

LEGISLATIVE COUNCIL

Friday, 20th March, 1992

The Chairman of Committees (The Hon. Duncan John Gay) took the chair as Acting-President at 10.30 a.m.

The Acting-President offered the Prayers.

PETITIONS

Forestry Commission

Petition praying that the Forestry Commission of New South Wales be reformed in accordance with the recommendations of the Public Accounts Committee and that the House urge the Government to act immediately for the good of our environmental heritage and the health of the plantation timber industry, received from the **Hon. R. S. L. Jones**.

Cat Desexing

Petition praying that because wildlife is threatened by predatory feral cats, and because unrestricted breeding of cats results in their destruction, starvation, injury and disease, there should be compulsory desexing of all domestic cats other than those with registered breeders, received from the **Hon. R. S. L. Jones**.

GOVERNMENT LEGISLATIVE PROGRAM

Debate resumed from 19th March.

The Hon. ELAINE NILE [10.37]: I am pleased to take part in this Address-in-Reply debate. I was very proud to be a loyal member of this senior House of Parliament when Her Majesty Queen Elizabeth II, as Queen of Australia and Queen of New South Wales, graciously opened the second session of the Fiftieth Parliament of New South Wales. I was also proud to be associated with the address of loyalty which my husband and leader, Reverend the Hon. F. J. Nile, respectfully presented to Her Majesty after the opening of Parliament on 20th February. Our address of loyalty stated:

Our 1992 Address of Loyalty to The Queen of Australia, Her Most Gracious Majesty, our Sovereign Lady Elizabeth the Second, By the Grace of God, Queen of the Federal Commonwealth of Australia and the Australian States thereof, and of her other Realms and Territories: As faithful and law-abiding Citizens of the Federal Commonwealth of Australia do we hereby declare and re-affirm our loyalty to and our affection for our Queen, and do we also express our trust that for as many years as you may be spared by God your Majesty will continue to reign, over this, our own Commonwealth and People.

Being mindful of your inspiring vows made during your Coronation

Services on 2nd June 1953, whereby you swore to maintain the laws of God and the true profession of the Gospel, we are re-assured by your Majesty's splendid resolve and dedication "to cause law and justice in mercy to be executed in all judgments, to the Sovereign's prayer", by which we can more securely preserve in our Commonwealth and State Constitutions and in the Parliaments thereof, the essential place and value of our Lawful and Constitutional Monarchy, through all of which there can be guaranteed to us, our children and our children's children the upholding of our Common law rights, liberties and traditions which form a vital basis of our Australian system of the Westminster System of Constitutional Parliamentary Democracy.

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We pray and beseech Your Majesty to take no account of the current efforts by a noisy minority to replace our Constitutional Monarchy with a Presidential Republic or to discontinue your heirs and successors of the Crown in Australia or to threaten the removal of our Australian Flag or to threaten the permanence and supremacy of our own Commonwealth Constitution, which embodies the three elements of authority over our Commonwealth of Australia: the Crown, the Senate and the House of Representatives, as amended only by National Referendum, since 1901.

In witness whereof, and to joyfully celebrate this fortieth Anniversary of Your Majesty's Reign, do we join fellow-Australians in the signing of these addresses of loyalty, praying that our gracious Queen may ever be sustained by these our pledges of faith, honour and affection.

That was signed by us both as loyal servants of the Queen in accordance with an oath of allegiance which we swore to become members of this esteemed House of Parliament. The oath we took stated:

I do swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth, her heirs and successors, according to law. So help me God.

I was pleased that the people of Sydney gave the Queen such an enthusiastic welcome, in their tens of thousands. I must record my strong condemnation of the action of those members of this House who broke their oath or affirmation and boycotted the Queen's opening of Parliament in this Chamber. The members who were absent from the official opening of the second session of the Fiftieth Parliament by Queen Elizabeth II included these names, as per *Hansard*: the Hon. Dr Meredith Burgmann, the Hon. Ann Symonds and the Hon. P. F. O'Grady of the Australian Labor Party. I must also put on record my strongest condemnation of those members of this Parliament who publicly participated in the indecent and offensive homosexual and lesbian mardi gras parade. As quoted by the *Sydney Star Observer* of Friday, 6th March, 1992, those members included:

The Labor MLC Paul O'Grady, Independent member of Parliament Clover Moore, New South Wales Australian Democrats leader Elisabeth Kirkby, MLC, Labor member of Parliament Ernie Page and MLCs Jan Burnswoods, Meredith Burgmann and Jeff Shaw. Ian Gilfillan, South Australian leader of the Australian Democrats who was in Sydney for a conference, also took part. The Deputy Leader of the Opposition Dr Andrew Refshauge also supported the marchers. He represented the ALP Leader, Bob Carr, in the mardi gras viewing room at Taylor Square.

It is important that all honourable members sincerely seek to fulfil the words of our opening prayer each day in Parliament:

To advance the glory of God and the true welfare of the people of New South Wales and Australia.

Undoubtedly the homosexual mardi gras does not advance the glory of God, because of its sinful rebellious nature. Neither is the homosexual mardi gras advancing the true welfare of the people of New South Wales when one considers the ravages of the AIDS virus and the deaths of hundreds of innocent medically acquired AIDS victims. I must also record my strong condemnation of the provocative, divisive statements of our non-elected Prime Minister, Paul Keating, when he viciously attacked our British heritage, our constitutional monarchy, our British wartime allies, and our Australian flag. Mr Keating has introduced a divisive nature to the current debate about the future character of Australia.

The Hon. I. M. Macdonald: On a point of order. Yesterday in this take note debate when I was speaking on this topic the Acting-President made it clear that my remarks were outside the scope of the motion and that comments related to the debate on the monarchy or republicanism should be confined to the debate on the motion that will continue next Thursday. As a consequence, I ask you, Mr Deputy-President, to rule that the Hon. Elaine Nile is contravening the ruling given by the Acting-President on this

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subject.

The Hon. Virginia Chadwick: On the point of order. One should distinguish between the comments made by the Hon. I. M. Macdonald yesterday and the contribution being made by the Hon. Elaine Nile. The Hon. Elaine Nile has directly linked her comments to the take note motion. She has even quoted the specific wording of the message to Her Majesty. I should have thought one could distinguish between those comments.

The Hon. Franca Arena: On the point of order. Yesterday the Acting-President stopped me from making remarks similar to those being made by the Hon. Elaine Nile. He said that the matter was before the House in the form of another motion and that I could not mention the issue. I then discontinued my remarks on that topic.

The DEPUTY-PRESIDENT (The Hon. R. T. M. Bull): Order! I draw the attention of honourable members to the fact that the House is debating the take note motion moved last week by the Minister for Police and Emergency Services. In their contributions members have been referring to Her Majesty as a number of them did not have the opportunity to speak in the Address-in-Reply debate. Some members have noted Her Majesty's presence in the Chamber for the opening of Parliament. Remarks in that vein are in order but it is out of order to debate the motion moved by the Minister yesterday.

The Hon. ELAINE NILE: Mr Keating has introduced a divisive nature to the current debate -

The Hon. I. M. Macdonald: On a point of order. In your ruling you made it clear that the honourable member could refer to the visit of the Queen. However, you said that she could not refer to the debate that is the subject of a motion that will be dealt

with in the Chamber next Thursday. It is clear that the honourable member is proceeding to discuss the comments made by our Prime Minister relating to this issue, which is flouting the ruling you gave and that given by the Acting-President yesterday.

The DEPUTY-PRESIDENT: Order! The honourable member should be aware of the guidance I gave her a moment ago. The honourable member should not canvass the issue that will be debated when another motion is dealt with by the House next week.

The Hon. ELAINE NILE: I was not present yesterday and did not hear what was said. If the remarks offend the Opposition, I will not speak about that matter. Mr Keating claimed the British Government -

The Hon. I. M. Macdonald: On a point of order.

The DEPUTY-PRESIDENT: Order! The Hon. Elaine Nile has barely commenced her remarks.

The Hon. ELAINE NILE: Mr Keating claimed that the British failed to help defend Australia.

The Hon. I. M. Macdonald: On a point of order. The honourable member is defying your ruling. She has repeated a sentence three times. Her comment is germane
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to the debate on a motion that has been adjourned until next Thursday. Yesterday I was ruled to be out of order for making comments about the republican debate, which the honourable member is canvassing by raising the comments made by the Prime Minister.

The Hon. Virginia Chadwick: On the point of order. I listened precisely to what the Hon. Elaine Nile said. She mentioned Mr Keating's comments in relation to whether the British did or did not defend Australia in the course of World War II. That may be a source of sensitivity and embarrassment to the Hon. I. M. Macdonald, but it has nothing to do with the essence of the debate that will be held next Thursday.

Reverend the Hon. F. J. Nile: On the point of order. I support the statement made by the Minister for School Education and Youth Affairs. The honourable member is referring the Prime Minister's criticism of the action of the British during World War II, which is not directly related to the constitutional monarchy issue. As the honourable member has stated, she was not present yesterday. I took the ruling to mean that no member was to refer specifically to the debate on the constitutional monarchy by responding to points made by or criticising other honourable members who participate in the debate. It does not mean the Queen cannot be referred to in this Parliament.

The DEPUTY-PRESIDENT (The Hon. R. T. M. Bull): Order! All honourable members should be quite clear on my ruling, and that is that the debate on the monarchy and republicanism which was introduced by the Hon. J. M. Samios yesterday will continue on general business day next week and must not be canvassed in this debate.

The Hon. ELAINE NILE: I have a very personal interest in this. The Prime Minister claimed that the British failed to defend Australia. He has forgotten that there were 50,000 British soldiers in Malaya, who finally suffered and thousands who died in cruel Japanese prison camps, as did many Australian prisoners of war, including my cousin -

The Hon. I. M. Macdonald: On a point of order. In his take note speech the Minister for Police and Emergency Services did not deal with any of the matters to which the Hon. Elaine Nile is now referring. As a consequence, what she is saying is well outside the scope of the debate; and the honourable member should be ruled out of order.

The Hon. J. H. Jobling: On the point of order. The Hon. I. M. Macdonald is attempting to anticipate the argument that the Hon. Elaine Nile is proposing to bring forward. I put it to you that he is trifling with the House by taking incessant points of order. At this stage the Hon. Elaine Nile is still to draw her argument. She is not attempting to trammel your ruling or to pre-empt the debate that will take place next week.

The ACTING-PRESIDENT: Order! No point of order is involved. I remind honourable members that it is tradition in a take note debate that they are allowed to canvass matters covering a wide area. The Hon. I. M. Macdonald made reference to similar matters in his own speech, as did many of his colleagues.

The Hon. ELAINE NILE: There were 50,000 British soldiers in Malaya who finally suffered and thousands who died in cruel Japanese prisoner of war camps, as did many Australian prisoners of war, including my cousin, Keith Wright, who died working on the infamous Burma railroad as depicted in the famous film "The Bridge On The River Kwai". Mr Keating forgot the two British battleships, *Prince of Wales* and *Repulse*, which were sunk by Japanese bombers just off the coast of Malaya with the loss

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of 327 lives on the *Prince of Wales* and 513 on the *Repulse*. The Prime Minister forgot that Britain had its back to the wall, being bombed on a daily basis, and facing an imminent Nazi German invasion. Mr Keating forgot that Australian Labor Party policies in those days, as in this current period, progressively weakened and undermined Australia's defence forces. Mr Keating has also forgotten that many of Australia's best young men went bravely to their deaths in out-of date aircraft in Malaya, New Guinea and Darwin. Thousands of young Australians were forced to train with broomsticks because of the shortage of military rifles and equipment.

Mr Keating has forgotten that if Britain had been defeated and invaded, Nazism might still be ruling Europe. Mr Keating has also forgotten that if the United States of America had not come to our rescue, Australians would today be a Japanese colony, with a Japanese language and currency which had been printed ready for the invasion, capture and domination of Australia. In his sneering attacks on the Australian flag Mr Keating claimed that as Australians we do not know who we are. That is rubbish. Mr Keating may be confused, but I am certain the great majority of Australians know who they are, where they came from and where they are going. My forebears came to this country four generations ago and I certainly do not have a problem about that. I know who I am and where I am going. I am certain the millions of Australians who fought and died under our Australian flag in World War I and World War II definitely knew who we are and who they were as Australians; and that they were proud Australians, as I am. The Queen provides a unifying factor in our nation -

The Hon. Franca Arena: On a point of order. The Hon. Elaine Nile is still not adhering to your ruling. With great respect, she should be made to adhere to your ruling, as I was yesterday.

The ACTING-PRESIDENT: Order! I remind the Hon. Elaine Nile of the ruling that I made yesterday and the ruling subsequently made by the Hon. R. T. M. Bull.

Discussion of the Queen's attendance at the opening of Parliament is quite within the scope of the debate, but the honourable member cannot canvass issues dealt with in the debate on republicanism versus monarchy.

The Hon. ELAINE NILE: I will have to discard quite a lot of my speech. There is a lot that I would love to have said which I am sure would have upset Opposition members. They would have been foaming at the mouth had I spoken about the republican kit that has gone into the classrooms of Australia. Mr Acting-President, am I permitted to deal with that matter?

The ACTING-PRESIDENT: No, the honourable member cannot.

The Hon. ELAINE NILE: I would like to speak about what I believe is a disgusting book published by the Family Planning Association. I refer to the sex diary and hotline. The Call to Australia group commends the Premier, Treasurer and Minister for Ethnic Affairs, Mr Greiner, and Mr Keating for their strong criticism of the teenage sex diary which is aimed at schoolchildren. Both Mr Greiner and Mr Keating, as responsible parents, clearly saw the harmfulness of such dangerous, permissive sex advice. Unfortunately, the Family Planning Association has a permissive, amoral attitude to sex education. It provides condoms to schoolchildren, gives schoolchildren advice concerning abortion and where an abortion can be obtained. The Family Planning Association is one of the most heavily funded organisations in Australia; it is virtually a government funded organisation with no real accountability. The Family Planning Association has sponsored and endorsed the sex diary and has strongly defended it. The

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association admits that the sex diary reflects its philosophy and teaching. The Family Planning Association's attitude towards sex education is very disturbing for parents, as its educators are sent into State schools to conduct sex education classes.

In spite of widespread criticism by the Government, doctors and parents, and the cancellation of government grants, the Family Planning Association has arrogantly announced that it will provide the \$30,000 from its own resources to continue the teenage sex hotline. Where is the \$30,000 to come from? Is the Family Planning Association still using taxpayers' funds? These questions can only be answered by a full-scale public inquiry into the Family Planning Association, its programs, its methods, its philosophy, its organisation, its use and accountability of millions of dollars of taxpayers' funds. In 1990-1991, the Family Planning Association received approximately \$4.5 million from the Federal Government and \$1 million from the State Government. Only 15 per cent of its funds come from self-generated income and donations. The Family Planning Association has received an estimated total of \$55 million in taxpayers' funds during the last 10 years from grants provided by the Federal Government and the New South Wales Government. Last night I had an opportunity to watch the so-called sex education program on Channel 9. I believe many parents would have been upset by various aspects of this program, as I was, including oral sex and so-called safe condoms. Everything was being promoted in the name of promiscuity and in the name of AIDS.

Dr Kerry Phelps compared homosexuality with left-handedness. She said that you are born left-handed and that left-handedness and homosexuality are normal variations of human behaviour. That is utter rubbish. If we continue on this path Australia will become a nation of degenerates. A new and more explicit sex diary "Fact and Fantasy File" is now being produced by *Resistance*, a newspaper that used to produce the communist socialist paper *Tribune*, and the diary is to be published in that organisation's green, left, newspaper as a supplement on 30th March. Later it will be sold as a book. A computer software sex education program, supported by the Family

Planning Association, is soon to be released. There is a way round everything. This week an article appeared in the *Sydney Morning Herald* written by Harry Robinson, who is not exactly on the side of Christian virtues or values, in which he condemned wowsers, the new Orwellian thought police, in the following terms:

Goodbye to the wowser? Farewell to the busybody who knew what everybody else should do? So long to the righteous who would act as our mind police? Ta-ta the taboo enforcer?

No such luck. Under any name the wowser will be with us.

Nowadays we have sexism, racism and environmentalism. The first two are bad; the third is so unbelievably good that we are shamed into worshipping it.

The women's movement, necessary as it was, brought some ill-natured proscriptions. We are not to say or write "chairman". If we speak kindly of a woman, we are patronising. If we say men should do heavy labour, we are sexists denying females a chance to haul rocks. Last month, Canadian's Supreme Court defined that elusive word "obscene" as material that degraded women and hence compromises their equality. What, a rational being may ask, does obscenity do for men? Make them *more* equal? Ennoble them? . . .

Of all those who rushed to a judgment of racism after the ABC showed police contemptuous of Aborigines last week, how many had tried to think clearly about the complexities of the conflict? How many sought to evaluate the forces at work? How many enjoyed the self-righteousness of calling policemen racists? Racism and sexism have contemporary wowsers riding on their backs, not to create harmony among all parties but to scold all who don't conform.

As for environmentalism, its green adherents are so convinced that they, and only they, know how humanity must behave that they are prepared to think as dictators. A scientist on ABC

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Radio National's *Green and Practical* the other morning said: " . . . We should be forcing a reduction in packaging."

Forcing, if you don't mind. He has plenty of company who want to burn all plastic bags for kids' lunches and force us out of our cars and into public transport systems that don't exist . . .

Sexism, racism, environmentalism - the wowsers of old have come a long way. The thin-lipped killjoys sought only to stop our pleasure and keep our clothes on; the new breed wants to force us to use certain words, think in certain ways and adopt its ideologically correct code.

This is why we use the word "watermelon" to describe the new noisy green parties, such as Jack Munday's International Socialists. He was formerly president of the Communist Party of Australia. We refer to them as watermelons because they are green on the outside and red on the inside. They want to control our lives. They want centralised control such as they used to have in the former Union of Soviet Socialist Republics. I should like to bring to the notice of the House the plight of victims of medically acquired AIDS. I will read into *Hansard* comments some of them have made about the

Government's response to their cries for compensation. They thought compensation would be given, but the terms of reference of the inquiry were changed. Mrs Lorraine Cibilic, who is in her tenth year with the virus, said:

It is wrong for Mr Hannaford to say that all families affected by medically acquired AIDS will receive payment up to \$80,000, when there have been no decisions made yet with the Mark Fitzpatrick Trust. The package is everything the homosexual community requested. The package has given lawyers a huge lottery win as people will now go through the courts. If the package was similar to that offered in other countries, or other Australian States, huge legal costs could be avoided. We will win court cases in New South Wales. Slater and Gordon have already done so in other States. Does Mr Hannaford prefer to see many millions of dollars spent in legal battle? Little Holly Johnson's case was thrown out of court; no help was given though lawyers made hundreds of thousands of dollars.

Lindell Johns, who has moved to Brisbane to die, said:

Mr Hannaford's car would cost \$50,000 a year to the taxpayer. Our lives are worth more than cars. Insurance companies pay up to \$50,000 if you lose the sum, what is a life worth? People should be protected in the hospital and the workplace. We do have a legal right to a claim, we did not contract AIDS through sex activities or drug use. Why should we be discriminated against - is it because we live in New South Wales?

The lives in Western Australia, Melbourne, South Australia, Northern Territory are worth between \$250,000 and \$875,000. Why is it that in New South Wales life is only worth between \$5,000 to \$50,000?

My husband and I were in Moscow in 1985 and visited the three Christian churches in the Kremlin. One was for royal baptisms, one for royal weddings and one for royal funerals. They had been turned into museums. A guide in one of the museums came upon a beautiful portrait of the Lord Jesus Christ. She asked if any of us were Christians. They were four of us there, two couples. I said, "Yes", and the other two remained silent. The guide went on to say, "See, his eyes follow you wherever you move". At that time Christians were under great persecution. Now those churches have been opened up for Christian worship. The Krantz Cathedral was being used as an atheist museum and has been restored as a Christian cathedral. The accelerated Christian education program has commenced in the Commonwealth of Independent States. A member of this Chamber described as lunatics those parents who sent children to Christian schools in New South Wales, and I am referring to the Hon. Franca Arena. I believe that Christians in the Commonwealth of Independent States have more freedom than Christians have in New South Wales.

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In Australia the republican movement would entwine us in its deadly tentacles and squeeze out every ounce of Christian laws and values from society. I referred to the two people in the church in Moscow who remained silent about their Christianity. Christians in society must fight for what they believe in, for family values, for Christian teaching. The silent majority have forgotten that those who introduced the Family Law Act are behind the republican debate. They were responsible for making de facto relations equal with marriages, and for introducing so-called homosexual reform. They said the family is no longer a unit of a mother and father, brought together in the sight of

God and in the law, with children, natural or adopted. They changed that definition to mean any group of people who lived together as a family. The silent majority in New South Wales must become vocal and active for the future of this nation, for the future of families and children. They can do that only with God's help. The Bible says in Isaiah 55:6:

Seek the Lord while he may be found;
call on him while he is near.
Let the wicked forsake his way
and the evil man his thoughts.
Let him turn to the Lord, and he will have mercy on him,
and to our God, for he will freely pardon.

For my thoughts are not your thoughts,
neither are your ways my ways, declares the Lord.
As the heavens are higher than the earth,
so are my ways higher than your ways
and my thoughts than your thoughts.

The Hon. ELISABETH KIRKBY [11.10]: I rise to take part in the Address-in-Reply debate for 1992. Once more the political agenda is dominated by the economic downturn. With around one million people unemployed across the nation and, in this State, an unemployment rate of 9.8 per cent, many of them young people, we, as representatives of our community, must see what we can do to put in place measures that will stimulate the economy and alleviate the material suffering that is being experienced. While we are doing this it is important for us to look at the long-term consequences of what we, as legislators, put in place. Already economists are predicting that there will be a mild recovery in 1993 but that this will be followed by another downturn in the middle of the 1990s simply because there has been no structural change in our economy. We cannot allow this to happen. We have a responsibility to ensure that a recession like the one we are now experiencing never happens again. Inevitably, the recession has badly affected government revenues but my aim today is to look at how the Government has been handling this downturn. Repeatedly Ministers have said that Australia's economic future lies in the creation of real wealth-generating jobs and not in the protection of make-work jobs. That remark was made in this House by the Leader of the Government on 5th March - only three weeks ago.

It is my belief that the Government is not doing enough to reform its sources of revenue or to reform the tax base of this State. The Government is putting in place only short-sighted solutions to solve its revenue shortage. It is, therefore, missing the opportunity to restructure the tax base in a way that will ensure a more secure and equitable source of revenue - revenue that will encourage business activity. In recent months it has been discovered that State revenue will be about \$300 million to \$400 million less than was projected, although I may say that this shortfall was predicted by my colleague the Hon. R. S. L. Jones during the 1991 budget debate. Let me make it clear that the Australian Democrats support moves which will reform Commonwealth-State relations to ensure that New South Wales receives a fair share in proportion to the amount it contributes in income tax revenue. I am well aware that this State is being

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starved of funds by the Federal Treasurer. However, this does not alter the fact that New South Wales has an unstable tax mix - one that is mostly regressive and one that inhibits business development and employment.

Our two largest sources of State tax revenue are stamp duties and payroll tax. Together they contribute about 57 per cent of the State's tax collection. However, it is obvious that stamp duties will vary significantly from year to year, in line with the business cycle. After growing strongly between 1985 and 1988 because of the share market boom until late 1987 and the real estate boom until late 1988, stamp duty revenue all but collapsed during the past financial year bringing in \$318 million less than was predicted. It is not a stable or sustainable situation to have stamp duties providing about 26 per cent of tax receipts. While payroll tax is a far more stable source of revenue and was only \$69 million less than expected in the past financial year, it plays too large a part in the State tax mix - 39.9 per cent of tax receipts. According to the 1988 "Review of the State Tax System" put out by New South Wales tax task force, payroll tax "has a relatively severe detrimental effect on New South Wales economic development." The authors recommend payroll tax reductions without reducing the payroll tax base and state:

Dollar per dollar payroll tax reductions will almost certainly have a greater effect on the employment of labour than will reductions in any other tax. Payroll tax is widely seen by business to be an unsatisfactory tax and to reduce this tax would have substantial psychological effect on the willingness of business to expand or to relocate in this State.

The tax task force also recommended the reform of stamp duty, abolishing duties on loan securities, hiring arrangements, cheques, and the introduction of a broad-based tax on financial accommodation to restore integrity to the taxation of loans. In order to compensate for revenue losses the tax task force recommended drawing more revenue from land tax, liquor taxes, gambling taxes and franchise fees. The possibility of a State personal income tax representing an average of 0.23 per cent of taxable income and a franchise fee at a rate of 1 per cent of sales in a preceding period on the supply of services and on all retail business operating New South Wales were also offered for consideration ways of extending the New South Wales tax base. Other possible new State taxes touted by the task force include: State corporate income tax, State retail tax, State business assets tax and a tax on Commonwealth public sector business enterprises.

However, the Australian Democrats believe that a tax that would need our attention is a carbon tax, that is, a tax on fuels proportionate to their carbon content. This would be used in conjunction with other measures to reduce greenhouse gas emissions. Ralf Buckley, Professor of Science and Technology at Griffith university assessed a report entitled "The Impact of Global Warming Control Policies on Australian Industry". This report was commissioned by the mining industry. Professor Buckley calculated that the annual revenues from a carbon tax would be at least \$20 billion if this tax were implemented in all States. Even with the worst case scenario of losses to the domestic mining industry there would be a net revenue of around \$13 billion a year. This was also pointed out by Professor Buckley in an article which appeared in the 7th-8th March issue of the *Weekend Australian*. If honourable members read the mining industry exposé they will see that he was looking for the worst features of the report and not for any favourable features. In regard to the report, he said:

The most critical deficiency in the report, however, is that it considers only the costs of a carbon tax, not the revenue. It estimates how much a carbon tax would increase the price of fuel and then tracks these increased costs through the economy. But nowhere does it mention how much money the tax would raise, what the Government would do with it and what effect it would have on the economy. The reader can only presume that this revenue is completely ignored.

Professor Buckley continued:

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But it is by no means insignificant. The precise figure depends on whether the tax will be applied to production for domestic use only, or also to exports. To judge from the report's analyses of individual sectors within the mining industry it assumed that the tax would be applied to both. If so, then by combining various figures scattered through the report it appears that the annual revenues would be at least \$20 billion annually. The report predicts that a carbon tax would lead to losses of \$7 billion a year by 2005 for the domestic mining industry as a whole. So it seems that even in the report's most gloomy scenario the revenues from a carbon tax would greatly outweigh the losses.

It has to be remembered, as was also pointed out by Professor Buckley, that in Australia:

We produce about twice as much carbon dioxide per capita as Japan and 25 per cent more than West Germany, though 22 per cent less than the US. We contribute more to the problem. International equity demands that we should be ready to contribute more to the solution.

The Hon. J. H. Jobling: That is arrant, total nonsense. Australia puts out 76 million tonnes; the United States of America puts out than 1,000 million tonnes. Come on!

The Hon. ELISABETH KIRKBY: I suggest that the Hon. J. H. Jobling take up his finding and his view with Professor Buckley and not with me because the figures I am quoting are not mine but Professor Buckley's. The honourable member is suggesting that Professor Buckley does not know what he is talking about. I repeat, the tax that needs particular attention is the carbon tax. Obviously it would have to be applied on a Federal basis and could not be applied on a State basis. Other possible new taxes were touted by the New South Wales task force. After all, the group was set up by the Government; it is not a figment of the imagination of the Opposition or of the Australian Democrats. The task force advocated, as I said earlier, State corporate income tax, retail sales tax, business assets tax and a tax on Commonwealth public sector business enterprises. I do not advocate any of those taxes in particular, but I believe it is imperative that the Government should look at the possibilities and, in particular, at the impact of a carbon tax.

Despite what the Liberal Party-National Party coalition may believe, the conservative Government in the United Kingdom is considering such a carbon tax. The promises of the coalition and the Australian Labor Party of no new taxes are a real cause for concern. That approach categorically shuts off many sources of revenue. Obviously, the introduction of new taxes is not for the politically squeamish, but if a tax is progressive, equitable, does not distort economic outcomes and is easy to implement, it stands a good chance of public acceptance, because the public is looking to government, both State and Federal, to provide solutions. The recommendations of the tax task force require serious consideration. I wish some initiatives based on the recommendations of the tax force had appeared in the Government's proposals for this new session of Parliament. If the Government fails to reform the tax system in New South Wales, we shall not be able to work our way out of the problems that confront us and there will be little alternative to the course that the Greiner Government has been pursuing to such destructive effect.

Certainly, the drop in government revenue will not be a one-off event, as the Premier suggested in his speech outlining the Government's legislative program, particularly because of the State's heavy reliance on stamp duty. Without an adequate source of revenue, there will be a continual cutback in spending in the welfare sector, a failure to build necessary infrastructure and the contracting out and indiscriminate selling off of public assets and services. User-pays charges, which tend to hit those less well off in our community, were to increase by \$13 million this year to a total of \$80 million. So much for the Government remaining committed to "positioning the NSW economy so

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as to alleviate, so far as possible, the effects of the recession on the people of this State"! The Government has increasingly been turning to privatisation as a source of revenue. Honourable members constantly hear the simplistic equation that privatisation will raise revenue to reduce State debt and, therefore, interest payments. However, matters are much more complicated than the Government is willing to admit. Selling off government assets, businesses and services deprives society of a future source of revenue. Private ownership alone will not solve any of the State's problems, nor will it achieve what this Government hopes. Indeed, Professor John D. Donahue, Assistant Professor at the John F. Kennedy School of Government at Harvard University wrote in his book *The Privatisation Decision: Public Needs, Private Means*:

There is a large element of nonsense in the privatisation debate. Proponents are fond of invoking the efficiency that characterizes well-run companies and then, not troubling with any intervening logical steps, trumpeting the conclusion that private firms will excel in public undertakings as well . . . Public tasks are different, and mostly harder.

The privatisation movement is propelled in part by the longing of public officials to escape bureaucratic complexities, substituting the supposed simplicity of arm's-length contracts . . . Perhaps the most common error in thinking about privatisation is to concentrate on potential efficiency gains without considering, in the laborious detail required, how to realise this potential. Vague calls for careful draftsmanship and monitoring beg the question. Even when the private sector enjoys an overwhelming technical edge, in short, harnessing private energies to public purposes can be a difficult exercise in contractual architecture.

When the Government goes contracting out services in the hope it will save money it must ask itself whether the contract accurately specifies the community's goals and reflects the community's values. What are the long-term consequences of not having that service provided by the public service? Privatisation is not a cure; it is a dry ideology which holds that the market can look after everything; that it is the most efficient way of distributing resources in an economy. But I believe we have to ask ourselves where the efficiency lies. Economic rationalists see the market as an end in itself and not a means. Yet, as is well known but also conveniently forgotten, markets often fail as allocative mechanisms because of: monopolies, externalities - for example, the consequence of economic activity not reflected in the price system, and this is very much the case so far as air pollution is concerned - a failure to reflect changes in efficiency over time, uncertainty and incomplete information.

Arguments in support of privatisation rely on the concept of competition as a way of ensuring efficiency. They argue that "the discipline of the market-place" leads to innovation and prevents high costs of production, militant labour organisation and delays in delivery. Threats of bankruptcy will ensure managerial profit, maximising behaviour.

It would not appear to me that threats of bankruptcy have done anything to prevent the parlous state some Australian entrepreneurs have now reached. Honourable members know that many of our high-flying entrepreneurs are in the courts after having come completely unstuck. It is generally agreed that the presence or absence of competition is a key determinant in the performance of an enterprise. However, international comparisons of the economic efficiency of public and private enterprise have shown that private enterprise does not necessarily have the edge over public. In 1983, C. T. Goodsell wrote:

... the results of our survey are mixed but by no means convincingly supportive of the common contention that the private sector always functions better, even according to economic criteria. Moreover, evidence is available to show, perhaps surprisingly to some, that governmental bureaucracy may be less top-heavy than private, is capable of impressive productivity gains and can be just as innovative as private bureaucracy.

In 1985 the *Economist* carried out a survey of 15 countries. In five countries where privatisation was occurring the survey concluded, "The superficial results are good" but Page 1535

added "What looks good now, however, may not last". British researchers Kay and Thompson analysed the situation in the United Kingdom where the objectives of denationalisation were: first, to improve the economic performance of those industries; second, to resolve problems of management and control; third, increase revenue to Treasury; and fourth, to be a means of disciplining the power of public sector trade unions. This all sounds extremely familiar. Kay and Thompson concluded:

The outcome is that no objectives are effectively attained, and in particular that economic efficiency - which is at once the most important of these and the most difficult to attain - has systematically been subordinated to other goals.

If there is little competition regulated private firms do not perform better than public firms and may do worse. It follows that privatisation into an uncompetitive environment is likely to be positively harmful.

This is precisely what has happened in Thatcher's England. At least two major natural monopolies, British Telecom and British Gas, were denationalised with virtually no attempt to increase competition. In 1985, just after announcing a 39 per cent increase in profits of £443 million sterling, there was an 8.6 per cent increase in telephone rental for residential subscribers and a 6.4 per cent increase for call unit charges. The poor quality of services from privatised British Telecom are now legendary. Proponents of privatisation ignore the often unstated opposition between privatisation and competition deregulated. Deregulating before privatisation reduces the price for which shares in which a previously publicly owned enterprise can be sold. In fact, John Langmore has argued:

The stronger the revenue-raising motive for privatisation, the less the incentive to expose the enterprise to competition - and so the smaller the possible gains in efficiency, consumer sovereignty and continuing tax revenue.

Indeed, one might also wish to consider why, if improved efficiency were the major objective of privatisation, there is no privatisation of loss-making or marginal enterprises. Why is the private sector only interested in profit-making enterprises? Moreover, there are often goals other than efficiency to consider, such as security, social justice and public accountability. The American economist Robert Heilbroner wrote:

... that the enthronement of profit as the criterion of economic rationality can be achieved only by

the exclusion of virtually all considerations of morality or aesthetics from the calculus of judgement, so that rationality refers only to the rules for profitable activity, not to the rules for socially useful activity.

If honourable members are interested, that quote can be found in "The Murky Economists New York Review of Books" of 24th April, 1986, at page 47. We must remember that productivity and efficiency are primarily determined by factors such as managerial ability, organisational structure, technology, capital, degree of competition and employee morale. None of these is exclusively associated with a particular form of ownership. It would therefore be wise of the Government to be absolutely sure that there are no further ways in which efficiency gains may be achieved in the public sector before it resorts to privatisation. This is exactly what it has failed to do with its proposal to privatise pilotage services in Sydney and Botany. I shall detail that matter further during the debate on that legislation. We should also consider the opportunity cost of diverting private investment from potential use in new areas, for example, the possible disruption of the capital markets that occurs with privatisation.

The Government's wasteful privatisation advertising campaign emphasises the benefits of turning public enterprises over to "ordinary shareholders", the mums and

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dads. This is similar to Mrs Thatcher's dream of a shareholding democracy. It failed because approximately one third of the purchasers were only in the market for a quick capital gain. This was made easier because the original issuing price was lower than it should have been. Also, many first-time buyers were ignorant of the workings of the stock market and pulled out very quickly when they became aware of the uncertainty involved. I believe that is what will happen in New South Wales. Privatisation should not be completely ruled out where it is clearly in the public interest. However, all too often it is implemented according to ideological reasoning and ideological assumptions rather than on a rational assessment of the facts, case by case. I am completely opposed to privatisation of public health services.

The handing over of the Hastings District Hospital at Port Macquarie and community health services to the management of the Hospital Corporation of Australia, HCOA, marks the first major instance of possible privatisation of what was formerly public health care in Australia. With the Government's increasing encouragement of the private health sector we risk falling into the same trap the Americans have fallen into with their health system. In American there is one system for the rich and one for the poor. The United States of America is the last major industrialised country in the world not to adopt some form of national health insurance. The United States of America Federal Government funds two health schemes. All elderly people are entitled to Medicare. Low income earners are covered by Medicaid. Together the two schemes cover only 8 per cent of the population. Sixty-eight per cent of the population has employer-based cover. Though this system works well for people working for large companies, those employed by small firms that cannot afford superior health plans are at a distinct disadvantage because they must meet higher out-of-pocket costs. In far too many cases they cannot afford to do this. The 15 per cent of the population who are uninsured must rely on overcrowded public hospitals and clinics. With the recession biting harder, and more people are unemployed and fall between Medicare and Medicaid, the situation has become increasingly desperate.

A study by the non-profit organisation Families USA released only this year points out that average families are paying \$US4,296 a year for health care. This is a rise from \$US1,742 in 1980 as out-of-pocket costs for prescription drugs and insurance deductibles. Employers are beginning to shift on to their employees the rising cost of

health premiums. This is exactly what the coalition federally wishes to do in Australia. We cannot allow this to occur in New South Wales. Yet, the Greiner Government is currently using the Hunter region to conduct an ideologically motivated experiment. The Hunter Area Health Service, which has been notoriously underfunded per head of population, is being decimated in spite of the Government rhetoric last year about shifting resources to areas of need. We have seen the closure of Wallsend Hospital, 800 health care workers made redundant, the closure of the casualty service at Royal Newcastle Hospital, the dismantling of the logistics support unit, and elective surgery contracts let out to private hospitals. Yet only the other day I received a letter and a brochure from the new Director of Regional Health Services, Dr Tim Smyth, telling me that by the year 2001 there will be a superfluity of beds in the Hunter region.

I wrote back a rather terse letter to Dr Tim Smyth, because I am concerned about the people who are sick and will need treatment in 1992, 1993, 1994 and 1995. I do not believe it is a proper approach to put out advertising that talks about what will happen in 2001. Many of those who are currently sick may have died from their illnesses, or could already be dead because of their age. I believe this is a totally irresponsible approach, and I hope that my letter made that clear to Dr Smyth. All of

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this is occurring in the Hunter region which has an unemployment rate of 1 per cent higher than the overall State figure. The creation of the two-tier system that we fear in health could also happen in education, according to Professor Ken Ellis, former director of curriculum and education programs in New South Wales. Professor Ellis - and I know that the Minister defended her department well at question time yesterday - believes the dezoning has created a climate of "uneven competition" in which certain schools will end up appearing to be less attractive than others. That may be worsened by sponsorship, so that schools in affluent localities will be far better off than those in other areas. In an article to the *Sydney Morning Herald* yesterday Professor Ellis asked this question:

Are we really on the way to reforming education and shifting the focus of decision-making, or are we concerned more with restructuring the economics of education with a stronger focus on fiscal accountability?

Indeed, the Government should question itself whether it is concerned with government and vision and not just a narrow definition of economics. At the moment we are getting government by accountants, and that is not in the best interests of the people of this State. I urge the Government, particularly if its Federal colleagues come to power in the next election, to look closely at the possibility of a carbon tax. Discussions between Greenpeace and British Treasury's Deputy Chief Economic Adviser led to the conclusion that such a tax would raise a lot of revenue. The Institute for Fiscal Studies calculated that a tax of \$10 per barrel of oil equivalent would raise £5stg billion to £10stg billion a year and also prove most beneficial to the environment. The study "The Impact Of Global Warming Control Policies on Australian Industry" - a report that I have with me - was commissioned in part by the Chamber of Mines, Metals and Extractive Industries. That organisation opposes the introduction of such a tax, but its report provided raw figures which confirm that this tax could be a great money-spinner.

I take this opportunity to add my condolences to those of other members to the family of Sir Adrian Solomons. I also regarded him as a friend. On many occasions within and outside the House he gave me much wise advice. He was a magnificent member of this Chamber. During the last months before he was compelled to retire because of his poor health, we saw the enormous burden he carried and his unflinching commitment to his duty as a member of the Legislative Council. When he sat in this

Chamber he must have been in the greatest of pain; yet I never knew him to complain. I regard his wife as a friend. I do not know his children. But I do know that he will be sadly missed, by his family and also by every member of this Chamber. He shall be mourned by everyone in New South Wales. Many of the policies put forward by the party of which Sir Adrian was a member for many years, I did not and could not agree with. But his integrity and dedication to his party and to this State were unquestionable. He was most wise in all legal matters. I know I speak for many members of this House and of my own party when I say that his death will be deeply mourned. I offer my sincere condolences to his widow, his children and his grandchildren.

The Hon. E. M. OBEID [11.46]: As a new member of this Chamber, I felt privileged to be present when Her Majesty Queen Elizabeth II officially opened the second session of the Fiftieth Parliament; all the more so, because it was only the second time in the 170-odd year history of this Parliament that the monarch has been present. Though I share the view that Australia should be a republic, with its own independent Head of State, I would not detract in any way from the leadership and stability that Her Majesty has always displayed in affairs of State. Through her personal integrity and concern about the well-being of the peoples of the Commonwealth, she has earned the love and respect of all free peoples. I also believe that Australia is fortunate that it was colonised by a power such as Great Britain, with its traditions of justice, education and public administration. Australia owes its modern existence and the basis of its cultural pluralism to those seeds of social justice that were planted in our nation. They came with the early migrants from Ireland, England, Wales and Scotland; from both free men and women and enslaved convicts.

The challenge that faces all of us today in Australia is how to come to terms with each other and how to share in the dignity of nationhood. We must learn not only to share among ourselves, but also with the Aboriginal inhabitants, the future and destiny of this nation. In paying tribute to Her Majesty I am fully aware that I serve in this Parliament as a member of Her Majesty's loyal Opposition. I am mindful, to the best of my ability, of the responsibility that entails in the manner in which we should conduct ourselves in this Chamber. The purpose of this debate is not to respond to the direct opening Speech by Her Majesty, but to direct our attention to the Government's statement of legislative intent. I am therefore mindful of the legislative program which the Premier outlined in another place in his motion for the adoption of the Address in Reply to the Queen. The honourable member for South Coast has already told the Government what he thinks of its hospital privatisation program. What he says these days has an important bearing on the future of this Government. During the public importance debate on the affairs of the Packard Motor Company the honourable member for South Coast had this to say about the Government's performance in Parliament:

If question time is going to mean anything in this House, if proper questions are asked, I believe that they should be treated seriously, and if the information is not available the matter should be researched and brought back to the Parliament.

I would defy any member of the Government sitting opposite me to challenge the honourable member for South Coast's sincerity and obvious wisdom implicit in that statement. The Government will ignore his advice at its peril. I fully endorse the views of the honourable member for South Coast. The charter of reform signed by the Government with the Independents was intended to make the Parliament more accountable to the electorate. Therefore, there is a real obligation on the Government to treat question time seriously. My view is that this Government is treating question time with contempt. Parliamentary question time procedures are increasingly being abused by

the Government, and the Minister for Housing is guilty more than most in this respect, which leads me to address the Opposition's concern with public housing policy. I note that the Premier, Treasurer and Minister for Ethnic Affairs, when moving for the adoption of the Address in Reply, stated that his Government has an unwavering commitment to home ownership and to carrying out a range of public and private sector housing initiatives. That is a laudable aim, and one with which I am sure the Opposition finds no argument. But the Government prides itself on its sense of fiscal responsibility and I see a major conflict between the Premier's strong support for sensible housing policies and the Government's overall performance in this field.

The Government has trivialised important concerns held by the Opposition in respect of the HomeFund lending program. The Government's evasiveness on the question of liability for housing co-operative loan defaults under the HomeFund lending scheme is also open to challenge when it refuses to address the co-operative concerns, yet maintains high profile advertising campaigns attracting low income earners to HomeFund products. I am alarmed at the Minister for Housing's attitudes in all these issues, especially in respect of the activities of FANMAC Limited, which is charged by the Government with raising mortgage finance to create the HomeFund lending scheme. The Minister for Housing told Parliament on 11th December that FANMAC is a registered company that has nothing to do with the Government. He said that FANMAC makes its own arrangements and that there has been no endorsement by the Premier or

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himself as to what the arrangements are within FANMAC. The Minister for Housing said:

I am not the Minister responsible for FANMAC. FANMAC sits on its own.

In the corporate world, if the GIO's 10 per cent holding in FANMAC is added to the 26 per cent shareholding held by the Government, that statement would amount to a gross lack of fiscal responsibility, when the Government is the dominant shareholder in FANMAC. In Parliament last Tuesday the Premier directly contradicted the Minister for Housing. Responding to a question on FANMAC the Premier said:

The Government has two people on the board and Treasury takes a perfectly proper interest, as do I, in both the level of the program and the performance of those who obtain money under it.

In relation to FANMAC I am extremely disappointed with the responses in this House by the Minister for Health and Community Services, who represents the Minister for Housing in this Chamber. Questions I have raised in this House have been too easily put aside. The Government states that it is proud of the HomeFund program and it wants to give credit to the former Labor Government for providing the initiative that is the HomeFund program. What this Government is not revealing is that under the Wran Government it was proposed in 1985 that lending would increase until it reached a level of \$500 million per annum by 1992. When the Government changed hands in 1988 HomeFund loans allocated accounted for less than \$300 million. Between June 1988 and June 1991 the Government lifted the expenditure in the HomeFund program to a total of \$3.3 billion. Under this Government's policies FANMAC was authorised to raise another \$1.5 billion this financial year. That is a total of \$4.8 billion - 16 times the level of lending undertaken by the previous Labor Government.

[Interruption]

The Opposition is concerned for those poor borrowers at the other end of the

economic market who, under this scheme, borrowed at the rate of 15.9 per cent and are still locked in to pay that rate of interest when today's interest rate is between 9 and 11 per cent. Last week the State Bank dropped its housing lending rate to below 9 per cent but there are thousands and thousands of low income earners paying as much as 15.9 per cent for HomeFund loans, with a built-in escalation of 6 per cent per annum for the duration of the loan. The Minister for Housing has refused to state the Government's financial undertakings in respect of any HomeFund loans that fall over. The Premier has indicated that the default factor envisaged for the HomeFund program is less than the risk factor evident among members of the Australian Banking Association - that is, the banks. But is it? We simply do not know. The association, stating its loan default rate by value, expresses it as 3 per cent of total bank home loan lending this year of \$70 billion. It has no raw data figures from the individual banks to express the fall-out rate by the number of collapsed loans. Yet there are hundreds of people facing evictions and forced mortgagee sales because they cannot meet excessive payments imposed under the HomeFund program. The real number is unknown because the Government will not tell us the true liability factor.

The Association of Co-operative Housing Societies, representing the HomeFund lending sources, refers to some 6,000 of 43,000 HomeFund loans being in arrears. I am not suggesting that all of those loans will collapse, but I challenge the Minister's assertion that only 122 are at risk of total failure. This is because of two factors, one being the selling practices in the market-place; the other is that lending facilities are aimed at those least able to afford their own homes. The Labor Government's intention to provide a

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limited alternative program for people who did not quite meet normal banking loan criteria has been privatised and hijacked by this Government. FANMAC is now administering home loans accounting for at least 18 per cent of the New South Wales home ownership market stock. The Government's exposure has been dramatically increased because it has changed the targeted fringe borrowers. The Government is aiming HomeFund loans at people who the banks say are not simply fringe candidates for a loan, but who are too impoverished to get loans from the bank. Because the Government is a market leader with 18 per cent of the home loan market in this State, it is operating a scheme which is flawed by inflexible lending criteria. HomeFund is now primarily directed at public housing occupants and those on the Department of Housing waiting lists. On 11th December I asked the Minister for Health and Community Services whether the Government held a 26 per cent shareholding in FANMAC Limited. It is an appropriate question, given that the Minister for Housing has stated that he has nothing to do with FANMAC activities and that it stands alone as a private corporation. In fact the Secretary of the Treasury is a Government nominee on the board of FANMAC.

The ACTING-PRESIDENT: Order! Pursuant to sessional orders, business is interrupted for the taking of questions.

QUESTIONS WITHOUT NOTICE

PACKARD MOTOR COMPANY

The Hon. M. R. EGAN: My question is directed to the Minister for Police and Emergency Services and Vice-President of the Executive Council. Is the Minister aware of allegations that sophisticated bugging devices were installed in sales offices of the Packard Motor Company? Were the devices discovered after the appointment of the

receiver? Was the purpose of the devices to eavesdrop on the private discussions of customers when, under some pretext, the salesman was called away? Did this mean that the salesman could then return to continue negotiations armed with the customers' private thoughts? Are the police investigating these matters?

The Hon. E. P. PICKERING: I have been a member of this Chamber for 16 years. Never in my life have I seen an Opposition so bereft of direction as this Opposition. In my experience in this Chamber I have never seen so little interest in question time as exhibited by Opposition members. In fact question time in this House has become an absolute bore and a waste of time because the people of New South Wales are not represented here by an Opposition with any get up and go whatsoever. On a number of occasions the Leader of the Opposition in this House has taken a question asked in another place the day before and asked the same question here. I cannot believe that the Leader of the Opposition would come up with a question that has not only been asked in another place but has also been the subject of a press release by the Attorney General and the subject of press comment, yet he raises it as if it were new. I would not mind if it were a matter of great moment or importance for the people of New South Wales, but it is not.

It is obvious that, bereft of researchers paid for from consolidated revenue, the Opposition is like a ship without a sail. It had Armon to help it but sacked him in the same way it sacked the hauntingly beautiful Donna. If the Leader of the Opposition wants to keep his job, he should come to this House and ask intelligent questions. As I recall the circumstances, yesterday the Attorney General issued a press release saying to

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anyone in the community with any information on this so-called bugging matter that they should provide that information to the police and I can assure honourable member that it will be investigated. I received no phone calls this morning from the Commissioner of Police saying that he had received red-hot information. I bet there was not one word about it given to the police, except the mud slinging that occurs in another place. The Opposition can find no question worth asking of me as the Leader of the Government in this House. Yesterday it tried to bring down the Government because I had the temerity to buy corporate clothing that is available to civilian members of the Police Service. That is the level of questioning in this House. The Opposition has turned question time in this House into an utter bore. The media no longer come to question time in this Chamber because no decent questions are asked. The Opposition asks no questions that excite any interest whatsoever. I have never seen an Opposition so lazy, so bereft of information, in all my life.

The Hon. Beryl Evans: On a point of order. This is simply the most appalling behaviour I have ever seen in this House. It is impossible to hear the answer the Minister is giving.

The ACTING-PRESIDENT: Order! I ask the honourable members of the Opposition and the honourable members of the Government to allow the Minister to reply to the question asked by the Leader of the Opposition.

The Hon. E. P. PICKERING: When I was Leader of the Opposition -

The Hon. M. R. Egan: Which you will be again soon.

The Hon. E. P. PICKERING: Let me assure the Leader of the Opposition that one thing he can be absolutely certain of is that I will never again be Leader of the Opposition in this place. I have done my stint at that. But I can tell the Leader of the

Opposition that when we came into this Chamber as the Opposition we came with important questions that represented the interests of the community of New South Wales. The questions were carefully crafted by a question time committee. We did not waste the time of this House as the present Opposition does day after day. It is interesting that after the first question has been asked during question time in this House half the Opposition members walk out of the Chamber and do not stay to listen to the nonsense put up by other members opposite, such as questions about corporate clothing.

PACKARD MOTOR COMPANY

The Hon. B. H. VAUGHAN: I would like to see the Leader of the House return to a bit of sanity as I have a much more agreeable question for him.

The ACTING-PRESIDENT: Order! The Deputy Leader of the Opposition will ask the question.

The Hon. B. H. VAUGHAN: I direct the question to the Minister for Police and Emergency Services and Vice-President of the Executive Council. Is the Minister aware that a staff member of the incoming proprietors of the dealership previously operated by the Packard Motor Company has told the media that the new proprietors discovered and removed sophisticated bugging equipment in offices used by salesmen to interview customers? Does the Minister think it is about time the police had a look at the matter?

The Hon. E. P. PICKERING: The answer to the first part of the question is no.

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As to the second question, I am sure that if the matter is directed to the police it will be investigated properly.

IMMIGRANT NUMBERS

Reverend the Hon. F. J. NILE: I wish to ask the Minister for Planning and Minister for Energy a question without notice. Is it a fact that the New South Wales Leader of the Opposition, Mr Bob Carr, has written to the Prime Minister, Mr Keating, urging a 50 per cent cut of the gross immigration target of 110,000 for 1993 in order to ease the burden on Sydney's urban sprawl? Will the New South Wales Government, in co-operation with the Federal Government, reintroduce the original procedure for immigrants that applied during the 1950s that required them to serve for two years in designated centres of population? This would reduce overcrowding in Sydney's western suburbs of Sydney which is placing extreme pressures on the available supply of housing, electricity, transport, water and sewerage services.

The Hon. R. J. WEBSTER: The answer to the first part of the question is that I saw the television news last night and noted the excruciating embarrassment obviously felt by the Prime Minister at the comments made yesterday by the Leader of the Opposition. Whether one agrees with the comments made by the Leader of the Opposition, I am sure that Mr Keating was embarrassed when he was making one of his rare campaign forays into the seat of the former Prime Minister. Of course the population in that electorate is dominated by recent migrants to this country. The Prime Minister should have been embarrassed by the untimely remarks of Mr Carr. Nevertheless, Mr Carr raised the matter and, of course, it has been raised also by the Federal Opposition leader, Dr Hewson. They claim that it is having a negative effect on Australia's economy in terms of the drains that immigration might make on our resources at a time of high unemployment and the spin-off effect that the honourable member gentleman identified, that up to 50 per cent of migrants - and last year the figure was

more than 40 per cent - who come to this country settle in Sydney, and many of those go to the western suburbs.

Reverend the Hon. F. J. Nile would know that I, as Minister for Planning, have taken some reasonably controversial steps to try to balance the sprawl of Sydney with some urban consolidation. It is fair to say that I have generally had bipartisan political support for the steps I have taken, even though there have been some isolated examples of opposition. This Government will continue to do that, as it will continue to try to rectify those real problems that exist in the west of Sydney. I must say to honourable members opposite that these problems have not just materialised during the four years of the Greiner Government. The other night I listened to a long diatribe by the Hon. Delcia Kite which must have been written for her by Greenpeace or some other body. She told us that armageddon was about to descend on us. The truth is that the pollution of the Hawkesbury-Nepean river system, the flooding in the western suburbs of Sydney and the urban sprawl, as we call it, have been with us for a long time.

More work has been put into the planning of new release areas of western Sydney by this Government and by the Department of Planning than has ever occurred before. That is not to say that we still cannot improve upon the way in which we plan our urban expansion. I am concerned about the number of migrants coming to Sydney as opposed to going elsewhere in Australia. It is really outside the responsibilities of this State Government to dictate immigration policy. Obviously, this State Government is constantly trying to find better ways of achieving decentralisation. This is an area of policy that not only this Government but also previous governments have found difficult
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to implement. It is difficult to get people to leave the coast of Australia - Australians love living on the coast - and to go over the Great Divide.

The Hon. Franca Arena: Is that where the Minister comes from?

The Hon. R. J. WEBSTER: I do come from over the Great Divide; in fact, I still live over the Great Divide, which is more than I can say for honourable members opposite who all live in Sydney. Obviously, this Government is concerned about urban sprawl and about decentralisation; that is really the point Reverend the Hon. F. J. Nile was making. It is outside the State Government's responsibility to do anything about immigration policy other than to draw our concerns to the attention of the Federal Government, as Mr Carr did yesterday, to the embarrassment of the Prime Minister. No doubt he would have received a very snaky telephone call from his Federal leader this morning saying, "What the hell did you do that for?" I have drawn those concerns to the attention of the Federal Government and the Federal Opposition. I give Reverend the Hon. F. J. Nile the assurance that I will do so again.

PROPOSED HEALTH CARE COMPLAINTS COMMISSION

The Hon. Dr B. P. V. PEZZUTTI: My question without notice is directed to the Minister for Health and Community Services. What will be the role of the proposed health care complaints commission?

The Hon. J. P. HANNAFORD: On 17th March Cabinet approved in principle the establishment of a health care complaints commission to investigate complaints relating to health services and the establishment of a health conciliation registry within the Health Administration Corporation for the purposes of conciliating complaints relating to health services. The new commission will be established as an independent statutory authority and will replace the existing complaints unit of the Department of Health. The decision

to establish the health care complaints commission results from the findings of the royal commission into deep sleep therapy in relation to the complaints unit. The report of the royal commission stated, among other things:

A body with powers which affect the rights of individuals should have its powers defined by and should be accountable to Parliament.

The unit should be an independent statutory authority.

The unit's structure should be changed so that it contains a prosecuting/ investigating arm and a complaints/conciliation arm.

The Hon. Ann Symonds: Will the Minister have any responsibility?

The Hon. J. P. HANNAFORD: The Minister will have responsibility. Public confidence in the present health complaints system and the need to delineate properly the responsibilities of the complaints unit, the Department of Health, the Minister for Health and Community Services and the Minister for Health Services Management in this system demand that their roles be formalised in legislation. Prior to Cabinet's consideration the proposal was discussed at length with the New South Wales branch of the Australian Medical Association. A number of other organisations were consulted and asked to provide comment on the proposal, including the Medical Services Committee, the New South Wales Medical Board, the 10 health registration boards responsible for non-medical

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registrable health professionals in this State and a number of other professional and health service associations. The comments of the consulted bodies were all given due consideration prior to this decision.

The main features of the proposal are as follows. The commission will be under the direction and control of the Minister for Health and Community Services and will be required to make an annual report to Parliament. This new health commission will not only investigate complaints against medical professionals; it will also be able to investigate complaints against hospitals. The Minister will be able to direct investigations into matters concerning hospitals which may be drawn to his attention. The Government thought it appropriate for me, as Minister for Health and Community Services, to have that responsibility - not the Minister for Health Services Management, who is responsible for the actual running of hospitals - because there might be a conflict of interest. The commission will receive and investigate complaints concerning the clinical management and care of patients by health practitioners in public or private health facilities in New South Wales. It will have two distinct divisions: a complaints and preliminary inquiry division and an investigation and prosecution division. As is presently the practice, all complaints received by the commission will be referred to the preliminary inquiry division for assessment.

The Hon. Franca Arena: How will the members of the commission be appointed?

The Hon. J. P. HANNAFORD: The commission will consist of one person - commissioner one. The position will be filled after public advertisement and independent assessment. There is no challenge to the integrity or professionalism of the present head of the complaints unit; it is Cabinet's view that, in setting up a new organisation, the position should be advertised. All complaints will be screened in order to determine whether they come within the commission's jurisdiction, whether they

should be referred for investigation or conciliation, or whether further action should be taken. Accordingly, the commission will be given the powers presently conferred upon the Director-General of the Department of Health under the Medical Practitioners Act, the Nurses Act and the Chiropractors and Osteopaths Act to investigate complaints and to act as the complainant in proceedings before a professional standards committee or tribunal. The commission will also be given powers conferred upon the director-general under these Acts to refer a complaint to the board or, after consultation with the board, to a committee, the tribunal, or to determine whether any further action should be taken. The relationship between the commission and the medical, nurses, chiropractors and osteopaths boards will be unchanged. These boards will retain their important role in the screening, investigation and referral of matters to a professional standards committee or tribunal.

The commission will only be allowed to refer a matter to the health conciliation registry for conciliation following preliminary inquiry if both the complainant and the provider agree to conciliation and the matter meets the requirements for conciliation which will be laid down in the legislation. Before referring any matter which involves a registered practitioner for conciliation the commission will be required to consult with the appropriate registration board. Nothing will prevent a registration board from recommending to the commission that a complaint be referred to the health conciliation registry subject to the commission's assessment that the matter meets the requirements for conciliation. If the commission determines that the matter is not suitable for conciliation it will not be required to refer the matter to the registry. The registry will be responsible for arranging for the conciliation of matters involving private individuals. Upon the conclusion of the conciliation process the conciliator will be required to prepare

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a report that conciliation took place and that the matter was successfully conciliated, or finalised but not successfully conciliated. In addition, the conciliator will be empowered to recommend that the commission either investigate or not investigate the matter.

A recommendation by a conciliator that a matter be investigated will be allowed only if new material becomes available that raises public interest questions. Conciliators will not be given the power to award compensation. I must emphasise that absolute privilege will apply to the conciliation process. In addition, it is proposed to allow a defence of absolute privilege in defamation proceedings for reports provided to the commission by health professionals for the purposes of assisting in the investigation. That is very important in this new process. It will be an offence to harass a person who has complained to the Health Care Complaints Commission. Although the commission will have the power to investigate complaints concerning the clinical management and care of individual patients by public and private health facilities, it will not be allowed to conduct broad inquiries into the administration, management and activities of any public or private health facility. If the commission identifies a trend in complaints against a particular facility or group of facilities, it will be allowed to request the approval of the Director-General of the Department of Health or the Minister for Health and Community Services to conduct an investigation. If the commission is refused a request, it can indicate that in its annual report to Parliament.

I should emphasise that the structure of the commission and the registry addresses many of the concerns of the Australian Medical Association. Importantly, the commission and the registry will be independent of each other. Staff of the commission will be employed under the Public Sector Management Act 1988 and be responsible to the Minister for Health and Community Services. The registry will be established within the Health Administration Corporation and report to the Director-General of the Department of Health. This is an important initiative so far as the accountability and

responsibility of health professionals is concerned and I have made this detailed answer to the House so that honorable members who may be interested can circulate copies of the answer to effective professionals to obtain a report back.

PSYCHOLOGIST REGISTRATION

The Hon. ELISABETH KIRKBY: My question without notice is directed to the Minister for Health and Community Services. In view of the answer he has just given to the Hon. Dr B. P. V. Pezzutti, I ask him to consider the question with care. Will the Minister confirm whether a discredited doctor who played a major role in the Chelmsford deep sleep fiasco remains registered with the New South Wales Psychologists Registration Board? Will he justify the standards for the registration of psychologists that permit such a thing to occur? Does the Minister believe that these standards need to be tightened up?

The Hon. J. P. HANNAFORD: I have to be careful about the way in which I frame my answer because I am not certain of the person to whom the honourable member refers. Arising out of the Chelmsford royal commission steps were taken to institute disciplinary proceedings under the legislation against the doctors involved. Honourable members will recall that the Supreme Court granted an injunction in respect of certain of the aspects, and certain prosecution proceedings are proceeding. However, certain disciplinary proceedings are still able to be taken. It is my recollection that those proceedings are being taken. If the honourable member wants more details, she may see me later.

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BARRENJOEY HIGH SCHOOL LAND SALE

The Hon. FRANCA ARENA: Will the Minister for School Education and Youth Affairs inform the House whether she has been asked to give approval for the selling of Crown land at Barrenjoey High School in order to build a school hall? Has the Minister given such approval, or will she give it in the near future?

The Hon. VIRGINIA CHADWICK: I thank the Hon. Franca Arena for her important question. She would understand that I am not responsible for Crown land. I know that proposals are under way at Barrenjoey High School. I am happy to stand corrected, but I do not recall any proposal of mine to sell land at Barrenjoey. However, I promise to chase the matter up. Sometimes land used by schools belongs either to the Department of Lands or various government agencies. If there are movements on which I am not up to date, I shall find out and inform the honourable member.

LIGHTNING DAMAGE

The Hon. J. H. JOBLING: My question without notice is directed to the Minister for Planning and Minister for Energy. I am sure the Minister is concerned that in recent times New South Wales has been plagued by disasters, many of them related to storms. As they can cause great damage to persons and property, I ask the Minister: is Pacific Power doing anything to track the damage that is done by lightning so that repairs can be effected and power restored to the thousands of people in New South Wales whose homes are blacked out from time to time?

The Hon. R. J. WEBSTER: I am pleased to say that the answer to the question is yes. Pacific Power is using near instant impact reports to charter the course of lightning

strikes across New South Wales in a bid to boost the reliability of the State's power supply system. The new time of arrival - as it is called - lightning tracking system has the potential to make valuable savings in both time and money in repairing the damage to power systems caused by lightning strikes. The great news for home owners is that there will be fewer and shorter blackouts across New South Wales. The lightning tracking system is the first of its kind in Australia, and Pacific Power has recently embarked on a year-long trial using its communications network. Lightning detectors based at six remote sites around the State record the electromagnetic pulses of lightning. The differences in the time at which these pulses are then recorded at the six receivers are used to plot a lightning strike within microseconds, with an expected accuracy of up to 200 metres. The strikes are chartered electronically at Pacific Power's control centre in Sydney. The six sites are located at Dapto, Yass, Tamworth, Orange, Newcastle and Mount Piper.

This revolutionary lightning tracking system will allow Pacific Power's controllers to take precautions in the face of storms, alert repair crews and substantially reduce the time needed to find lightning damage on lengthy transmission lines. At the same time, a number of county councils have shown an interest in the new system. Of the county councils, Prospect Electricity, having used an earlier lightning detection system, now uses the new time of arrival system, and I understand at least two other councils are interested in using the new program. I am advised that Prospect Electricity rates it a most effective early warning system, allowing it to identify problems and even retain staff on standby in the face of storms to shorten their response time to storm-induced breakdowns. The new technology is an American system developed by Atmospheric Research System Incorporated and introduced to Australia by Kattron

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Electro-Technology. During a recent severe storm in Sydney the system detected thousands of strikes across the metropolitan area. A major storm can produce 20,000 ground strikes. With strikes measured at up to 80,000 amperes in an electrical current it can cause major problems for the State's electricity industry. In conclusion, I have asked Pacific Power executives to report back to me at the end of the trial period so that I can determine whether this new lightning tracking system should be introduced on a wider scale right across New South Wales.

SILICONE BREAST IMPLANTS

The Hon. ELAINE NILE: I wish to ask the Minister for Health and Community Services a question without notice. Is it a fact that the largest United States manufacturer and Australian supplier selling breast implants, Dow Corning, will stop making this contentious product as from today? What effect will that decision have on the supply of silicone breast implants in view of the increasing evidence of their serious side-effects on the health of many women?

The Hon. J. P. HANNAFORD: I have no official advice to that effect, though, I, like most other honourable members, am aware of the announcement to that effect. The honourable member may be assured that I shall pursue an official position in relation to the matter.

NEW SOUTH WALES FISHERIES CORRUPTION

The Hon. R. D. DYER: I ask the Minister for Police and Emergency Services and Vice-President of the Executive Council a question without notice, not relating to corporate wardrobes. Is the Minister aware of serious allegations made last night on the "Hinch" program that someone in the Office of Fisheries is on the take and that drug

dealing and other illegal activities have been taking place over a period of six months? Will the Minister order an immediate investigation into this matter and refer the serious allegations made to all appropriate authorities, including the Independent Commission Against Corruption.

The Hon. E. P. PICKERING: I am not aware of the program that apparently went to air last night on the "Hinch" show. I shall make it my business to review the program during the course of the day. Obviously the Police Service will take appropriate action. I am aware of concerns regarding the alleged connection between the illegal abalone industry and the drug trade. It has been brought to my attention that illegal abalone fisherman are financing that trade by supplying such molluscs to visiting vessels which, in turn, are paying for it through the importation of drugs. The House would be aware that the Drug Enforcement Agency, in conjunction with the State Crime Commission, has been rigorously pursuing the drug trade in New South Wales and without doubt the results have been spectacular. In recent times concerted efforts have been made in the area touched upon by the Hon. R. D. Dyer's question. The honourable member may be assured that in a general sense the law enforcement agencies are doing an excellent job.

GUARDIANSHIP BOARD PREMISES

The Hon. Dr MARLENE GOLDSMITH: My question without notice is directed to the Minister for Health and Community Services. As a resident of inner western Sydney I was interested to read in the newspaper of the new premises for the

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Guardianship Board. When were these premises opened and do they suit the Guardianship Board's role?

The Hon. J. P. HANNAFORD: On 16th March I officially opened the new Guardianship Board's premises in Rowntree Street, Balmain. These new premises replaced the rather cramped conditions at Bidura. Those honourable members who have shown an interest in the operations of the Guardianship Board will be familiar with those premises. The staff are relieved that once again they have space in which to breathe and operate. In August last year I launched a booklet describing the first two years of operation of the Guardianship Board. At that time I spoke about the Government's recognition of the essential and important role of the Guardianship Board and the Government's commitment to the legislation and client group it serves. The Guardianship Board's new premises provides tangible evidence of that commitment. The Guardianship Board has had a dramatic increase in its recent caseload. Applications to the board have increased fivefold since it commenced two and a half years ago. In the first two months, 22 applications were made per week and that has increased to 100 per week. Although this rapid pace is unlikely to continue indefinitely, a growing awareness of the board's role with the ageing population, as well as the board's inbuilt review functions, mean that the caseload is likely to double again in another two to three years.

The new premises are particularly welcoming and calm. Client areas and hearing rooms are informal, which is a recognition of the emotional and stressful nature of the hearings. The absence of raised benches, high-backed chairs, separate witness boxes and other intimidating trappings associated with proceedings are absent from these premises. One-third of the board's hearings are now held outside the Sydney metropolitan area and it is hoped that further expansion of the board's facilities will take place in regional centres. As the board's caseload increases and new premises are required, new premises should be established at regional centres rather than in continual growth of centres in a central area. Honourable members would appreciate that will be of significant

benefit to the people they represent.

The Hon. Ann Symonds: Move the people.

The Hon. J. P. HANNAFORD: A move to the people; that is what this Government is about. I congratulate those who were involved in the design and construction of the new premises and on the skilful way in which they managed to make an old picture theatre with a modern interior meet the needs of the Guardianship Board and its clients. The new premises also confirm that the Guardianship Board is not only part of the physical landscape of Sydney, high on a hill in Balmain, but is now a permanent and well-respected part of the landscape of disability services in New South Wales.

BALLINA SHIRE COUNCIL AND NORTH CREEK

The Hon. R. S. L. JONES: I ask the Minister for Planning and Minister for Energy: Is it a fact that the Ballina Shire Council is breaching the terms of the letter of concurrence from the New South Wales Director of Planning, Ms Gabrielle Kibble, on the construction of the North Creek bridge in that the council intends to start construction in April, as opposed to May, as stated in the letter? Does this now mean that the migratory wading birds, including endangered species and those covered by international migratory bird agreements, will be disturbed by the construction beginning in April? What action will the Minister take to ensure that Ballina Shire Council sticks to the letter of concurrence from the Department of Planning?

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The Hon. R. J. WEBSTER: I am unaware of the matter raised by the Hon. R. S. L. Jones. I am aware of the proposal to construct the bridge but I am unaware that Ballina Shire Council is in breach of directions from the Department of Planning. I shall investigate the matters raised by the honourable member and come back with an appropriate answer.

WARRIEWOOD-INGLESIDE ENVIRONMENTAL STUDIES

The Hon. DOROTHY ISAKSEN: I direct my question without notice to the Minister for Planning and Minister for Energy. What progress has been made by the Department of Planning with environmental studies of the 600 hectares of land released in the Warriewood-Ingleside area announced on 13th December last year? When will local government authorities and shire residents be informed of the outcome?

The Hon. R. J. WEBSTER: I am aware that studies have taken place, I hope in consultation with the local government area involved. I do not know the conclusion of those studies or if they have been concluded. If I am able to provide the honourable member with further details, I shall do so in due course.

DISABLED SCHOOL STUDENT INTEGRATION

The Hon. J. F. RYAN: My question is directed to the Minister for School Education and Youth Affairs. Is the Minister able to inform the House as to the progress in New South Wales of the integration into regular schools of students with disabilities?

The Hon. VIRGINIA CHADWICK: The Hon. J. F. Ryan is aware that this Government places importance on services to all people with disabilities but with school

education its particular focus is the integration of schoolchildren with disabilities. Since coming to government that has been a priority. At that time the Government took the decision that each child with a disability, wherever possible, had the option of attending a regular school. I am pleased that the number of children with disabilities integrated into regular classrooms in New South Wales has increased in the past four years by more than 300 per cent. I regard that as a significant achievement. In 1992, 2,545 students with disabilities are attending classes at regular schools. In 1988 the figure was 1,335 whereas in 1987, before this Government came to office, only 846 students were integrated into the regular classroom. Integration into mainstream classes for students is a vital option. However, this option is not suitable or available immediately to every child with severe intellectual disability or a combination of disabilities. All honourable members would agree that integration is tremendously beneficial, both educationally and socially, to children with disabilities. It is my strong view also that integration of children with disabilities into the regular classroom has a beneficial effect upon children who do not have overt disabilities.

The Hon. Ann Symonds: Are the class numbers altered when the children are integrated?

The Hon. VIRGINIA CHADWICK: They are indeed. Support teachers go with the children being integrated, often on a one-to-one basis. Students with disabilities can gain tremendous confidence and self-esteem and learn better how to cope with everyday mainstream activities. Some 67 per cent of students integrated into mainstream classes are enrolled at school from kindergarten to year 4. As a new generation of families who

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have children with disabilities begin to look at educational options the indications to date are that it is the proper expectation of those parents that their children will be integrated in the mainstream of New South Wales Government schools. That cultural change, the change in thinking, is terribly important. Recently we have placed 10 extra positions in regional offices of the department, at a cost of \$0.5 million. As we move to the devolution of programs closer to our schools it is important that at the regional level there should be proper monitoring and co-ordination to ensure that the commitment held by the Government and by me personally as Minister is not lost. These positions will assist schools in the community to target initiatives at a local level and also raise awareness within the school framework and among children themselves. Parents of children with disabilities have a greater choice now than ever before. I am pleased that if their choice is for integration, that is increasingly a reality for children in New South Wales.

EASTLAKES COMMUNITY CENTRE CLOSURE

The Hon. J. KALDIS: My question without notice is addressed to the Minister for Health and Community Services. Does the Greiner Government plan to auction land owned by the State Transit Authority and occupied by the Eastlakes Community Centre? Will the closure of Eastlakes Community Centre result in cuts to valuable services for senior citizens, disabled people, youth groups, the Red Cross, migrants and child care services? What action does the Government intend to take to ensure that the Eastlakes Community Centre continues to provide these valuable services to the people of the area?

The Hon. J. P. HANNAFORD: I have no knowledge of any proposals by the State Transit Authority for the sale of land of the nature adverted to by the honourable member. I shall make inquiries and inform the House of the result of those inquiries. I shall also seek to let honourable members know what is planned in relation to the Eastlakes Community Centre.

READING RECOVERY PROGRAM

The Hon. S. B. MUTCH: I ask the Minister for School Education and Youth Affairs whether she can inform the House about the reading recovery program operating in New South Wales schools. Has the program been successful, and if so, will it be expanded?

The Hon. VIRGINIA CHADWICK: I thank the Hon. S. B. Mutch for his interest in this successful program which was introduced to New South Wales schools. This year the reading recovery program that we began as a trial in the Riverina region has proved to be so popular that it is now available in all 10 education regions. The Government introduced this scheme, which is based upon a successful reading recovery program in New Zealand. We have taken the time and trouble to have our people appropriately trained and accredited so they can use the New Zealand model. In our determination to introduce the program we have chosen well, because it is now being extended to other States of Australia, and fairly recently to the United Kingdom. The program is becoming increasingly internationally renowned. Though we intended to have simply a pilot program in the Riverina so we could examine and evaluate its appropriateness to the New South Wales public education system, such was the remarkable success of the program and the enthusiasm of teachers for it that we decided to expand it throughout New South Wales. It is now available in all 10 regions at a cost of a little more than \$1 million. That is a significant investment by the Greiner Government in remedial education, to catch children with learning difficulties early so they can be assisted and returned to mainstream education and not have their problems

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reinforced by neglect, as appeared to be happening under the administration of the former Labor Government.

SCHOOL STUDENT BEHAVIOUR

The Hon. ANN SYMONDS: My question without notice is directed to the Minister for School Education and Youth Affairs. Has the Minister evaluated the Department of School Education's programs that were devised to manage students' violent or disruptive behaviour, particularly in the area of domestic violence and homophobia? How did the department respond to the serious instances of homophobic behaviour in our schools that were reported in the *Sydney Morning Herald* today? Will the Minister make the program on homophobia available to Reverend the Hon. F. J. Nile, who expressed sympathy with a homophobic man on a Special Broadcasting Service program recently when he said, "I know how you feel"?

The Hon. VIRGINIA CHADWICK: Though the timing of the honourable member's question may be accidental, she will be as pleased as I am that as soon as question time is over I am going to Marrickville to launch an antiracism kit and the implementation strategy. After almost 12 months of work in the development of that strategy it would have been my personal hope that it could have been launched in a calmer and less inflammatory environment than events in the past few weeks appear to have generated. Despite that, it is more than timely that our work on the policy has been completed. At lunchtime we will be launching the implementation timetable. To have worked on the program and been able to get agreement with 70 or 80 community groups is something about which I am pleased because the department and the groups involved can have a sense of ownership and commitment to the policy.

If that were all we were doing, I do not think it would be enough given that resource materials to support the teachers must be made available to schools. I hope that

our policy, when implemented, will mean that there will be fewer grounds for people to feel aggrieved. Nevertheless, we are working on grievance procedures to resolve difficulties should they arise. I accept that there are many differences between an anti-racism policy and another overt form of discrimination: homophobia. The Hon. Ann Symonds will agree with me that some of the basic principles of respect for people's differences do apply. Only yesterday my attention was drawn to assertions of harassment, discrimination and threatening behaviour at a Sydney high school. I have asked for details of that matter to be forwarded to me. My present understanding is that the principal of the school took every possible measure to work with the young people and the families involved. I am concerned that what seemed to be the very best endeavours to the principal and staff of the school were unsuccessful.

I certainly am not judgmental about the staff of the school, nor have I taken other action because I do not know enough about it yet, and from the little evidence I do have it appears that the staff worked very hard, particularly the principal, to correct discriminatory behaviour. I refer to assurances that I gave this House about the pilot program which, from memory, was a joint pilot program between the police force, ourselves and various other relevant community groups at another metropolitan Sydney school. That school would be familiar to the honourable member. I do not wish to give its name. At that time I was far more attracted to the notion of having an intensive and specific program on a school-by-school basis to avoid the unintended consequences of a statewide approach. I am not beyond persuasion on the matter. I seek, wherever possible, to ensure that our schools are havens of peace for all and places where all staff and students feel that discrimination in any of its many and varied forms is not to be tolerated.

MUNMORAH POWER STATION PRIVATISATION

The Hon. Dr MEREDITH BURGMANN: I address my question without notice to the Minister for Planning and Minister for Energy. Has the Minister been party to meetings involving the Minister for Sport, Recreation and Racing and Minister Assisting the Premier and various Department of Energy officials about the privatisation of Munmorah power station? Is it true that there is to be a management buy-out of Munmorah power station, or is it to be closed?

The Hon. R. J. WEBSTER: The answer to the first part of the question is, no: the answer to the second part of the question is, no.

MINISTER FOR POLICE AND EMERGENCY SERVICES CORPORATE WARDROBE

The Hon. J. R. JOHNSON: My question is addressed to the Minister for Police and Emergency Services and Vice-President of the Executive Council. Will the Minister confirm that he is wearing part of the uniform that is available through the corporate wardrobe of the police department? Will he also advise whether nighties, underpants, singlets, pyjamas, socks, thongs and kaftans will be available? Are any royalties being paid by the manufacturers for the use of the corporate logo? If so, for what purpose will the funds be made available?

The Hon. E. P. PICKERING: I am genuinely disappointed that the Hon. J. R. Johnson has asked such a question. I have with me the brochure that the department has produced for the benefit of civil employees in the department. The brochure is obviously produced by the people selling the clothes. It seems to me, and I am sure this has been the considered view of everyone in the Chamber who has seen the brochure, that this is a

very nice development by the department. It is a departmental initiative drawn to my attention. It is a nice to see members of the Police Service who are not in uniform bound together by a corporate wardrobe. It is a good morale building exercise. The quality of the clothes is very appropriate, both male and female. The Hon. J. R. Johnson has actually read the brochure. He knows, as well as I, that the wardrobe does not extend to a wide range of other clothing such as underclothes, as that would of course be entirely inappropriate. The Hon. J. R. Johnson is really trying to take the mickey out of a perfectly appropriate project.

ENVIRONMENTAL PLANNING AND ASSESSMENT ACT

The Hon. R. S. L. JONES: I address my question to the Minister for Planning and Minister for Energy. Is it a fact that the Minister has used his powers under section 101 of the Environmental Planning and Assessment Act on more than one occasion. Is he aware of the provision of section 101(11) which says:

Where the Minister determines a development application by the granting of consent the Minister shall be deemed to be the consent authority to the exclusion of any other consent authority.

Does this mean that the Minister cannot legally delegate his power under section 101 of the Environmental Planning and Assessment Act to the chief town planner of Maclean Shire Council to approve the golf course and tourist resort on Micalo island? Will the Minister seek legal advice on this issue?

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The Hon. R. J. WEBSTER: I am not sure of the answer to the honourable member's question. Certainly, under section 101 of the Act I am the determining authority. The whole purpose of the section is to enable the Minister to call in, develop and determine. As far as being able to delegate is concerned, I will obtain the answer and inform the honourable member.

PORT MACQUARIE PRIVATE HOSPITAL CONTRACT

The Hon. P. F. O'GRADY: My question without notice is addressed to the Minister for Health and Community Services. Will the Minister guarantee that escalation clauses in the contract for the privatisation of the public hospital at Port Macquarie will only be invoked to adjust for change in the Australian Bureau of Statistics rate of pay index, catalogue number 63120?

The Hon. J. P. HANNAFORD: The honourable member would appreciate that I would not know that particular detail offhand. I will obtain an answer and let him know.

LIVERPOOL HOSPITAL STAFF SHORTAGE

The Hon. J. F. RYAN: I address my question to the Minister for Health and Community Services. Is the Minister aware of reports in today's *Sydney Morning Herald* of staff shortages and the closure of the casualty unit at Liverpool Hospital for a period of time during the day? Is the Government in a position to respond to those problems?

The Hon. J. P. HANNAFORD: I am aware that there is an industrial dispute at Liverpool hospital. When there is disagreement between management and unions about the way in which a particular reorganisation of staffing should proceed, a dispute is

generated and can be resolved in the Industrial Commission if it cannot otherwise be resolved. The fact that an industrial dispute was announced is part of that process. The matter will be properly resolved before the Industrial Commission, as are other disagreements which arise from time to time about management and staffing arrangements. However, a related issue has been drawn to my attention. Claims are being made at Liverpool that funding has been withheld. Those particular claims are totally out of date and inaccurate. They arise out of a media release by the Deputy Leader of the Opposition and, as usual, he is miles behind, in fact two departmental memos behind. He relies on a document that was published in November last year.

The amount that was temporarily quarantined to the South Western Sydney Area Health Service was, at that time, \$280,000, and not, as was claimed by the Deputy Leader of the Opposition, \$500,000 out of a total budget for that area of \$60 million. It was quarantined until the staff and the services, which it was to fund, were properly in place. Until the staff is actually there and the services are actually there the money is not needed. The funds were quarantined until appropriate staff and services were in place. Liverpool Hospital already has received enhancement of \$2 million. If the Deputy Leader of the Opposition had bothered to inquire he would have learned that from a memorandum of 14th February, 1992. Service heads were informed that the budget situation had improved and the money had been allocated. Admissions to the end of February at Liverpool hospital have increased by 10.3 per cent; so much for the lie that there has been a cut or a curtailing of services. Admissions at Liverpool have increased by 10.3 per cent. How can it be suggested that services are being cut? This is the usual lie one hears from the Deputy Leader of the Opposition. I can assure the honourable member that this Government is committed to improving Liverpool Hospital. The

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Government is considering a \$200 million redevelopment of that hospital. Had the Government of which Dr Refshauge been a member left the people of Liverpool with a hospital instead of a cluster of demountables, to which I referred yesterday - second-class buildings that have been there for 25 years - the people of Liverpool would be better off. It is now 25 years since the people of Liverpool were promised a new teaching hospital. It is clear that the former Labor Government took Liverpool for granted.

MARK FITZPATRICK TRUST

The Hon. ANN SYMONDS: My question without notice is directed to the Minister for Health and Community Services. Has the Mark Fitzpatrick Trust accepted the Minister's proposal to add an addendum to its charter in order to facilitate the Minister's decision to provide financial assistance to HIV-AIDS sufferers? As the Minister is aware, the charter of the trust is for moneys to be expended for sufferers of medically acquired AIDS, yet the Minister has decided that any residual funds will be distributed to HIV sufferers, irrespective of the source of infection.

The Hon. J. P. HANNAFORD: I thank the honourable member for her question. The form of the question indicates that she supports the approach I and the Government have taken - to indicate that any residual funds should be used for people who have the AIDS virus. From the discussions of which I am aware, the approach to be taken is there is likely to be an addendum to the trust, or we will have to create a separate trust document which will relate to the trust and make certain that the same trustees and administrative procedures are in place. I have left the detail of negotiating that to the department. Obviously, if there were problems, that would be advised to me so that I can take the matter further with Sir Ninian Stephen, with whom I had the initial discussion. No problems have been raised with me to this date, so I assume that negotiations are proceeding and the objects of the announcement will be implemented as soon as possible.

The Hon. E. P. PICKERING: In view of the hour, I suggest that any further questions be placed on notice.

DEPARTMENT OF COMMUNITY SERVICES MONORAIL TOKENS

The Hon. J. P. HANNAFORD: On 6th March the Hon. P. F. O'Grady asked me a question about the distribution of monorail tokens in a way that suggested the Government had been involved in the purchasing of 10,000 monorail tokens. He wanted to know why this occurred. I can now indicate that 10,000 tokens were offered free of charge to the Department of Community Services by the Darling Harbour Authority. Following negotiations between staff in the central office of the Department of Community Services and staff in the Darling Harbour Authority, the majority of tokens were distributed to operations managers who were present at a conference for managers of residential care units on 4th and 5th June, 1991. Surplus tokens returned to the central office after the conference were redistributed to other residential care units. No tokens were retained in the department's central office beyond August 1991. Some tokens were also distributed to juvenile justice management who were then part of the Department of Community Services. I am sure honourable members would see that the distribution of these tokens to Department of Community Services units which provide care for abused and neglected children and people with disabilities would enable those community service clients to use a facility that might otherwise not be available to them.

LINDANE HEAD LICE TREATMENT

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The Hon. J. P. HANNAFORD: On 18th March the Hon. R. S. L. Jones asked a question regarding a letter from the Total Environment Centre about head lice chemical treatments. I draw his attention to the fact that the question was asked on 18th March and I have in front of me a copy of a letter dated 21st February from the Department of Health to the Total Environment Centre responding to the question asked by the honourable member. Because of the concern that I expressed at the time about the nature of question I shall indicate to the House what was said in that letter. The Total Environment Centre was advised as follows:

The use of Lindane is a safe method of treatment for head lice, if used as intended. Most therapeutic agents have the potential to cause adverse effects if misused, and this preparation is no exception. A recent communication from the NH&MRC has informed that published information on animal studies shows that Lindane is extensively metabolised and rapidly excreted. It does not significantly bioaccumulate.

Pyrethrum and its derivatives fail to kill louse eggs properly. The newer pyrethroids may be ovicidal if carefully formulated. However, medical literature indicates that no shampoo formulation currently available, when subjected to laboratory testing, give satisfactory kills of head louse eggs.

In view of this, a ban on the use of Lindane is inappropriate.

I trust this clarifies the situation and reassures you that the New South Wales Health Department is committed to protecting and improving the health of children in New South Wales.

I indicated at the time of the question being asked that I was concerned about the manner in which the question was raised because it could cause concern to some people who used

those substances. I am able to indicate to the House that the main preparations containing Lindane for the treatment of head lice are listed in schedule 2 of the Poisons Act. This limits the concentration of Lindane to 2 per cent or less and its sale is restricted to pharmacists and medical practitioners. I am advised also that if there is a need for stronger concentration of Lindane in a preparation, that can be obtained only by prescription from a medical practitioner. To suggest, as the question had the tendency to do, that the community might have to be concerned about the use of that product in preparations available for sale is to mislead and cause undue concern within the community, on the basis of advice given by the National Health and Medical Research Council.

[The Acting-President left the chair at 1.6 p.m. The House resumed at 2.30 p.m.]

GOVERNMENT LEGISLATIVE PROGRAM

Debate resumed from an earlier hour.

The Hon. E. M. OBEID [2.30]: On 11th December I asked the Minister for Health and Community Services whether the Government held a 26 per cent shareholding in FANMAC Limited. I think this is an appropriate question, given that the Minister for Housing has stated that he has nothing to do with FANMAC's activities and that it stands alone as a private corporation. In fact, the Secretary to the Treasury is a Government nominee to the board of FANMAC, which seriously jeopardises any attempt to gain an independent view of its operations. This week the Premier all but conceded in Parliament, after months of evasiveness on the Government's part, that the Secretary to the Treasury has asked for an independent inquiry into FANMAC. But the Premier refused to reveal any further information in his response to the Parliament. I also asked

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the Minister responsible in this Chamber if he could confirm whether the securities of FANMAC are covered by State Government guarantees - \$4.8 billion worth of mortgage securities are involved. I think members of this House would agree that this is an entirely rational question seeking accurate and factual information. It is particularly relevant, given that the Attorney General, Minister for Consumer Affairs and Minister for Arts has already described as a sham one series of bogus loans made under the HomeFund program, which is worth \$6 million. I also asked the Minister for Health and Community Services whether FANMAC has a triple-A credit rating. I asked whether Government guarantees were extended to the operations of FANMAC since 1985.

I want the Government to clarify, once and for all, who gave FANMAC a government guarantee for its securities. When was this executive decision reached? What variations have occurred since this Government came to office? I believe I was also impartial and fair in seeking the view of the relevant Minister as to whether such government guarantees had been provided. I wanted the Minister's view of why this was so, given FANMAC has no responsibility to report to the Minister for Housing, the Premier, Treasurer and Minister for Ethnic Affairs, or the Parliament. I have asked that question on two occasions in this House and on both occasions I did not receive an answer. I accept that the Minister in this House was not in a position to answer that question other than generally. He spoke of his recollections of certain matters as they related to FANMAC under a Labor government. He concluded by saying:

The extent to which any such guarantees have been continued by this Government is a matter that I will inquire about and inform the House.

Despite a reminder on one occasion to a member of his staff that I was interested in a

further, considered response, the Minister did not provide me with one. After the proroguing of this House I again asked the Minister this question on 11th March. He incorrectly answered, again from recollection, that he had given me and the House a detailed answer. He said he believed that "all these guarantees" were established by the previous Labor Government. He said, "Obviously this Government is honouring those guarantees given and written by the former Labor Government". Again he said that he would provide further information if he needed to do so. I do not doubt the Minister's desire to do so, but he is a very busy person. I question why the Premier and the Minister for Housing repeatedly failed to debate these issues openly in the Parliament. With great respect to the Minister for Health and Community Services, he has not only declined to treat the question seriously; he has also failed in his duty to ensure that the full facts sought are provided to him by the Minister for Housing. The Premier should be extremely concerned at the performance of the Minister for Housing on these issues. If 5 per cent of HomeFund loans fall over in time because of people's inability to repay them, this Government may or may not have an obligation to write off \$200 million. Although the properties can be resold there will still be a loss of \$50 million to consolidated revenue. There will be untold tragedy for a great number of people who believed that the government-backed lending scheme would enable them to achieve their dream of owning their own home.

I have genuine reasons for my concern. There is a view that the falsification of HomeFund loans has occurred on a widespread scale throughout those co-operative societies lending in the Sydney metropolitan area. At present that matter is under investigation. Members of the police fraud squad and officers from the Department of Consumer Affairs are aware of such practices. They are also aware that, apart from one investigation of which I and the Minister for Police and Emergency Services have been

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informed, no mechanism is in place for these allegations to be investigated. The Minister for Police and Emergency Services and the Attorney General are aware of investigations being undertaken under the code name Task Force Matador. The public are not aware that this investigation is restricted by its terms of reference to only two co-operative societies and two sets of property transactions. I know of another attempted case of fraud which Task Force Matador has declined to investigate because it does not fall within its terms of reference. The inquiries of Task Force Matador are expected to take at least another year before substantial charges are levelled against offenders in this matter. In the meantime co-operative societies are being pressured, through a government advertising campaign featuring HomeFund, to lend more and more money. The co-operative societies cannot get an answer from this Government as to who will wear the costs of those loans which collapse. They are lulled into a false sense of security by a major increase in commissions and management fees which they recoup from this big lift in access to home lending finance under the HomeFund program.

Another feature of current investigations, totally ignored by the Minister for Housing, is the provisions open to the Real Estate Services Council to cancel licences held by companies, real estate agencies or real estate salesmen to stop known offenders from engaging in illegal activities. I challenge the Minister for Housing to deny that he has a right to take such action. I challenge him to deny that he has been advised that he has such powers by Crown law authorities. Why does he refuse to order such action when companies defying the HomeFund lending principles are advertising access to government-sponsored loans in the ethnic press in Sydney - a fact that has been known for at least 12 months? I am also concerned that, since the split in administrative roles of the old business and consumer affairs portfolio, there are no proper supervisory officers of any government department policing the activities of the co-operative housing societies. I understand that FANMAC - a company the Minister for Housing says has

nothing to do with the Government - is policing the activities of the co-operative societies. It has been put to me that the role of the Department of Housing has been reduced to sending out policy memoranda to co-operative societies.

I know that some of my concerns must be shared by the Attorney General because he has acted with propriety and diligence to ensure that those people who have been duped in what he calls a HomeFund scam have been able to obtain access to legal services to defend themselves against the very people who have engaged, on one occasion, in bogus lending practices. I am restricted in what I can advise the House because I have played a role in a number of investigations to ensure that abuses to HomeFund are remedied. Suffice to say that I and the shadow minister for housing, the honourable member for Heffron, the Minister for Police and Emergency Services, the Commissioner of Police and the Attorney General are fully aware of and concerned about some of these issues. It makes me wonder why the Premier and Treasurer and the Minister for Housing have chosen to heap scorn and ridicule on the Opposition, especially the shadow minister for housing, Mrs Grusovin, instead of responsibly approaching these issues.

The Hon. R. B. Rowland Smith: Did she write all this for the honourable member?

The Hon. E. M. OBEID: No. I shall tell the honourable member what Moody's said. The *Australian Financial Review* of 11th February reported Moody's as saying, "Mortgage defaults by Australia increasing". It showed categorically where FANMAC stands.

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The Hon. Dr B. P. V. Pezzutti: The former Labor Government set it up with all the same directors. Does the honourable member not understand that it was the former Government's organisation?

The Hon. E. M. OBEID: It is true that it set it up, but the Opposition is asking the Greiner Government to come clean on its guarantees. More than \$4.8 billion in loans is owed by people at the other end of the economic scale who cannot afford the repayments.

The Hon. Dr B. P. V. Pezzutti: Is the honourable member trying to scare the horses?

The Hon. E. M. OBEID: No, the Opposition is not trying to scare the horses. It wants questions answered. It wants to know whether the Government has given a guarantee and when it gave a guarantee. If the Government is sure that the former Labor Government gave a guarantee, let it name the date.

The Hon. Dr B. P. V. Pezzutti: Who is being disadvantaged by this wonderful scheme? The honourable member is disgruntled because a lot of people are buying their own houses. The left-wing does not like that.

The Hon. E. M. OBEID: As a matter of fact, it was set up to assist people who cannot afford high interest rates. People are borrowing 97 per cent of the valuation of their houses and cannot afford to pay 15.9 per cent interest.

The Hon. R. B. Rowland Smith: The honourable member should blame the

Federal Government for that.

The Hon. E. M. OBEID: Major banks are lending at rates between 9 per cent and 11 per cent today, yet FANMAC is still asking 12.4 per cent. The Government ought to help people in the west. The Hon. J. F. Ryan ought to take particular interest in my speech because he is the Liberal light in the west. He has to answer the people who have mortgages they cannot afford to pay. The Government will not come clean and reveal how much it will be at risk in the event of mortgages failing and what it is doing for the people who cannot afford to pay off their mortgages. I question the judgment of the president of the Association for Co-Operative Housing Societies, who criticised the warning given in "The Investigators" on Australian Broadcasting Corporation television on HomeFund lending as a soap opera. I would go so far as to ask the association whether that statement was written by it or by the staff of the Minister for Housing.

The Hon. Dr B. P. V. Pezzutti: Shadow minister for housing, more like it.

The Hon. E. M. OBEID: Was this done by the Minister's own staff? Was the Minister for Housing involved in the preparation of the statement?

The Hon. Dr B. P. V. Pezzutti: This is offensive.

The Hon. E. M. OBEID: If the Hon. Dr B. P. V. Pezzutti listened, he might learn something. If I sat on the treasury benches, I would be asking the Minister where the Government stands on this matter. The Government has \$4.8 billion in loans outstanding to people at the bottom end of the economic scale.

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The Hon. Dr B. P. V. Pezzutti: Is that not good?

The Hon. E. M. OBEID: It is excellent if they can afford to repay them, especially when they are locked in. The Minister agrees that more than 43,000 loans have been lent at high interest rates.

The Hon. J. F. Ryan: They were warned when they signed up for the capped interest rates.

The Hon. E. M. OBEID: Were they warned?

The Hon. J. F. Ryan: Absolutely.

The Hon. E. M. OBEID: What is the Government's exposure? Has it given a guarantee for the \$4.8 billion in loans? That is what the Government ought to be telling us.

The Hon. Dr B. P. V. Pezzutti: Why would the Government need to do that? The loans are guaranteed against the houses themselves, as I understand it.

The Hon. E. M. OBEID: Yes, they are. The loans are for amounts equal to 97 per cent of the valuation of the houses. I could not guarantee, after paying high interest rates and arrears, how much would be left upon sale. However, the Government would still have a responsibility to make up the deficit.

The Hon. J. R. Johnson: Is it \$4.8 million or \$4.8 billion?

The Hon. E. M. OBEID: Billion. The Government is a 26 per cent shareholder, yet the Minister says he is not responsible for FANMAC, he does not know anything about it and he does not want to know about it.

The Hon. R. B. Rowland Smith: Who was responsible for the high interest rates? What did you do about it?

The Hon. E. M. OBEID: Bank interest rates are between 9 per cent and 11 per cent, but FANMAC is still working on 12.4 per cent - well above the market rate.

The Hon. Dr B. P. V. Pezzutti: Last year the market rate was 18.5 per cent. Keating pushed interest rates up.

The Hon. E. M. OBEID: Today our own State Bank is charging 9 per cent while FANMAC is still charging 12.4 per cent.

The Hon. Dr B. P. V. Pezzutti: The rate is 8.75 per cent, below 9 per cent.

The Hon. E. M. OBEID: That is fair enough. It is much better than 12.4 per cent. With 43,000 loans worth up to \$4.8 billion, I would be asking where the Government's guarantee stands. Was the Minister for Housing involved in the preparation of this statement? I am aware that the association is discouraging individual co-operatives in all these issues from discussing cases with the media and advising them to direct media inquiries to the association. There is certain corruption involved in the market-place with HomeFund lending. The police know of other cases that are not under investigation but they have no authority to carry out such inquiries. I believe the
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Department of Housing has been less than frank in referring suspect loan cases to the police.

The Government should be anxious to determine that it is satisfied with the level of co-operation that exists between involved members of the police force and the Department of Housing. I am calling on the Government to fully explain its relationship with HomeFund lending through the role of the Minister for Housing and to assure the co-operative societies whether default loans will be fully guaranteed by the Government against loss. I am not interested in whether it was the Wran or Unsworth governments or the Greiner Government that may or may not have extended such guarantees. The reality is that the coalition parties are in government; the Australian Labor Party is in opposition. Are there guarantees in effect covering the securities controlled by FANMAC, which today total \$4.8 billion? The coalition parties have been in office now for four years. The inflexibility of these schemes, designed in a different economic climate for a different group of borrowers, is the dilemma facing the Government today.

The Hon. Dr B. P. V. Pezzutti: Does the honourable member intend to be more repetitious and boring or does he intend to finish up now?

The Hon. E. M. OBEID: The honourable member just does not want to know the facts. I am giving some information to the honourable member that he may be able to take to the Minister for Housing to ask him for an honest opinion. The honourable member should ask the Minister for the facts, because he does not tell them to him or to the Opposition. The question remains whether the Government has the courage to face up to the problems of HomeFund, some of which I have outlined to the House today. I have information, for example, that a trust deed dated 14th February, 1989, exists that

involves the Department of Housing Permanent Custodians Limited and Permanent Trustees Company Limited. Is the Treasury also a party to the trust deed? The honourable member should find that out. The annual report of the Department of Housing omits the Treasury; the Auditor-General's report includes the Treasury. Why is there that discrepancy? Does this document formulate the guarantee this Government states was introduced by the previous Labor administration? I seek a full and detailed explanation from the Government of the liabilities the co-operatives face for loans that have fallen over.

The Hon. Dr B. P. V. Pezzutti: Does it make those loans less secure?

The Hon. E. M. OBEID: No, it does not make them less secure, but it tells us to what extent the Government's guarantee goes. I am not suggesting that these loans will fall over, but when they do, in your own estimates there are arrears of at least 6,000. Where does the Government stand with these guarantees? How much is it exposed? That is what the Government should be telling the Opposition.

The Hon. Patricia Forsythe: I think Moody's has already stated that.

The Hon. E. M. OBEID: Moody's has already stated it. Moody's said in an article in the *Australian Financial Review* of 11th February;

Mortgage defaults by Australia increasing, says Moody's.

Moody's say that there was a lag between rising unemployment and a rise in defaults.

As a consequence, recent continued rises in unemployment levels are expected to exert continued upward pressure on mortgage arrears over at least the next quarter and are expected to remain at

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relatively high levels notwithstanding any reasonable improvement in unemployment" the agency said.

Moody's said, "Arrears for FANMAC Premier Trust increased in 9 of the 15 rated trusts".

The Hon. Dr B. P. V. Pezzutti: Hang on. But is that enough for it to be more than a flea-bite on an elephant?

The Hon. E. M. OBEID: The Opposition, though it has asked relevant questions, does not know whether this Government guarantees those securities. The Opposition has been told it was set up at the instigation of a Labor government. That is true. It was an honourable approach by the Labor Government. FANMAC was meant to lend only about \$500 million.

The Hon. Dr B. P. V. Pezzutti: Even if all those 6,000 people defaulted tomorrow, it would be like a flea-bite on an elephant.

The Hon. E. M. OBEID: Does the Hon. Dr B. P. V. Pezzutti not care about these people who have high hopes of owning their own homes?

The Hon. Dr B. P. V. Pezzutti: That is Mr Keating's problem.

The Hon. E. M. OBEID: This Government has lent those people money at 97 per cent of the valuation of their properties and is charging them 15.9 per cent. This is the compassion that the Government shows for those people in the western suburbs.

The Hon. Dr B. P. V. Pezzutti: The honourable member is attacking us on whether this Government can afford to pick that problem up.

The Hon. E. M. OBEID: That is true of its arrogance because this Government should care about these 43,000 people as the Opposition cares. One family was evicted and State Treasury has issued legal proceedings to claim deferred stamp duty from the original purchaser who is now destitute. It is claiming deferred stamp duty because these people cannot afford to pay. It is vital that Treasury and the Minister for Housing inform Government members - and that is the Hon. Dr B. P. V. Pezzutti - of the situation in respect to inquiries by officers of the Police Service and the Department of Consumer Affairs. If the Leader of the Government in this Chamber and the Attorney General made inquiries of their departments, they would learn that the Opposition is not only expressing serious concerns but has provided key information. This demonstrates that the Opposition has fully co-operated with the Government, including consultation at ministerial level. This matter should be given priority because the Minister for Housing and the Premier have obviously not sought a full briefing on all the facts.

The Government has falsely stated that the Opposition is jealous of the success of HomeFund. Why would it be jealous? The Premier credited the late Ken Booth - an excellent Treasurer and great Labor stalwart - with its inception. The Government, not the Labor Party, has privatised housing and failed to vary HomeFund products to meet the changing economic circumstances. The wrong products are being targeted at the wrong people and their exposure to financial downfall is inappropriate because the lending schemes are inflexible. The Opposition believes an immediate and detailed response should be forthcoming because the executive head of FANMAC is scheduled to leave for overseas permanently at the end of June. I wish to be reassured that the Premier is still in full agreement -

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The Hon. Dr B. P. V. Pezzutti: Labor appointed him.

The Hon. E. M. OBEID: We appointed him but we are not paying him \$1.3 million a year. We are not telling him to cash in his shares for \$5 million and return overseas. The Opposition is worried about the 43,000 borrowers of FANMAC and where they will end up.

The Hon. Dr B. P. V. Pezzutti: Labor set up his salary package.

The Hon. E. M. OBEID: And where does the Government stand behind the guarantees of \$4.8 billion? I say this because in a report entitled "Survey of Australian Securitised Issues", dated 30th June, 1991, Coopers and Lybrand state that the housing purchase assistance account and the Housing Purchase Assistance Fund trusts are fully supported by the Government in that it fully supports the performance of FANMAC. I also wish to advise the House that the same report states that of all the security mortgage companies surveyed in this study FANMAC mortgages have the largest exposure. This raises my concern as to the appropriateness of briefings received by the Premier from the Secretary of Treasury, a director of FANMAC, when the Premier told Parliament that FANMAC Securities are performing at a better level than the bank members of the Australian Bankers Association. How it is possible that borrowers at the lower end of the market, locked into repayments at 15.9 per cent, and having borrowed up to 97.5 per cent of valuation, are more secure than borrowers on \$40,000 or \$50,000 income levels with 70 per cent valuation exposure paying 11 per cent or less through the bank? One home buyer, a single mother who is a journalist for the *Sydney Morning Herald*, will be

speaking about her experiences with HomeFund lending. She is having trouble meeting her commitments with a 15.9 per cent interest loan. She has spoken to two other shareholders in FANMAC - including the Advance Bank - which are offering housing loans at 11 per cent today. She has been told that they will not refinance her HomeFund loan. The Advance Bank said that was because she is too impoverished. Yet the Premier told Parliament on Tuesday that a large number of HomeFund borrowers are refinancing through other traditional lending institutions.

The Hon. Dr B. P. V. Pezzutti: But HomeFund allows a borrower to borrow about 90 per cent?

The Hon. E. M. OBEID: It is 97.5 per cent.

The Hon. Dr B. P. V. Pezzutti: If a borrower had 10 per cent ownership that person could borrow from anyone.

The Hon. E. M. OBEID: What chance does a borrower have? The scheme was introduced in 1985, and for the first six or seven years of paying a home loan one does not pay off any of the principal, especially at an interest rate of 15.9 per cent. Therefore, those people would not have any equity. I pose a question which I hope the Government will address with similar seriousness to that expressed earlier this month by the honourable member for South Coast. If the Government does not have exposure to FANMAC and, if the Minister for Housing has no control over its operations or management decisions, why does the 1991 annual report of the Department of Housing show that the department has purchased \$189 million in securities in FANMAC? Why has the department also covered \$13 million underwriting costs by FANMAC? The Government has no control, is the major shareholder, has nothing to do with it and yet invests \$189 million in securities, and writes off \$13 million in underwriting costs. FANMAC is not obliged to report to Parliament, the Treasurer, Premier or the Minister
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for Housing.

The Hon. Dr B. P. V. Pezzutti: Labor set it up; this Government did not.

The Hon. E. M. OBEID: That is true but this Government has privatised it to the extent where it is not even responsible for it - and no Minister will accept responsibility for it. It is not even required to report to Parliament, yet the Government is the major shareholder. GIO, a government instrumentality, owns another 10 per cent, yet it is not obliged to report. With government guarantees FANMAC is lending \$4.8 billion to people who can least afford it. Why has the department covered \$13 million underwriting costs by FANMAC? The last two annual reports of the department reveal that it purchased \$8.5 million in non-interest securities in 1990 and wrote them off last year - and one asks why? Are these activities by the department so isolated from the Minister's judgment that FANMAC has nothing to do with the Government? If they are of no concern to the Minister, are they of concern to the Government? On another occasion the Opposition will reveal a great deal to this House because it is vitally concerned with the integrity of the HomeFund scheme. It would be prudent and rewarding if the Attorney General and the Minister for Police and Emergency Services ensured that the Premier was fully briefed. The Premier should look at what relief measures may be necessary to reduce the high interest burdens imposed on the existing 43,000 HomeFund borrowers. Even Government members would be interested in how the Premier justifies the poorest in our community being locked into loans at 15.9 per cent while the Government has recouped \$1.3 million in dividends from FANMAC.

That is what the Labor Party is objecting to and why the Labor Opposition is challenging the Government's non-disclosure performance in respect of FANMAC. The concept of government facilitation of the provision of home finance through the HomeFund scheme is not at issue. But the degree of government exposure to fallouts from an inflexible interest rate burden should be of concern to all of us. People are being encouraged to enter into home loan products that threaten their very ability to permanently retain that asset, because of the inflexibilities of the scheme. If the Government wants to privatise public housing by stealth, let it say so. All I can see it doing is endeavouring to protect the reputations of the Premier and the Minister for Housing who have got their responses all wrong. Instead of carrying out a number of major adjustments in a secretive way the Minister for Housing should make a ministerial statement without delay to address the genuine concerns of the Opposition. The shareholders of FANMAC have done very well. They have already recouped from dividend payments the cost of their shares. It is time that the hard-pressed HomeFund borrowers were given their dividend: relief from the inflexibility the Government created in the scheme for some 50,000 current borrowers.

The Hon. PATRICIA FORSYTHE [3.1]: Like so many of my colleagues I shall begin by saying how privileged I felt to be here on 20th February for the official opening of the second session of the Fiftieth Parliament by Her Majesty the Queen. I had a sense of privilege and great pride when I sat in this Chamber. Perhaps none of us knows whether that opportunity will ever be repeated, but that was a day that will live in all our memories. As I looked around the Chamber on that day, and as afterwards I dwelt on the whole proceedings, I was extremely impressed by the precision with which the day seemed to run. I know how tense and nervous some of the officers and staff were, but the thanks of all of us should go to those officers and staff for the way in which they ensured the smooth running of events. Our pride extends also to the regard we have for the new addition to the Parliament, the portrait by Mara McGregor that is now located near the courtyard fountain. The sense of pride is enhanced because one of our own
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colleagues helped to contribute to that portrait, which will for a long time add to the atmosphere of this place. Some of my colleagues who do not share the same regard as I do for the monarchy must have a small sense of unease as they have to walk past the portrait each day on their way to the Chamber.

I place on record also my condolences to the family of the late Sir Adrian Solomons. As a new member of this place it might have been assumed that I had had only small opportunity to get to know Sir Adrian. But of course I was here in the period from 1988 to 1991 as a ministerial adviser. I recall on many occasions sitting in the adviser's chair adjacent to where Sir Adrian would sit. Even though officially the advisers do not talk to the members sitting nearby, from time to time Sir Adrian and I would exchange pleasantries. I had the opportunity when discussing legislation with him to come to know what a fine mind he had and what a wonderful contribution he made to the Parliament. I first met Sir Adrian when I was a candidate in 1984 and he was the shadow attorney general. He was one of the few shadow ministers able to get to the Newcastle region at that time. I was interested in the comments made at Sir Adrian's funeral about him as a small boy and some of the recollections people had of him in kindergarten. That struck a chord of recollection in me because my father-in-law had been a classmate of Sir Adrian in kindergarten.

I should speak briefly now about the Government's legislative program. At the outset I congratulate the Government on its visionary program. I have listened to the contributions made by some honourable members opposite. The Hon. I. M. Macdonald and the Hon. Jan Burnswoods expressed surprise at the amount of legislation - or as they

said, the lack of legislation. I thought that was interesting having in mind that back in 1988 and 1989 the Government was criticised frequently for moving too quickly and trying to do too much. Now the Government is accused of not doing enough. It is difficult for government to strike that balance. Those honourable members have forgotten that at the heart of the philosophy of the Liberal Party and of this Government is a genuine belief in small government. Far from seeing a program which they described as lacking in legislation as a form of criticism, I take it as a matter of pride that we are moving in the direction of small government. That is precisely why so many of us are on this side of the Chamber. That is a belief we hold.

One of the first items the Government identified in its legislative program is a move towards parliamentary reforms, in constitutional terms and in regard to the procedures of the Parliament. I was surprised, to say the least, at the remarks of the Hon. E. M. Obeid who criticised the Government for the way it handles question time. He criticised the answers given by Ministers. It is a matter of perspective, but from where we sit at question time I have to say that on many occasions there are few members of the Opposition present. Frequently as members on this side of the House look across the Chamber we ask the question: where is the Leader of the Opposition and where is the Deputy Leader of the Opposition? On Tuesday, halfway through question time, both of them had left the Chamber. Opposition members will not be impressed to learn that often we describe them as looking like blocks of wood. They do not seem to have enthusiasm for the Parliament. For the honourable member to criticise this Government about question time is to ignore the history of the former Labor Government in the 12 years before the coalition parties came to office. I recall coming to question time in the lower House on an occasion when Premier Wran was leading the charge. On that day only one question was asked. Parliament was a mockery under the previous Government's administration. I can only wonder about what was said by the Hon. E. M. Obeid. Perhaps as the newest member of the Legislative Council he does not recall some of the events of the past.

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There is one change in the working of the Parliament I should comment upon favourably. In the past few months all honourable members have had provided to them a full-time research assistant - not one that we have to share or a pool of staff. I recall in the period 1988-91 there was a shared arrangement. Before that time, before this Government came to office, unless one was the leader of a party one had no staff. When I first moved to Sydney in 1986 the Hon. Virginia Chadwick was shadow Minister and I recall doing some voluntary research to assist her because she had no staff. We have come a long way, but I have not heard much praise from the Opposition about that move. I place on record my thanks to the Presiding Officers, especially the President, for that change. It has made my task and that of my colleagues much easier. I shall deal now with some of the other aspects of the Government's legislative program. The one that is of greatest interest to me, as I have been closely involved in these procedures over the past few years, is local government reform. When it is time to deal with a massive piece of legislation we will want to get down to the nitty-gritty. With that in mind, I thought I might make an observation today. I noted that the Hon. J. W. Shaw referred to this as an initiative of the previous Government. I agree that it was an initiative of the Hon. Janice Crosio. As Minister for Local Government she announced that there would be a reform of local government. I assure honourable members that when the Greiner Government came to office in 1988 it was little more than an announcement. Staff was allocated but no work had been done. Throughout 1988 and 1991 the honourable member for Coogee, formerly the honourable member for Waverley and shadow minister, would constantly say that the Government was dragging its feet on this legislation - far from it. The draft

legislation shows that it is a much bigger task than was envisaged in the first announcement by the Minister in 1988. It has taken a long time but a genuine effort has been made at every step to consult as widely as possible with local government.

I now turn to one aspect of that legislation has been particularly controversial in the past few days. I notice, with a considerable degree of sadness, that John Valder threatened to resign from the Liberal Party unless the Government did something about the swimming pool legislation. The swimming pool legislation is part of the Local Government Act. So much of the history of that legislation has been lost that I think it is appropriate to remind the House of the steps taken in the lead up to that legislation in 1990. The swimming pool legislation will be reviewed as we move towards the new Local Government Act. It is not easy to deal with this legislation. There are competing ideas and interests, but unless the Parliament and society as a whole is prepared to grapple with the question of what is the role of government in this matter, questions relating to swimming pool fencing requirements will remain unanswered. Is it the role of government to set standards such as the swimming pool legislation? Or is it a matter for the community to regulate by community pressure? The community has accepted seat belt legislation and the wearing of cycle rider helmets. It has accepted that governments have a role in the building design of houses. Government regulations do not stop at the perimeter fence of a house. Governments determine so much of our lifestyle. In endeavouring to analyse the swimming pool legislation, honourable members should focus on how much latitude the community is prepared to allow the Government. It is beyond doubt that fences around swimming pools are an aid to saving lives. The question is: Is it appropriate for governments to set that standard or should parents of households be relied on to do the minding of the children?

It has been said that this legislation is the Government's legislation but it is worth noting what the situation has been for many years in New South Wales. Prior to the legislation being passed, under section 288(c) of the Local Government Act all councils in New South Wales had a discretionary power to require the fencing of any private swimming pool. Prior to that legislation 117 councils required all new pools to

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be fenced with an isolation fence; 52 councils required at least that the property on which the swimming pool was located be adequately fenced; and only seven rural councils had absolutely no requirements. Council regulations regarding swimming pool fencing have not been the source of controversy; most people have accepted that a council can impose a standard relating to a new swimming pool. The controversy has been about existing swimming pools. However, in 1989, 90 councils required existing pools, when they were identified, to be isolation fenced. When the legislation was in its second reading in the lower House, the honourable member for Coogee, who was then the shadow minister, said that the purpose of the legislation was to correct an anomaly within the existing Act. Unfortunately, many councils did not seek to take advantage of the option of ensuring that swimming pools had been correctly fenced. When the legislation was enacted, there was a considerable degree of bipartisanship. The then shadow minister had already made known in the House his intention to bring in a swimming pool bill. At that time the legislation removed the discretionary element from local government and drew together the various standards to produce a common minimum standard across the State.

This Government can claim legislation to be its own, but in reality it simply withdrew discretionary power from local government. A number of local councils believed that the Government had not gone far enough. Holroyd council, in western Sydney, complained to the Government that the legislation had not gone far enough. Their policy enabled the council to require an isolation fence on an existing swimming pool within 30 days of the date of service of a notice. Holroyd Council criticised the

Minister for allowing a period of two years to fence existing pools. They described the legislation as a retrograde step which would have tragic consequences. Similarly, Wyong council expressed its concern at the legislation because council officers had to give 24 hours' notice before they were able to enter a property to inspect a pool. Prior to the enactment of the legislation Wyong council was empowered to enter upon land and carry out work that had not been done within a specified time and then seek to recover the costs. At that time Wyong council allowed owners 60 days to erect a swimming pool fence. Mosman council had a similar policy and would remind their residents of the words of the coroner and the concern that liabilities could accrue from a drowning or injury occurring in their pool.

When the Government introduced legislation denying discretionary power to local councils it did so with competing interests. On the one hand it was said that the Government was not doing enough and on the other hand people were conscious that many councils were vigorously enforcing their discretionary powers. It is worth keeping those facts on the record because swimming pool legislation is not a new idea; it is not something that the Government dreamed up, nor was it done in haste. Much has been said in recent months about the Government acting in haste, unaware of the consequences. However, in December 1989, the Minister at the time chaired a summit which involved representatives from across local government such as the now President of the Local Government Association, Alderman Peter Woods, a representative of the Shires Association, representatives of various government departments including the Attorney General, the police, education, business and consumer affairs, sport, health, family and community services, representatives of the children's hospital, representatives of the Child Accident Prevention Foundation, and representatives of the Institute of Building Surveyors, Institute of Health Surveyors, Australian Consumers Association and the swimming pool fencing industry. I recall that the meeting was chaired by Mr Barry O'Keefe, Q.C., who was the mayor of Mosman. The Minister asked the delegates to bear in mind that in the period 1988-89, 17 children aged under five years had died in private swimming pools. The Minister told the summit:

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I know that the fencing of existing pools raises complex issues related to the introduction of fencing into established backyard landscapes and use patterns as well as the imposition of high unannounced fencing costs and, no doubt, other difficult issues - such as possible exemptions, or provision of additional resources for proper inspection processes.

It was a number of months before Cabinet took a decision to introduce the legislation and some time after that before legislation was introduced. It was hardly something that was done without much thought and without wide consultation. It is worth bearing in mind that though the Government can take both the accolades and the criticism it has received about this legislation, it was not new legislation that introduced ideas that were not already in the community. It was setting a common minimum standard for the State.

I turn to one other item of legislation mentioned in the debate by my colleague the Minister for Police and Emergency Services. Legislation is to be introduced to provide for the further consolidation of the existing pollution control statutes as part of the ongoing package of the Environment Protection Authority. The legislation will establish new controls and consolidate existing pollution control measures. I raise this issue because I was surprised and interested in comments made yesterday during question time by the Hon. Elisabeth Kirkby, ably assisted by her colleague the Hon. R. S. L. Jones. The question related to hazardous industries in New South Wales and to a new State environmental planning policy. I believe both honourable members had forgotten that

industry is subjected to careful control and that the Environment Protection Authority has a wide charter to ensure strict pollution controls in New South Wales. I was interested in the underlying message in the question that hazardous industries should be encouraged to go elsewhere - off-shore, interstate, anywhere but in my backyard, the backyard being all of New South Wales. It is worth reflecting on the reasons for the introduction of a new State environmental planning policy.

Since 1987, following a case referred to as the Fatsel case, it has been difficult for councils to give approval for industries that might be deemed to be hazardous or offensive. That case was further enforced by rulings in the Land and Environment Court in 1987, the Ashlands case of 1989 and the Thornleigh hospital waste incinerator case of 1991. Those rulings showed clearly that if the Fatsel precedent was followed strictly, many desirable and essential developments would be prohibited in nearly all zones in New South Wales. I emphasise that because the Thornleigh hospital case dealt with a waste incinerator. I could not help but dwell yesterday on the inference in the question asked by the Hon. Elisabeth Kirkby. Where will we put hospital waste incinerators? They must be the subject of careful guidelines and strict controls but I could think of nothing more essential than a mechanism to dispose of hospital waste. We must have guidelines; we must have strict controls. That will be the role of the Environment Protection Authority. The role of the Minister for Planning is to ensure that the guidelines exist so that local councils can make judgments based on the most up-to-date knowledge about hazardous and offensive industries. I should like to quote a little from the State policy on this, as follows:

For any potentially hazardous or potentially offensive development your local council must consider, in addition to matters specified in the Environmental Planning and Assessment Act and planning instruments, the following:

matters specified in relevant circulars or guidelines published by the Department of Planning;

the need to seek the advice of other government authorities;

a preliminary hazard analysis prepared by or on behalf of the applicant in the case of a

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potentially hazardous industry;

feasible alternatives to the development and to the chosen locations and reasons for that choice;

likely future use of surrounding lands.

All this is done in the knowledge that the Environment Protection Authority provides a mechanism to monitor the activities of industry. If we close the drawbridge and say no to industry under any circumstances, we cut out the possibility of future jobs and future development for New South Wales. We cannot have blanket opposition for its own sake. Of course industries that are hazardous and offensive must be regulated closely but mechanisms exist for that to be done. Yesterday I noted also comments made by the Hon. Jan Burnswoods in a question asked about the closure of a hospital and whether that would lead to medium-density development in the area. It sounded very much like a NIMBY question. In the past few years members from both sides of this House have welcomed moves towards urban consolidation, towards medium-density development. It is almost a motherhood statement. Everyone endorses it, until you get to the realities of the day.

In the debate on the legislative program mention was made about housing. Planning decisions must take into account demographic factors. Since 1966 the population of the Sydney region has grown at a rate of approximately 1 per cent per annum. Yet the number of single person households has increased from 11 per cent in 1966 to 20 per cent of all households in 1986. In 1986 one and two person households accounted for 50 per cent of all households in the Sydney region. It does not take a mathematical genius to work out that at that rate, as you increase the number of one and two person households, the number of houses you need will increase. Another significant change is that the proportion of older people in the population of Sydney is increasing. The average age of residents in established suburbs is significantly greater than the average age of residents in the whole region. The inner ring area of Sydney has experienced a 19 per cent increase in dwelling stock but, at the same time, has lost 7 per cent of its population; whereas the middle ring has seen a 27 per cent increase in dwelling stock accompanied by only a 7 per cent increase in population. The solution has to be the direction this Government is taking towards urban consolidation.

Honourable members on both sides of the House will need courage to support the principle that everyone is enunciating. We really have to change the direction we have taken towards, and accept as the norm in Sydney, large houses on the quarter acre block. That is the most appropriate housing stock for families. But with the number of one-person and two-person households increasing we must alter the balance in housing stock. We must accept a higher density of housing in the whole of the Sydney region or else the sprawl of Sydney will continue. In 1988 governments were planning for a population of 4.5 million - a figure that was expected to be reached around the year 2006. The problem with that is that the 4.5 million people will now need a much bigger area in which to live because so many of them are living in one-person and two-person households. There is nothing inappropriate with well-designed townhouses and villas being located in a mixed suburb alongside the quarter acre block with the family house on it. This will ensure a mix of ages. Perhaps a few more grandparents can be introduced into areas where there are families with young children. We will only achieve these aims by accepting the challenge of medium density development.

I was pleased to note the emphasis the Government put on technical and further education. This is the cinderella of the education process. Schools, because of their importance to families, get the lion's share of media and political attention. At the other end of the scale, universities, because of the prestige attached to them and the funding received from the Commonwealth Government, have always done well. Squeezed in the

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middle is technical and further education. I am pleased with the priority this Government has given technical and further education. I have noted that many members of the Opposition have sought to enter the debate on technical and further education. However, I was interested in one comment yesterday by the Hon. Jan Burnswoods. She noted, and was concerned, that school class sizes in New South Wales were still set at 30. I wish to take that debate a bit further. Some years ago the Teachers Federation set that arbitrary figure. I recall, as a student, the Teachers Federation embarking on its first 24-hour strike in the 1960s. Even then it placed an emphasis on class sizes. We knew its agenda. What has been overlooked is that some of those teachers - certainly TAFE teachers under the previous Government - managed to set class sizes at 30. I do not recall my university education being impeded because I and several hundreds of other students had to sit in a lecture theatre. But students attending TAFE have classes of no more than 30.

Prior to the Greiner Government being elected to office, no money was spent on

TAFE development. This sin was perpetuated by classrooms being built to hold no more than 30. So as this Government is switching direction and offering support for technical and further education, it has to consider increasing class sizes. It is no wonder that students cannot get into technical and further education courses. There are simply not enough seats in the rooms and not enough rooms. Not enough emphasis has been placed on this in the past. This Government will go down in history for recognising that TAFE is an equal partner in the education system, along with schools and universities. I congratulate the Government for the vision it has shown and for the direction it has taken in recognising the importance of the TAFE system. Not everyone who finishes school will be able to cope with a university education and not everyone should. But people will have an opportunity to learn skills at technical and further education institutions and we should encourage that. TAFE, far from being the cinderella of the education system, deserves much greater praise. In conclusion, I note that today the Hon. Elisabeth Kirkby said that the recession we are in should never happen again. It will not happen again if we adequately retrain all our young people, not only with skills they need now, but also with a capacity to adapt to future needs. I congratulate the Government on the steps it is taking.

Debate adjourned on motion by the Hon. A. B. Manson.

SPECIAL ADJOURNMENT

Motion by the Hon. E. P. Pickering agreed to:

That this House at its rising today do adjourn until Tuesday, 24th March, 1992, at 2.30 p.m.

ADJOURNMENT

The Hon. E. P. PICKERING (Minister for Police and Emergency Services and Vice-President of the Executive Council) [3.37]: I move:

That this House do now adjourn.

SILICONE BREAST IMPLANTS

The Hon. BERYL EVANS [3.37]: I wish briefly to speak in the adjournment debate because yesterday honourable members on both sides of the House joined me in debating the motion I moved concerning the problems and worries people were

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experiencing with silicone breast implants. I want to put on record that I was delighted to read in last night's *Daily Telegraph Mirror*:

Breast implant producer Dow Corning is abandoning the controversial cosmetic aids.

The American giant, which has supplied more than 100 million implants, is already facing lawsuits for damage caused by leaking silicone implants and will announce tomorrow that it is destroying its stocks.

The move comes one month before the US health agency hands down the final ruling on the risk of the implants.

The agency temporarily banned them on January 6 because of possible links to arthritis, cancer and the destruction of the immune system.

About 200 Australian and New Zealand women are planning to sue Dow Corning.

This is a big step towards achieving what we have been asking for. We need a complete register of all the people who have had this operation. The fact that these implants have now been completely withdrawn from the market means that everything about which we have been worried will be carefully looked at and I hope proper research will continue.

SOAPY FLAT RESERVE SAND MINING

The Hon. R. S. L. JONES [3.39]: I draw to the attention of the House an extractive industry in Soapy Flat Reserve - R.94865 - on the South Coast of New South Wales. The reserve borders Jellore Creek catchment which flows northward into the Nattai River and then directly into Warragamba Dam. Other sections of the reserve drain southwest into Joadja and Borehole creeks which join the Wingecarribee River and also enter Warragamba Dam by way of the Wollondilly River. The Department of Mineral Resources has identified part of the area as a current and potential source of construction sand. Supreme care must be exercised by the operator, Rocla Pty Limited, which is conducting extensive sand mining operations in Soapy Flat Reserve. Although the majority of the reserve is in the Wingecarribee-Richmond river catchment area and will appreciably lower slopes, mining has the potential to create high sediment loads downstream of the reserve. Due to the sensitivity of the site, it is imperative that an exhaustive environmental impact statement be prepared by the council and submitted to the Land Titles Office and other relevant government departments and publicly displayed in the council chambers. The area is generally open eucalypt forests, which include *eucalyptus mannifera*, *eucalyptus sclerophylla*, *eucalyptus dives*, *eucalyptus macrorhyncha*, *eucalyptus plunctata*, *eucalyptus sieberi*, *eucalyptus piperita* and *eucalyptus ovata*. Several *leptospermum* species form shrublands in gullies, and reedlands and rushlands predominate in wetter areas of the reserve.

Of vital importance are the rare and endangered species *phyllota humifusa* and *persoonia glaucescens*. The reserve remains essentially undisturbed with the exception of some previous sand mining and a program of selective logging that occurred many years ago. My concerns arise from a disturbing Department of Lands plan of management that I have obtained. The plan of management states that the reserve harbours one of the two known occurrences of the rare and endangered plant *phyllota humifusa*. Due to its preferred habitat of deep sandy soils, it is under direct threat from sand mining activity. The plan recognises that sand mining is a direct threat to this and other endangered species. In its current state most of the area is essentially undisturbed and acts as an important wildlife corridor between large natural areas to the north around Jellore State Forest and to the southwest, where there are large areas of Crown land. The proposed

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plan of management for this sand mining operation includes a wildlife corridor 600 metres wide and 3,000 metres long. This narrow timbered strip will no doubt prove to be a valuable and popular source of take away food for feral predators and is inadequate for the purposes of allowing wildlife to transmigrate. Wingecarribee Shire Council has expressed interest in the reserve as a long-term waste disposal site. The present sites for Mittagong and surrounding areas will soon be closed, and a new site needs to be found. This reserve must not be used as a landfill site. Landfill sites have been discredited as an acceptable form of waste disposal and, given that this reserve is in a catchment that drains into Sydney's water supply, the reserve must be considered totally unsuitable for this purpose.

Another proposal in the management plan is to dump sewage sludge on the site.

In such a sensitive area, where native plants exist in soils of extremely low nutrient capacity, the increased fertility sewage that sludge is likely to bestow upon this area can only result in severe exotic weed infestations. The plan of management is scathing in highlighting the fact that rehabilitation of existing sand mining operations in the reserve has been poor. There has been little effort to control erosion or the movement off site of sediment from the extraction sites. Evidence of Aboriginal presence can be found throughout the reserve, which has been identified by the National Parks and Wildlife Service as being of archaeological significance. In the past little has been done to preserve or record evidence of Aboriginal culture. Rocla Pty Limited will need to liaise with the National Parks and Wildlife Service to determine whether any material of archaeological significance will be required to be salvaged or recorded. An environmental impact statement for the sand mines should include a management plan for extraction, an erosion control plan, the final landform configuration, access considerations, a fire control plan, an archaeological survey, management of tailings, rehabilitation, after-use, and multiple use options. In the light of the sensitivity of this important area, one could question whether mining should proceed at all.

FAMILY PLANNING ASSOCIATION PUBLICATION

The Hon. P. F. O'GRADY [3.44]: This afternoon I wish to make some comments about the Fact and Fantasy File Diary 1992. The banning of the so-called sex diary put together by teenagers under the auspices of the Family Planning Association is a hugely retrograde step. Let us be thankful that the Channel 9 program last night, hosted by Sophie Lee and called, simply, "Sex", actually made it to air. I know of many parents who now want to buy a copy of the program for their adolescent children. Some people are acting as if it is only the teenagers of today who have sex. The fact is that teenagers from all areas have sex, and they always have. If people want to deny that fact, all they need to do is pick up James McClelland's book *Stirring the Possum*, in which he talks in some detail about what sexual activity was like in his adolescence.

The Hon. E. P. Pickering: It was different from the way it is today.

The Hon. P. F. O'GRADY: That is right. It was very different, and the knowledge is very different today from what it was.

The Hon. E. P. Pickering: How would the honourable member know?

The Hon. P. F. O'GRADY: Because I have read this book, which shows that adolescent sex is not something that is new. It has been proved time and again that if you try to ban something, you just encourage interest. Every film that the Christians attack

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ends up doing very nicely. "The Last Temptation of Christ", of course, is a classic example of that. I only went to see it because of the commotion made about it. It is no different with sex among young people. If you carry on like it is a disgusting crime, you encourage them to go and try out this thing that adults do themselves but hide from their children. Given early and correct information, teenagers will be able to make an informed choice about their own bodies. Given no information, like in the dreadful days when you did not mention the word sex at all, teenagers will continue to do it but will be in danger from lack of knowledge.

The Hon. J. F. Ryan: There is a moderate course.

The Hon. P. F. O'GRADY: Certainly. They should be given informed,

balanced information and encouraged to make sensible decisions.

The Hon. J. F. Ryan: I would hardly call that informed and balanced.

The Hon. P. F. O'GRADY: I think it is. An extract from the diary reads:

I've known a guy for ages and I have dated him once. I know he wants me to have sex with him but I feel uncomfortable if I have sex with him and don't go out with him. What can I say to stop him and keep the relationship as it is?

The Hon. Dr Marlene Goldsmith: No.

The Hon. P. F. O'GRADY: That is a situation in which a lot of young people find themselves. They are not sure what to do. The answer is, no. They should be encouraged and given information that ensures that they feel confident and comfortable about the decisions they make. To say that the information in the sex diary will encourage sex shows real ignorance. I suggest that if the 47 teenagers who put the information together for the Family Planning Association diary had left out the word masturbation, there would have been less moral outrage over the diary. If there is one word that seems to scare this society more than the word sex, it is the word masturbation. Any adult here today who grew up under the blanket of Christianity knows that when you went to sleep at night you did not put your hands under the sheets, lest you commit one of God's greatest sins. That sort of misinformation frightened many children, and their fear of their own bodies and of sex stayed with them into adulthood. It is one reason why we are such a sexually repressed society. According to Reverend the Hon. F. J. Nile on the "Sex" program last night, giving children information on sex is the same as giving them a box of matches. They will screw around - and they will light the match. As a parent he should know that if one tells children about the dangers of matches and how to handle them safely, they will be at less risk of harming themselves. The same goes for sex. If one tells teenagers the facts openly, they will be able to make decisions for themselves, sensibly and with dignity.

The Hon. Dr Marlene Goldsmith: With important facts it is value judgments.

The Hon. P. F. O'GRADY: The diary gives information.

The Hon. Dr Marlene Goldsmith: It is more than information. There are no values.

The Hon. P. F. O'GRADY: I reject that. The portion I read demonstrates
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clearly a valid - [*Time expired.*]

PRISON MEDICAL SERVICES MINISTERIAL RESPONSIBILITY

The Hon. ELISABETH KIRKBY [3.49]: I wish to bring to the attention of the House a dispute between the Minister for Corrective Services and the Minister for Health Services Management over which portfolio should administer the Prison Medical Service. Any move to have the Department of Corrective Services administer the Prison Medical Service will contravene resolution 37/194 adopted by the United Nations General Assembly in December 1992 entitled "Principles of Medical Ethics". This resolution adopted a code of ethics relevant to the protection of persons subjected to any form of detention or imprisonment against torture and other cruel, inhuman or degrading treatment or punishment. These principles, if adopted, will be breached on a daily basis

if the medical staff in the Prison Medical Service are subject to the direction and control of uniformed custodial staff. Principle 1 is a requirement that prisoners be offered the same quality and standard of health care available to the normal community. Principle 2 forbids physicians from engaging in any punishment. Principle 3 forbids any relationship with prisoners, the purpose of which is not solely to evaluate, protect or improve their health. Principle 4 forbids physicians from taking part in interrogations and principle 5 forbids any procedure for restraining a prisoner unless determined on medical criteria.

It should be obvious that the responsibility of members of the Prison Medical Service to provide care will be severely compromised by any requirement to answer to a corrective services commissioned officer. Medical officers and medical staff in gaols are responsible for the health care of prisoners, not for their custodial care. The Department of Corrective Services is a uniformed paramilitary force. It operates, of necessity, on strict discipline and unquestioning obedience to orders in a crisis. In addition, there is a culture of physical force, punishment and intimidation inherent in the department. None of these factors is compatible with health care or with ethical medical practice. The Department of Corrective Services does not have a possible frame of reference from which it can understand the ethics of health care workers.

Medical and nursing staff are not regarded as part of the custodial regime by the inmates. Therefore, with one or two spectacular exceptions, the level of threat to Prison Medical Service staff has been lower than that to the custodial staff. Of course, this is relative to the level of threat to all staff inside the prison walls, which obviously is much higher than for people occupying corresponding positions outside. If the Prison Medical Service is to transfer to the corrective services portfolio, the staff of the service will be seen to be part of the custodial service and the level of threat to those staff will increase substantially. Concern is also being expressed about the future of AIDS care in prisons. A statement by the World Health Organization on AIDS issued in November 1987 stresses the need for independent advice in the interests of prisoners by prison medical services. This will not happen if the Department of Corrective Services controls the Prison Medical Service. As honourable members may remember, I visited several prisons in New South Wales prior to the 1991 election. There is no doubt that the Prison Medical Service is currently grossly understaffed. Many deficiencies exist in health care being offered to prisoners in New South Wales gaols.

ACTING-PRESIDENT: Order! Pursuant to sessional orders, time for debate has expired.

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Motion agreed to.

House adjourned at 3.53 p.m.

QUESTIONS UPON NOTICE

The following questions upon notice and answers were circulated in *Questions and Answers*:

ROAD AND TRANSPORT AUTHORITY TAXI USAGE

Mr Egan asked the Minister for Police and Emergency Services and Vice-President of the Executive Council representing the Minister for Transport -

How much has the RTA spent on taxi fares in each month of the current financial year?

Answer -

This matter comes under the administration of the Deputy Premier, Minister for Public Works and Minister for Roads, the Hon. W. T. J. Murray, M.P.

ELECTRIC MOTOR VEHICLES

Mr Jones asked the Minister for Police and Emergency Services and Vice-President of the Executive Council representing the Minister for Transport -

- (1) Have several US States made progress in their adoption of Californian rules on vehicle pollution?
- (2) If so, what is the anticipated impact of the adoption of these rules by these States?
- (3) What proportion of the US vehicle market is now covered by the Californian rules?
- (4) How many electric vehicles are expected to be on US roads by the year 2001?
- (5) If all US States were to adopt the Californian rules, what would be the size of the electric car market in the year 2001?
- (6) Are these figures likely to be reflected in the near future in Australia and throughout South-East Asia?
- (7) How is the Australian electric vehicle industry positioned to cater for this potentially enormous market?
- (8) How many kilometres per day does the average urban motorist travel in New South Wales?
- (9) Does the majority of the population of New South Wales live in urban areas?
- (10) What is the range of the most efficient Australian electric vehicle prototypes currently being tested?

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Answer -

(1-10) This matter comes under the administration of the Deputy Premier, Minister for Public Works and Minister for Roads, the Hon. W. T. J. Murray, M.P.

BUS STOP SITINGS

Mr Jones asked the Minister for Police and Emergency Services and Vice-President of the Executive Council representing the Minister for Transport -

- (1) Are a significant number of bus stops located before pedestrian crossings and cross roads?

(2) If so, do buses, when stopped, obscure crossings and cross roads?

(3) Will the Minister implement a programme to gradually locate bus stops after cross roads and after pedestrian crossings?

Answer -

(1-3) Decisions and arrangements relating to the location of bus stops rest with local councils, through local traffic committees, which include representation from the Police and the Roads and Traffic Authority.

To assist councils to perform this task, having regard to the many safety and operational issues to be considered, the Transport Administration has introduced bus planning guidelines which refer inter alia to the optimal locations for bus stops.

These guidelines are currently under review and particular attention will be given to this important safety question.

SWANSEA BENDS DEVIATION ROADWORKS

Mr Jones asked the Minister for Police and Emergency Services and Vice-President of the Executive Council representing the Minister for Transport -

(1) Has the RTA lodged a Development Application and/or provided an Environmental Impact Statement in relation to work on the Swansea Bends Deviation Project?

(2) If not, why not?

(3) Did Mr Justice Bignold in an Interlocutory Judgement on 10 October 1990 in the Land and Environment Court declare that the RTA's "...defence for that project was not arguably correct"?

Answer -

(1-3) The Roads and Traffic Authority is under the administration of the Deputy Premier, Minister for Public Works and Minister for Roads, the Hon. W. T. J. Murray, M.P.
