraged to develop in New South Wales, and at a time when we needed to secure as quickly as we could what is recognised by most as a source of energy regarded as a step-down fuel as we go to a lower carbon environment. It should still be regarded as such a fuel, once extraction issues are resolved and once it is proved that it is safe to extract in New South Wales, and particularly safe for our aquifers. Those are reasonable precautions.

I know that a lot of people will be happy with the removal of this royalty holiday, because once the industry gets going they will see it contributing to local communities. But it will have the added positive benefit for the industry of actually showing communities that there is a benefit to them from coal seam gas mining in that they can have a direct income stream from the industry. Of course, in the short term that will be a very small amount of money. As the Minister in the other place said in his second reading speech, at the moment coal seam gas production is valued at \$34.5 million per annum. So obviously the amount of money returned from the royalty in the short term will be very small. The Minister predicted that the royalty would be significantly more in the longer term. This legislation certainly shows the commitment of the Minister for Resources and Energy to the rapid expansion of this industry in New South Wales.

The Labor Party has said there needs to be a pause on coal seam gas. If that pause was put in place, obviously there would not be an increase in royalties in the short term. Our view is that as the federally funded process of the assessment of aquifers occurs and if those studies show it is safe to extract gas from those areas, area by area the industry should be allowed to proceed. But that will obviously take some considerable time. The Labor Party's position is that until that can occur a pause should be put on the industry.

It should be recognised that in the longer term New South Wales needs gas, and it is not good enough for us to say that we will just have the gas from South Australia and from the Gippsland area as a long-term supply for New South Wales. If we rely on that, we are likely to see shortages of gas and significant price increases for our gas in New South Wales. That will hurt consumers, particularly in areas where people rely on gas for heating, as is often the case in the area where I live in the south-east and in many other cooler parts of the State. Natural gas central heating is the most cost-effective heating one can have, as well as reverse-cycle electric heating—although in an area where the temperature gets down to minus 7, as happened in Queanbeyan this year, I believe gas central heating is still the most cost-effective form of heating in many houses.

The Hon. Duncan Gay: We would love it in Crookwell. It is even colder in Crookwell.

The Hon. STEVE WHAN: You would like reticulated natural gas in Crookwell. Most towns where reticulated natural gas has been rolled out are very grateful. As the former member for Monaro, I know when the Eastern Gas pipeline went through Cooma it was incredibly welcome.

The Hon. Dr Peter Phelps: Except by The Greens. The Greens would have hated it because it disrupted the green frog or something.

The Hon. STEVE WHAN: Apparently The Greens are all for natural gas. Of course, when the gas comes out of your cook top you cannot tell the difference because both gases are methane. It is really just the method of extraction we are talking about. Gas is going to be very important for New South Wales in the long term and if we rely on our existing sources of gas we will see significant price increases and probably shortages. So we need to have in place a mechanism that in the long term will result in an effective industry. That is, once we have properly considered and protected our aquifers and once Labor's advocated pause has allowed work to be done, funded by the Commonwealth, to ensure that the gas is safe to extract.

I was interested to read recently some publicity from manufacturers about a study undertaken by the National Institute of Economic and Industry Research, which spoke about the unintended consequences of the large-scale export of east coast Australian natural gas. I thought that some of that publicity was a little bit misdirected, but it essentially highlighted the same issue: the challenges we have with gas. Currently, massive port facilities are being built in Gladstone—three pipelines to supply gas. That means that all of our east coast gas, particularly the gas coming from South Australia, will eventually be able to hook into that export facility from Gladstone and the market will then be in line with the international price for gas.

Currently that is a significantly higher price than we pay in New South Wales. That means we will face a challenge in the long term with that internationally competitive market. If we do not have local supplies of gas, the gas supplies in New South Wales will be constrained and will be much more expensive. That is the point I was trying to make earlier. An interesting debate ensued with the manufacturers who backed this. They said that we should reserve gas for local consumption, as occurs in Western Australia. I have also said we should look at doing that in New South Wales. Of course, the natural gas industry says that we should not, that it should be left up to the market.

The Hon. Dr Peter Phelps: AGL has said that it wants it purely in the domestic market.

The Hon. STEVE WHAN: The Australian Pipeline Industry Association, the gas industry representatives, said that they felt it should be left as an open market. I have not heard what AGL said on the same subject. But, in the long term, there is certainly a case to look at how to protect the domestic market supply of gas in New South Wales at reasonable cost and, of course, reasonable return to the industry. That is not easy because those who invest in the industry want to get the maximum return for their investment. So a lot of issues are coming up in this debate. Labor still holds the strong view that we should pause this industry until we can resolve, in particular, those questions about aquifer impact. The Government has introduced its aquifer interference policy, which is a policy and not a regulation as the Government earlier promised. That is a backdown on the Government's previous position. It is a matter of some concern because a regulation could have been reasonably considered by this place, given the position that Labor has taken.

There are some positives in relation to gateway processes but currently it is important that we wait for that federally funded process of the assessment of aquifers to go through and the bioregion assessments to take place before we proceed with further development in this industry. The Labor Party has taken a strong position on that issue. I note that the Government's recently announced policy has continued the committee set up by Labor to develop this work. That committee developed gateway processes that this Government likes to claim

are new but which were introduced by Labor—gateway processes in many parts of major developments around New South Wales—as well as landscape assessments, which were undertaken by Labor in a number of areas of high growth. Several of the principles enshrined in this legislation were developed by Labor, many of them under Frank Sartor. I was the Parliamentary Secretary for Planning at the time, as well as the Parliamentary Secretary for Agriculture, and I saw the establishment of many of those principles. Labor had many excellent planning Ministers.

The Hon. Dr Peter Phelps: And Frank was the best.

The Hon. STEVE WHAN: Interestingly, Frank Sartor introduced fundamental planning reforms in New South Wales which, even though the Government might change the names, will probably stay in place. The cornerstone of the Government's planning currently is joint planning panels, which were put in place by Labor planning Ministers.

The Hon. Dr Peter Phelps: You were one of his numbers for the leadership, were you?

The Hon. STEVE WHAN: We get some silly interjections from those opposite, who clearly have no idea what goes on in Labor Party rooms. It is always interesting to note that the Government Whip likes to interject and comment on internal Labor activities, but as soon as someone talks about internal Liberal Party matters he is up straightaway defending his faction. Actually, I do not know what faction the Whip is in now. I suspect no-one would have him. He is in his own faction, and one can understand why that would be the case.

I could talk a great deal more about coal seam gas but, with those general comments, I indicate the Opposition will support the legislation, particularly that part of the legislation previously announced by the Government. We will reluctantly support the elements of the legislation concerning the increase of penalties on individuals. We do not have an issue with the penalty increases for corporations, but there should have been consultation on that. It is a clear failure of Minister Hartcher that he did not consult with the NSW Minerals Council on the penalty increases and he did not consult with the Construction, Forestry, Mining and Energy Union or the Australian Workers Union, but that is true to form for him.

Any reasonable government consults with all parts of an industry. "All parts of an industry" to any reasonable person who is not hidebound by ideological rubbish, like those members in the Right of the Liberal Party, means consulting with the relevant companies, industry representatives and employee representatives on any major changes to an industry. The Minister has failed at that fundamental part of his job. He should have undertaken that consultation. His not doing so is a black mark against him. It shows that he is a Minister who does not consult with industry. I have to say that the Minister is moving reluctantly to implement some aspects of the Government's policy on coal seam gas because at industry forums he makes speeches which are diametrically opposed to the positions that The Nationals members put to their constituents in New South Wales.

The Hon. Dr Peter Phelps: What's your position, Steve?

The Hon. STEVE WHAN: The Opposition Whip asks what my position is. Has he been listening at all?

The Hon. Lynda Voltz: No, he hasn't. He has just been yelling out.

The Hon. STEVE WHAN: Yes, he just yells out. I refer the Opposition Whip to my previous speech in this place within which I outlined in some detail Labor's policy on coal seam gas and where we saw it going. The Minister has failed on consultation, as he so often has. He is completely obsessed with the internal machinations of the Liberal Party and it is a disgrace that he is not focused on what little task the Premier has given him. He has got nothing to do as the Special Minister, he does nothing on the Central Coast and he is failing at his job on resources.

The Hon. JEREMY BUCKINGHAM [10.10 a.m.]: With the passage of the Petroleum (Onshore) Amendment (Royalties and Penalties) Bill 2012, as of 1 January 2013 the perverse royalty-free holiday period for coal seam gas mining in New South Wales will be lifted and gas companies in New South Wales will be forced to pay for the privilege of making profits off the exploitation of property that belongs to the community as a whole. The Greens support this bill and support the idea of fair payment for extraction of finite resources as a general principle. But do not take the support for this bill as support for this industry by either The Greens or the wider community.

The Government and the Minister have been dragged kicking and screaming to this point. The Government has failed in its Strategic Regional Land Use Policy to live up to its election promise to rule out coal and coal seam gas production on our best agricultural land and in our sensitive environmental areas. The community backlash has been immense with tens of thousands of community members, including farmers, tree changers, environmentalists and city folk, coming together to protest the Government's breach of faith. Without this backlash I doubt we would have seen this bill. Instead the red carpet would have been rolled out with an ongoing five-year free offer on the table to some of the biggest gas companies in the world to make profit from the destruction of our landscape, environment, agricultural land and the communities of New South Wales. The coal seam gas inquiry report made a clear recommendation in this area back in May this year. Recommendation 27 stated:

That should the coal seam gas industry proceed in New South Wales, the NSW Government should require coal seam gas companies to pay the full royalty rate from the first date of production under a petroleum title, and that coal seam gas companies be advised of this at the time of their exploration licence application or renewal.

I emphasise "should" in the recommendation because the committee was clear that significant uncertainty still remained around issues of water management, aquifer contamination, solid waste management and the testing of fracking chemicals. These all remain unresolved. In particular, the outcome of the independent review into fracking remains shrouded in mystery. My office has been trying for months now to get any information about how the review was conducted and what the findings were. Questions in this place, in budget estimates, through letters and now through a request made under the Government Information (Public Access) Act have failed to turn up the most basic information about this much-touted independent review. The terms of reference have not been provided, no-one is sure who is ultimately responsible for the review and the role of the New South Wales Chief Scientist and Engineer is unclear. The nature of the report—if there even is one—is unknown and according to the Government any conclusions or recommendations are embodied in new fracking standards, but there appears to be no willingness to make public the conclusions or recommendations.

This level of secrecy does not bode well for this industry or the Government. This House should not forget who introduced this failed policy in the first place. In 1991 the Liberal Greiner Government put it in place and it was backed to the hilt by Labor for the past 16 years. What did it deliver? After 17 years of operation the Government took its first royalties in 2007-08, but how much did the New South Wales community receive from successive governments allowing drilling across south-western Sydney, poisoning trees in the Pilliga, and issuing and renewing exploration licences across a quarter of the State? The State received a grand total of \$297,048 in 2007-08. In 2009-10 it received just \$462,093. I suspect that barely paid the wages of the director general of the department. All of this has come from the only operational coal seam gas field in New South Wales, AGL's Camden Gas Project. I visited that site and toured with the company last year. I was told by one of the operators that most of the gas wells there had peaked in production by year three and production then dropped quickly. It is little wonder that the five-year holiday has promoted rampant speculation across New South Wales with at its peak around 30 per cent of the State being covered in exploration licences. These companies knew that they could scrape the cream off the top of these gas resources and leave the dregs to the impacted community.

This failed policy has got its due and has received a community backlash like no other. But instead of addressing this failure and withdrawing or cancelling many of these licences, as section 22 of the Act clearly allows and which the legal advice received by both the community and the Government that I have seen confirms, this Government has renewed almost all of them. At Bellata, on the Liverpool Plains, in Gloucester and the Hunter Valley and at Sydney and in its catchment the Government has opened the door to coal seam gas production. Under this new royalty regime will the people of New South Wales, who own this resource, see some of the monies owed to them returned? Maybe some of this money will trickle back into government coffers but do not think for a minute that this is adequate compensation for the damage that will be inflicted on communities, agricultural land and local businesses from coal seam gas development. Do not think for a minute this money will compare to the handouts being given back to the industry in the form of taxpayer-funded infrastructure to facilitate this industry.

In the Government's strategic plan entitled, "NSW 2021: A plan to make NSW number one", the Government plans to give away \$160 million of taxpayers' money in the form of "road repairs for affected mining communities". What this Government gives back with one hand will be taken with the other. Any royalties that New South Wales residents might receive under a gas field future are likely to be pumped back into the industry in the form of government-subsidised infrastructure and ongoing environmental remediation. Queensland has had royalties from day one. When we see the terrible price being paid by the residents of Tara we know that this greedy industry will force its way ahead regardless. Royalties will not protect communities

from social division, crime and escalating rent and house prices, as witnessed in towns such as Chinchilla and Moranbah in Queensland where rape has increased by 800 per cent and locals cannot get medical treatment. Royalties are no panacea to an industry that forces its way onto farmers' land and leaves divided communities in its wake. Nor will bribery of the community through supposed royalties for regions satisfy those communities who have locked the gate to coal seam gas mining.

Those communities recognise that their farmland and water are the most important things to their continued health and prosperity. They will not trade off dairying, cotton, grains or tourism industries for cheap trinkets and hollow promises from the Government. This is rank duplicity and deceit. If we look to Queensland as an example, royalties for regions are simply schemes for building roads and infrastructure to support the mining industry. Often these royalties are used to compensate mining-affected communities that have suffered under invasive mining practices such as coal seam gas. They are not, as this Government pretends, intended for hospitals and schools. The community knows that the clean-up costs for this industry will likely exceed any supposed royalties to be gained from it.

Despite this end to the royalty-free holiday, the Government fails to provide detailed estimates or modelling for what royalties it would expect to receive from the industry in New South Wales. The Government failed to present any forecast of royalties during the parliamentary inquiry in May. One of the recommendations of the inquiry was for the Government to publish forward estimates of the royalties expected to be paid by the coal seam gas industry. Ministers Hazzard, Stoner and Hartcher have continuously mentioned royalties being used to fund hospitals and schools but fail to disclose what these royalties would amount to. If the Government is to make extravagant claims of using royalties to fund essential services it must provide estimates of what it expects these royalties to be. With the Government butchering \$1.7 billion from the education budget, these royalties will need to be spectacular to refund what has already been taken from public services in New South Wales. It is clear that the economics of the coal seam gas industry are falling apart. As the Hon. Steve Whan mentioned, the National Institute of Economic and Industry Research report for the Australian Industry Group clearly shows that the economics of the industry are falling apart. In relation to the development of gas that report states:

... the expected economic response to the East Coast LNG expansion will involve a combination of the adjustments above. As a result, modelling indicates that, by 2040 the gross production benefit for East Coast LNG expansion will be \$15 billion annually, in 2009 prices. However, taking into account the negative effects of adjustment on other sectors, annual GDP will be \$22 billion lower than it would be with secure and affordable gas. An alternative "benefit indicator" used for this study, which combines private consumption, tax receipts and net national product, will be reduced by \$46 billion.

It is clear that a gas reservation policy is needed for this State and this nation or else we will see a massive decline in our gross domestic product. I turn now to the bill and the penalties regime that will be amended. This bill includes steps to increase the penalties payable for breaches under the Act. This measure is welcomed and brings the penalties into line with those under the Protection of the Environment Operations Act. But they must be premised on a necessity for strong, independent and rigorous enforcement. Such penalties therefore hinge on the appointment of a land and water commissioner who has real teeth and powers of direction. Importantly, the 40 compliance staff promised as part of the Government's Strategic Regional Land Use Policy must be sufficiently resourced and qualified to keep this industry in check. Fundamentally, the culture of enforcement must be one in which industry is held accountable for its breaches and in which environmental and health breaches must be appropriately assessed and prosecuted.

The experience of communities so far under this Government is that action on complaints has been non-existent, tortuously slow and largely ineffective. Investigations and enforcements should not fall upon the community. Site inspections, random audits and proactive compliance actions must operate to enforce such penalties. Penalties are not worth the paper they are written on unless they are enforced. It is hard to believe that while the Government has proposed increased penalties it has ignored a litany of breaches and renewed 22 licences throughout the State. The fact that Santos' licences in the north-west were renewed before a final report into alleged licence breaches is finalised shows how this Government has treated compliance in the past. Stronger penalties mean little if actions are not quickly brought in relation to breaches.

Moolarben Coal is a case in point. Moolarben Coal operates near Mudgee and covers nearly 11,000 hectares. It was found in April 2012 to have significantly breached its conditions on four occasions—the worst result for any coal or coal seam gas mine in New South Wales. The Government is currently considering five mining lease applications by the company, approvals for which the company's environmental record must be taken into account. If the Government gives the go-ahead to this foreign-owned multinational, it will be ignoring the company's dismal track record and giving tacit approval to the company's disregard for the law. An

approval by this Government would show that while it postures to increase regulation of this polluting industry, it in fact facilitates it by allowing business as usual. Companies like these will operate with impertinence, treating fines as mere operating costs that they can balance against the windfall profits they receive from the Australian people's resource.

While I welcome the increased penalties for corporations under the proposed amendment, I am concerned that the increased penalties in section 378A of the Mining Act in relation to obstruction and section 136 (1) of the Petroleum Onshore Act may in the future be used against farmers, landholders or individuals seeking to protest against mining activities. Although those sections are not currently used in that way, it is possible that they could be. It is clear that the untouched sections 136 (3) and 378B are the most relevant to landholder and protest activities and retain a substantially lower penalty. I would appreciate assurances by the Minister that those increased penalties are not proposed to be used in that way. The Greens will be watching this space carefully because penalties are nothing without enforcement. So far, this Government has had a culture of facilitating the industry rather than regulating it.

Renewable energy must rate a mention in this debate. While these amendments are a disincentive to cowboy fly-by-night operators in the coal seam gas industry, why should the taxpayers of New South Wales even facilitate another fossil fuel industry when we have clearly viable renewable energy alternatives? Far from driving the renewable energy revolution in New South Wales, the Hartcher-O'Farrell-Hazzard triumvirate is at war with renewables. Under the hatchet of Hazzard, New South Wales has implemented some of the toughest anti-wind farm guidelines in Australia, if not the world. It has created double standards that favour dirty fossil fuel or coal seam gas but makes progress nearly impossible for a viable wind power industry. Under this anti-renewables policy, anyone with a residence within two kilometres of a wind turbine can veto a wind power project. In contrast, coal seam gas miners can drill 24 hours a day, seven days a week and within 200 metres of someone's home or 40 metres of a river. We have witnessed the contempt shown for residents and the environment by Dart Energy, which intended to drill in St Peters, and AGL, which commenced drilling within 40 metres of the Nepean River and 350 metres from houses.

This is a government that ideologically favours fossil fuels at the expense of renewables. This is a government that has subsidised the coal industry to the tune of \$4 billion a year, removed the solar bonus scheme, and called for the abolition of a renewable energy target. This is not a government taking action on climate change, but a government locked into the polluting fossil fuel model of the eighteenth century—the whale oil merchants of our time. Rather than promoting polluting fossil fuels, this Government would do better by facilitating the take-up of renewables, which lower electricity prices and reduce greenhouse gas emissions. One only has to look at the effect that increased wind power output is having on electricity prices in South Australia where, on average, household power bills have reduced by \$160 a year.

In contrast to this Government's renewable energy lethargy, Western Australia now boasts Australia's largest solar farm, with a 10 megawatt plant now generating clean, zero carbon energy for Western Australia's residents. That is the type of projects that New South Wales should be pursuing, rather than caving into the vested interests of the noisy fossil fuel lobby. This Government must ask itself why it wants to facilitate a fossil fuel industry when demand is going towards renewable technologies. Why not take advantage of the renewable energy revolution instead of being a laggard in this industry? If this Government chooses to be recalcitrant and pursue an industry that 74 per cent of people in New South Wales do not want, the community should receive more appropriate financial compensation for the environmental, social, health and economic consequences that a coal seam gas industry will bring.

As has been acknowledged in the past, these resources belong to the community. But what no-one on the Government side is prepared to accept is that if the community, who owns these resources, wants them left in the ground it is up to us as elected representatives in this Parliament to respect that wish and pursue other options for energy security. The Greens want to see a transition away from fossil fuels, coal and coal seam gas. All the science is pointing to coal and gas having an emissions footprint that will only continue to add to this State's contribution to climate exchange. It is irresponsible in the extreme to facilitate the growth of these industries.

Fundamentally, coal seam gas is a dodgy industry. Taking more money from that industry will not fix its shoddy operations, nor will money compensate communities for the toxic legacy that will be left from this transient industry. This concession by the Government is not a win for the communities who do not want this dirty industry polluting their water and wrecking their farmland. Coal seam gas is not only about the supposed financial benefits this industry might bring to New South Wales. The land use conflict in New South Wales has

not been dealt with by the Strategic Regional Land Use Policy and this increase in royalties will not dampen community concern about coal seam gas. The Government would do well to start planning now for a phase-out of coalmining. It is not too late to listen to the community, stop the rollout of coal seam gas and, instead, implement a transition to a renewable energy, jobs-rich future.

Importantly, royalties should not be used by this Government as a form of bribery against its citizens. Just because royalties are now accrued from day one of production does not mean that the community accepts this industry. The Government cannot ignore the damage that has been done by this industry from day one or ignore the democratic voice of the people and allow industry to ride roughshod over communities. The last 18 months has shown us all that the coal seam gas industry has failed to gain a social licence and that the coal industry is having its social licence slowly but surely stripped away. The Government thinks that it can buy these industries out of trouble and bribe the New South Wales community, but coal seam gas does not have a social licence, period.

If the community chooses to leave their assets in the ground the Government should respect their choice. It is clear this Government is hell-bent on digging them up for a quick buck. Even now, this quick buck will not outweigh intergenerational costs that this industry will impose. We will be left with an industrialised and poisoned landscape, diminished community amenity, ruined human health and impacts far from ameliorated by the pathetic offerings and cheap trinkets of this industry and this Government.

The Hon. SCOT MacDONALD [10.27 a.m.]: I support the Petroleum (Onshore) Amendment (Royalties and Penalties) Bill 2012. I commend the Minister for making this very important progress where previously a vacuum of policy and regulation existed under the former Government. General Purpose Standing Committee No. 5 recommended removal of the royalty holiday. There probably was a case for a royalty holiday when the industry was emerging, but this legislation will bring New South Wales into line with all the other States. The industry is on board with the change. Minerals and petroleum belong to the people of New South Wales and it is important that they receive their fair benefit from them. The royalties as regulated will become an important benefit for local communities. I think there will be buy-in as people see the benefits flow.

I reject the scaremongering engaged in by the speaker who preceded me in this debate, the Hon. Jeremy Buckingham. This industry has behaved responsibly, safely and effectively across Australia for decades. It has operated safely in Camden for approximately 15 years and it is an important part of the provision of residential energy and electricity. As the Hon. Jeremy Buckingham noted, it is a very important part of our gas-dependent industries. It is very important for the industry to develop quickly. As two previous speakers in this debate noted, a report has been produced by the Australian Industry Group [AIG].

The Hon. Jeremy Buckingham does not understand that the report—which I read twice because I thought it was important—does not reject the industry. It does not say that the liquefied natural gas industry should not be developed or that liquefied natural gas should not be exported; it states that the industry should be developed carefully, mindful of our domestic needs. We have important gas-dependent industries and their development is essential for electricity generation as our renewable energy resources reach their limit. The gas industry, which does so well, is the only industry that can provide peak load. As we develop our renewable energy resources we need that backup gas.

I refer to the fines outlined in the bill on which General Purpose Standing Committee No. 5 consulted for months. The community must have confidence that the fines are appropriate for any breaches, with fines reaching \$1.1 million for contravention of environmental conditions in accordance with an authorisation, which will give some comfort to those communities that have reservations. It is understandable that as a new industry moves into an area there will be some concern but once it has established itself, as has occurred in South Australia and in Camden, it will provide important local benefits.

As I have been asked to be economical with my time I conclude by saying that it is easy to engage in scaremongering, which is all that we have heard from The Greens. It is part of their mantra and it taps into uncertainties in the community. The Hon. Jeremy Buckingham said that this industry would damage roads and that there would be no contribution to infrastructure. I remind him that Santos recently contributed \$100,000 to Gunnedah rural health, so it is community building and contributing to regional development. This bill makes an important contribution to regional development and to our economy. I commend it to the House.

The Hon. PAUL GREEN [10.31 a.m.]: On behalf of the Christian Democratic Party I speak in debate on the Petroleum (Onshore) Amendment (Royalties and Penalties) Bill 2012 which will amend the Act and

regulations to remove the royalty holiday provisions and strengthen the enforcement and compliance framework by increasing penalties for wrongdoing under the Petroleum (Onshore) Act 1991 and the Mining Act 1992. The key proposal relates to requiring payment of the full amount of royalty at the commencement of petroleum production, which will take effect on 1 January 2013.

The bill also significantly increases the maximum penalty, to which I will not refer as other members have already dealt with that. The royalty holiday has been exactly that—a holiday. I hope that the company has done the right thing and made good use of that holiday. It is now time to channel those royalties into regional community funds that are starving for investment. These funds will provide much-needed infrastructure in regional New South Wales and also will contribute immensely to human services in local communities. The Christian Democratic Party is happy to support the bill and looks forward to the implementation of these programs. I commend the bill to the House.

The Hon. JOHN AJAKA (Parliamentary Secretary) [10.33 a.m.], in reply: I thank all those members who contributed to debate on the Petroleum (Onshore) Amendment (Royalties and Penalties) Bill 2012, which will amend the Petroleum (Onshore) Act 1991 and the Petroleum (Onshore) Regulation 2007 which relates to the payment of royalties for petroleum production. The bill will also amend the Petroleum (Onshore) Act 1991 and the Mining Act 1992 to increase penalties for certain serious offences. The purpose of the bill is twofold. Firstly, the bill seeks to establish a new royalty regime. Royalty payments will now be payable at the commencement of petroleum production. This amendment will support the establishment of regional community funds, to channel royalties from coal seam gas production into projects to benefit local communities.

Secondly, the bill will strengthen the enforcement and compliance framework for exploration and mining. The amendments will significantly increase penalties for key offences. This will bring the Act more into line with other penalty regimes outlined in the Water Management Act 2000 and the Protection of the Environment Act 1997. Projected increases in petroleum exploration expenditure in New South Wales, combined with the potential for new and significant gas reserves in New South Wales can mean only one thing. The New South Wales Government and the community will immediately benefit from the introduction of royalty payments. The channelling of royalty payments into regional community funds will ensure local communities receive a share of their region's assets.

The increases in penalties recognise the serious nature of certain offences. The New South Wales Government is committed to maintaining the highest standards of regulation in the industry. The New South Wales Government also is committed to preventing harm to the environment and dealing with wrongdoers in an appropriate fashion. The amendments send a message to the industry about the importance of best practice, especially in relation to environmental management, when conducting exploration and mining activities.

I refer to two matters raised by the Hon. Jeremy Buckingham and the Hon. Steve Whan. Proposed section 136 and proposed section 378A establish the offence of obstructing an authorised officer. These provisions are designed to ensure that inspectors appointed under the legislation can get access to property. For example, they are critical if an environmental breach is being investigated. The New South Wales Government will not give a commitment—and it would be improper to do so—to curtail the availability of this offence. The Hon. Steve Whan raised a matter relating to consultation which is interesting because recommendation 33 of the report of General Purpose Standing Committee No. 5 inquiry into coal seam gas stated, *inter alia*:

That the NSW Government establish a Compliance Unit within the Environmental Protection Authority. The Unit should:

undertake regular monitoring of coal seam gas operations—

and this is the major point—

address community complaints, investigate incidents and take enforcement action where required ...

The Hon. Steve Whan was not correct when he said that the penalties for these serious offences were increased without any consultation. A large amount of compensation was paid, many submissions were received and there were hearings and site visits relating to these matters. It was clear from community input that the community wanted appropriate compliance and enforcement measures, which is what these penalties represent. The Greens said that they were happy with the penalties but they felt that more could be done. However, Labor members said that they were not happy with the penalties as they were too high for certain individuals and that the Government should have engaged in consultation. I believe that the Minister has got the formula right. I congratulate the Minister on introducing this bill, which I commend 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.

Leave granted to proceed to the third reading of the bill forthwith.

Third Reading

Motion by the Hon. John Ajaka, on behalf the Hon. Duncan Gay, agreed to:

That this bill be now read a third time.

Bill read a third time and returned to the Legislative Assembly without amendment.

ROAD TRANSPORT (GENERAL) AMENDMENT (PRIVATE CAR PARKS) BILL 2012

Bill introduced, and read a first time and ordered to be printed on motion by the Hon. Duncan Gay.

Second Reading

The Hon. DUNCAN GAY (Minister for Roads and Ports) [10.39 a.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce the Road Transport (General) Amendment (Private Car Parks) Bill 2012. The bill seeks to prevent Roads and Maritime Services from being required by any preliminary discovery process to disclose personal information where discovery is for the purpose of the recovery of private car park fees. The bill is the result of extensive consultation between Transport for NSW, the Department of Attorney General and Justice, Roads and Maritime Services and NSW Fair Trading. I thank these departments for their invaluable assistance. It is common practice for shopping centres to use commercial car park operators to manage their car parking facilities.

In cases where a boom gate operates and a ticket is issued upon entry, the free parking arrangements, along with any fee for additional time parked, generally work well, as users are informed of the conditions of use of the car park. However, some car park operators choose not to use boom gates but instead may operate a pay-and-display arrangement. In these cases, drivers are required to obtain a ticket from a machine and display the ticket on the dashboard of their vehicle—even if parking is free for an initial period of time, for example, two hours. If the driver does not comply with this requirement, or parks longer than the allowed free parking period, the driver may be issued a demand for payment of a fee for breaching the terms of use of the car park.

The demand for payment will usually be left under the vehicle's windscreen wiper and appears in a physical form that is similar to official penalty notices that are issued by certain government agencies. The fees that are levied can be large and not proportional to the costs of parking. For example, in some cases the initial levy stated will be set at \$88 but will be reduced to \$66 if early payment is received by the car park operator. Where customers do not pay the amount specified in the demand for payment, car park operators are relying on what is known as preliminary discovery provisions through the courts to obtain orders directing Roads and Maritime Services to release the names and addresses of registered operators from its registers. This information is then used by the car park operator to send reminder notices requesting payment of the original unpaid amount, and an additional late payment fee.

These practices have raised significant public concerns. Firstly, the obvious privacy concern relates to the release of personal information from the registers maintained by Roads and Maritime Services and, secondly, the potentially misleading conduct by some car park operators in issuing demands for payment that are similar in appearance to official penalty notices issued by authorised government agencies. I will speak firstly about the privacy concerns that have arisen in regard to the release of personal information through the use of the rules of preliminary discovery. The rules of preliminary discovery as set out in part 5 of the Uniform Civil Procedure Rules 2005 allow applicants to seek information to assist in identifying a person against whom they

wish to commence legal proceedings. However, some private car park operators are using the preliminary discovery process not as a preliminary to a potential court prosecution but instead to support a business model of posting mass demands to customers and relying on a proportion of them paying.

The Hon. Dr Peter Phelps: Shame.

The Hon. DUNCAN GAY: It is shameful. Roads and Maritime Services has opposed the release of information from its registers in the circumstances I have just described by appealing to the New South Wales Court of Appeal. However, the Court of Appeal has held that as a matter of interpretation of law, as it currently stands, Roads and Maritime Services is required to release the information. As of mid-September 2012, the court has ordered the release of more than 150,000 names from Roads and Maritime Services registers. In one case a court order was in relation to a single application that contained more than 40,000 names. While some civil prosecution actions have been taken against repeated non-payers, it is rarely used for individual breaches. From the evidence in legal proceedings commenced to date, it appears that this occurs in less than 1 per cent of cases at most. Road transport laws require Roads and Maritime Services to maintain the registers that contain a customer's personal information so that it may carry out key functions, such as issuing driver licences and photo cards, and registering vehicles for use on New South Wales roads.

It is a reasonable expectation that when a customer provides personal information to Roads and Maritime Services in the course of conducting driver licensing, registration, or other business with that agency, the information will remain confidential and only be released in accordance with strict privacy protocols—that is a fair ask. While New South Wales motorists would accept that their personal details may be released to other government agencies, such as the New South Wales State Debt Recovery Office for statutory fine enforcement purposes, they would not accept their details being released to private companies where there are no real safeguards as to how the information will be stored. There is little obligation placed on a car park operator to demonstrate to the court that the vehicle alleged to have been used in the contravention of the contractual arrangements of the car park was actually involved, nor that the registered operator was the person who actually parked the vehicle.

Equally concerning is that there have already been incidents of incorrect vehicle information being supplied in applications to Roads and Maritime Services, which has led to the release of details of persons not involved in the alleged breach. While there is a legal requirement on an applicant that no copy of a document or any information from a document can be used other than for the purpose for which it was obtained, no adequate safeguards are in place to ensure private car park operators are compliant with this requirement. Roads and Maritime Services is bound by strict privacy protocols when allowing access to its data. Such access has not been provided without the concurrence of the Privacy Commissioner to the terms of the access provided and audit processes are in place to ensure compliance is adhered to. Only in limited circumstances will Roads and Maritime Services release customer details to third parties. For example, third party insurance companies are, with the consent of their customers, provided with information from the demerit point register maintained by Roads and Maritime Services, and legislative amendments were made to allow this practice.

The uncontrolled release of information under preliminary discovery could undermine the community's confidence in the ability of government to protect their personal information. It also has the potential to impact on the integrity and accuracy of data held by government agencies because customers may become reluctant to update their records knowing that it may be released to private companies. This Government is determined to take the necessary steps to ensure New South Wales motorists' personal information remains confidential and is only released in accordance with existing laws.

The amendments in the bill to road transport legislation rather than the Civil Procedure Act emphasise that these changes are only intended to protect the confidentiality and use of personal information held by Roads and Maritime Services for statutory purposes and not a broader precedent in relation to preliminary discovery. I will turn now to the details of the bill. It is proposed to amend the Road Transport (General) Act 2005 by inserting a new section 244B that will provide that Roads and Maritime Services cannot be required by preliminary discovery to disclose any personal information from its registers if the preliminary discovery application is for the purpose of the recovery of private car park fees.

Proposed new section 244B will also define private car park fees as meaning any amount payable under the terms and conditions of a contract, arrangement or understanding in relation to the use of a car park such as an amount payable for the use of the car park and including an amount payable for breaching any such terms or conditions. However, the definition will not include an amount alleged to be payable under the terms and

conditions of a contract that is in writing and signed by all relevant parties. While the information being sought by private car parks generally relates to the details of a registered operator from the register of registered vehicles maintained in accordance with the Road Transport (Vehicle Registration) Act 1997, the bill has been drafted to refer to all registers maintained by Roads and Maritime Services.

This means that personal information held in the driver licence and demerit point registers under the Road Transport (Driver Licensing) Act 1998 and the photo card register under the Photo Card Act 2005 must also not be released for the purpose of the recovery of private car park fees under preliminary discovery reasons. Inclusion of these registers means that Roads and Maritime Services cannot be required to release further information, including stored photo images of the customers whose name and address details have already been supplied to car park operators, under preliminary discovery applications. The bill also contains transitional provisions that will provide that the new laws will only have effect in respect of the preliminary discovery orders made on or after the date of commencement. I should point out that the bill does not impose a blanket restriction on the release of a registered operator's personal information to a private car park operator. Private car park operators will still be able to obtain the details of a registered operator in relation to a claim for other reasons such as damage to car park property.

I will now briefly return to the secondary issue which I spoke about earlier concerning the potentially misleading conduct of private car park operators issuing a demand for payment that appears similar in appearance to an official penalty notice issued by authorised officers of government agencies. It is worth noting that a recent Victorian judgement found the use by private car park operators in that State of notices similar in appearance to official penalty notices had the likely effect of misleading or deceiving the public about the operator's authority to issue them. The Government will consider whether any additional steps are required to protect the New South Wales public from private notices that resemble an official penalty notice and we will be watching the Victorian situation. I trust members will lend their unreserved support to the Government's proposals in this area. I commend the bill to the House.

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

INDEPENDENT COMMISSION AGAINST CORRUPTION AMENDMENT (REGISTER OF DISCLOSURES BY MEMBERS) BILL 2012

Second Reading

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [10.53 a.m.]: I move:

That this bill be now read a second time.

The purpose of the bill is to remove any doubt about the ability of the Independent Commission Against Corruption to consider and, if appropriate, make findings in relation to the registers of disclosures by members of Parliament. I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

All members are well acquainted with the requirements of the Constitution (Disclosures by Members) Regulation 1983.

The regulation requires members of Parliament to disclose their pecuniary interests and other matters in the form of returns provided to the Clerk of the House in which they are a member.

The Clerks maintain these returns in the Registers of Disclosures of each House, and these are made available for public inspection.

The registers are an important tool in providing transparency and ensuring integrity, and they serve to enhance the accountability of members and of the Parliament.

Members will also be aware that the Independent Commission Against Corruption is shortly to commence public inquiries into alleged corrupt conduct by certain former Ministers and members.

In the context of those investigations, the Independent Commission Against Corruption has sought and obtained a copy of the Register of Disclosures of Members of the Legislative Council for the relevant periods.

The Presiding Officer of the Legislative Council—acting properly and responsibly in the discharge of his duties to uphold the privileges of this Parliament—raised the question as to whether the registers might be subject to parliamentary privilege, even though they are already publicly available and open to public scrutiny.

Parliamentary privilege is essential to our system of responsible and representative democracy.

Members will be aware that by operation of the 1689 Bill of Rights—which continues to have effect in New South Wales—"The freedom of speech and debates or proceedings in Parliament ought not to be impeached or questioned in any court or place out of Parliament".

The Presiding Officers—after seeking advice from the Crown Solicitor and consulting with the Independent Commission Against Corruption—have requested that legislation be enacted to ensure that if the registers are subject to parliamentary privilege, this does not impede the ability of the Independent Commission Against Corruption to use the registers in its investigations.

Accordingly, the bill provides that the Independent Commission Against Corruption may use and make findings in respect of the registers. It also provides that, if necessary, parliamentary privilege in respect of the registers is waived to the extent that it might otherwise prevent the Independent Commission Against Corruption from doing that.

Any parliamentary privilege that applies to the registers will continue to apply for other purposes, such as court proceedings.

It is not at all clear that the registers are in fact subject to parliamentary privilege.

It is, however, appropriate that legislation be enacted to remove any doubt in relation to the Independent Commission Against Corruption investigations.

Parliamentary privilege exists to support the proper functioning of Parliament, primarily by protecting freedom of speech.

It is not designed to shield members from proper accountability for misconduct.

This bill will not otherwise change the important privileges of the Houses of Parliament or their members.

Scrutiny of the register by the Independent Commission Against Corruption will not adversely impact on the business of Parliament. It will not inhibit debate. It will not undermine freedom of speech. It will not impede any activities which members of Parliament undertake in the exercise of their representative and parliamentary duties.

To the contrary, what it will do is enhance the integrity and standing of this place. It will further ensure that all members make full and proper disclosure in accordance with the Constitution Regulation.

And it will ensure that they are properly held to account if they do not.

I commend the bill to the House.

The Hon. LYNDIA VOLTZ [10.55 a.m.]: I speak in debate on the Independent Commission Against Corruption Amendment (Register of Disclosures by Members) Bill 2012. This bill will amend the Independent Commission Against Corruption Act to remove any doubt in regard to the use by the Independent Commission Against Corruption of pecuniary interests or other matters disclosed before the Parliament, which raises the issue of privilege. There is significant confusion about the interpretation of the words "pecuniary interests"; the Independent Commission Against Corruption may interpret them differently. The Constitution (Disclosures by Members) Regulation 1983 requires members of Parliament to disclose their pecuniary interests and other matters in the form of returns provided to the Clerk of the House in which they are a member, and those returns which are made available for public inspection.

The purpose of the register is to provide transparency and enhance the accountability of members and of the Parliament. The Opposition does not oppose this bill. It is entirely appropriate for the Independent Commission Against Corruption to use and to make findings in respect of that register; that is the intention of the register. This is in keeping with the role of Presiding Officers, so it is appropriate that questions were raised by the President. At the time there was legal debate as to whether the register would be subject to parliamentary privilege. Any parliamentary privilege that applies to the register will continue to apply for other purposes.

This bill will not change the privileges that attach to members in both Houses of Parliament. I seek clarification in relation to how the powers of law enforcement bodies such as the Independent Commission Against Corruption will interact with the privileges extended to members of Parliament. This bill will give members an opportunity to examine these issues and to provide recommendations to the Government. The Leader of the Opposition in the Legislative Assembly intends to write to the chairpersons of the relevant committees and request that these matters be examined and appropriate recommendations be made.

Dr JOHN KAYE [10.58 a.m.]: On behalf of The Greens I support the Independent Commission Against Corruption Amendment (Register of Disclosures by Members) Bill 2012. The Minister for Police and Emergency Services said in his second reading speech—the Hon. Lynda Voltz also referred to this matter—that this bill will remove any doubt that the pecuniary interest register for members of Parliament will be available to the Independent Commission Against Corruption—

The PRESIDENT: Order! I am interested in the debate on this bill, as I am sure are all members.

Dr JOHN KAYE: Mr President, I appreciate your interest in this important matter. It is important because, firstly, it goes to the issue of privilege. As you have said on a number of occasions during debate in this Chamber, privilege is absolutely central to the capacity of this Chamber to discharge its duties. So if any legislation proposes to alter or impinge on that privilege, it is important that members have a close look at it. That being said, I think this legislation is sound. It removes any doubt as to whether there is privilege for the purposes of Independent Commission Against Corruption investigations or findings regarding the pecuniary interests register of members of Parliament.

The description of parliamentary privilege at pages 65 and 66 of *New South Wales Legislative Council Practice*, by Lovelock and Evans, creates the argument that the fundamental privilege is the freedom of speech—hard fought for, and hard won, particularly during the time of the Stuart Kings of England. That privilege created the unquestioned right of members of Parliament to conduct debate and other proceedings of Parliament without fear of retribution, without being fettered by the risk that outside bodies would take action against parliamentarians for things they said or did in Parliament. This, of course, is central to allowing debate, particularly on controversial issues, or debate of matters that relate to individuals where there are allegations of malfeasance or adverse behaviour by individuals. Of course, that privilege went beyond freedom of speech; it also referred to freedom from restriction on physically entering the Chamber. That is something we need not worry about now, but it is nonetheless an important privilege.

From the issue of freedom of speech arises the issue of immunity—immunity from impeachment or questioning by a judicial body. It is that additional implication of freedom of speech that is being questioned here. The question we should put before ourselves is: Would removing the right of the Independent Commission Against Corruption to use a member's pecuniary interest return in any way impinge on the fundamental freedom of speech? The question, for the purposes of this bill and for the purposes of the Independent Commission Against Corruption, comes down to: Is the Register of Pecuniary Interests a proceeding of the Parliament or a document required by a law?

I am fairly convinced that it is neither practical nor important, to protect privilege and the fundamental concepts of privilege, for the pecuniary interests register to be considered as a proceeding of Parliament. I hold that opinion because the pecuniary interests register is not by way of freedom of speech; it is by way of a return that is demanded of all members of Parliament under section 14A of the Constitution Act. It is a fairly fundamental demand on us to be open and accountable for our personal financial dealings and other matters that might create a conflict of interest. It is not therefore, in my opinion, a proceeding of the Parliament. It is not something over which we should even seek to have any protection of privilege. It is a requirement by law. Just as other professions and other individuals are required to make certain declarations by law, this is a requirement made on us to make a declaration as a result of our holding of this office.

I therefore think it is unreasonable to protect such a document from impeachment or questioning by the Independent Commission Against Corruption. To be absolutely clear, I put that another way. The question then is: Would investigation or impeachment by the Independent Commission Against Corruption on the use of this document infringe on our fundamental right of free speech? That fundamental right of free speech to which I referred earlier is instrumental in creating debates that serve the community. I cannot think of a mechanism wherein that would be the case. I cannot think of a mechanism whereby the use of the parliamentary pecuniary interests register would in any way undermine the capacity of members of Parliament to rise to their feet in this Chamber or in a committee and make a statement of any form whatsoever as a result of this amending legislation.

There are benefits of this legislation—benefits not only in terms of prosecution of individuals who have done the wrong thing, but also in terms of this Parliament saying very clearly to the people of New South Wales that we do not seek to hide behind privilege; we do not seek to use privilege in any way to hide adverse behaviour by a member of Parliament. It is therefore important that this legislation go through, both in order to improve the effectiveness of the Independent Commission Against Corruption but also as a message to the people of New South Wales that we are completely on board with the idea that we should be open and accountable. Where that openness and accountability discloses wrongdoings, those wrongdoings ought to be subject to the full force of the Independent Commission Against Corruption. The Greens support the legislation and commend it to the House.

The Hon. PAUL GREEN [11.05 a.m.]: I speak on the Independent Commission Against Corruption Amendment (Register of Disclosures by Members) Bill 2012. We note that the purpose of this proposal is to

ensure that the Independent Commission Against Corruption can investigate matters relating to the register of disclosures by members. We note that the Constitution (Disclosures by Members) Regulation 1983 requires members of Parliament to disclose their pecuniary interests in the form of ordinary, supplementary ordinary and discretionary returns to the Clerk of the House in which they are a member. Registers of disclosures are maintained by the Clerk of each House and are available for public inspection.

There may be an argument that parliamentary privilege attaches to the registers even though they are publicly available. If the registers are covered by parliamentary privilege, then the registers may not be impeached or called into question other than by the Parliament itself. The Presiding Officer desires legislative amendment to remove any doubt that the registers can be examined by the Independent Commission Against Corruption and findings made in respect of them, and to provide that privilege is taken to be waived if it would otherwise prevent that from happening. The Independent Commission Against Corruption obviously supports these changes. It is investigating alleged corruption by former Ministers and a member of Parliament in relation to mining exploration licences and other matters. Public hearings are due to commence on 1 November 2012.

The bill provides that, if parliamentary privilege applies to the registers, that privilege is waived by Parliament to the extent the privilege might otherwise prevent the Independent Commission Against Corruption from using the registers or making findings with respect to the information contained in them. Any parliamentary privilege that applies to the registers will continue to apply for other purposes, such as court proceedings. Dr John Kaye mentioned public access to and transparency of a member's details. That is probably the right way to go. But I note that members appreciate that there is a vulnerability associated with that, and allowing access to and use of this information needs to be in the spirit in which it is supplied. Proper use of the document is very important on occasions. Obviously, access to and use of the document will not hinder a member who is not doing anything wrong. However, that may be the cause of concern for some. The Christian Democratic Party believes that at the end of the day privilege should not hide the truth; I am sure that is the intent of the bill. The Christian Democratic Party is mindful that there are members who do not regard this bill in the same way.

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [11.08 a.m.], in reply: I thank honourable members for their contributions to the debate. 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.

Leave granted to proceed to the third reading of the bill forthwith.

Third Reading

Motion by the Hon. Michael Gallacher agreed to:

That this bill be now read a third time.

Bill read a third time and returned to the Legislative Assembly without amendment.

PARLIAMENTARY ELECTORATES AND ELECTIONS AMENDMENT (REDISTRIBUTIONS) BILL 2012

ELECTION FUNDING, EXPENDITURE AND DISCLOSURES FURTHER AMENDMENT BILL 2012

Second Reading

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [11.10 a.m.]: I move:

That these bills be now read a second time.

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

Leave granted.

The Parliamentary Electorates and Elections Amendment (Redistributions) Bill 2012 implements the recommendations made by the Electoral Districts Commissioners following the 2004 distribution of New South Wales electoral districts.

A redistribution of New South Wales electoral districts is imminent because the current electoral boundaries have applied at two consecutive elections.

The Parliamentary Electorates and Elections Act 1912 provides that the redistribution is to be carried out by three independent persons, known as Electoral Districts Commissioners, appointed by the Governor. The appointments must be made within two years of the return of the writs for the immediately preceding election, that is, by 30 April 2013.

Section 28 of the Constitution Act 1902 provides that in any distribution of New South Wales into electoral districts, the boundaries must be determined so that there are an equal number of voters in each electorate at the time the distribution is made, subject to a margin of allowance not exceeding 10 per cent of the average enrolment. This is known as "the current margin of allowance".

Section 17A of the Act sets out additional criteria that must be considered by the Commissioners when carrying out a distribution.

In particular, it provides that the Commissioners must have regard to demographic trends within the State and endeavour to ensure that, at the time of the next State election, the number of voters in each electorate will be equal, subject to a margin of allowance not exceeding 3 per cent of the average enrolment. This is known as "the projected margin of allowance".

The projected margin of allowance is there to help ensure that the number of electors in each district will be approximately equal on election day, consistent with the principle of 'one vote, one value'.

In their report on the 2004 redistribution, the Commissioners expressed the view that the 3 per cent projected margin of allowance was too restrictive to take into account 'strong growth' electorates, and that the requirement to comply with the 3 per cent projected margin of allowance tended to limit their ability to set electoral boundaries that adequately addressed the other criteria set out in subsection 17A (1) (b) of the Act, such as:

- the community of economic, social and regional interests within the electoral districts;
- the means of communication and travel within the electoral district;
- the physical features and area of the electoral district; and
- the boundaries of the existing electoral districts.

Indeed, the enrolment statistics published on the New South Wales Electoral Commission's website indicate that, despite the 3 per cent projected margin of allowance, a total of 28 electoral districts varied from the average enrolment by more than 3 per cent at the time of the 2011 State election.

The Commissioners recommended that the projected margin of allowance be increased to 10 per cent.

The bill seeks to implement this recommendation by making a minor amendment to subsection 17A (1) (a) of the Parliamentary Electorates and Elections Act 1912.

The Electoral Commissioner, Mr Colin Barry, who also served as an Electoral Districts Commissioner for the purposes of the 2004 redistribution, has endorsed this approach.

The second bill has also been endorsed by the Electoral Commissioner. It makes minor amendments to the Election Funding, Expenditure and Disclosures Act 1981 to ensure that the Election Funding Authority is able to enforce certain offences that are prescribed by regulation as penalty notice offences.

The disclosure regime is based on the principle that all parties, groups, candidates and elected members are required to lodge an annual declaration with the Authority declaring political donations and electoral expenditure. The obligation to lodge a declaration is intended to apply even where the declaration contains no specific disclosures of donations or expenditure.

This basic obligation ensures that the public has access to reliable information about the donations activity of all participants in the electoral process, and assists the Authority with its audit and investigative functions.

The Authority has raised a concern that the offence of failing to lodge a declaration may not be enforceable in relation to "nil" declarations, that is, declarations that do not contain any specific disclosures of donations or expenditure.

The bill will put beyond doubt that all parties, groups, candidates and elected members, regardless of whether or not they have received donations or incurred electoral expenditure, will be able to be prosecuted by the Authority if they fail to comply with their basic disclosure obligations under the Act.

The bill will also make clear that a party that fails to comply with its obligations under section 41 to appoint a party agent commits an offence against that section.

These amendments have been introduced at the request of the Electoral Commissioner to assist it with the enforcement of what has become a complex and unwieldy piece of legislation. The government looks forward to the views of the Joint Standing Committee on Electoral Matters on how the Act might be further improved when it reports on its review of the State's electoral legislation.

The Hon. LUKE FOLEY (Leader of the Opposition) [11.10 a.m.]: On behalf of the Opposition I address the Election Funding, Expenditure and Disclosures Further Amendment Bill 2012, which the Opposition supports, and the Parliamentary Electorates and Elections Amendment (Redistributions) Bill 2012, which the Opposition opposes. Therefore, I believe it would be appropriate for the House to separate the bills so they are not dealt with on one motion.

The PRESIDENT: Order! I briefly interrupt the member to confirm that he is requesting that the motion be put as separate motions under Standing Order 139.

The Hon. LUKE FOLEY: Yes, Mr President. I will briefly address the Election Funding, Expenditure and Disclosures Further Amendment Bill 2012, which amends the principal Act of 1981. It is our understanding that the amendments to the Election Funding Act are, in large part, the result of a request from the Electoral Commissioner of New South Wales. The amendment bill clarifies provisions that are already in the Act and clears up potentially ambiguous drafting in the Act. The amendments put beyond doubt what an offence is under section 41 of the Act and the penalties for committing that offence. The bill seeks to put beyond doubt that a party that fails to comply with its obligations under section 41 of the Act—say, to appoint a party agent—commits an offence against that section. The penalties currently provided by that section for the party and for the officers of the party are contingent on the party committing an offence against the section.

This amending bill ensures that a person who is required by section 91 (5) of the Act to make a declaration relating to political donations or electoral expenditure for a relevant disclosure period, even if the person has no disclosures to make, can be prosecuted for an offence by clarifying that the lodging of the declaration is the making of a disclosure and that the time for making such a declaration is the time by which declarations containing disclosures are required to be made. The Opposition considers that the amendments the Electoral Commissioner has sought are sensible and we will, of course, support them.

I turn to the more worrying bill, the Parliamentary Electorates and Elections Amendment (Redistributions) Bill 2012. The Labor Party opposes this bill for the fundamental reason that we support one vote, one value and we oppose malapportionment when it comes to the redistribution of State electoral districts. Of course, it was a Labor Government—the Wran Labor Government—that entrenched the principle of one vote, one value in 1980. Until then there had been a zonal system when it came to the drawing of electoral boundaries in New South Wales, and there was historically a country zone where the quota for enrolment was lower. That is, of course, a principle that became infamous under the Bjelke-Petersen Government in Queensland and under governments in Western Australia, where historically the Country Party has sought to count sheep and other animals for the purposes of reaching a quota in electoral redistributions. Different quotas were justified by some as ensuring rural representation, but in reality they were advanced for reasons of political advantage.

The Opposition believes that the amendment today principally is about the political interests of the Liberal Party and The Nationals. There is a long history of governments of both persuasions seeking to find party political advantage when it comes to redistributions. Neither side of politics has an unblemished record. The Labor Party can say, though, that it was a Labor Government under Neville Wran that enshrined one vote, one value. We believe that the amending bill before the House, which would permit a variation from the average enrolment quota up to plus or minus 10 per cent, is going too far. Currently the allowable average enrolment quota is plus or minus 3 per cent. I acknowledge, and no doubt Government members will point to the recommendation of the Electoral Commissioner to make this change—

The Hon. Dr Peter Phelps: 2004.

The Hon. LUKE FOLEY: The Government Whip points to it. I acknowledge that that recommendation was made. The Opposition respectfully disagrees with that. We believe plus or minus 10 per cent at the future date—the second date at which an average enrolment quota needs to be struck—is too great an allowable deviation from the average enrolment quota. The likely outcome of such a manoeuvre if passed by this Parliament will be to attempt to ensure that a State electoral district in rural New South Wales is not abolished at the forthcoming redistribution.

In the current enrolments the district of Barwon is 12.5 per cent below the average quota, Murray-Darling is 10.5 per cent below and Murrumbidgee is 5.5 per cent below. Of course the percentage that those rural districts are below the average enrolment quota will become even greater over time given relative population movements in different parts of the State. The clear intent is to safeguard against the abolition of a

rural district in the forthcoming redistribution, and perhaps further to safeguard against internal Coalition competition between Liberal Party members and The Nationals members for those seats that are drawn in rural New South Wales and in the Southern Highlands by the next redistribution.

Labor supports one vote, one value. We recognise that the electoral districts commissioners are always presented with a challenging task in assessing current and future population movements. We believe that the plus or minus 3 per cent deviation from the average enrolment quota has worked well. We dispute the need to move to a plus or minus 10 per cent deviation from the average enrolment quota at the second of the two dates that commissioners are required to devise the quota. For those reasons we seek that the cognate bills be voted on separately. The Opposition will oppose the Parliamentary Electorates and Elections Amendment (Redistributions) Bill 2012 but support the Election Funding, Expenditure and Disclosures Further Amendment Bill 2012.

Dr JOHN KAYE [11.22 a.m.]: On behalf of The Greens I address the cognate bills, the Election Funding, Expenditure Disclosures Further Amendment Bill 2012 and the Parliamentary Electorates and Elections (Redistribution) Bill 2012. Like the Leader of the Opposition, The Greens also request that under Standing Order 139 (2) the motions for the second reading of these bills be put separately. We do that because we support the election funding amendments; however, we oppose the parliamentary electorate changes. I will address first the issue of the election funding. These are two minor matters but they are nonetheless important.

The first matter relates to the issue of appointing party agents. The bill makes it clear that every party must have a party agent and will suffer a penalty if they do not. That is an appropriate way of regulating the electoral activities of political parties. The second issue is null disclosures and making it clear that a candidate, group of candidates or party that does not receive any donations has to make a disclosure even if the disclosure is null. I suspect a number of members in this Chamber have had to submit null declarations from time to time. The point being made by the bill before the House is that it is important that even where no money is transacted there is still a record of that fact. That becomes important in evidentiary matters with respect to a failure to declare a monetary transaction.

Also, for example, when there is a donation from one individual to a political party and one party declares it and the other does not it may then become a matter of evidence in a subsequent case. To that extent both those provisions in this bill are supported by The Greens and we would welcome voting for them. As I said, these are two minor but important matters and should be supported. We do not seek to delay or frustrate the passage of this bill. That is one of the reasons that The Greens are enthusiastic to see the motions for the second reading of these two bills separated. However, there are also a number of other minor but equally matters that should also be addressed.

We would welcome the opportunity to add to this bill some minor but important matters that relate to the functioning of the Act. One of those is an unintended consequence of the 2010 and 2011 changes to this Act. I say this without wishing to point the finger at anybody. I was in this Chamber and voted for both of those changes. It was not until later when the consequence was pointed out to me that I put the two pieces together and understood what had happened. In the 2010 amendments, which were largely consequential and other changes, membership subscriptions became political donations for the first time. The 2011 amendments made donations illegal unless they were from an individual who was on the electoral roll. If I had been alert to what was going on I would have recognised that The Greens and I am sure other political parties have a number of members who are under the age of 18 and therefore not on the electoral roll, and it is no longer legal for those individuals to join a party.

The Hon. Duncan Gay: Those innocent minds should be protected from The Greens.

Dr JOHN KAYE: I take the interjection from the Deputy Leader of the Government. Without wishing to engage him in debate, I suggest that the same statement might be true of The Nationals. But we will not go down that path. There is a good public policy argument that young people who have a political bent and a political interest ought to have the right to join a political party. There is also the situation of non-residents who spend a significant amount of time in Australia and who may wish to join a political party. By dint of those two changes they are excluded from being a member of a political party. A number of other proposed changes have been raised with me that would not in any way undermine the intent of the legislation but would facilitate the operation of political parties in a manner entirely consistent with the public purpose of the legislation. To that extent The Greens will seek to move those amendments at the Committee stage.

I now turn to the Parliamentary Electorates and Elections (Redistribution) Bill and identify that The Greens will be opposing it. We do so with no disrespect to the electoral districts commissioners, who I think have been appointed and were announced by the Premier yesterday. I mean no disrespect to their professionalism or their independence. Inevitably the provisions in the Act will weaken the target of the redistributions. The target is that at the election subsequent to the redistribution the commissioners should aim to make sure that the average number of voters within each electorate is within 3 per cent of the quota. As the Hon. Luke Foley said and as the Government Whip interjected, in a 2004 report the then commissioners pointed out that the 3 per cent target was a constraint on their operations and one that they would seek to have relieved to 10 per cent.

One can understand, from a strictly technical point of view, that the commissioners when considering the boundaries would seek to have the plus or minus 3 per cent target weakened to a plus or minus 10 per cent target given the context of a number of issues, such as, communities of interest and geographical boundaries in a State with a rapidly changing distribution of population, with growth in inner-city Sydney and western Sydney and on the North Coast, lesser growth on the South Coast and relatively lower growth in other areas.

When we turn that around, the commissioners effectively were saying in their recommendation that they would be prepared to accept an outcome where, at the time of the next election, electorates ended up 10 per cent above and 10 per cent below. It is not hard to work out that the 10 per cent below electorates will be western New South Wales electorates such as Barwon and Murrumbidgee and the 10 per cent above electorates will be inner-city electorates such as Marrickville, Balmain, Sydney, Coogee and possibly Vacluse. From the perspective of a party that holds a seat in the inner city, we have no interest in voters for The Greens being disenfranchised. Already there is a fundamental disenfranchisement in the lower House by dint of the single member electorates and the lack of proportional representation.

A change to plus or minus 10 per cent, which could result in a rural electorate being 20 per cent smaller than an inner-city electorate, means that inner-city voters are effectively being told that their vote is worth 20 per cent less. They will have 20 per cent less say in the outcomes of government and in the functioning of the chamber of government. They will be disenfranchised by 20 per cent compared to voters in western New South Wales. When I was a young man and becoming interested in politics there were gerrymanders of that type in most States. Certainly Queensland was infamous for its gerrymander. From recollection, the late Sir Joh Bjelke—Petersen was elected with just 23 per cent of the popular vote. In my home State of Victoria, there was not a significant National Party presence but rather a Liberal Party presence.

The Hon. Matthew Mason-Cox: That would be a long commute.

Dr JOHN KAYE: It would be a long commute; it would be illegal too. I should have said former home State. In Victoria the Liberal Party ran a fairly effective gerrymander all the way through to the election in the 1980s of the second Cain Government—that is, the younger John Cain. He then restored some sense of democracy, which included beginning the process of democratising that State's upper House. The point is that it is not in the interest of anyone—voters in rural electorates, in inner-city electorates or on the North Coast—to have a dramatic difference in the size of electorates. When I was younger it was argued that rural electorates should be smaller in terms of the number of voters to constrain the physical size of the electorates, otherwise it would be too difficult for members of Parliament to service those electorates.

The Hon. Rick Colless: Have you ever tried to service a big electorate?

Dr JOHN KAYE: If the Hon. Rick Colless had just a modicum of patience, he would hear what I have to say, that is, that I have some sympathy for that point of view. I understand the challenges faced by members of the lower House, such as the member for Murray-Darling, in traversing their electorates. I have a colleague in the upper House in Western Australia who represents a region with the delightful name of Pasture and Agriculture. He effectively lives out of the back of his truck in order to service that region. I am not without sympathy for members of Parliament who represent geographically large electorates. They have a challenge in representing those electorates. If we are serious about resolving the problem of large electorates being serviced by one member of Parliament, we should do what The Greens have been advocating for a decade and a half, that is, multi-member electorates.

While I recognise the challenge, it should not be allowed to override the fundamental principle of one person, one vote. As I said earlier, I am not implying anything adverse about the recommendations of the current electoral districts commissioners. However, once we start fiddling with the principle of one person, one vote and

once we start making allowances, given the way that this legislation and the constitution and electorates Acts are written, the inevitable result will be a gerrymander. The smaller, slower growing rural electorates will remain small.

The Hon. Rick Colless: But they are larger geographically.

Dr JOHN KAYE: I meant smaller in terms of the number of residents. The less populated rural electorates will remain undersized and the larger, faster growing inner-city electorates will become oversized.

The Hon. Rick Colless: But they will be undersized geographically.

Dr JOHN KAYE: They will become oversized in terms of population, and effectively that means disenfranchisement. There is no question in my mind and that of The Greens that this legislation is intended specifically to make life easier for the Coalition at a subsequent election when the Coalition's vote decreases and it will be seeking to find seats. It is an exceptionally poor act of public policy vandalism to change the electoral system to suit oneself. The consequences of that type of public policy and governance were writ large in the dying days of the Bjelke-Petersen Government and the National Party hegemony in Queensland. The capacity to change the electoral system breeds a level of arrogance in governments that runs counter to everything that members of this Chamber believe is in the best interests of democracy. To allow a government to get away with this legislation is to traduce the very spirit of democracy.

The Greens also believe very strongly that the principle of one person, one vote is central to the conduct of a strong, healthy and robust democracy where every citizen feels that he or she has an equal right of engagement. To create a class of elite voters in smaller electorates at the expense of inner-city and North Coast voters punishes those who live in rapidly growing electorates and is totally counter to the spirit of democracy.

The Hon. Rick Colless: No, it is not because people who live in western areas of New South Wales do not have access to their members.

Dr JOHN KAYE: I acknowledge the interjection of the Hon. Rick Colless because he has just belled the cat. Contrary to what has been said by the Leader of his Coalition, the Hon. Barry O'Farrell, and the Leader of the Government in the upper House that this legislation is not about maintaining smaller electorates but purely responding to the difficulties confronted by the 2004 redistribution, the Hon. Rick Colless, by his interjection, now tells the House that this is indeed about a gerrymander. The spirit of Joh Bjelke-Petersen lives well in elements of The Nationals.

The Hon. Rick Colless: Point of order: Dr John Kaye is obviously reading something into my interjection that I did not say. He is not telling the truth. I ask him to withdraw those comments; I am offended.

The PRESIDENT: Order! There is nothing offensive in what Dr John Kaye said. The Hon. Rick Colless will have an opportunity to contribute to the debate. I remind him that he may make a personal explanation if he wishes to do so. Dr John Kaye has the call.

Dr JOHN KAYE: If I misheard the interjection, of course I would apologise. However, the interjection I heard was about the problems—which I acknowledged before—of members who represent physically large, sparsely populated, slow population growth electorates in western New South Wales which, interestingly, are all held by the party of which the Hon. Rick Colless is a member. If I misheard his comment then I have misrepresented him, and for that I apologise. But that is what I heard him say in a number of interjections during this debate in relation to the physical size of those electorates. That matter was not raised by the Leader of the Government in this House or by the Premier. It goes directly to my arguments about people such as Sir Joh Bjelke-Petersen and other maestros of the gerrymander in the mid-twentieth century who perverted and corrupted the electoral system to serve their own purposes, entrench themselves in power and, in some cases, run profoundly corrupt States.

We do not want that to occur in New South Wales. The Greens do not want voters who live in rapidly growing electorates being disenfranchised to the tune of 20 per cent—that is a difference of some 8,000 votes between a slower growing electorate and a rapidly growing electorate. If that were to occur it would be against the spirit of democracy. Therefore, The Greens oppose the Parliamentary Electorates and Elections Amendment (Redistribution) Bill 2012.

The Hon. JENNIFER GARDINER [11.41 a.m.]: The House has before it two bills, the Parliamentary Electorates and Elections Amendment (Redistributions) Bill 2012 and the Election Funding, Expenditure and Disclosures Further Amendment Bill 2012. The Leader of the Opposition on behalf of the Australian Labor Party and Dr John Kaye from The Greens made contributions to the debate. The Leader of the Opposition acknowledged that the Labor Party supports the Election Funding, Expenditure and Disclosures Further Amendment Bill 2012, the provisions of which have been recommended to the Government for implementation by Parliament by the New South Wales Electoral Commissioner.

The Greens also indicated their support for this bill. The Parliamentary Electorates and Elections Amendment (Redistributions) Bill, which the Labor Party and The Greens oppose, also was the subject of recommendation by the current New South Wales Electoral Commissioner, Mr Colin Barry. In other words, the Labor Party and The Greens are cherry picking the recommendations of the New South Wales Electoral Commissioner. Mr Colin Barry was one of the electoral districts commissioners of the 2004 Electoral Districts Commission who determined the boundaries that apply today, and Mr Barry remains the New South Wales Electoral Commissioner to this day. The Labor Party and The Greens are trying to have it both ways.

I will briefly refer to the history that has led us to this point in respect of the way the law determines that electoral districts commissioners, who are independently appointed, shall determine State electoral boundaries in New South Wales. The history of redistributions has been succinctly set out by Antony Green in recent days in the context of this amending bill. Labor, under Neville Wran, narrowly won the 1976 election but was almost defeated by the Liberal and Country Party's zonal system as it existed then. Following a landslide re-election in 1978, the Wran Government set about dismantling the zones that had applied to that point. As has been pointed out, in 1980 the Wran Government entrenched the one vote, one value principle in the New South Wales Constitution Act. This bill does not interfere with the Constitution or the provisions of the Constitution Act in relation to the one vote, one value principle.

The PRESIDENT: Order! Members who wish to conduct private conversations should do so outside the Chamber. I am having difficulty hearing the member with the call.

The Hon. JENNIFER GARDINER: Separate quotas for the central zone and the country zone that had applied to that point were wiped out and all future redistributions would require electorates to be within 10 per cent of the average enrolment at the date of the redistribution—unless there was a change to the Constitution, which can be done in relation to this matter only by referendum. The new boundaries that were in place for the 1981 election effectively shifted six seats from the country zone to the old central zone. Labor went on to win a record majority at the 1981 election even though its vote had been declining since the 1978 election. Antony Green stated on his blog:

With another redistribution due after the 1984 election, number crunchers in the [ALP] decided to go one step further. They could not alter the 10% variation entrenched in the Constitution without a referendum. However, there was nothing to stop a tighter criteria being imposed. The solution was to introduce projected enrolment quotas with smaller permitted variation, effectively preventing the Electoral Districts Commissioners from using the full 10% variation from average enrolment permitted by the Constitution.

Since the 1986/7 redistribution, all redistributions have been undertaken using two enrolment quotas. The first is based on current enrolments at the date of the redistribution and permits a 10% variation from average as detailed in the Constitution. The second, a projected enrolment quota, is set for one month after the first election on the new boundaries and is defined in Section 17A of the Parliamentary Electorates and Elections Act, a normal piece of legislation—

as Mr Green describes it, that being legislation that can be changed without a referendum—

The first use of projected enrolment quotas was by the 1986/87 Electoral Districts Commission. At the time projected enrolments were supposed to be set so that "*the number of electors enrolled in each electoral district will be equal.*" The Commissioners chose to interpret these as being all electorates having a projected enrolment within 1.5% of average. The Labor government of the day chose to qualify this for the future by removing the equality reference and stating that all electorates be within 3% of the projected enrolment.

That was the unlamented Unsworth Government's change. The 1990-91, the 1997-98 and the 2004 redistributions have since been undertaken under the 10 per cent current and 3 per cent projected permitted variation rules. Antony Green makes this comment:

However, much to the shock of a Labor Party unused to independence from electoral authorities, the 2004 Electoral Districts Commissioners recommended changes to the rules.

That recommendation is incorporated in this bill. It is worth noting that the Labor-appointed commissioners who served on the last redistribution commission were then Acting Judge Gerald Cripps, who is chair of the

commission, the new Electoral Commissioner, Mr Colin Barry—he had just been appointed—Mr John Wasson, who was also elected as the New South Wales Electoral Commissioner by the Labor Government but resigned due to ill health with Mr Barry taking his place, and the Surveyor-General, who was very experienced in both State and Federal redistributions. The recommendation the electoral districts commissioners put forward in their 2004 report which determined the electoral boundaries that apply today, in respect to the quota margin of 3 per cent on predicted figures, was:

... The Commissioners are of the opinion that this quota is too restrictive to take into account strong growth electorates, especially given the demographic trends, considerations of communities of interest, existing infrastructure, geographic and other spatial information. Given the continued population shift from regional NSW to the coast and centres of major population, there will be increasing pressures in future redistributions to meet the criteria of section 17 A (1) (b) of the *Parliamentary Electorates and Elections Act 1912*.

... By way of comparison, the Commissioners note the quota margins of allowance in other states are less restrictive e.g. Victoria and Tasmania use only one quota in their distribution process i.e. tolerance of plus or minus 10% from the average divisional enrolment. Similarly Western Australia has a 15% tolerance and Northern Territory 20%. South Australia has a current and projected quota of 10%, Australian Capital territory, a 10% current and 5% rejected tolerance.

Whilst the Commissioners note that the Commonwealth Electoral Act (1918) stipulates a range of 3.5%—

that Commonwealth amendment preceded the Unsworth amendment—

above or below the average enrolment at the projection time and current enrolment within 10% above or below the quota, there are 50 [now 48] Commonwealth divisions in NSW, as compared to ninety three NSW Districts. Thus although the Commonwealth model appears similar to NSW, with the larger population base per electorate, the Commonwealth projected quota tolerance is less restrictive.

The Commissioners **recommend** that the NSW projected quota tolerance be changed to a 10% margin of allowance above or below electoral District enrolment at the projected time.

The commissioners say that New South Wales should return to the law that applied after Neville Wran introduced the one vote, one value principles. That is what this bill does. In the last redistribution the commissioners conducted four public hearings and received 224 suggestions and objections to their proposed boundaries, most of which focused on North Coast and Central Coast areas. The report states:

Whilst some significant and non significant changes to their proposals—

that is, their draft maps that were promulgated before public hearings—

could be accommodated in their final determinations to better meet the community aspirations voiced, the Commissioners are concerned that the restrictive (3%) projected quota margin of allowance precluded them from delineating electorates which adequately address the criteria of section 17A (1) (b) of the *Parliamentary Electorates and Elections Act 1912*. Consequently there were a number of submissions which the Commissioners could not further advance e.g. the inclusion of Murwillumbah in The Tweed or Wellington in Dubbo.

We all know that Murwillumbah, for example, which was mentioned by the commissioners, in effect is the capital of the Tweed Valley, but the restrictive 3 per cent quota meant that the commissioners could not even consider including Murwillumbah with the rest of the Tweed Valley in the Tweed electorate. Likewise, all reasonable people know of the strong community of interest between Wellington and Dubbo, but because of the 3 per cent rule the commissioners could not reattach Wellington or keep it attached to Dubbo, which is where Wellington has its community of interest. Therefore, Wellington currently is in the Orange electorate.

At the public hearings the commissioners listened to good argument from advocates for various communities, which included community of interest, as they are bound under the Act to do, but had to put that argument to one side. They said that because of the tyranny of numbers to which they were obliged to adhere and because of the Unsworth amendment they had to reject the argument even though it obviously had merit. The part of the Act that directs what the electoral districts commissioners may or may not do when determining the State's electoral boundaries conflicts with another. The amendment proposed by the O'Farrell-Stoner Government in response to the Commissioners' 2004 recommendations simply rectifies that legislative conflict. The General Secretary of the Australian Labor Party, Mr Dastyari, earlier this week tweeted:

The NSW coalition redistribution proposal is a complete rort. Desperate action to protect their seats.

It is extremely offensive to accuse Jerrold Cripps and Colin Barry of proposing something that is a complete rort of our electoral laws. The submission by Dr John Kaye on behalf of The Greens that this bill is an example of public policy vandalism is disrespectful also to the commissioners who, as far as I am aware, have

extraordinary respect from the whole political spectrum. With those words, I commend the Government for taking up the 2004 recommendations of the commission and look forward to the passage of these bills through the House.

Reverend the Hon. FRED NILE [11.55 a.m.]: On behalf of the Christian Democratic Party I am pleased to support the two cognate bills: the Parliamentary Electorates and Elections Amendment (Redistribution) Bill 2012 and the Election Funding, Expenditure and Disclosures Further Amendment Bill 2012. It is disappointing that the Opposition and The Greens oppose the Parliamentary Electorates and Elections Amendment (Redistribution) Bill as it simply is based on the recommendation of the electoral commissioners that the 3 per cent projected margin of allowance be increased to 10 per cent. The Electoral Commission has continued to support this proposal up to today. Hopefully the Opposition might review its position because this will make our State elections more workable and more accurate regarding the size of New South Wales electorates. I do not believe the intention is a gerrymander.

The bill will amend the redistribution criteria in the Parliamentary Electorates and Elections Act 1912 to vary the number of electors per district from the average 3 per cent enrolment quota to plus or minus 10 per cent at the time of the next election. The commissioners noted in their 2000 distribution report that complying with the projected margin of allowance limited their ability to accommodate other redistribution criteria set out in the Act, that is, community of interests, means of communication, and travel within the electoral district. The commissioners noted also that the geographical area of certain rural districts with declining populations, such as Albury and Barwon, had to be significantly increased to accommodate the 3 per cent projected margin of allowance, and that the large geographical size of some electorates remains a concern. I hope the House passes the bill to allow the commissioners to carry out their role efficiently.

The Election Funding, Expenditure and Disclosures Further Amendment Bill 2012 amends the Election Funding, Expenditure and Disclosures Act 1981 to ensure that the Election Funding Authority is capable of enforcing certain penalty notice offences. The Christian Democratic Party has experienced this problem with candidates regarding nil returns. Candidates have said that as they received no donations and the party handled the money, which is how all political parties work, they did not have to complete a return. This legislation will make it absolutely clear that everyone—every party, group or candidate—must lodge an annual declaration even if they have not received any political donations or incurred an electoral expenditure during the year.

That will be a nil return. Over the years I have had to complete some of those returns on which one simply puts "Nil return". This practical bill clarifies that sections 91 and 96H (1) require a declaration to be lodged with the authority within the period prescribed by the Act, even if that declaration does not contain specific disclosures of political donations and/or electoral expenditure. The bill also facilitates the prosecution of persons who fail to lodge within a specified period nil declarations in connection with the 2011-12 disclosure period. The bill also clarifies the obligations set out in section 41 which requires a party to appoint a party agent. A failure to comply with that provision will constitute an offence. The Christian Democratic Party supports these bills which will ensure the efficient operation of our election procedures.

The Hon. Dr PETER PHELPS [12.01 p.m.]: I make a brief contribution to debate on the Parliamentary Electorates and Elections Amendment (Redistributions) Bill 2012. The Wran Government sought to enshrine the principles of one vote, one value. There is no change from that constitutionally enshrined amendment relating to a 10 per cent quota when any redistribution takes place. The future date is when the boundaries first come into effect—a matter that we now need to address. It is unusual in the broader context of State governments to have a projected quota tolerance into the future.

The New South Wales Government is one of the few State governments that has that and it is set at the absolute lowest level of the scale—at only 3 per cent. However, that scale of 3 per cent presents two problems. That 3 per cent is not really 3 per cent, in the sense that the trigger for an automatic redistribution is set at 5 per cent. While we projected 3 per cent into the future, the trigger for redistribution outside the normal timetable is 5 per cent. In deference to the Minister who is in the Chamber, that is a bit like setting the speed limit at 90 kilometres an hour but not booking someone until he or she hits 150 kilometres per hour. That is the first problem we face.

The second problem we face is that the 3 per cent places a tyranny of the numbers in control, as has been pointed out by the Hon. Jennifer Gardiner. I would suggest that we could fabricate an electorate that stretched from Emu Plains to Broken Hill that met the tyranny of the numbers, but it fails on the fundamental principle of having a community of interest. No-one in this place would deny that members of the Legislative

Assembly see themselves as representatives of communities. They do not see themselves as representatives of a raw number of voters but as representatives of communities. I have been involved in redistributions at a Federal level for many years. The importance that the Australian Electoral Commission places on the concept of community of interest is remarkable when it is shown in distinction to the redistributions that have been done in New South Wales. If we support the concept of community of interest we must give the redistribution committees the tools that they need to give effect to them. People might say that that figure of 3 per cent is not too bad. However, the Federal Government has only a 3.5 per cent projection.

In projecting growth figures we are looking at a difference of 1,500 people for a State electorate but up to 3,500 or 4,000 for a Federal electorate, which makes Federal planning for communities of interest far easier than it would at a State level. Effectively, we have ridiculous numerical handcuffs on a redistribution committee to give effect to communities of interest, thus we have bizarrely shaped electorates. I invite members to look at south-western Sydney in particular and at the giant sausages of electorates that are created there. The Liverpool electorate barely contains any of Liverpool; the Cabramatta electorate barely contains any of Cabramatta; and in the Bankstown electorate clearly the boundaries have been drawn to include large tracts of vacant land to give effect to the tyranny of the numbers.

I, and I am sure members in the lower House, would like to see a far greater emphasis on communities of interest. There is only one way to give effect to that, given the variable rates of growth in particular areas of this State, and that is to have a 10 per cent projected variation. As commented on earlier by Dr John Kaye, with a 10 per cent figure commissioners are free to position Barwon as being 10 per cent over quota if they wanted to. They are able to do that if they wanted to. There is no reason to suggest that that would not be the case. The second point Dr Kaye raised related to gerrymanders. Gerrymanders overwhelmingly occurred at a time before independent electoral commissions set boundaries. I defy Dr John Kaye to identify one redistribution by an independent electoral commission that could be said to have gerrymandered in favour of a particular political party. Finally, we are saying that if we give it the tools the independent redistribution committee will do the job. For the benefit of members of the Opposition and The Greens I would like to read from a press release issued two days ago by the Electoral Commissioner in which he states:

I am pleased that the Premier has accepted my recommendation.

This is the Electoral Commissioner speaking, not Mr O'Farrell, not me, not the President and not the Leader of the Government in this place. The Electoral Commissioner states:

I am pleased the Premier has accepted my recommendation to revisit this issue and to introduce amendments to the legislation that will give the commissioners the opportunity to set electorates so they will be within plus or minus 10 per cent of the average enrolment at the time of the next State election [being March 2015].

Not only will this make the job of the district commissioners more straightforward, it will also enable the process for the major political parties in making their submissions to the commissioners to be much simpler than was the case in the 2004 redistribution.

The change that The Greens and Labor oppose—and hopefully they will change their minds—will make it more straightforward for the commissioners to do their job and we will achieve fairer outcomes. That is the fundamental point that I think members opposite missed in this debate.

The Hon. LYNDIA VOLTZ [12.05 p.m.]: In speaking in debate on the Parliamentary Electorates and Elections Amendment (Redistributions) Bill 2012, I will refer to some issues raised by other members in their contributions. The scheme put forward by the Government will not result in a gerrymander; it will result in malapportioned electorates. It is clear that the intention of this scheme is to ensure that certain electorates do not receive greater or lesser voting weights than they did in the past. The Hon. Dr Peter Phelps said that under this system 3 per cent would be the minimum tolerance. If that is the case 10 per cent would be the maximum on anyone's assessment of malapportionment. An examination of the literature relating to redistribution reveals the principles of one vote, one value.

In reality electorates in New South Wales have grown and New South Wales has changed significantly. Government members referred to Murwillumbah and questioned whether it should be included in the Tweed electorate but they did not talk about growth in the Tweed. They did not speak about electorates that have high population turnovers such as North Shore, Sydney, Port Jackson, Vaucluse and Coogee. A 3 per cent tolerance in those electorates would be significant because of high population turnovers and the fact that there are 15,000 to 20,000 unregistered voters. For the benefit of the Electoral Commission and those on the other side of the Chamber, the reality is that under the 3 per cent tolerance operating at the moment, any redistribution would

mean that the north-western area of Sydney—given the number of residents in that area and the growth in that area—would be entitled to another seat. It is without doubt that under such a redistribution a seat in the Goulburn area would have to be abolished. That is the fact of the matter; that is the way one vote, one value works.

Government members talk about communities of interest, but they never talk about communities of interest in the western suburbs and the fact that the Electoral Commission constantly jumps boundaries there. There is absolutely no doubt that in the electorate of Granville there are what are considered by locals as natural boundaries: the Duck River, the inlets of the Duck River and the water pipeline down through Chester Hill have always been considered the boundaries of the Granville electorate. But those are jumped by the Electoral Commission at a whim on any occasion. At the moment the seat of Parramatta goes to 3 per cent. The Government Whip talks about communities of interest in certain areas, but he never talks about communities of interest in the western suburbs though in the western suburbs this happens all the time. Government members do not talk about areas of high turnover; they talk only about areas of interest to them. At the end of the day, this legislation is about their areas of interest, about changes that would happen in Goulburn, denying north-western Sydney a seat to which it would be entitled under a principle of one vote, one value.

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [12.11 p.m.], in reply: I thank all members for their contributions to debate on the Parliamentary Electorates and Elections Amendment (Redistributions) Bill 2012 and the Election Funding, Expenditure and Disclosures Further Amendment Bill 2012. It is important to recognise that the Election Funding Bill was introduced at the request of the Electoral Commissioner. It closes technical loopholes that compromise the Election Funding Authority's ability to enforce the Act effectively and in the public interest. That is the big test: the public interest. I particularly thank the Hon. Dr Peter Phelps and the Hon. Jennifer Gardiner for dispelling the mistruths told by those opposite about the circumstances that have led to these bills being presented to the Parliament.

There has been a lot of talk about one vote, one value. The amendments do not depart from the principle of one vote, one value, which is firmly entrenched in section 28 of the Constitution Act 1902. Section 17A will still require the electoral districts commissioners to ensure that the number of electors enrolled in each electoral district will be equal at the time of the next scheduled election. The Act already acknowledges that the commissioners cannot achieve perfect equality of enrolment among districts due to the unpredictable nature of demographic change, and that is why the projected margin of allowance exists. The Parliamentary Electorates and Elections Amendment (Redistributions) Bill simply increases that margin of allowance to 10 per cent to reflect the difficulties associated with predicting the demographic changes in New South Wales, consistent with the recommendations of the electoral districts commissioners in their 2004 report. The bill is not designed for political advantage. That is evident in what was read onto the record by the Hon. Dr Peter Phelps from the letter of the Electoral Commissioner. Electoral boundaries in this State will continue to be set by independent commissioners following an exhaustive public consultation process and in accordance with the criteria set out in the Act.

Debate adjourned on motion by the Hon. Michael Gallacher and set down as an order of the day for a later hour.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Order of Business

Motion by Reverend the Hon. Fred Nile agreed to:

That standing and sessional orders be suspended to allow a motion to be moved forthwith that Private Members' Business item No. 18 outside the Order of Precedence relating to the Drug and Alcohol Treatment Amendment (Rehabilitation of Persons with Severe Substance Dependence) Bill 2012 be called on forthwith.

Order of Business

Motion by Reverend the Hon. Fred Nile agreed to:

That Private Members' Business item No. 18 outside the Order of Precedence be called on forthwith.

DRUG AND ALCOHOL TREATMENT AMENDMENT (REHABILITATION OF PERSONS WITH SEVERE SUBSTANCE DEPENDENCE) BILL 2012

Bill introduced, and read a first time and ordered to be printed on motion by Reverend the Hon. Fred Nile.

Second Reading

Reverend the Hon. FRED NILE [12.15 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce the Drug and Alcohol Treatment Amendment (Rehabilitation of Persons with Severe Substance Dependence) Bill 2012, which I have been working on for more than five years because of my deep concern and compassion for drug addicts, to save their lives and to give them a drug-free future, a drug-free life. The purpose of this bill is to amend the Drug and Alcohol Treatment Act 2007 to further provide for both voluntary and involuntary rehabilitative care of persons with severe substance dependence, and for other purposes.

In due course, when the bill returns to this House, I will seek to refer it to General Purpose Standing Committee No. 2, chaired by the Hon. Marie Ficarra, for its detailed consideration and report on these measures and other relevant matters. I recognise that this is an innovation being introduced into drug rehabilitation programs and legislation in this State, so it needs to be seriously considered by an upper House inquiry, and I am keen for that to happen. I have no intention of trying to ram this bill through the House. All members will have an opportunity to make contributions to that inquiry when it is held.

There is no doubt that we in New South Wales face a serious problem with drug addiction. Because of problems we have almost developed a drug industry, which has become quite extensive and almost undercover. I am not criticising anyone; people have set up various programs to try to cope with the problems of individuals who have a drug addiction. One of those approaches was to introduce the needle and syringe programs, which started in 1986. That will be one of the matters that a future inquiry could consider as well because, as I said, activities under that program have grown to such an extent that 814 needle and syringe programs exist in New South Wales. That involved between 1999 and 2008 the distribution of a total of 96,509,189 needles—that is, nearly 100 million needles in New South Wales alone. Currently more than 9,650 needles are distributed every year in New South Wales.

These types of figures show that many people are involved in using various substances—mostly heroin but other drugs as well—and we have to deal with those who have a drug addiction. According to official government reports, in just one day in June 2011 there were 46,446 clients and 1,444 prescribers—government, private and pharmacies. In fact, 80 per cent of dosing points are in pharmacies in New South Wales. The main substitute drug was methadone, which was provided to 69 per cent of clients. Is this the best system that we have for drug addicts? Is methadone keeping people on another drug instead of heroin?

I am also very supportive of a program that I have been investigating in Western Australia called Fresh Start. The program's treatment is summed up by the acronym PHREE: physiology, housing, relationships, education and employment. That program in Perth, which is funded by the Western Australian Liberal Government, treats physical addictions with the use of naltrexone implants as well as other medical services in the general practitioner clinic and other areas to help the general health of patients. That is another program that could be considered by the inquiry in due course.

In 2005 my wife, Elaine, and I undertook a worldwide study of what we called the problems and solutions for the drug epidemic. We visited about 30 different countries inspecting their drug rehabilitation programs. We particularly wanted to compare the different programs in Asia so we visited China, Taiwan and places like that, and we also went to the Middle East, Egypt, various European countries and, of course, the United States of America, although we did not want to copy what the United States of America was doing; we were trying to move away from what I would call a western society approach to see whether other nations with other cultures had more effective programs.

We were very impressed with the Swedish drug rehabilitation programs. Sweden has one of the lowest levels of drug use in the world, and this bill, I am not ashamed to say, is based on the Swedish legislation. In Sweden the program is not radical, but it has been employed there for many years now and has been very successful. The program consists of a number of stages: the addicts first come into one centre and then they go

to another centre and then another centre. We visited all those centres and we also met with the drug addicts. The different aspect about the Swedish drug program is that it is coercive, not voluntary. I know that social workers in New South Wales, and indeed throughout Australia, argue that drug addicts cannot be treated with any coercive programs. They should tell that to the Swedish Government, because Sweden has been doing it.

I met with drug addicts who were going through the program. Obviously it is very difficult for the first few weeks of treatment because the clients have to go through withdrawal. For the first stage of the treatment they go to a facility that is something like a sanatorium and that is staffed by young men and women who wear white T-shirts and white slacks. It is not a prison; there are no police. They told me that with the withdrawal symptoms, which are very upsetting to the drug addict, the staff would spend all night massaging the clients to help them get through it. Their attitude is so compassionate and caring that after two weeks the drug addicts, who might not have wanted to be there in the first instance, become completely cooperative with the program and move through the various stages. The object of this bill will be to amend the Drug and Alcohol Treatment Act 2007 to further provide for the involuntary rehabilitative care of persons with severe substance dependence. The bill also will provide for voluntary rehabilitation as follows:

- (a) by providing a new option for rehabilitation, so that, instead of being detained, persons with severe substance dependence can (during a trial-period) agree to undergo out-patient treatment, including having naltrexone implanted under their skin and undergoing counselling for relapse prevention and other health issues, and

That is basically the approach of Fresh Start in Perth, Western Australia. The bill also provides:

- (b) by amending the procedure for assessing persons for involuntary treatment, including by adding to the persons who can request an assessment and to the circumstances in which a person can be involuntarily treated, and
- (c) by amending the procedure for the detention and transportation of persons for the purposes of involuntary rehabilitative treatment and for the conduct of the subsequent treatment of those persons, and
- (d) by adding to the rights of detained dependent persons, including their right to plan their treatment and their rights to competent and reasonable care, to legal representation and to information about these and other rights, and

I was keen for that aspect to be included in the legislation in order to protect the civil rights, human rights and privacy rights of all patients in the program. The bill then provides:

- (e) by further restricting the conduct of detained dependent persons (including by prohibiting the abuse or possession of addictive substances, including liquor or drugs, during the period of treatment), and
- (f) by increasing the maximum time for which a person may be involuntarily detained for treatment (from 28 days to 90 days) and by removing the ability to extend that time, and
- (g) by providing for the post-rehabilitative care of persons who were formerly detained or treated (which may involve a second detention or treatment if substance use continues), and
- (h) by applying the Act to young people and specifying the rights of their parents or guardians.

The outline of provisions relating to schedule 1 is as follows:

Schedule 1 [1] updates the objects of the Act to clarify that involuntary treatment provided under the Act is rehabilitative treatment.

Schedule 1 [2] includes in the objects of the Act the objects of facilitating post-care and assistance to dependent persons so as to help the reintegration of those persons into the workforce and society and granting the police, and the staff of treatment centres, the necessary powers to achieve that and other objects.

Schedule 1 [13] restates the procedure for assessing persons for treatment, including by inserting new provisions in proposed section 9A (3) and (4) which change the criteria that must be present before a dependence certificate can be issued so that:

- (a) a dependency certificate may be issued if the accredited medical practitioner who assesses a person is satisfied that the care, treatment or control of the person is necessary to protect the person from harm to his or her own physical or mental health, to protect others and to remove the risk of the person committing an offence due to the person's substance dependence (whereas, at present, the certificate may only be issued if necessary to protect the person himself or herself from serious harm), and
- (b) a dependency certificate may be issued if the accredited medical practitioner who assesses a person is satisfied that the person is likely to benefit from treatment for his or her substance dependence but is unable or unwilling to participate in treatment voluntarily (whereas, at present, the certificate may be issued only if the person has refused treatment), and
- (c) a dependency certificate must not be issued unless the accredited medical practitioner who assesses a person has sought the involvement of the relevant person in the process of planning and developing a personalised plan for the person's rehabilitation and treatment.

As I said at the outset, when the bill returns to the House I intend to move a motion to refer it to General Purpose Standing Committee No. 2, where it will be carefully considered and members will have an opportunity to hear from expert witnesses about the merits of the legislation. As I said, that committee will be chaired by the Hon. Marie Ficarra. The committee can either have a referral via a motion of the House or a self-referral. I will leave it to the committee to make that decision. The referral to that committee may include other matters and not be restricted simply to this bill. This may seem like a radical proposal but I do not believe it is. I invite all members of the House to keep an open mind when considering this legislation when it goes through the committee. I hope the committee recommends that the legislation proceed.

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

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Order of Business

Motion by the Hon. Charlie Lynn agreed to:

That standing and sessional orders be suspended to allow a motion to be moved forthwith that Private Members' Business item No. 973 outside the Order of Precedence relating to the Kokoda Trail be called on forthwith.

Order of Business

Motion by the Hon. Charlie Lynn agreed to:

That Private Members' Business item No. 973 outside the Order of Precedence be called on forthwith.

KOKODA TRAIL

Motion by the Hon. CHARLIE LYNN agreed to:

1. That this House notes the awarding of a battle honour to military units originated in the British Army in the seventeenth century.
2. That this House notes that:
 - (a) the awarding of such an honour follows an exhaustive process resulting in a recommendation by the Commonwealth Battle Honours Nomenclature Committee and approved by a sovereign government,
 - (b) once approved, the unit is authorised to emblazon the name of the battle honour on its battalion or regimental flag or colours,
 - (c) battle honours are invaluable for inculcating in our servicemen and women a sense of the traditions and esprit de corps they have inherited from their forebears,
 - (d) battle honours are a significant part of the history of our battalions and are a daily reminder of the sacrifices made by those who played their part in our nation's wars,
 - (e) the battle honour, "Kokoda Trail", was awarded to the 10 Australian infantry battalions and the Papuan Infantry Battalion who fought in the Kokoda campaign in 1942 after an Australian Battles Nomenclature Committee was established in 1947 to define the battles in the Pacific, with the final report being adopted in 1958,
 - (f) during the establishment of self-government in Papua New Guinea in 1972, Australian administrators established a "Place Names Committee" to examine the issue and recommended the official name be proclaimed as "Kokoda Trail",
 - (g) the Papua New Guinea Chief Minister, Michael Somare, assumed office on 23 June 1972 when the nation achieved self-government as part of the process to independence in 1975,
 - (h) Michael Somare accepted the recommendation of the Place Names Committee and the name "Kokoda Trail" was gazetted four months later on 12 October 1972, and
 - (i) since former Prime Minister Paul Keating's visit to Kokoda, the term "Kokoda Track" has emerged as a politically correct title amongst the modern cult of pop historians who harbour an anti-American bias against the word "trail".
3. That this House acknowledges that veterans are divided over the name and they have the right to refer to it as they wish.

4. That this House acknowledges that:
 - (a) the name, "Kokoda Trail", is the official title recognised by:
 - (i) the National Government of Papua New Guinea,
 - (ii) the Returned Services League of Australia,
 - (iii) the Australian War Memorial Second World War Galleries,
 - (iv) the official Battle Honours of the 10 Australian battalions and the Papuan Infantry Battalion who fought in the Kokoda campaign, and
 - (b) in a speech at a seventieth anniversary commemorative function in Port Moresby on 28 April 2012, the Prime Minister of Papua New Guinea, the Hon. Peter O'Neill, acknowledged the ongoing debate regarding the name in Australia but said the Kokoda Trail is the official name "and it is the name we prefer".
5. That, as the conclusion of the seventieth anniversary of the Kokoda campaign approaches, this House calls on all Australian government agencies and media organisations to respect the sovereign right of Papua New Guinea to name its own geographic features and respect the prestigious battle honour "Kokoda Trail" awarded to the 11 infantry battalions who paid such a heavy price for it to be emblazoned on their flags and colours.

LIQUOR AMENDMENT (KINGS CROSS PLAN OF MANAGEMENT) BILL 2012

Second Reading

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [12.33 p.m.]: I move:

That this bill now read a second time.

Last month the Premier announced the second phase of the Government's response to issues in Kings Cross. The response outlined a broad range of tough measures to tackle alcohol-related and drug-related crime and antisocial behaviour in the Kings Cross precinct. It comprises a whole-of-government approach, including measures to improve transport, licensing and compliance, policing and public spaces. These measures include conditions to curtail outlaw motorcycle gang activity, to promote late-night transport options and fail-to-leave provisions of the liquor laws, and to help keep streets around licensed venues clean. The regulations will ensure that those venues posing a risk of harm to the community are subject to significant constraints to minimise that harm. The new regulation-making power recognises that the expanded Kings Cross precinct contains low-risk licence types, such as producer and wholesaler, and these licence categories do not present the same level of risk as nightclubs and hotels and should therefore not be subject to the same regulatory controls.

This bill permits an informed and sensible approach to regulation when considering the different types of licensed businesses that exist in the Kings Cross precinct. It also recognises that action is required now. The community wants the Government to clean up the Cross, and further delay is unacceptable. A draft of the regulations will be available in time for the debate on this bill. The Government's intention is for the regulations to take effect from 1 December this year to ensure they are in place for the summer season. These regulations can be finetuned through experience and further regulations can be made at a later time if necessary.

I seek leave to incorporate the lengthy remainder of my speech in *Hansard*.

Leave granted.

Prepaid Taxes and Buses

The Government has introduced laws allowing pre-paid taxi fares to assist with transporting patrons out of the Cross.

And we have improved late-night bus service and frequency and are developing education and public awareness alcohol campaigns.

The Liquor Amendment (Kings Cross Plan of Management) Bill 2012 will support those measures through a range of liquor licensing reforms that were foreshadowed by the Premier.

Kings Cross Liquor Precinct Boundary

A key part of the Government's response was an expansion of the existing boundaries of the Kings Cross liquor precinct.

There are currently three different definitions of Kings Cross used for liquor licensing purposes.

There is the Kings Cross Precinct Liquor Accord area, the Kings Cross liquor licence and development application freeze area and the area defined by Schedule 2 of the Liquor Act which allows for extended trading to be approved past midnight on Sunday.

This is complex and confusing for licensees and regulators.

Licensed venues in Kings Cross need to be captured under one geographic boundary to ensure there is a consistent approach to regulatory measures.

The broadest area is that specified under the Liquor Act in the precinct defined in Schedule 2 of the Act.

That boundary shall now be used to define the Kings Cross precinct going forward.

It will ensure the whole of the Cross and areas in the immediate surrounds where there is a concentration of licensed venues are captured.

I am advised that there are 129 licensed venues in the expanded Kings Cross precinct and that 64 of these are authorised to trade past midnight.

This definition of "Kings Cross" will ensure venues in the commercial areas of the Cross and parts of Potts Point are captured.

These areas have seen significant growth in licensed venues as the attractiveness of Kings Cross as a late-night precinct has grown in recent years.

The increased boundary will ensure consistent licensing measures can be applied to venues given that they all play a part in attracting people out onto the streets of Kings Cross.

A basic level of conditions and restrictions will mandatorily apply to late trading licensed premises within this expanded precinct.

The bill also permits conditions to be applied to non-late trading venues in the precinct.

Licence Conditions via Regulation

The bill includes regulation-making powers so that these venues may be subject to a range of additional licence conditions which I will speak to a little later.

Exemption from conditions by Director General

The regulations may authorise the Director General of the Department of Trade and Investment, Regional Infrastructure and Services to exempt a licensed venue from a condition imposed via the regulation-making powers.

Regulations authorising such an exemption can be tailored to specific circumstances so that regulatory measures do not impose unnecessary costs on lower impact businesses such as small restaurants and cafes.

This will ensure that an exemption can reflect the level of risk posed by different classes of venues.

It will also allow the director general to attach conditions to an exemption which could, for example, require alternative measures to be implemented.

However, applications for exemptions will not be used to frustrate the process.

Applications will only be entertained in specific circumstances.

This is consistent with existing processes under the Liquor Act.

Termination of existing Kings Cross Precinct Liquor Accord and Director General's ability to impose measures

Provisions in this bill will terminate the existing Kings Cross Precinct Liquor Accord.

This will have the effect of also terminating the process undertaken by the director general relating to the proposed measures on late-night trading licensed venues that were announced by the Government in August.

The Government will now prescribe measures to apply to licensed premises in Kings Cross under the regulation-making powers contained in this bill.

Licence conditions announced in August

Consistent with the Premier's announcement on 15 August the regulations will prescribe conditions to apply to licensed premises located within the newly defined Kings Cross precinct.

The conditions that were announced in August are that on Friday and Saturday nights:

- (a) shots, doubles and ready-to-drink beverages over five per cent alcohol will not be sold after midnight;
- (b) no-one will be able to buy more than four alcoholic drinks at a time after midnight;
- (c) two Responsible Service of Alcohol marshals must be on duty in each venue from 11.00 p.m.; and
- (d) no alcohol will be sold or supplied in the hour before closing.

On every night of the week the conditions that were announced are that:

- i. glasses, glass bottles and glass jugs will be banned after midnight;
- ii. venue managers will immediately notify police of any violence causing injury and preserve the crime scene;
- iii. licensed venues trading past midnight must maintain a digital CCTV system covering entries and exits, the footpath immediately adjacent to the venue and all publicly accessible areas within the venue excluding toilets. It must operate continuously from opening time until one hour after closing and footage must be provided to authorities within one working day of a request; and
- iv. incident registers must be maintained at all times.

Development of Regulations and consultation

The Government is considering a range of information in developing the final form of the regulations.

This includes the outcomes of the audit of late trading venues in Kings Cross conducted during July and the lessons learned from the Precinct Liquor Accord process such as the application and impact of licence conditions across different business types with different risk profiles in Kings Cross.

The Government is also considering submissions from licensees as well as other information available from the violent venues scheme, Bureau of Crime Statistics and Research data and density research that is being undertaken by the Allens Consulting Group.

The bill includes a provision confirming the validity of regulations regardless of whether any affected licensee has been given an opportunity to make submissions in relation to the proposed regulation.

However, this provision does not mean there will not be consultation.

In fact, there has already been extensive consultation on the Kings Cross problem.

The provision reflects that we now have a considerable body of information regarding alcohol-related problems in Kings Cross and a profile of Kings Cross more broadly.

The Government has been applying that information to inform its approach and decisions will be made with the benefit of the information obtained through existing processes and also by further consultation with affected venues if necessary.

The Government's concern is that its reforms should not be undermined by legal or other processes that will delay implementation of solutions that address the very significant problems in Kings Cross.

The reforms have been announced and are not a surprise to liquor licensees in the Kings Cross precinct.

They are an appropriate response to the alcohol-related problems at the Cross.

It is also proposed that the regulations will prescribe measures that have been previously put into place via the Kings Cross Precinct Liquor Accord.

Liquor Freeze

The Liquor Act currently imposes a freeze on the grant of new liquor licences to hotels, clubs, public entertainment venues, packaged liquor venues and producer/wholesalers in a defined Kings Cross precinct.

The freeze also applies to applications for extended trading hours authorisations under section 23 of the Liquor Act which can for example be used to sell liquor without meals in restaurants and where an application will result in an increase in venue patron capacity or an increase in the number of persons entering Kings Cross to consume alcohol.

In addition to affecting prescribed liquor licence applications, the freeze also applies to the grant of development consent by the local council in circumstances where an application under the liquor laws could not be approved because of the freeze.

The freeze does not extend to new restaurants and cafes operated under an on-premises licence or to existing restaurants and cafes unless the application would lead to an increase in patron capacity or it would increase the number of persons principally in the precinct to consume alcohol.

This bill will extend the freeze in Kings Cross by three years to 24 December 2015.

The Government will review the operation of the Kings Cross freeze at that time.

The bill does not affect the operation of existing licence freezes in Oxford Street, Darlinghurst and the southern Sydney central business district, which will continue until 24 December this year.

The bill also expands the Kings Cross freeze area so that it mirrors the new Kings Cross precinct boundaries.

The freeze will apply from 19 September 2012 in areas that are currently not captured by the existing freeze legislation.

This is the date that the expansion of the freeze was announced by the Government.

Liquor licensing and development applications made prior to 19 September can continue to be considered if they have not already been finalised.

Small Venues

The bill will establish an exemption for small venues from the liquor freeze in Kings Cross, Oxford Street, Darlinghurst and the southern Sydney central business district.

This will provide a different business model for the industry.

Allowing small venues will help to create a diversity in drinking establishments, encourage investment and bring back variety to the Cross.

Our response to Kings Cross issues released in September proposed that a separate "small bar" licence would also be introduced.

The legislation for that new licence will be progressed in the first half of 2013.

The "small venue" provisions in this bill will ensure that the new licence will be exempt from the liquor freeze in Kings Cross when that licence is introduced.

In the meantime this bill will allow small venues to be established using existing licence types under the liquor laws.

RSA and Competency Card

The bill also recognises the importance of licensees and venue staff in a high-risk precinct such as Kings Cross having up-to-date knowledge of the liquor laws and harm minimisation requirements.

It will require licensees and staff involved in selling and supplying liquor or in crowd control and security in Kings Cross licensed premises to have a current "Responsible Service of Alcohol" competency card by 31 March 2013.

This action will ensure that staff working in Kings Cross licensed venues have completed contemporary Responsible Service of Alcohol education and training.

The bill establishes offences for licensees and staff where there are breaches of these new Responsible Service of Alcohol competency requirements.

Further measures to come in 2013

This bill is just one phase of the Government's legislative program to make Kings Cross a safe entertainment precinct for Sydney.

The next phase will see measures to support the introduction of identity scanners, the introduction of a small bar licence which can be used across New South Wales and the ability to revoke Responsible Service of Alcohol Competency Cards where there is a serious breach of obligations to responsibly serve alcohol.

The Government believes that the reforms in this bill are necessary to reduce alcohol and drug-related violence and antisocial behaviour in Kings Cross and make the Cross a safer more enjoyable place to visit, live in and work.

We are working closely with the City of Sydney Council to develop a Kings Cross Plan of Management which builds on what has already been announced and provides a comprehensive long-term sustainable solution to the issues faced in Kings Cross.

This work demonstrates the Government's resolve to reduce alcohol-related violence, improve the safety of licensed venues and ensure the public and visitors to this State can enjoy our entertainment precincts.

Existing measures, new initiatives and future liquor policy

Over the past 18 months the O'Farrell Government has introduced a tough Three Strikes disciplinary scheme for licensed venues along with new move-on powers for police to deal with troublemakers who have been drinking.

We have commissioned new research into the cumulative impact of licensed premises so we have a more informed view of licence density and we are reviewing the operation of the violent venues scheme under the Liquor Act to ensure the types of conditions imposed on liquor licences are helping to drive down alcohol-related violence.

The Government is also developing new education initiatives to improve public knowledge of responsible drinking and we are trialling online responsible service of alcohol training to ensure training is more accessible to those who need to undertake it.

This bill is yet another example of the Government taking decisive action to tackle alcohol-related crime and antisocial behaviour and there is still more to come.

I commend the bill to the House.

The Hon. STEVE WHAN [12.35 p.m.]: The Opposition will support the Liquor Amendment (Kings Cross Plan of Management) Bill 2012. As Minister Gallacher said, the bill is part of the measures that the

Government announced to deal with issues in Kings Cross. The measures include extending until 24 December 2015 the existing freeze on granting liquor licences and development consents, expanding the boundaries of the Kings Cross precinct to cover a wider area, and extending the area that the freeze provisions apply to. It will exclude small venues in the Kings Cross precinct, venues that are restricted to no more than 60 patrons and where there are no gambling activities or takeaway liquor sales. It will also authorise regulations to impose specific licence conditions relating to premises. Those specific licence conditions include things such as the type of alcohol that is allowed to be served and the ways in which it is served, whether in glasses and so on, and the authorised times for a number of those things. There is also a provision to beef up the requirements on responsible service of alcohol training for staff in the Kings Cross area.

These conditions are consistent with the announcement the Premier made a few weeks ago at a press conference in Kings Cross, which the Opposition supported. A number of measures were announced to tackle some of the antisocial behaviours that have been a problem in the area. In his second reading speech the Minister in the other place indicated that the regulations would be available when this bill was discussed in the Legislative Council. It appears they are not available, unless somebody has a copy of them. I have not seen them yet. It is concerning that they are not available when the Minister suggested they would be. It would have been preferable to have them, given that the Minister promised it. In any case, we can look at regulations later and we will do so with great interest.

These are good reforms to the extent that they go forward—we know there is more to come. The Government has promised to undertake a number of initiatives in the Kings Cross area, including linking identification scanners in various venues in Kings Cross. That regulation is still to come. The Government promised things during the election campaign about which I am more dubious. They included sobering up rooms—and on that topic there are still a lot of questions to be answered. Who will run the sobering up centre? Who will staff it? Will it take police off the streets or use nurses? The Government has not provided those answers yet. Presumably that is why no progress has been made on that as far as the Opposition is aware. The key thing to highlight is that the Opposition believes there is more to do.

The Government has announced more bus services, but the Opposition consistently has advocated for train services running all night from Kings Cross on peak nights. Trains can move a much greater number of people than buses. Licensees and the police are telling us that many of the problems occurring in Kings Cross arise from the sheer number of people who are milling around on the streets late at night. People should be dispersed more quickly instead of waiting for buses and taxis. The Opposition still believes that the Government has not properly addressed that issue.

The Government should be considering other suggestions made by, for example, the Australian Hotels Association [AHA]. In the Premier's press release, he said the Government would be considering proposals from licensees in the area to fund a greater uniform police presence on the streets of Kings Cross. As long as those people stay under the command of the police, that is something that the Government should consider seriously and more quickly. There are precedents for events organisers paying for a police presence—for example, country shows—and the Government should treat that suggestion quickly and seriously, given that we are moving towards a peak season for Kings Cross. We should treat Kings Cross virtually like a special event at the end of each week and on each weekend. That Government proposal needs more work. Other suggestions include more control over road use by private vehicles, which also requires more serious consideration by the Government.

On a number of occasions, both in this House and in the other House through the Leader of the Opposition, the Opposition has stated on the record its belief that more needs to be done. However, on the basis that these measures are implementing commitments given by the Premier in his September press conference and that the Opposition at that time indicated its agreement, the Opposition will support this legislation.

Dr JOHN KAYE [12.41 p.m.]: On behalf of The Greens I participate in debate on the Liquor Amendment (Kings Cross Plan of Management) Bill 2012 and indicate that The Greens will not oppose the legislation. As the Hon. Steve Whan indicated, this is part of the Government's implementation of the September 2012 document, "NSW Government Response to Issues in Kings Cross", which outlines a more substantive program than is in the legislation. The Greens will take up only one issue with this legislation, and I will address that in detail later. Although the remainder of the legislation does not cause The Greens particular problems, in the short time available for my speech this afternoon I will address some of the features of this legislation.

The bill amends the Liquor Act 2007 by placing a freeze on liquor licences, development applications and late night trading applications until 24 December 2015, which is a positive move. The precinct is already at capacity with respect to licensed venues. There is increasing evidence that the increasing density of licensed venues results in increases in alcohol-related violence. A freeze on expansions of existing late night trading venues in Kings Cross will at least stop the growth in violence associated with the adverse consumption of alcohol. It is interesting to note in the legislation that small venues of no more than 60 patrons are exempted from the freeze. It is interesting because the previous definition of "small venues" cited 120 patrons. We note that the Minister for Tourism, Major Events, Hospitality and Racing, and Minister for the Arts, Mr Souris, has had his way with this legislation and is moving towards small venues of 60 patrons.

It is also interesting to note that nonetheless Mr Souris clearly has had a substantial change of heart. On 17 July 2012 he told the *Sydney Morning Herald* that he was "concerned about the impact of the 'proliferation' of small bars clustered around Kings Cross following the change to the law". The change to which the Minister referred was the Clover Moore initiated changes to alleviate the licensing burden on small bars. Mr Souris then said:

It was hoped by Clover Moore that those smaller venues would attract more passive people, nicer people drinking chardonnay and they would fill up these lovely lanes across the CBD.

"Well, they filled up the lovely lanes in Kings Cross; they focused on where the obvious attraction was."

The article goes on to state:

The proliferation of small bars was "one of the contributors" to the problem of alcohol-related violence in Kings Cross, he believed.

"Not entirely, but to some extent, that really has been a failure of policy—the proliferation of small licences in the concentrated way that they have occurred," Mr Souris said.

The problem for Mr Souris is that there were only five licences for small venues in Kings Cross and a total of 58 bars in the city, which is adjacent to Kings Cross. The reality of five hardly equates to Mr Souris's myth of a "proliferation" of bars. The reality is that in the period leading up to the end of 2010 when donations to the liquor industry became illegal, the Australian Hotels Association donated \$472,000 to the Coalition just before the gate closed on donations from alcohol businesses, other businesses and representatives. It is hardly surprising that the Coalition was running the big hotels line against the small bars.

The success of small bars has been a problem for big hotels. Very slowly, small bars are having an influence in the right direction on the drinking culture. It is changing the nature of premises that serve alcohol from beer-swilling barns—when we were kids we called them swill palaces—to drinking being an adjunct to social activity, not a key focus of social activity. Unless and until that cultural transition is made, everything else that this Parliament does will be bandaid solutions. Some bandaid solutions are more effective than others, but attacking small bars and changing a definition from 120 to 60 is not likely to help; in fact, it will probably make life more difficult.

A provision in the bill will require all licensees, bar staff and security personnel in the Kings Cross precinct to hold a competency card, which has to be updated every five years, to indicate that they have satisfied the training requirements for the responsible service of alcohol. As my nieces and nephews would say, that is a nano-step in the right direction. It is important for everyone involved in the alcohol industry to hold qualifications relating to the responsible service of alcohol, but it is much more important for the responsible service of alcohol to be put into practice.

The plan calls for a series of responsible service of alcohol marshals to be deployed into Kings Cross after 11.00 p.m. That is a good thing. The Greens have been arguing over a lengthy period for increased enforcement of section 82 of the Liquor Act as well as the responsible service of alcohol regulations and requirements under the Liquor Act. The competency card provisions of this legislation will have some impact by ensuring that each person involved has at least been trained, but there is a long distance between training in responsible service of alcohol and the implementation of the responsible service of alcohol.

The legislation will authorise the implementation of new regulatory controls on some licensed premises, including the ability to place restrictions on the use of glass and serving some types of liquor at some times during the day. It is suggested that in the Kings Cross precinct a variety of conditions can be prescribed by

regulations. In new division 3, new section 116A states that regulations will prohibit or restrict the use of glass or other breakable containers on licensed premises. The Greens are concerned about the use of disposable drinking containers, but hold even graver concerns about the damage done when people are glassed.

Proposed section 116A will also prohibit or restrict the sale or supply of certain types of liquor, in particular with a high alcohol content or liquor that is intended to be consumed rapidly, such as shots. It will prohibit or restrict the sale or supply of liquor on licensed premises in certain circumstances at certain times; will prohibit patrons from entering licensed premises at certain times; will require the implementation of security or public safety measures; will require registers to be kept; and will require the licensee of any premises situated in the Kings Cross precinct to contribute towards the costs associated with measures to minimise or prevent alcohol-related violence or antisocial behaviour.

That last provision is crucial to success. It would be appalling if the swill barns continued to make massive profits, pocketing those profits while the public purse—Sydney city council and the State of New South Wales—totally paid the price. If an activity such as the large-scale sale of alcohol is undertaken and its policing and regulation involve costs, they ought properly to be borne not by the public and not by Sydney city council but by those who profit from the large alcohol sales. One condition in proposed section 116A causes us great concern—that is, that the regulations may:

... require the exclusion from licensed premises of persons of a specified class (including persons who are wearing any clothing or article displaying the name of, or other matter associated with, a particular organisation) ...

It is very clear that that regulation is aimed at excluding bikies from licensed venues, but it will also enable people of Aboriginal, Torres Strait Islander or Pacific Islander descent to be excluded. It would enable people wearing baseball caps backwards, and people wearing T-shirts that identified a political party or a social movement or a band to be prohibited from entry. It is a deeply prejudicial provision in the Act and one that The Greens feel goes far too far and traverses the civil liberties of people seeking to have a drink in a bar. We will be moving an amendment to delete that provision from the legislation.

The real issues, the real drivers, for alcohol-related violence are not addressed in this legislation. I have a suspicion that they will not be addressed by this Government. The real issue is the bars and venues that continue to sell alcohol to people who are intoxicated. Yes, some people come to Kings Cross having preloaded—having already drunk substantial quantities of alcohol or, indeed, taken some drugs—because it is cheaper to do so at home. They will continue to be a problem. But a substantial proportion of individuals continue to be served alcohol after they are intoxicated.

The May 2012 report of the Bureau of Crime Statistics and Research on the responsible service of alcohol found that 92 per cent of intoxicated persons were not refused service by the licensed premises. A massive 87 per cent of people surveyed by the bureau were not asked to leave licensed premises despite being highly intoxicated. This is the core of the problem. Licensed venues continue to serve alcohol to people who are intoxicated, and they are not exercising their responsibility under the responsible service of alcohol legislation, under their licence conditions and under the Act to exclude and remove intoxicated people from the premises. Unless and until that is done, everything else done here will not solve the problem. Some of these suggestions may make the problem better; they may make minor improvements to the problem, but until Parliament and this Government is prepared to get tough on licensed venues there will continue to be violence.

That violence will not only play out against other patrons and other people who are casually in Kings Cross—as is their right to do, and we should respect their right to do so—but also against the police who have to clean the matter up. Often we are critical of the police, but in this matter I am deeply sympathetic. Having been taken on a walk through Kings Cross by some local residents a couple of years ago and having seen what the Police Force has to cope with—I was surprised at the incredible amount of patience that they displayed in the face of appalling provocation—I remain that way. To be candid with the House, I doubt whether I would have had the patience with some of the things that were said. Also, the nurses who have to clean up the mess face violence on a nightly basis and do not complain but many of them end up injured, both physically and psychologically, from what they have to confront. We owe it to the patrons, to the police, to the nurses and to the paramedics who have to move some of these people to medical treatment, and to our community to address this appropriately.

The 87.6 per cent and 92.9 per cent of people continuing to be served when they are intoxicated remains the heart of this problem. The only way to resolve this is to get tough on those venues. Nothing in this legislation really goes to the heart of the issue. Those venues continue to print money, make bucketloads of money—

The Hon. Michael Gallacher: What about the three strikes policy? They lose it.

Dr JOHN KAYE: I am glad the Minister interjected about the three strikes policy. One of the issues we will be raising—

The Hon. Duncan Gay: It is not in this legislation.

Dr JOHN KAYE: It is not in this legislation, but the Minister has raised it so I will exercise the tolerance of the House. The problem with the three strikes legislation is that it has not worked yet because time has not elapsed. I am not being unfair; time periods are built into the bill. We have to say that the jury is out on the effectiveness of the three strikes legislation. Even though the three strikes policy is there and licensed venues in Kings Cross are operating under the threat of three strikes, alcohol is still being served to people who are intoxicated. There are still intoxicated people in licensed venues, and that has to come to an end if we are to begin to resolve the problems of alcohol.

I have two more issues to talk about. The first is transport. The plan this legislation implements talks about the transport issue, and it is quite correct to do so. Anecdotal evidence and some scientific evidence is focused quite strongly on the issue of late-night buses. Buses certainly have a role to play in getting people out of Kings Cross. People are frustrated at not being able to get away from the venue—particularly where there are early closings and when venues close at the same time and a large number of people are pouring onto the street—and it is important to get them out of the area. The numbers of people in Kings Cross are such that it is unlikely that even bus services—and I note the Government is opening up Kings Cross to commercial bus services; that is, it is throwing State buses into competition with commercial buses—have the capacity to move people in the time available. The answer is trains and the answer is to get the train network working. I know the Minister for Roads and Ports does not agree, but he has a vested interest because he is the roads Minister.

The Hon. Duncan Gay: I do not have a problem with trains; the problem is putting people underground at night. That is a problem.

Dr JOHN KAYE: Obviously this is not within the leave of the bill, but it is a debate we should have.

The Hon. Duncan Gay: It is a debate we had before we brought this legislation in.

Dr JOHN KAYE: It would be interesting to hear the Minister justify that. The evidence is that resolving the issue of getting people onto trains—many of whom are over 0.05 and may be behaving somewhat irresponsibly—is important to resolving the problem. The last issue I want to talk about and which is the most complex of all is the issue of cultural change. It is hard for Parliament and for governments to do this, and it has to be done in a secondary way, but we need to change the culture away from alcohol as a primary focus of entertainment to being an additional enhancing element of entertainment. The objective is to have a good time, not to get drunk. The Greens will not be opposing this legislation.

[Deputy-President (The Hon. Natasha Maclaren-Jones) left the chair at 1.01 p.m. The House resumed at 2.30 p.m.]

Pursuant to sessional orders business interrupted at 2.30 p.m. for questions.

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

QUESTIONS WITHOUT NOTICE

NSW CENTRE FOR ROAD SAFETY

The Hon. LUKE FOLEY: My question is directed to the Minister for Roads and Ports. Why did the Minister advise the House yesterday, "We have not reduced the number of employees in the road safety area", given that there are now 16 fewer positions dedicated to road safety?

The Hon. DUNCAN GAY: It is fine to quote selectively from an answer that I gave yesterday. If the member had quoted—

The Hon. Adam Searle: Point of order: The Minister is debating the question.

The PRESIDENT: Order! I had not given the member the call. However, there is no point of order.

The Hon. DUNCAN GAY: The member is good; he quoted selectively from what I had to say. However, if he had read the answer that I gave yesterday and the supplementary answer that I tabled at the end of question time he would know that he is deliberately being devious. Yesterday I indicated that some road safety portfolios went to Transport for NSW. I also indicated that the number of employees in the road safety area had not been cut. The money and the road safety component remain intact.

ILLEGAL FIREARMS IMPORTATION

The Hon. SCOT MacDONALD: My question without notice is addressed to the Minister for Police and Emergency Services. Will the Minister update the House on NSW Police Force efforts to combat the illegal importation of firearms into New South Wales?

The Hon. MICHAEL GALLACHER: I thank the member for his question and for his interest in this issue. The NSW Police Force is working successfully with other jurisdictions to combat the illegal importation of firearms into New South Wales so that they do not fall into the hands of criminals. I am pleased to advise the House that last week an illegal gun supply route operating between Nashville, Tennessee and Sydney was successfully shut down. I am advised that law enforcement officers in Nashville executed a number of search warrants with respect to false statements concerning the acquisition of firearms. I am further advised that three men were arrested and officers seized numerous documents and computer equipment.

Officers from the NSW Police Force Firearms and Organised Crime Squad were present during the operation and I understand that it is alleged that these three men purchased firearms in Tennessee and arranged for their illegal export to Sydney. The arrests follow months of detailed investigation involving dedicated officers from the NSW Police Force working together with the Australian Customs and Border Protection Service, the United States Bureau of Alcohol, Tobacco and Firearms and the United States Drug Enforcement Administration. It does not end there. I am advised the NSW Police Force is continuing its investigations with further arrests anticipated. This investigation highlights the significant lengths to which criminals will go to get their hands on illegal firearms and, more importantly, the dedication of the NSW Police Force to tackle the illegal importation of firearms into New South Wales.

In June this year I made tackling gun importation a national priority. At a meeting with the Australian police Ministers we agreed to a number of measures as part of a national response to gun crime. It included an agreement that the Commonwealth would introduce an aggravated firearms trafficking offence to carry a maximum penalty of life imprisonment. I thank Opposition members for their encouraging remarks. We agreed to new intelligence sharing arrangements between jurisdictions, including the embedding of customs officers in specialist State crime squads to help target future joint operations. It included directing the Australian Crime Commission to undertake illicit firearms assessments that will provide ongoing and in-depth criminal intelligence assessments of gun use, trafficking and importation over the next two years.

All members will recall that earlier this year New South Wales police officers from Strike Force Maxworthy shut down a syndicate that had imported into Australia an estimated 140 to 220 brand new handguns from Germany. Some of these guns are directly linked to shootings in Sydney. The arrests in Nashville and results from Strike Force Maxworthy are excellent results that highlight the success of the NSW Police Force working with agencies in other jurisdictions on an international level to prevent illegal firearms making their way to our shores, whether in New South Wales or around the nation.

ROAD SAFETY

The Hon. ADAM SEARLE: My question without notice is directed to the Minister for Roads and Ports. Will the Minister confirm that the \$170 million road toll response package is fully funded until 2015?

The Hon. DUNCAN GAY: I thank the member for his question. As the New South Wales Government is implementing a \$170 million road toll response package across five years to improve road safety, I would think the answer is yes. Interestingly, as a result of the questions asked by the Leader of the Opposition and the Deputy Leader of the Opposition I have been informed by my hardworking staff that under the former Roads and Traffic Authority, 66 staff members were employed at the Centre for Road Safety.

The Hon. Penny Sharpe: Point of order: The Minister is answering the question that was asked by the Leader of the Opposition; he is not answering the question that was asked by the Deputy Leader of the Opposition, which is something that he does almost every question time.

The PRESIDENT: Order! I was temporarily distracted looking at a previous President's ruling. If a Minister subsequently receives information that is relevant to a previous question he should give a supplementary answer at the end of question time. I urge the Minister to do so. The Minister has the call.

The Hon. DUNCAN GAY: The Hon. Penny Sharpe just spilled the beans: Opposition members want only to ask questions; they do not want to receive answers. At that time actual staff numbers were 66 but now actual staff numbers are 65. The difference is that Government is implementing a \$170 million road toll response package across five years and \$149 million of that package will be allocated for road improvement works at high-risk locations throughout the State with poor crash histories and poorer performing local roads. Some of the major works include safety barrier sections on Picton Road, Blackadder curve, Plumbers Lane and the Princes Highway—areas right in Labor's heartland that were forgotten by the former Labor Government. The people of New South Wales know that if we make a promise, we commit to it and we deliver it. It is just ridiculous for Opposition members to make out that this Government is not going to deliver these things.

M5 EAST FILTRATION SYSTEM

The Hon. CATE FAEHRMANN: My question is directed to the Minister for Roads and Ports. When Labor scrapped the M5 tunnel's eastbound filtration system Andrew Stoner, who was then shadow Minister for Roads, said in 2010:

This is another broken promise by State Labor and one that will most likely cost the lives of drivers from Western Sydney. The M5 East Tunnel has been described as the world's filthiest tunnel yet State Labor is too incompetent to ensure air filtration.

Given that statements like this were given by now senior Government members when they were in opposition, why did the Minister for Roads and Ports not install a better filtration system in the tunnel?

The Hon. DUNCAN GAY: I sometimes wonder at the questions that the friends of Labor ask me. The question was why did I not install a better filter? Well, I did not install the filter. The previous Government spent between \$65 million and \$70 million installing a filter. Quite generously yesterday and today I indicated that we had support for a filtration system as a possible way of cleaning up this problem because we, like others, accept that there is a problem with the tunnel. Sadly, despite spending that large amount of money, the filtration system is not working. The CSIRO, the best third party one could get to look at this matter, has reviewed the filtration system and concluded that it is not working. I wish the system worked, because about \$70 million has already been spent on it; and that could well be the silver bullet. Frankly, to get a question like this from probably the most intelligent person on that side of the House is disappointing, to say the least.

OXFORD STREET PARKING

The Hon. JOHN AJAKA: My question is addressed to Minister for Roads and Ports. Can the Minister inform the House what the Government is doing to assist business owners on Oxford Street?

The Hon. DUNCAN GAY: I thank the member for his question and his interest in this important issue. Business owners along Oxford Street are doing it tough; frankly, they did it tough throughout the period of the Labor Government. A lack of parking on the shopping strip in the afternoons is having a significant impact on business trade, notably retail and restaurant trade.

The PRESIDENT: Order!

The Hon. DUNCAN GAY: After an invitation from business owners along Oxford Street, I inspected the area.

The Hon. Sophie Cotsis: Did you inspect it with Shayne Mallard?

The PRESIDENT: Order!

The Hon. DUNCAN GAY: I can inform the House that the Government has approved a slight change—

The Hon. Sophie Cotsis: It's all about Shayne Mallard.

The Hon. DUNCAN GAY: Opposition members interject to say that I inspected it with Shayne Mallard. I cannot lie to the House: I did inspect it with Shayne Mallard—that hardworking man. I was not going to say that, but they dragged it out of me.

The PRESIDENT: Order! I call the Leader of the Opposition to order for the first time. I call the Hon. Sophie Cotsis to order for the first time. I call the Hon. Dr Peter Phelps to order for the first time.

The Hon. DUNCAN GAY: The Government has approved a slight change in the operating hours of the southbound bus lane on Oxford Street.

The PRESIDENT: Order! I call the Leader of the Opposition to order for the second time.

The Hon. DUNCAN GAY: Mr President, as you would know, the southbound bus lane will now operate from 4.00 p.m. to 7.00 p.m., instead of from 3.00 p.m. to 7.00 p.m. This will provide an extra hour of street parking which should hugely assist shopkeepers—

The Hon. Walt Secord: Point of order: This is clearly a ministerial statement.

The PRESIDENT: Order! There is no point of order.

The Hon. DUNCAN GAY: The southbound bus lane will now operate from 4.00 p.m. to 7.00 p.m., instead of from 3.00 p.m. to 7.00 p.m. This will provide an extra hour of street parking which should assist shopkeepers, many of whom are struggling to make ends meet in this challenging post global financial crisis retail environment.

The PRESIDENT: Order! I call the Hon. Steve Whan to order for the first time. I call the Hon. Walt Secord to order for the first time. I call the Hon. Greg Donnelly to order for the first time.

The Hon. DUNCAN GAY: In fact, the lack of on-street parking is killing some businesses. The changed bus lane conditions will be trialled for 12 months, after which there will be a review to determine whether it has been a success and whether it has positively or negatively affected traffic flow on Oxford Street. We need to do this trial to find out. This slight change is about balancing the needs of bus movements, general traffic and the needs of the local business community. Listen to Opposition members: they do not care for small businesses. They have never cared for the people in this State who work. They do not care for the shopkeepers; they are absolutely deserting them.

The Hon. Lynda Voltz: Point of order: The Minister knows full well that he should not respond to interjections and that he should not direct his comments across the Chamber.

The PRESIDENT: Order! The Minister's time has expired.

WASTE LEVIES

The Hon. PAUL GREEN: My question is directed to the Minister for Finance and Services, representing the Minister for the Environment. When is the Government going to stop charging and applying section 88 waste levies on materials used to build roads within waste management sites?

The Hon. GREG PEARCE: That is a good question. I will refer it to the Minister and obtain a detailed response for the member.

NSW CENTRE FOR ROAD SAFETY

The Hon. PENNY SHARPE: My question without notice is directed to the Minister for Roads and Ports. Will the Minister confirm that road toll response package positions are no longer part of the NSW Centre for Road Safety?

The Hon. DUNCAN GAY: It is a good question, and I will take it on notice and obtain an answer.

STATE OF THE STATES REPORT

The Hon. MATTHEW MASON-COX: My question is addressed to the Minister for Finance and Services. Can the Minister update the House on the CommSec State of the States report and the Federal mid-year economic fiscal outlook?

The Hon. GREG PEARCE: I thank the member for his question. I can report on the latest State of the States report. Did members like the photo in the *Australian* today?

The Hon. Adam Searle: I have seen it.

The Hon. GREG PEARCE: I thought it was a very nice photo. In the latest State of the States report New South Wales—

The Hon. Walt Secord: A centrefold of Greg Pearce.

The Hon. GREG PEARCE: I am a front-pager, not a page 3 like the Hon. Walt Secord. New South Wales has been rated as the big improver, now ranked alongside Victoria and Queensland.

The PRESIDENT: Order! I call the Hon. Greg Donnelly to order for the second time.

The Hon. GREG PEARCE: Each quarter CommSec attempts to find out how the States are performing by analysing eight key indicators: economic growth, retail spending, equipment investment, unemployment, construction work, population growth, housing, finance and dwelling comments. According to CommSec, there is now little to separate the three largest States. New South Wales has moved from fifth to fourth, alongside Victoria and Queensland. Firmer population growth and relatively low unemployment have boosted dwelling starts in New South Wales from a low base under Labor.

The Hon. Dr Peter Phelps: Point of order: My point of order relates to the disorderly behaviour of members reading newspapers in the Chamber, especially articles about the Minister—an excellent photograph of him.

The Hon. Mick Veitch: To the point of order: The point of order taken by the Government Whip raises serious issues in relation to material being read by members in the Chamber. Standing orders preclude members reading a newspaper in the Chamber but, in fact, members could be reading the same newspaper and looking at the same photograph on an iPad in the Chamber.

The PRESIDENT: Order! That is quite correct and it is a matter worthy of consideration on another occasion. As the time available for questions is limited, I will give that issue some consideration on another occasion. I ask the member not to refer to a newspaper unless it is relevant to an adjournment speech he is making later today.

The Hon. GREG PEARCE: I should point out that I am available for autographs later if the Hon. Greg Donnelly would like an autograph on the photo. On economic growth, New South Wales' activity was up almost 10 per cent on its normal or average output over the past decade under Labor. On equipment investment, New South Wales spending in the June quarter was 20.2 per cent above the normal or decade average levels under Labor. On unemployment, the New South Wales trend jobless rate of 5.1 per cent is well below the decade average of 5.3 per cent under Labor. The jobs market is now the State's strength. The Australian Bureau of Statistics reported that 44,000 jobs have been created since we came into government. While construction remains a challenge, as noted in the report, this is being addressed through our Building the State housing package, with all the homebuyer incentives now targeted towards new homes.

Since the O'Farrell-Stoner Government was elected, there has been more economic growth, more jobs and more business confidence in New South Wales. However, we all know that New South Wales is facing the biggest revenue shock since the GST was introduced and that this is making it significantly harder for New South Wales to fund the services that it delivers. [*Time expired.*]

The Hon. MATTHEW MASON-COX: I ask the Minister a supplementary question. Will the Minister elucidate his answer?

The Hon. GREG PEARCE: In relation to the Federal Government's Mid-Year Economic and Fiscal Outlook, Federal Labor has delivered another blow to New South Wales when the State can least afford it. Not content with 16 years of destruction under that mob on the other side, the Federal Labor Party is continuing to inflict pain and suffering on the people of New South Wales. Federal Labor's attempt at delivering a budget surplus means that the Federal Labor Government will strip another \$900 million from the people of New South Wales. That \$900 million reduction in special purpose payments and national partnerships will significantly impact health and education services in New South Wales.

While the O'Farrell-Stoner Government is prepared to do the heavy lifting to control expenses, Federal Labor continues to pass the tab back to New South Wales. We will continue to stand up to Canberra and we will continue to fight for New South Wales' share of Federal funds, including the National Disability Insurance Scheme, Gonski education reforms and the pay increase for the social and community services sector. While Julia Gillard, Wayne Swan and Labor shirk the tough decisions, we are taking the action that is needed to deal with the financial and economic challenges facing New South Wales. I congratulate the Government, and particularly the Treasurer, on today's confirmation by Standard and Poor's that the State has retained its triple-A credit rating and on the comment by Standard and Poor's that "NSW's financial management has improved over the past 18 months, including tighter revenue and expenditure management and closer monitoring of business performance". That is the official judgement.

POLICE TASER USE

Mr DAVID SHOEBRIDGE: My question without notice is directed to the Minister for Police and Emergency Services. What steps are the Minister and his department taking to address the fact that 29.3 per cent of people tasered by police in New South Wales are Aboriginal, when Aboriginal people comprise only 2.5 per cent of the population?

The Hon. MICHAEL GALLACHER: The NSW Police Force is doing an excellent job in providing a safer community for the people of this State. The use of tasers by police has been fully examined by the Ombudsman and his findings were announced this week. The Greens have criticised the use of tasers by police for many years and they have accused police of the most horrific things in that regard. The Greens now suggest that somehow police can distinguish the nationality of a person standing in front of them or tell whether the person is Aboriginal or of some other race.

The police have a split second in which to make a decision in relation to the use of their appointments—be it a taser or some other means—either to protect themselves or to protect offenders who may well be in serious need of assistance because of the actions that they are about to take. We heard this week that police officers had to use a taser on a person suffering a mental health episode. That person was trying to self-harm and police acted quickly. Taser use by police has been examined comprehensively by the Ombudsman and his findings were released this week. Police are ever mindful of the ongoing need to continually update and monitor the standard operating procedures and to adhere to them. If the member believes that something untoward is happening in relation to the use of tasers on people of Aboriginal descent—

Mr David Shoebridge: Thirty per cent of people tasered are Aboriginal.

The Hon. MICHAEL GALLACHER: Is Mr David Shoebridge saying that it is intentional?

Mr David Shoebridge: I am saying it is a major failing by New South Wales police.

The Hon. MICHAEL GALLACHER: Is Mr David Shoebridge saying that it is intentional? The point is that police do not have that choice. They do not ask, "Can you tell me whether you are of Aboriginal descent? Are you an Islander?"

The PRESIDENT: Order! I call Mr David Shoebridge to order for the first time.

Mr David Shoebridge: You don't care.

The Hon. MICHAEL GALLACHER: We do care.

Mr David Shoebridge: You don't care.

The PRESIDENT: Order! I call Mr David Shoebridge to order for the second time.

The Hon. MICHAEL GALLACHER: We do care which is why we give police the support of this Parliament. I would like to think that we have the support of the Opposition in ensuring that we give police measures to protect themselves and the community through these appointments or weapons. The level of scrutiny that is in place relating to tasers in this State is the highest in the world. New South Wales has that level of accountability through the use of video cameras and audio recording equipment which guarantees a level of transparency in the operation by police of these devices.

Mr David Shoebridge: Point of order: My question related to the extraordinary overrepresentation of Aboriginal people who are being tasered. The Minister is not addressing that question and he is not being relevant.

The PRESIDENT: Order! The Minister was in order.

The Hon. MICHAEL GALLACHER: I am satisfied that police have that level of accountability through the application of video cameras and audio recording devices. In every instance, no matter where the person is from, no matter what the circumstances were that led to the police officer removing the taser from the holster, there is a level of scrutiny the likes of which is not found anywhere else in the world—absolutely the highest level of scrutiny. The Ombudsman recognises the high level of compliance by police—well over 80 per cent compliance with the standard operating procedures in this State. That is a significant record, a significant tick and a significant pat on the back. But what do we get from The Greens? They are inferring that somehow police are using these tasers against Aboriginal people. When police are confronted by a person how in heaven's name are they supposed to know the origins of that person? That is a disgraceful question.

Mr DAVID SHOEBRIDGE: I ask the Minister a supplementary question. Will the Minister further elucidate his answer by informing the House how he will be addressing this problem, given that there is not one recommendation by the Ombudsman addressing the extraordinary overrepresentation of Aboriginal people who are being tasered in this State?

The Hon. MICHAEL GALLACHER: If Mr David Shoebridge wants to be critical of the Ombudsman that is a matter for him. The Ombudsman is independent of the NSW Police Force and he has looked at the use of tasers. I am satisfied by his integrity and his ability to investigate it. If the member has concerns he should raise them directly with the Ombudsman.

PUBLIC SECTOR LEAVE

The Hon. LYNDA VOLTZ: My question is directed to the Minister for Finance and Services. Does the Minister still stand by his decision to make an application to remove the special leave provisions that allow public servants leave to fight bushfires?

The Hon. GREG PEARCE: I gather that the honourable member does not know that there has been a change in allocation of duties and that I no longer have responsibility for that area.

ABORIGINAL COMMUNITIES BUSHFIRE SAFETY

The Hon. MELINDA PAVEY: My question is directed to the Minister for Police and Emergency Services. Given the importance of ensuring all rural communities are informed of and prepared for bushfire risks, will the Minister inform the House about initiatives in this regard that are being implemented in rural Aboriginal communities?

The Hon. MICHAEL GALLACHER: I thank the honourable member for that excellent question. It allows me to inform the House about some of the important work being undertaken to increase the preparedness of Aboriginal communities across the State for the impact of bushfires. The New South Wales Rural Fire Service, in partnership with the State Aboriginal Land Council, is implementing the Bush Fire Resilience for Aboriginal Communities Project, which is being funded under the joint Commonwealth and State Natural Disaster Resilience Program. The aim is to assess the risk and impact of bushfires on Aboriginal communities and to make recommendations that will increase the safety and resilience of those communities.

The Rural Fire Service has conducted bushfire risk assessments in 32 Aboriginal communities across New South Wales. This work has involved extensive consultation with community leaders, members and organisations. I advise the House that reports have now been completed on all 32 assessments and that the reports have been circulated to each of the 32 Aboriginal communities and relevant organisations, including local Aboriginal Land Councils, Aboriginal Affairs NSW, the New South Wales Office of Water, and various housing authorities. The reports contain numerous recommendations for measures to better prepare Aboriginal communities for the threats posed by bushfires. Typical recommendations include the establishment of asset protection zones, strategic hazard reduction burning, introduction of community education and engagement programs, and the establishment of neighbourhood safer places. I am pleased to note that many of the recommendations have been or are being implemented.

The Rural Fire Service estimates that a further 12 months to two years is needed to continue work on the recommendations and it has therefore applied for further funding. This project has been highly productive and beneficial and has achieved extremely important safety outcomes for many rural communities. The importance of the partnership between the Rural Fire Service and the State Aboriginal Land Council in achieving these outcomes cannot be overstated. I extend my sincere thanks to the council and to all community elders, members and organisations for their cooperation and contribution to this extremely important project.

CRONULLA FISHERIES RESEARCH CENTRE

Reverend the Hon. FRED NILE: My question without notice is directed to the Hon. Michael Gallacher, representing the Premier. Is it a fact that the Legislative Council Select Committee into the Closure of the Cronulla Fisheries Research Centre of Excellence recommended that the closure be halted and all staff be reinstated at the centre? What is the Government's response to the urgent email I received today from a research scientist at the centre who said that important files were removed from the centre the morning after I tabled the report and that essential equipment such as the large fume cupboard and other items will be removed on Monday 29 October? Will the Government stop any further sabotaging of the Cronulla centre until the Government officially responds to the select committee's report? Is the Department of Primary Industries head office staff in contempt of this House?

The Hon. MICHAEL GALLACHER: I thank the honourable member for his question. As requested, I will refer the question to the Premier and provide a response to the honourable member in due course.

PUBLIC SECTOR LEAVE

The Hon. SOPHIE COTSIS: My question is directed to the Minister for Police and Emergency Services. The Government has applied to remove the provision that gives leave to public servants to fight bushfires. Has the Minister's office or his department examined the impact this will have on the Rural Fire Service?

The Hon. MICHAEL GALLACHER: I will take that question on notice. I want to be assured of the answer that I give to the House and it may well require a detailed examination by my office.

ECO-FRIENDLY CARS

The Hon. RICK COLLESS: My question is addressed to the Minister for Roads and Ports. Will the Minister inform the House about eco-friendly modified muscle cars and related matters?

The Hon. DUNCAN GAY: I have been waiting for this question for some time. It gives me an opportunity to educate our avocado friend, Corncob Joe, about eco-friendly muscle cars—not to mention drill a little deeper into his recent frack finding tour of the United States. I am pleased to say that members on this side of the House are genuine friends to car and motorbike enthusiasts and their many clubs across the State. To digress for a moment, that is why we established the New South Wales Vehicle Standard Working Group. That group includes car and motorbike enthusiasts such as Terry Thompson, the President of the Council of Motor Clubs, Ian Davis from the Australian Street Rod Federation, Geoff Northcott from Four Wheel Drive NSW and ACT, Craig Parker from Street Machine, John Bruning from the Confederation of Australian Motor Sport, and Chris Burns from the Motorcycle Council of New South Wales. What those people do not know about modifying cars and motorbikes is not worth knowing. Combined they have decades of practical, hands-on experience. In contrast to those opposite, who spent 16 years demonising car and motorbike enthusiasts, we have taken an adult approach.

I will return to the issue at hand. I have attended a number of motor shows, including Cops and Rodders and the Sydney Motor Show. It was there that I found a Ford XR Falcon that goes by the call sign ZERO'D. There are 50 shades of green as we know, and this vehicle is painted earth green. It is powered by a 7.3 litre Ford Powerstroke turbocharged V8 with an Allison four-speed automatic transmission. It is just a tad bigger than the V8 Ford E-150 passenger wagon that the Hon. Jeremy Buckingham used during his recent junket. We are still waiting to find out what happened to the carbon emissions. We would be concerned if the North Koreans found out about this situation because we heard recently that Kim Jong-un—it is a little bit like Kim Jong-Kaye—had a problem with his Vice Minister for the army, who was drinking during the 100-day mourning period. We know of The Greens close connection to North Korea. When the Vice Minister was found drinking they mortared him to death. That is a dire warning for their close connection.

ZERO'D has been certified as having zero carbon footprint. According to Bond University, who conducted a six-month in-depth study, ZERO'D is the first street rod of its kind. It is the world's first documented super elite eco-friendly muscle car. The XR Falcon originally had a 289 but unlike that one it was— [*Time expired.*]

BOGGABRI COALMINE

The Hon. JEREMY BUCKINGHAM: My question is directed to the Minister for Police and Emergency Services. At a recent budget estimates hearing the Minister for Resources and Energy, Chris Hartcher, confirmed that his office had contacted the NSW Police Force in relation to protests against the coalmine in Boggabri and coal seam gas developments in Fullerton Cove. Will he commit to releasing the details of this contact? Will he assure the House there was no interference with police operations by the Minister for Resources and Energy or his office in regards to these matters?

The Hon. MICHAEL GALLACHER: As the Hon. Jeremy Buckingham already has indicated to the House that he has asked the Minister about any contact he had, I suggest the question has been answered by the Minister appropriately.

RURAL SUPPORT WORKERS

The Hon. STEVE WHAN: In directing my question to the Minister for Roads and Ports, representing the Minister for Primary Industries, I refer to a statement he made on 10 May 2011. He said:

The former Coalition shadow Minister—

who, by the way, is the Minister for Roads and Ports—

guaranteed that when we came to office we would ensure that the jobs of rural support workers would be safe, and they now are. I believe they are safe forever.

I also refer to the fact that the O'Farrell-Stoner Government has removed three of the seven rural support workers. Given the commitment made by the Minister to this House and prior to the election, what action has he taken to have the Minister for Primary Industries reinstate those three rural support workers?

The Hon. DUNCAN GAY: I will impart a little bit of history for the information of the Hon. Steve Whan: He was the one who wanted to get rid of the whole lot. Short memory; sitting on the losers lounge; rejected by the people of Monaro. He has forgotten that he has form in this.

The Hon. Lynda Voltz: Point of order: My point of order is that earlier today, when the Hon. Rick Colless took a point of order regarding members making untrue statements about interjections made by members on the other side of the Chamber, it was ruled out of order. I ask that the untrue comments made by Minister regarding the Hon. Steve Whan also be ruled out of order.

The PRESIDENT: Order! I am unsure whether the Hon. Lynda Voltz is referring to a ruling I made earlier. In any case, if the member feels that he has been misrepresented I remind him of the forms of the House available to him. For example, he may make a personal explanation after question time or proceed by way of substantive motion. The Minister has the call.

The Hon. DUNCAN GAY: I was about to say that the honourable member asked me to refer the question to the Minister I represent in this House, and I will.

The Hon. Penny Sharpe: So you have done nothing.

The Hon. DUNCAN GAY: No. I am not you.

The Hon. Adam Searle: Oh, you're nasty.

The Hon. Greg Donnelly: You're a bully.

The Hon. Penny Sharpe: Stop bullying.

The Hon. DUNCAN GAY: Point of order: This is a House of robust exchanges, but when interjections come across from members on the Opposition backbench, particularly one from out of nowhere, accusing me of being a bully, I take offence at that. I ask the Hon. Greg Donnelly to withdraw the remark.

The PRESIDENT: Order! I have ruled previously that the word "bully" is offensive. I require the Hon. Greg Donnelly to withdraw his comment.

The Hon. Greg Donnelly: Mr President, I withdraw.

The PRESIDENT: Order! I thank the member. I am waiting for the House to come to order so I can hear the next question. I do not want to wait for the whole of question time for the House to come to order. Members who are interjecting are taking up time that is otherwise available for questions.

HUNTER WATER INFRASTRUCTURE

The Hon. MARIE FICARRA: My question is directed to the Minister for Finance and Services. Will he update the House on the New South Wales Government's commitment to building water infrastructure in the Hunter?

The Hon. GREG PEARCE: I thank the Hon. Marie Ficarra for this important question. As honourable members would be aware, the Government is committed to building infrastructure in the Hunter for future population growth. I am pleased to inform the House of further developments in the Hunter with work on the Branxton Recycled Water Irrigation Scheme now complete. The project will help to secure future water services in the Hunter. The scheme is part of the \$48 million upgrade of the Branxton wastewater treatment works. The timely progress of this project demonstrates Hunter Water's commitment to providing reliable water services for residents while reducing extraction from local waterways for irrigation purposes. This pipeline is a real win for commercial customers, who will be assured of a water supply during dry times.

The upgrade delivers several environmental benefits by reducing the amount of water extracted for irrigation and reduces the volume of treated wastewater discharged into nearby waterways. This plant has become one of the most technologically advanced facilities in the Hunter region. Hunter Water is supplying recycled water from the Branxton wastewater treatment works via a 10 kilometre purpose-built pipeline to the Vintage Golf Course and other customers for irrigation purposes, thereby saving up to 410 million litres of water each year. This venture was the first initiative announced as part of the Lower Hunter recycled water initiative, which is part of Hunter Water's four-year \$650 million infrastructure investment program to deliver safe reliable water services and cleaner waterways. Time and again, Labor preferred to be distracted by its own issues rather than focus on vital infrastructure upgrades for the Hunter.

I am also pleased to confirm augmentation of the delivery of wastewater services in the Hunter region with a major boost in the \$14 million new wastewater pumping station at Mayfield. The project will result in improved services to residents and the community, and is a big plus for the environment. This upgrade will improve the performance of the sewer network during wet weather for the community in Mayfield as well as reducing wastewater overflows. It follows extensive consultation with the community and includes a new wastewater pumping station in Mayfield and three kilometres of new pipeline to Broadmeadow. This Government is determined to put the community first by continuing to monitor the performance of Hunter Water's network and identify where improvements can be made. The New South Wales Liberals and Nationals are getting on with the job of securing vital infrastructure upgrades that will benefit the entire community. This significant investment is evidence of that.

RAILWAY STATION AUDIBLE MESSAGING

The Hon. JAN BARHAM: My question is directed to the Minister for Roads and Ports, representing the Minister for Transport. Will he provide an update on the delivery of vital services for vision-impaired travellers using New South Wales rail services, specifically improvement in audible messaging to advise these travellers of their destination?

The Hon. DUNCAN GAY: I thank the Hon. Jan Barham for her question. Like many others, I have stood at a railway station in Sydney, heard a barrage of noise and wondered exactly what the details were. My heart goes out to people who are vision-impaired and who rely on audible messages. Audible messaging needs to improve, and I am sure the Hon. Jan Barham is aware of efforts by my colleague the fabulous Minister for Transport in that regard.

The Hon. Walt Secord: She is your senior Minister.

The Hon. DUNCAN GAY: She is senior to everyone. She is just an absolute cracker. She has picked up this portfolio immediately and run with it. The Minister for Transport has provided training for staff who make announcements at railway stations to ensure that members of the public will be able to understand the details. That is just common sense and the type of sensible attitude that one expects from such a cracking Minister. I am sure that when I refer the question to the Minister for Transport, she will be pleased to provide details of improvements. I will take the question asked by the Hon. Jan Barham on notice and refer it to my colleague the Hon. Gladys Berejiklian.

RURAL CRIME

The Hon. MICK VEITCH: I direct my question to the Minister for Police and Emergency Services. Given that Tumut, Gundagai and Young are identified as rural crime hotspots for stock theft, what additional resources has the Government made available to those centres to respond to this problem?

The Hon. MICHAEL GALLACHER: I thank the Hon. Mick Veitch for the Dorothy Dixier question. About a week and a half ago I had the great pleasure of attending the Rural Crime Investigators Conference at Maitland where rural crime investigators from right around the State were talking about the great work they are doing.

The Hon. Duncan Gay: What about the Country Labor conference in Goulburn—

The Hon. MICHAEL GALLACHER: In the phone box?

The Hon. Duncan Gay: No, when it was burnt down. When Eddie was there it burnt down.

The Hon. MICHAEL GALLACHER: Wherever he went petrol prices went through the roof. Anyhow, that is another story. These police are doing an outstanding job. One only has to spend time with them to see their pride in the job they are doing, and not just in the Snowy region and Tumut. Resources are going in and they are getting support under the structure that is now in place to develop their skill set. At the conference at Tocal a week and a half ago I spoke with the investigators and had dinner with them that night. From memory, I spoke to a fellow who looks after that Snowy Mountains region. He spoke glowingly about the work they are doing in this rural crime investigators area. I will get some figures for the honourable member and make them available to him.

We have rural crime investigators—only a small number at this stage—who pride themselves on their ability, particularly in the Snowy, to do their work on horseback because of the flexibility a horse gives them to do their job. Most people would think that a trail bike would be even better than a horse, but horses have more flexibility. The Hon. Mick Veitch's colleagues are not interested in this answer, but I know he is. These officers are genuinely committed to their job. I will seek additional information and the numbers for the honourable member. When I am aware of a future rural investigators course coming up I will let the Hon. Mick Veitch know and see whether he can come along and listen to these guys. It is fantastic.

NSW POLICE FORCE 150TH ANNIVERSARY

The Hon. SARAH MITCHELL: My question is directed to the Minister for Police and Emergency Services. Will the Minister inform the House about the new book celebrating 150 years of the NSW Police Force?

The Hon. Mick Veitch: Is the Minister in it?

The Hon. MICHAEL GALLACHER: I encourage all members to buy a copy. It is an outstanding publication with some fantastic photographs of some energetic young police. Members will be aware that 2012 marks the 150th anniversary of policing in this State, and a new book has just been released celebrating this proud history. *True Blue: 150 Years of Service and Sacrifice* chronicles the rich history of the NSW Police Force. Author Patrick Lindsay spent countless hours searching through records, archives and photographs to bring the book to reality. The merger of various policing units in New South Wales into a single force occurred on 1 March 1862, making this year the 150th anniversary of the NSW Police Force.

It is amazing to think that when the Police Force came into being in 1862 convicts were still being transported to Western Australia and the Civil War was being fought in the United States. The NSW Police Force is now the fifth-largest in the world. While the Police Force was officially born in 1862, the history of policing in New South Wales goes right back to the arrival of the First Fleet in Sydney in 1788. The book provides an insight into Governor Phillip's struggles to establish law and order in the new convict colony. One of the solutions was the creation of the Night Watch in old Sydney Town, a gang of convicts who were deemed trustworthy, which was in many ways the first step towards the creation of a police force.

By 1862 a number of police units were operating in New South Wales, including the Sydney Foot Police, the Mounted Police, the Sydney Water Police, the Rural Constabulary, the Border Police and the Native Police. The book details how the Police Force took shape after the merger of the various police forces into a single organisation in 1862. The force evolved to meet challenges including bushrangers and Sydney's razor gang wars. We were told at the launch of the book that one of the first murders of a police officer took place virtually where we are now, just out on Macquarie Street, where an officer was killed. In one of history's little ironies, *True Blue* reveals that the granddaughter of the razor gang's Tilly Devine is currently a serving police officer on the South Coast.

Of course, women were not always allowed to serve as police officers. Women were not allowed into the Police Force until 1915, and only then on a very limited basis. It was not until 1976 that women were permitted to perform general duties policing and not until 1979 that they were finally issued with firearms. There used to be a rule that the moment a female police officer got married she had to resign from the Police Force. She was not allowed to continue from the day she got married. I am sad to say that it was not that long ago.

True Blue captures the successes of our policing history, like the solving of major criminal cases, including the backpacker murders and the Milperra massacre, and the low points in our history, including the 251 police officers who have died in the line of duty in these 150 years. It presents the evolution of policing in New South Wales—the different weapons, uniforms, leaders, transport, communications, training, organisation, technology, and the different crimes that have evolved over the years. The things we take for granted today did not exist in 1862—telephones, computers, even street lighting—even The Greens. Imagine explaining the internet and the NSW Police Force's Eyewatch program to those first police officers. [*Time expired.*]

BOGGABRI COALMINE

The Hon. JEREMY BUCKINGHAM: My question without notice is directed to the Minister for Police and Emergency Services. At the recent budget estimates hearing the Minister for Resources and Energy, the Hon. Chris Hartcher, confirmed that his office had contacted the NSW Police Force in relation to protests against the coalmine in Boggabri and coal seam gas in Fullerton Cove. Will the Minister commit to releasing the details of this contact?

The Hon. MICHAEL GALLACHER: I refer the member to my earlier answer.

WIN STADIUM

The Hon. PETER PRIMROSE: My question is directed to the Hon. Michael Gallacher in his ministerial capacity. When will he release the Public Works report into the WIN Stadium grandstand?

The Hon. MICHAEL GALLACHER: That is a tricky question. In what capacity did the member ask me that question?

The Hon. Peter Primrose: As the Minister representing the Premier.

The Hon. MICHAEL GALLACHER: If that is the case, I will refer the question to the Premier.

NATIONAL WATER WEEK

The Hon. JENNIFER GARDINER: My question without notice is directed to the Minister for Finance and Services. Will the Minister update the House on National Water Week?

The Hon. GREG PEARCE: I have used the opportunity presented by National Water Week—this week—to highlight the Government's \$720 million investment in water infrastructure across Sydney, the

Illawarra and the lower Hunter regions. The New South Wales Government is committed to ensuring residents have access to a clean, high-quality and sustainable water supply. Earlier this week I informed the House of the Government's efforts to promote water education initiatives, and I am pleased to inform members that thanks to the success of our Water for Life program and the efforts of Sydney Water and the Sydney Catchment Authority, greater Sydney is now using the same amount of water as it was in the 1970s, even though there are an extra 1.5 million people living in the region.

This week's National Water Week theme is Valuing our Water, and New South Wales is leading the way by investing more than \$720 million in infrastructure to ensure a reliable water supply and to improve waterways. Sydney Water and Hunter Water have a rigorous regime and regularly test water supplies to ensure they are safe, clean and the highest quality possible. Water monitoring takes place at every stage of the supply system and is undertaken in accordance with Australian Drinking Water Guidelines and NSW Health. The significant investment in infrastructure shows the commitment of the New South Wales Government in providing high-quality and reliable services to the people of the lower Hunter, Sydney, Illawarra and Blue Mountains.

Over the next financial year, Sydney Water and Hunter Water will be upgrading critical infrastructure to further improve performance and reduce waste water overflows. This will provide more reliable services across 54,398 kilometres of water and waste water pipes, more than 1,300 pumping stations, 342 reservoirs, and 56 treatment and recycling plants. Work includes the \$99 million Hoxton Park Recycled Water Scheme, the \$70 million Sydney Northern Beaches Storage Project and the \$73 million investment in the Kooragang Industrial Recycled Water Scheme in the lower Hunter. This year the New South Wales Government also will invest \$101.2 million in water and wastewater infrastructure in urban growth areas, such as the north and south-west growth centres, to support residential and commercial development. I am sure members will love to hear another instalment on this matter on another day.

The Hon. MICHAEL GALLACHER: As enjoyable as question time was today, sadly it has come to an end. If members have further questions, they should place them on notice and they will be answered in the fullness of time.

BRUNSWICK HEADS HOLIDAY PARKS

The Hon. DUNCAN GAY: On 20 September 2012, the Hon. Jan Barham asked me a question about Brunswick Heads holiday parks. The Deputy Premier, Minister for Trade and Investment, and Minister for Regional Infrastructure and Services has provided the following response:

Draft plans of management have been prepared for Massy Greene and The Terrace reserves but these have not yet been presented to the Minister for adoption.

A plan of management was prepared for Ferry Reserve by the Byron Shire Council and adopted by the former Minister for Lands in November 2005.

That plan of management recommended the closure of the unnecessary part of Riverside Crescent and the addition of the land to Ferry Reserve.

It was recognised in council's plan that on completion of the Brunswick Heads Bypass and the provision of alternative access that the relevant part of Riverside Crescent was not necessary. I can advise that part of Riverside Crescent has therefore been closed by virtue of its acquisition under the Roads Act 1993.

The public boat ramp for Brunswick Heads is operated by council and is located adjacent the Brunswick Boat Harbour. If members of the public are confused about the boating facilities available in the shire they should contact the council for further advice.

COMBAT SPORTS

The Hon. MICHAEL GALLACHER: On 20 September 2012, the Hon. Lynda Voltz asked me a question about a combat sport event in Liverpool that led to the death of a fighter. I provide the following response:

The NSW Police Force has advised me that this matter may be the subject of a coronial inquest. I cannot therefore comment on the circumstances of the event, at this time.

Regarding the issue of police presence, I am advised that police did not attend this event, as the Combat Sports Act 2008 [the Act] does not mandate the attendance of police at any such event, amateur or professional. There is also no requirement under the Act to notify police of "amateur" combat sports contests. For professional combat sports contests, which have been issued a permit under section 36 of the Act, the Commissioner of Police must be notified of the time, date and place of the contest, pursuant to section 37 of the Act.

ALCOHOL ADVERTISING

The Hon. MICHAEL GALLACHER: On 20 September 2012, Reverend the Hon. Fred Nile asked me a question about alcohol advertising. The Minister for Health has provided the following response:

The regulation of alcohol advertising is primarily a Commonwealth matter and any ban would be most effective if implemented via a national model rather than by individual States.

CAR HOONS

The Hon. MICHAEL GALLACHER: On 20 September 2012, the Hon. Paul Green asked me a question about car hoon offences. I provide the following response:

The Bureau of Crime Statistics and Research [BOCSAR] analyses New South Wales recorded crime statistics and can provide these for a range of offences.

Police employ a range of ongoing strategies in response to car hoon activity, based on intelligence received from local area commands and Project Eyewatch [Facebook]. Police have recently conducted a number of related operations across the State at locations including Tamworth, Newcastle, Kings Cross and La Perouse. Further such operations are planned for the summer months.

Questions without notice concluded.

DISTINGUISHED VISITORS

The PRESIDENT: Order! I welcome to the public gallery our former colleague the Hon. John Ryan.

ADJOURNMENT

The Hon. DUNCAN GAY (Minister for Roads and Ports) [3.30 p.m.]: I move:

That this House do now adjourn.

WOMEN'S HOMELESSNESS

The Hon. JAN BARHAM [3.30 p.m.]: This week I attended an event to raise awareness and funds to support homeless women. The Hon. Luke Foley also attended this event. The Big Conversation inaugural event was promoting an initiative of the *Big Issue* Women's Advisory Group in support of the *Women's Subscription Enterprise*, which provides a focus on the potential for and importance of investment in programs that support women. The *Big Issue* Women's Advisory Group includes members who bring diverse experience but share a common goal to improve the lives of women in need and to help alleviate poverty. The host of *Today*, Lisa Wilkinson, a member of the advisory group, was the master of ceremonies for the night and Minister for Foreign Affairs, Senator Bob Carr, spoke about the need to support women and this project. The Women's Subscription Enterprise provides employment opportunities for vulnerable women. Selling *Big Issue* subscriptions creates jobs for women to work behind the scenes packing and dispatching the magazines to subscribers. Since 2010 when the subscriptions were implemented 100 women have been employed.

The *Big Issue* is sold on the streets by homeless and disadvantaged people, who keep half of the \$5 cover charge from each sale. It is estimated that every night Australia has 46,000 homeless women, making up 44 per cent of those sleeping rough or in improvised shelters, and of young homeless people aged 12 to 18 years 54 per cent are women. The largest single cause of homelessness is domestic and family violence, which overwhelmingly affects women and children. This violence can be physical, sexual and/or emotional and can make it difficult or impossible for a woman to stay in an unsafe home. Family and/or relationship breakdown also can create circumstances that lead to homelessness. The impact of financial difficulties, including the loss of employment or reduced employment, may make it difficult to continue to pay the mortgage or rent. Many people were affected by the global financial crisis and some ended up homeless. Clearly, only a fine line separates us from the comforts of life.

Sometimes people are evicted from their accommodation or reach the end of a lease and find that, although their lives are connected to the area, suitable housing is not available. They do not end up on the streets but often find themselves couch surfing, staying with friends or family or in short-term accommodation, such as a boarding house or caravan park. They are without security. Another major factor contributing to homelessness

is illness—mental illness, substances abuse, disability or disease, or a physical illness that prevents people from working or involves huge costs for treatment. All of these factors contribute to homelessness and for women this can mean a lack of control over their lives, leaving them feeling vulnerable and lacking in confidence to find a way forward. But it also can mean they experience further abuse or attack. Homeless women tend to be less visible than men as they most often remain out of sight, off the streets and away from high-use public spaces.

Of great concern is that 66 per cent of children who sought refuge in a homeless service last year were in the care of a woman made homeless by domestic violence. This point was made known to the Standing Committee on Social Issues in its inquiry into domestic violence. The committee's report contains recommendations that would assist in reducing the risks of homelessness for women and children. In January this year a paper prepared by Elton Consulting prepared for Homeless New South Wales Catholic Community Services titled, "Contemporary Affordable Homes for Older Women Facing Homelessness" identified that one of the barriers for women moving away from homelessness is confidence. At the Big Conversation event we heard from a former homeless woman who, after being given the opportunity to work for the *Big Issue*, gained the self-confidence to move forward and now has access to her own home. This is the sort of success the program inspires and certainly the desired outcome is to provide women with the means to move out of poverty and into a home. I encourage all members to consider signing up for the *Big Issue* Women's Subscription Enterprise and help make a difference for homeless women.

KOKODA TRAIL

The Hon. CHARLIE LYNN (Parliamentary Secretary) [3.35 p.m.]: On 3 November 1942 General "Bloody George" Vasey surveyed his diggers as they unfurled the Australian flag on the Kokoda plateau. They were tired, gaunt and dishevelled as the Ode was recited:

They went with songs to battle, they were young, straight of limb, true of eye, steady and aglow. They were staunch to the end against odds uncounted, they fell with their faces to the foe.

A solemn silence ensued before the flag was slowly raised from half-mast. Reveille sounded to herald an eternal dawn for 500 of their mates who lay in jungle graves along the notorious Kokoda Trail. Vasey's troops were still bristling at General Macarthur's claim that Australians would not fight. The odds were certainly stacked against them. On the home front armchair generals displayed an appalling ignorance of the conditions the diggers were fighting under, unions refused to load ships with vital supplies and there even was heated debate over a proposal to cancel the Melbourne Cup. The troops were in a devil's cauldron—a rugged and inhospitable jungle that many grew to fear more than the enemy. To their front was a disciplined, confident and fanatical enemy. General Vasey was put in charge of the campaign to energise the situation along the Kokoda Trail. Vasey was a soldier's general—charismatic, brave and resourceful. His life was to be cut short in a tragic plane crash on a flight to New Guinea before the war ended.

Vasey understood the significance of the ceremony. He knew that in the future this day would be commemorated with similar reverence to Anzac Day. He knew that the parade before him symbolised the turning of the tide in the war in the Pacific. Japanese victories in the Philippines, Burma, Malaya, Singapore, Indonesia and Rabaul created a fear of imminent invasion of the Australian mainland. Bombing raids over Darwin, Broome, Wyndham and Townsville, the sinking of ships off our east and west coasts, and the penetration of Sydney Harbour by mini submarines caused bomb shelters to be built in Melbourne. History records that the threat was averted after the great naval battles of the Coral Sea and Midway. Coastwatchers risked their lives to give early warning of Japanese attacks. Heroic fighter pilots created havoc with Japanese shipping and coastal emplacements. Commandos ambushed, harassed and destroyed vital installations, and local Papuan carriers created impossible supply lines across jungle-clad ranges.

No single action could stop the hitherto undefeated Japanese war machine, but the combined efforts of thousands of unsung heroes in the sky, on the sea, along the Kokoda Trail, at Milne Bay and at Guadalcanal caused the enemy to shelve their plans for invasion of the Australian mainland and concentrate their force in the Melanesian island chain to our immediate north. The raising of the Australian flag at Kokoda on 3 November 1942 symbolised the turning of the tide of the war in the Pacific. I hope that one day it will be proclaimed as an official day of commemoration.

As we now approach the seventieth anniversary of the ceremony I call on all schools in New South Wales to hold a commemorative service. I encourage them to draw on the Kokoda resource kit recently distributed to all secondary schools in Australia by the Department of Veterans Affairs. The resource kit includes a 12 unit teacher guidebook, a CD-ROM with supporting material, a documentary on the Kokoda

campaign and two large posters with accompanying teaching activities on CD-ROM. The department also has a wealth of information on its website about how schools and communities can organise commemorative events. I commend the Department of Veterans Affairs and the NSW Board of Studies for their commitment to developing educational material on our war-time history, and I urge all schools to hold a commemorative service to acknowledge the significance of the day the Australian flag was raised at Kokoda.

BANGLADESH HUMAN RIGHTS

The Hon. LYNDIA VOLTZ [3.40 p.m.]: On 14 October I attended the Australian forum for Bangladesh minorities at Parramatta. The meeting was organised following violent attacks on 22 and 23 September that took place in Bangladesh against the indigenous Jumma people in the Chittagong Hill Tracts and from 29 September to 1 October against Hindus and Buddhists in Cox's bazaar. Over three days from 29 September to 1 October during mob violence at least 20 Buddhist and Hindu temples and 50 houses were burnt down leaving hundreds injured in Cox's bazaar and the Chittagong districts. More than 100 houses and shops were looted and vandalised in over one dozen villages during the series of attacks. Witnesses said the rioters left a trail of devastation at the villages. Sunil Barua, a local journalist on the scene, said:

I have seen 11 wooden temples, two of them 300 years old, torched by the mob. They looted precious items and Buddha statues from the temples. Shops owned by Buddhists were also looted.

On 30 September *ABC News* estimated that a mob of 25,000—an astonishing amount of people—took part in this rampaging violence. Bangladesh is almost 90 per cent Muslim and has witnessed deadly clashes between Muslims and Hindus in the past, but sectarian clashes involving Buddhists are rare. A Bangladesh news agency described the attack as one of the worst religious attacks in Bangladesh. The attack on the Buddhist community in Ramu appears to have been triggered by a Facebook posting allegedly defaming the Koran. A photograph in which a foreign woman has her foot on the Koran was tagged to a local Ramu Buddhist man's Facebook page at 10.00 p.m. Only 15 minutes later the rampage started and 12 Buddhist temples were torched and vandalised.

The man who sparked the riots has gone into hiding. He told local media he did not post the picture, insisting someone else had tagged his account with the image on the social network. The question remains how thousands of people gathered in 15 minutes. I am deeply concerned that these incidents appear to be premeditated and deliberate acts of communal violence. The carnage appears to have been a focused operation implemented with the help of social media—Facebook—targeting Buddhist homes and establishments. Earlier on 22 September a string of violent attacks on the Jummas in Rangamati took place and at least 60 indigenous people, including 40 students, one government physician, 12 Union Parishad chairpersons and two teachers of Rangamati College sustained injuries.

Bangladeshi settlers indiscriminately attacked and vandalised indigenous shops, houses and clinics. Attacks were also carried out on indigenous Jummas as far away as Longudu and the city of Chittagong. Around 10.00 a.m. on Saturday a trivial incident between an indigenous and a Bangladeshi student at Rangamati government college triggered clashes which soon spread into different parts of the town, including the College Gate, Bonorupa and Kalindi areas. Those communal attacks spread like wildfire into different parts of the town. The principal of Rangamati College stated that there were outsiders involved in the rioting from the very beginning of the incident at the college.

A sizeable indigenous Jumma population has become the flashpoint of conflict. The hill districts have seen unabated Bangladeshi settlement sponsored by the State over the last few decades, displacing hundreds of indigenous families. Since 13 August 2007 the indigenous Jumma people believe they have been living on the edge of an impending communal riot. The subject of dispute in the Chittagong Hill Tracts, which has often led to violent conflict, has been the ownership of land—not religion. The current violence has its roots in multiple factors but specifically relates to ethnic tension over land.

Communal attacks on Hindu and Buddhist minorities and the destruction of Hindu and Buddhist temples and monasteries in Bangladesh must be properly investigated by the Bangladeshi government and action must be taken to halt rioting and conflict. The security of life and property of the indigenous people in the Chittagong Hill Tracts must be ensured. The Bangladeshi government must comply with conditions in past peace accords with the indigenous Jumma people. The Chittagong Hill Tracts connect south Asia and south-east Asia. Bangladesh is now at a critical juncture where it has to strike a delicate balance between conflict management and security.

CRIME LAWS

Mr DAVID SHOEBRIDGE [3.45 p.m.]: The O'Farrell Government's first 18 months in office have seen a series of assaults on our civil liberties. Before they were elected this Government promised to end the law and order auction that has been a blight on New South Wales politics for more than two decades. It is safe to say that it has already broken that promise. The extent of the attacks reveals a concerted and ideologically driven program to limit and remove fundamental rights from the people of New South Wales and shift power and control towards the police and the Executive Government.

I note some of the more damaging changes. In 2011 the expansion of move-on directions gave police an additional power to move on an intoxicated person. This law allows police to decide, based on their opinion alone, that a person is intoxicated and then force that person from a public place. Historically these powers have been used mainly against disadvantaged groups and it looks like history will repeat itself. The Crimes (Criminal Organisation Control) Bill 2012 is a reheating of the so-called anti-bikie laws which the High Court had struck down in 2011. The laws criminalise association rather than criminal activity itself. The New South Wales Bar Association and Law Society also strongly opposed this law on the grounds that it unfairly impinges on human rights in New South Wales.

There is also the denial of Official Visitor access to those on preventative detention. This means that people held indefinitely in New South Wales prisons under anti-terror laws without charge will have no recourse to an independent external person to oversee the conditions of their incarceration. The Government also introduced consorting as an offence as part of a suite of legislation introduced to target bikie gangs in New South Wales. It reintroduced a version of the 1920s consorting laws that were originally introduced to deal with the razor gangs in Paddington. Again, it criminalises people meeting with people, as opposed to real crimes.

The Government also revived the laws against drunk and disorderly conduct in a direct throwback to the 1970s when the offence of drunk and disorderly drew regular criticism and was finally struck off the statute books because of its unfair impact on marginalised groups. Not satisfied with that, Mr O'Farrell removed the long existing common law principle of spousal immunity. This change will make it a blanket rule that regardless of the circumstances it will be a crime to not do in your partner to the police. How does that advance our civil liberties?

One of the first actions this Government took was the introduction of mandatory sentencing with the Crimes Amendment (Murder of Police Officers) Bill 2011. This change removed all judicial discretion for sentencing where the defendant is found guilty of having murdered a police officer. Murdering a police officer is a terrible crime but mandatory sentencing does not reduce offending and inherently leads to unjust outcomes. Then there are the anti-graffiti laws that are designed to force young offenders into the courts: no discretion, no flexibility and no room for common sense. This alone will increase, rather than reduce, the terrible number of young people in prison in New South Wales.

This week the Government passed laws to expand operations involving police drug detection dogs to all of Kings Cross and the Sydney, Hunter and Illawarra rail network. This step will expose yet more innocent people to intrusive and humiliating public searches following false positives by dogs. It is well known that the drug detection dogs signal false positives 80 per cent of the time. The expanded operations will threaten the viability of the State's only medically supervised injecting centre, which has been proven to save lives. And more changes have already been slated.

The New South Wales Government plans to abolish one of the oldest principles of the legal system: the right of an accused person to remain silent under questioning by the authorities. Under the proposed changes the refusal to answer questions could harm a person's defence in a later court case. The change has been sold as a win for victims. In reality, the change will put at risk the presumption of innocence. The risk in New South Wales is even greater because citizens have no bill of rights to ensure they get a fair trial or have the right to adequate legal assistance.

The Government has announced also that it intends to bring in legislation to provide for the indefinite detention of violent offenders who have finished their sentence to protect against future crime. Again, legal groups have spoken out strongly against this proposed change, identifying it as eroding the principle of the justice system that a person can only be punished for crimes he or she has committed, rather than potential crimes. It is likely that these provisions would be used by politicians to seek to extend sentences in response to

outrage at violent offenders being released, producing individual vigilante justice. Time after time when these laws are debated in Parliament The Greens are the only party speaking up for our fundamental rights and liberties. Perhaps the Attorney General was right when he said there will be no law and order auction under his Government. Instead it has become a civil rights giveaway.

GLORIA AWARDS

The Hon. PENNY SHARPE [3.50 p.m.]: Last night marked the third annual GLORIA awards. GLORIA stands for the Gay and Lesbian Outrageous, Ridiculous and Ignorant Comment Awards. Their introduction was inspired by Meredith Burgmann's Ernies and in frustration that people continue to make public comments that are outrageous, ridiculous, ignorant and just downright offensive to gay, lesbian, bisexual, transgender, and intersex [GLBTI] people and our families. The aim of the GLORIA is to have fun while metaphorically standing on the table and pointing at homophobia and transphobia in public life.

I would like to think that in 2012 there is no need for an event like the GLORIAS. But time and again our politicians, religious leaders, media commentators and sportspeople prove me wrong. For example, earlier this year Cory Bernardi, then Parliamentary Secretary to the man who wants to lead this country, stood up in our nation's Parliament and said that he believes allowing full marriage equality will lead to bestiality. In March, Peter Madden, a failed candidate for the Christian Democratic Party, took to the streets in a bus emblazoned with a billboard informing the public about what he calls "the dark side of same-sex marriage", which in the world according to Peter Madden is that same-sex marriage is homosexual sex education for your young children. Major Andrew Craibe, a senior Salvation Army official, said on radio that non-celibate GLBTI people should be put to death.

Unlike our nominees, the GLORIAS do not discriminate. This year more than 80 entries were submitted across the six categories: Politics and Law, International, Media, Sport, Silliest comment from within the GLBTI community, and Religion. The winners in each category are decided by the hundreds of people who vote online, and people voted from all round Australia. The overall winner of the Golden GLORIA was decided by a boo-off at the awards last night. The worst international comment of the year went to Charles L. Worley of Providence Road Baptist Church in Maiden, North Carolina, who told his congregation that they should build a large fence around an area of 100 to 150 miles and put all the gays and lesbians inside. He said:

And have that fence electrified 'til they can't get out. Feed 'em. And you know what, in a few years, they will die out. Do you know why? They cannot reproduce."

The Religion category was won by Pastor Peter Walker who addressed the National Marriage Day rally outside Parliament House in Canberra earlier this year and told the crowd that he was "convinced that homosexuals reproduce themselves by molesting children." The worst and least fair Sports category was taken out by Margaret Court for telling young people it is not okay to be who they are, if who they are is someone who is gay. Cory Bernardi was beaten in the political category by Philip Pocock, a candidate in the Australian Capital Territory elections, who responded to a questionnaire sent by the Archdiocese of Canberra and Goulburn to candidates and parties contesting the election. In response to this survey he said:

I believe sodomy of man or woman should be regarded as a criminal offence and while people do not have the right to go "poofter bashing", to use colloquial language, they should have the right to discriminate in terms of employment, accommodation etc as they do in dealing with drug addicts etc.

And the silliest comment from the GLBTI community was won by Liberal Senator Dean Smith, who voted against marriage equality, stating, among other things:

I also dispute the view that the inability to utilise the Marriage Act restricts in any fundamental manner the quality of life experiences of gay and lesbian Australians.

This year the Golden GLORIA for the most offensive comment went to Miranda Devine, who also took out the Media category. Miranda Devine's comment was:

As a Catholic, I believe the push for same-sex marriage is not about enhancing the lives of gay couples. In countries where it has been legalised, there has been no rush to the altar. The issue is largely symbolic. It is simply a political tool to undermine the last bastion of bourgeois morality—the traditional nuclear family. You only had to see the burning streets of London last week to see the manifestation of a fatherless society.

Miranda Devine has the dubious honour of not just winning the 2012 Golden GLORIA, she has already been nominated for the 2013 GLORIAS for her recent story opposing the Proud Schools program, which was set up to deal with the issue of GLBTI bullying in our schools. Her article failed to mention that GLBTI young people are six times more likely to attempt suicide than their peers.

The GLORIAS are a fun event, and I hope a fun night was had by all. But, like the Ernies, they have a serious message to send: homophobia and transphobia are not okay. Discrimination exists, and members of our community have to deal with this discrimination every day. Though the GLORIAS try to show that laughter may be the best revenge, I hope there comes a time when we have no nominations. I hope that events like this will encourage people to think about the hurtful and harmful things they say, particularly to young people in our community. However, given the number of nominations in 2012, it does not look like that will be happening any time soon. We will be back in 2013.

ILLEGAL DRUGS

The Hon. DAVID CLARKE (Parliamentary Secretary) [3.55 p.m.]: According to the results of a Herald-Nielsen poll conducted a few weeks ago, two-thirds of Australians oppose decriminalisation of illicit drugs, with only 27 per cent in support. The result is little changed from that of a similar poll 13 years ago, despite in the intervening period a shrill and high-profile push by the decriminalisation lobby. It is reasonable to assume that had the question involved legalisation of illicit drugs the majority opposed would have been even higher. Predictably, the poll revealed that The Greens voters are most likely to support decriminalisation. That is yet a further reason why The Greens should never be given the levers of power.

Why would the great majority be opposed to decriminalisation? It is because they have common sense. They know that illicit drugs are harmful and that the scientific evidence increasingly shows this to be so. That is why the law rightly criminalises the use of such drugs. In 2010, for example, research by the Queensland Brain Institute and School of Population Health found convincing evidence that the earlier one uses cannabis the more likely one is to have symptoms of a psychotic illness. This confirmed earlier Swedish and New Zealand research published in the *Lancet* and the *British Medical Journal* establishing the strong link between cannabis use and paranoia and hallucinations, with a sixfold increase in the risk of schizophrenia. A French study revealed that the risk of injury from driving is 16 times higher when there is a combination of cannabis and alcohol, rather than when either is consumed on its own.

It came as no surprise when in 2006 the then New South Wales Minister for Health released information confirming that cannabis use led to increased suicide, impaired cardiovascular, respiratory and immune systems, slow brain development in young people, and mental illness. Yet despite this mounting evidence, in 2011 the Australian Institute of Health and Welfare revealed that Australia has one of the highest rates of cannabis consumption in the world. Our level of illicit drug use per head is five times the rate of Sweden's, and according to an early 2010 report of the International Narcotics Control Board, one-third of all ecstasy production in the world is destined for Australia.

How destructive and bizarre are The Greens and the drugs decriminalisation lobby that it leads to seek on the one hand a restriction of access to alcohol yet on the other decriminalisation of cannabis and other illicit drug use. The push for decriminalisation does not just stop with cannabis. It also includes cocaine and heroin, which science and statistics confirm lead to high death rates for all those addicted to them. Despite warnings from the United Nations Office on Drugs and Crime that drug addiction is killing millions each year, advocates of decriminalisation and legalisation refuse to listen.

The truth is that illicit drug use is high in Australia because there is a strong drugs culture. When we send a permissive message, just as night follows day, illicit drug use escalates. Criminal sanctions send a powerful message because there is a perception—a correct perception—that behaviour that is criminalised is behaviour that is bad and harmful and is to be avoided because of the damage that results. Is that not the perception that needs to be encouraged within the younger generation? Can there be any doubt that the decriminalising of illicit drug use would result in anything other than drug use skyrocketing?

In nineteenth century China opium was legal and, as a consequence, produced 90 million addicts. Those numbers collapsed when its use was prohibited. When Britain in the 1960s allowed heroin medical clinics, heroin addiction increased by 100 per cent, according to the British medical journal the *Lancet*. The decriminalisation of drugs in Portugal introduced by a socialist government has seen an escalation of drug-related deaths and the highest increase of AIDS in Europe as a result of drug injecting. Spain, which legalised the use of cocaine and heroin, now has the highest rate of drug use and overdose of all European countries. In Sweden, on the other hand, a rejection of harm minimisation programs saw addiction rates fall. The courts there take a tough line. Drug users are directed into court-supervised detoxification programs, which they are required to complete. The programs are independently audited and their aim is to get drug users permanently and totally free of drugs.

Earlier this year a group called Australia 21 released a report entitled "Alternatives to Prohibition: Illicit Drugs: How we can stop killing and criminalising young Australians". When we cut to the chase, the core of its argument is that the decriminalisation of illicit drugs will stop young Australians from illicit drug abuse. It is a flawed argument symptomatic of the ethical, scientific and moral bankruptcy of the harm minimisation lobby. Thankfully, the response of the Prime Minister, the Leader of the Federal Opposition and State Premiers has been to reject such an approach. Our policy should be to get drug users free of drugs. It should be a policy of harm elimination, not harm minimisation. With legal drugs and alcohol, any abuse must be opposed. With illicit drugs, any use must be opposed. Mainstream Australia understands the difference. The Greens and their friends do not.

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

Motion agreed to.

The House adjourned at 4.00 p.m. until Tuesday 13 November 2012 at 2.30 p.m.
