LEGISLATIVE COUNCIL

Wednesday 10 March 2004

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

The Clerk of the Parliaments offered the Prayers.

STANDING COMMITTEE ON PARLIAMENTARY PRIVILEGE AND ETHICS

Report: Person referred to in the Legislative Council (Mr P Spry)

Motion by the Hon. Peter Primrose agreed to:

That the House adopt Report No. 26 entitled "Report on person referred to in the Legislative Council (Mr P Spry)", dated February 2004.

Pursuant to the resolution the response of Mr Spry was incorporated.

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Introduction

I refer to Hansard, 29 August 2000, Legislative Council, second reading debate on the Smoke-Free Environment Bill, pages 8446-8447, and in particular to the text starting with "The executive came up with the idea that ventilation was the …" and finishing with "…because ventilation does not remove cancer causing agents".

The text includes references to Environmental Tobacco Smoke (ETS), the Australian Ventilation Standard (AS 1666.2), and the Standards Association of Australia (SAA) Sub-Committee ME/62/2, which is responsible for the ventilation standard.

I have been "adversely affected by being named or identified by a Member in the Legislative Council". My consulting engineering company, (Spry Associates Pty Ltd), has also been adversely affected, by implication. In addition, I have been adversely affected by references to Sub-Committee ME/62/2, and the Ventilation Standard, as I have for some time chaired the Sub-Committee, and Committee ME/62 to which it reports.

I stress that I do not make this submission on behalf of the Standards Association of Australia.

I have not raised this matter earlier as I was not aware of the Hansard reference until recently.

Response

The Hansard text reflects an unreasonable, unfair and untrue representation of the position of myself and the ventilation sub-committee SAA.

This representation is based on a view, which has been promoted by certain community activists and government and quasi government bodies, that it is the role of a sub-committee of SAA to act so as to create "de-facto" health policy for government departments, quasi government bodies and community groups, in circumstances where this de-facto policy would, at least in the case of government bodies, exceed (or anticipate) the mandate given by Parliament. I particularly refer to the efforts of certain government bodies to impose elements of tobacco smoking control by unreasonable manipulation of the Australian Standardisation process.

One consequence of this has been that the development and issue of Australian Standard AS1668.2:2002 (the "ventilation code") has been held up for more than five years by efforts to have it used as an instrument for the effective prohibition of tobacco smoking in buildings.

It is, in my opinion, the clear majority opinion of the Ventilation Sub-Committee of SAA that health policy is properly to be made by Governments and Departments of State/other bodies etc, operating under authority of these Governments, rather than by Standards Australia subcommittees.

I note that a NSW Government body is listed as being an interest represented on the SAA committee responsible for AS1668.2:1991 but that no NSW government body is listed (in AS1668.2:2002) as being an interest represented on the SAA committee responsible for AS1668.2:2002 (when AS1668.2:2002 is amended by Amendment No. 1).

A key issue to be appreciated is that, notwithstanding statements to the contrary, the current ("new") Australian Ventilation Standard, AS1668.2:2002 (which is referred to in Hansard as a "report" or similar although it was a draft standard at the time), does not deal with the health effects of environmental tobacco smoke. SAA Sub-Committee ME/62/2 has sought, and heeded at an early stage of its deliberations the advice of health authorities on this matter. These authorities advised that smoking is so dangerous that a ventilation code should not attempt to deal with its health effects.

Notwithstanding this, government departments/agencies and community groups have delayed the release of AS1668.2:2002 by over five years by attempting to manipulate aspects of the standard that have nothing to do with the health effects of tobacco smoke (i.e. draft code content dealing with many other things and with the smell of tobacco smoke). This delay has been reprehensible and detrimental to Australia.

Also, State Government health bodies (including those in NSW) presently appear to be blocking the incorporation of AS1668.2:2002 in the Building Code of Australia (BCA) thus

A preventing the use of a ventilation code that (in accord with health authority recommendations to the effect that smoking is so dangerous that a ventilation code should not attempt to deal with its health effects) does not deal with the health effects of environmental tobacco smoke, whilst

B leaving in force (as part of Australian building regulation) a ventilation code (AS1668.2:1991) which appears to contain the import that compliance with it satisfactorily deals with the health impact of smoking tobacco in buildings, thus

C preventing the use of a ventilation code that contains world leading innovations and which, when used, will greatly benefit Australia.

It appears that this situation involves, on the part of certain government bodies and other enthusiasts, inter alia, good intention but considerable misunderstanding leading to an approach that will remain counterproductive until it is addressed at the highest level.

I note, for completeness, that AS1668.2:2002 does contain some advisory material (but NO requirements) re. the health effect of tobacco smoke. For example, it quotes health authority advice on the matter.

I also observe that, where the second reading debate addresses (directly and by quotation) technological issues like Ventilation, the statements are not notably accurate.

Details of adverse affects

1 It is stated in Hansard that "Standards Australia committees comprise persons who are not disinterested: They are looking after their own interests".

It is more correct to say that "formally, they are looking after the interests of the group they represent", in a way somewhat similar to the way in which members of the Legislative Council look after the interests of the groups they represent.

Hansard also appears to imply that standards committee members (including me) are purely self-interested. I suggest this is a misrepresentation. It is my experience that committee members endeavour to represent their constituency and the community interest.

In my case, with regard to the ventilation code, I represent no interest. I am an independent chairman and I volunteer my time, and the cost of transport and accommodation (I live in the ACT), to the goals of society betterment through development and diffusion of knowledge. Standards Australia involvement is an interest of mine and, so to speak, a chosen community service obligation.

2 Hansard states that I have a "conflict of interest". Apparently, this is because I designed ventilation improvements for two premises where tobacco is smoked while chairing the Standards Association Sub-Committee that develops the Australian Ventilation Standard.

In fact, I have dealt with a variety of clubs, hotels, taverns and restaurants in Canberra. I have also worked on Old and New Parliament Houses, hospitals, embassies, office buildings, the National Gallery, the National Library, the War Memorial, universities, schools, military facilities etc).

I am a designer etc. of ventilation and air conditioning systems; it is one of the things I do for a living.

In the two jobs mentioned in Hansard, along with a variety of other of my ACT jobs, my task was to modify/improve the ventilation systems so that they were brought up to the standard required by the ACT Smoke Free Areas Act 1995 (an anti-smoking Act). The declared objective of this Act is "to improve Public Health".

It appears that Hansard reports me as having a conflict of interest because I work to improve ventilation systems so that they come up to the requirements of the ACT anti-smoking legislation and I chair the Standards Association Sub-Committee that develops the Australian Ventilation Standard.

Whilst the text in Hansard clearly has adverse affects I am having difficulty reconciling the underlying (i.e. unstated in Hansard) factual situation with the nature of the adverse affect apparently intended.

STANDING COMMITTEE ON PARLIAMENTARY PRIVILEGE AND ETHICS

Report: Person referred to in the Legislative Council (Mr P Ferris)

Motion by the Hon. Peter Primrose agreed to:

That the House adopt Report No. 27, of the Standing Committee on Parliamentary Privilege and Ethics, entitled "Report on person referred to in the Legislative Council (Mr P Ferris)", dated March 2004.

Pursuant to the resolution the response of Mr Ferris was incorporated.

Reply to comments by the Hon Charlie Lynn MLC in the Legislative Council on 5 May 2003

I am a Director of Covecorp Constructions Pty Ltd (Covecorp) and my Co-Director is David Robertson.

1. Covecorp is a building company which has been licensed for in excess of 13 years and its licence was suspended in late 2002 by the QBSA in circumstances we consider were inappropriate. Covecorp's licence was reinstated on 12 August 2003.

2. Throughout its complete history, (until recently) Covecorp has never been involved in litigation other than what could be aptly described as minor matters, all of which were satisfactorily settled. Indeed, for a company in the building industry, such minor disputes were comparatively few.

3. As of recent times, Covecorp entered into separate building contracts with two Principals, Miller Properties Pty Ltd's associated company Chias Pty Ltd and Indigo Projects Pty Ltd (totally unrelated).

4. Disputes arose in relation to the projects involved with those contracts and a specialist in construction law was engaged by Covecorp and those litigations are being pursued diligently.

5. That legal practitioner representing Covecorp (who has for a number of years represented the Queensland Building Services Authority in many major matters, which is the reason why his expertise were engaged by Covecorp) has advised Covecorp that in his professional opinion, in relation to those litigation matters, the prospects of Covecorp being substantially successful in recovering substantial funds, are good. We state this so that there can be no misunderstanding that the litigation matters that Covecorp is involved in have anything other than credibility and in circumstances where there is an absolutely genuine dispute.

6. A number of sub-contractors have not been paid on the developments as a direct result of the Principals rejection of claims submitted by Covecorp on behalf of the sub-contractors and that is the essence of the litigation matters. Notwithstanding we are still awaiting the outcome of the litigation matters, in fairness to sub-contractors, we are seeking to make satisfactory arrangements by making ex-gratia payments to sub-contractors. That is absolutely a gratuitous gesture by Covecorp.

7. Lynn Civil is one of the sub-contractors who are claiming money (from Covecorp) and is a company owned and controlled by Charlie Lynn's brother. Lynn Civil received an advance of $50,000 from Covecorp as an ex-gratia payment to assist its financial position. This was granted by Covecorp even though legal proceedings were still on foot at the time.

8. Part of the claim against the Principal (Indigo Projects Pty Ltd) involving Charlie Lynn's brother's company will involve recovery of money for payment to Lynn Civil, but there are issues, with Lynn Civil which necessarily must form part of the litigation with the Principal. Covecorp have been informed of this, on professional legal advice, such that any settlement with Lynn Civil could adversely impact on Covecorp's rights as against, in the context of the litigation with the Principal, Lynn Civil

9. Covecorp has been in dispute in relation to these issues since late 2001. Normally, one would expect litigation matters to proceed expeditiously so that all matters could be resolved and Covecorp could receive funds due to it and payments made to contractors. In fact in one of the matters, Covecorp sought an early hearing by an independent expert pursuant to an appropriate provision on the Contract, but that was successfully opposed by Miller Properties such that the matter is proceeding to litigation in the Supreme Court. Following Covecorp's failure to procure a speedy resolution through expert determination Covecorp successfully applied for both cases to be listed on the supervised case list with the Supreme Court of Queensland.

10. However, the matters have not been allowed to run their proper course in the courts, for parallel with the litigation matters, a campaign has been waged by a number of individuals who have an interest in the matter. The inescapable conclusion as to the intent of what has been occurring is to put Covecorp into a position where it could not continue to trade or complete the litigations.

11. Mr Charlie Lynn MLC issued a statement about Covecorp and its directors in parliament which severely damaged Covecorp's reputation and caused substantial financial loss.

12. Copies of Mr Lynn's speech (which has reference NSW Hansard Articles: LC: 20105/2003) were distributed widely by fax on the day it was made. The list of recipients included Covecorp's sub-contractors clients.

13. In relation to the comments Mr Lynn made within Parliament and under that protection, I advise as follows:

- "... the methods used by them to avoid paying sub-contractors"—there are no "methods" used by Covecorp to avoid paying sub-contractors. We have dozens of very happy sub-contractors who have dealt with us over the years who would attest to that fact. The particular matter that Mr Lynn is speaking about, which involves his brother's company Lynn Civil, is a genuine dispute before the Supreme Court. Covecorp has issued ex-gratia payments to their subcontractors in excess of $3,000,000 to assist their businesses during the course of these dispute proceedings.

- "... rogue directors of construction companies, such as Paul Ferris and David Robertson ... exploit the loopholes that exist in the Queensland building and construction industry" - Neither myself nor Mr Robertson are "rogue

directors". Neither of us have ever been in trouble with the law, let alone have any convictions of any kind, we pay our debts and conduct ourselves absolutely in accordance with our fiduciary and other duties as responsible directors. We do not even know what "loopholes" Mr Lynn refers to.

- "... Paul Ferris is probably the biggest white shoe crook operating in the Queensland construction industry today—an unashamed and unprincipled conman"—There is no evidence to support this statement. There is no circumstance at all that I have been involved in which would in any way fit the description that Mr Lynn has attributed to myself and my character.

- The matters detailed in the third paragraph of his speech obviously relate to assertions by other people to Mr Lynn, the facts of which I am unaware of. The minutes of that meeting dated 13 March 2003, arranged by Charlie Lynn MP, reveal that apart from representatives of his brothers company only one other subcontractor attended.

- In relation to the statements made in his fourth paragraph the suspension of Covecorp's license had nothing to do with the issues involving the Principals or Lynn Civil Pty Ltd.

- "... I warned the New South Wales Government to keep an eye out for Ferris should he ever try to bring his unprincipled and shady business practices to this State". There is no evidence that I or my company has unprincipled and shady business practices. I received a call from an officer of the Department of Fair Trading in New South Wales enquiring whether Covecorp had commenced any building works in New South Wales. I replied truthfully that Covecorp had not commenced any work in that state whatsoever but found it curious why he would be motivated to make an unsolicited enquiry of this nature. The inference I drew from the discussion was that Covecorp would be targeted if we ventured into a jurisdiction that falls under the sphere of Mr Lynn's influence.

- "... kickbacks have been received for contracts awarded to Covecorp ..." This is an untrue statement. Alec Spencer Management have recommended Covecorp for a number of projects based on performance but Covecorp has never paid Alec Spencer Management either money, or in kind, for those recommendations. ASIC completed a two month audit of all companies in the Covecorp group and found no evidence of the alleged 'kickbacks'. ASIC returned all company files and stated "we have not found any evidence of insolvent trading at any time or any breaches of the Corporations Act".

- "... I also believe ASIC would find that Paul Ferris allowed Covecorp to operate while it was insolvent". Charlie Lynn MP made this statement knowing that the ASIC had fully investigated Covecorp and confirmed that it was not concerned with Covecorp's solvency.

- The suggestion that Covecorp "… fraudulently doctored construction contracts" and " They spoke about how contracts were doctored by Covecorp to buy time in the Queensland legal system." These allegations are untrue. It is in Covecorp's best interest to obtain a speedy resolution of these disputes. Covecorp forced both disputes onto the supervised case list of the Supreme Court of Queensland. This ensures the most expedient conclusion of the disputes available at law for our companies and our subcontractors. Despite several attempts by Covecorp to reach settlements with the Principals via mediation or expert determination no 'out of court' resolution has been possible.

- "Threats have already been made to a number of sub-contractors who attended last week's meeting". That is untrue. To do so would destroy our business in an industry where builders only exist with the support of the subcontractor community.

- "…unsuspecting employees of unscrupulous companies, such as Covecorp Constructions, have been deprived of their legal employee entitlements." All Covecorp Construction employee entitlements including superannuation, long service leave, holiday pay etc have been paid in accordance with the relevant awards. We have never been served with non-compliance orders or complaints from the Superannuation Fund Guarantee, the Australian Taxation Office, the Department of Industrial Relations or any other statutory authority in respect of employee entitlements.

- ".. They spoke of people they knew who had lost everything they had ever worked for, including the family home." We have spoken to the subcontractor referred to who allegedly lost everything. He confirmed that he had not lost his business but that he had incurred bad debts with other clients worth about eight times the amount in dispute with our client. We confirmed with him the counsel we had given earlier to most subcontractors that if at any time they find themselves in dire need they could contact us for financial assistance. Quite a number of our subcontractors have taken up this offer and have received ex-gratia payments.

- "The sooner Covecorp is wound up and the sooner Paul Ferris and David Robertson are brought before criminal courts to answer charges of insolvent trading and company fraud…" I do not think I need to inform you what impact this statement has had and continues to have.

UNPROCLAIMED LEGISLATION

The Hon. Carmel Tebbutt tabled a list detailing all legislation unproclaimed 90 calendar days after assent as at 9 March 2004.

PETITIONS

CountryLink Rail Services

Petition opposing the abolition of CountryLink rail services and their replacement with buses in rural and regional New South Wales, received from **the Hon. Patricia Forsythe**.

Marriage

Petition opposing any legislative changes that would violate the basic principles of marriage, received from **Reverend the Hon. Fred Nile**.

Gaming Machine Tax

Petition praying that the House reconsider the decision to increase poker machine tax, received from **the Hon. Rick Colless**.

Freedom of Religion

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

BUSINESS OF THE HOUSE

Postponement of Business

Government Business notice of motion No. 2 and orders of the day Nos 1 to 5 postponed on motion by the Hon. Tony Kelly.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders

Ms LEE RHIANNON [11.08 a.m.]: I move:

> That standing and sessional orders be suspended to allow a motion to be moved forthwith that Private Members' Business item No. 97 outside the Order of Precedence, relating to health, safety and welfare in the workplace, be called on forthwith.

It is urgent that this matter be called on because if we as members of Parliament are not seen to be abiding by Government policy on drug and alcohol consumption this week, the very week when workers in other workplaces are bound by a new policy on drugs and alcohol, we damage the parliamentary process and indeed the standing of all members of Parliament in the eyes of the public. The public will be asking whether, from this week, if it is not okay for ordinary workers to drink at work, why should members of Parliament be allowed to behave differently. The matter is most urgent. This is the week we must act to rebuild the poor esteem in which politicians are held in the general community.

As politicians we have a responsibility to change our behaviour and practices so we can regain the community's trust and respect. The motion is urgent because this very week regulations came into effect that introduce a sweeping regime for alcohol and drug testing of transport workers, including railway workers and drivers. This has caused justifiable concern among the transport workers. Therefore I ask the House this simple question: How can we impose on others that which we are not prepared to accept ourselves? The safety of our transport system does not rely solely on transport workers. As members of Parliament we should practise what we preach. Contrary to the suggestion of some honourable members, I do not call for drug and alcohol testing of politicians. Although this is a change to the standing orders, it merely sets a standard and it is urgent because it is a self-policing system. It is a small but important step to improve political leadership and the public's perception of politicians.

There is another issue before Parliament that lends further urgency to the motion. General Purpose Standing Committee No. 1 is holding one of the most comprehensive inquiries this Parliament has seen in recent years: the inquiry into WorkCover and its operations. Occupational health and safety is at the forefront of our

collective mind, and again I pose the question: How can we deliberate on questions raised by the inquiry when our own members do not follow the recommendations of the Government's own Department of Industrial Relations?

Until we follow the spirit and letter of these recommendations we cannot speak with true moral authority on questions of workplace safety. Parliament is called on to debate important questions of workplace safety, both in our transport system and in the construction industry. Therefore it is important that we put our own House in order. We must change our culture and prove that we take seriously our responsibilities as legislators and leaders. I seek the support of the House to call on this important and urgent motion.

The Hon. PETER PRIMROSE [11.11 a.m.]: I oppose the motion on the ground that it has not been properly thought out. It concerns me that the House, in the space of one day and now as a matter of urgency, is being asked to deliberate on an important matter that involves physical and mental health, and a whole range of other issues. Of equal importance is that nowhere does it emphasise how a member allegedly under the influence of alcohol or drugs would be tested and who would carry out that test. The real concern—and one shared by workers—is having in place agreed formulas about testing and bringing in a regime to achieve that.

Further, the House already has two mechanisms that have worked pretty well while I have been a member here. Standing Orders 190, 191 and 192 deal with the disorderly conduct of members, the suspension of members, and members who are called to order. The standing orders provide a formal mechanism whereby a member who is disorderly or interferes with the running of the House can be removed. The mechanism has been tried and tested over the years, and on a number of occasions the Standing Orders Committee and this House have reaffirmed that mechanism as appropriate.

Given the size of this place, an even better mechanism is the informal one that involves the Whips. My colleague the Hon. Don Harwin may wish to inform the House of his approach, but my approach since becoming Government Whip is that if I believe a member is under the weather, stressed, or ill—and as a result of late night sittings last year two Government members became very ill and required the attendance of a doctor—I take appropriate action. Although that is an informal approach, it maintains the dignity of the House and enables it to continue with its normal business. I believe that the Hon. Don Harwin would agree with that approach.

However, neither the Hon. Don Harwin nor I has any influence over the crossbench members. I am sure they are able to adequately police themselves, but perhaps the Hon. Lee Rhiannon may like to address that matter. Standing Orders 190, 191 and 192 adequately cover this matter, but I suggest that an even better mechanism is the informal one the Whips have operated since time immemorial.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [11.15 a.m.]: Madam President—

The Hon. Don Harwin: Point of order: Can I clarify: are we still determining whether urgency should be granted or entering into the substantive motion?

The PRESIDENT: Order! The Hon. Dr Arthur Chesterfield-Evans will confine his remarks to debating whether standing and sessional orders should be suspended to allow a motion to be moved to call on an item of business forthwith.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It is remarkable that a former President of this Chamber lost his position because of alcohol consumption yet the House still does not have a formal mechanism in place to deal with such matters. Admittedly, this is sudden—

The Hon. Duncan Gay: What does this have to do with urgency?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The fact that it has been neglected since the demise of a former President suggests the matter should be addressed, and hence the urgency.

Motion agreed to.

Order of Business

Motion by Ms Lee Rhiannon agreed to:

That Private Members' Business item No. 97 outside the Order of Precedence be called on forthwith.

WORKPLACE ALCOHOL AND DRUG CONSUMPTION

Ms LEE RHIANNON [11.17 a.m.]: I move:

(1) That this House notes that the Occupational Health and Safety Act 2000 requires employers to:

(a) ensure the health, safety and welfare at work of all their employees and any others in their place of work,

(b) take all practical measures to protect workers in relation to health, safety and welfare, and

(c) take reasonable care for the health and safety of persons at their place of work who may be affected by their acts.

(2) That this House notes that in meeting the requirements of the Act workplaces are advised to develop an alcohol and drug policy containing:

(a) measures to reduce alcohol-related and drug-related problems in the workplace,

(b) measures to prohibit or restrict the availability of alcohol and drugs in the workplace,

(c) preventative measures such as education and training sessions and awareness programs,

(d) measures outlining the availability of treatment and rehabilitation for employees, and

(e) rules governing conduct in the workplace relating to alcohol and drugs including disciplinary procedures up to and including dismissal.

(3) That this House notes the tough new measures contained in the Passenger Transport (Drug and Alcohol Testing) Regulation 2004, published in *Government Gazette* No. 48, dated 27 February 2004, page 957, to prevent the consumption of alcohol during working hours by transport safety officers.

(4) That this House notes that drug and alcohol use in the workplace creates a range of problems, including damage to individuals' physical and mental health, and impaired work performance.

(5) That this House recognises that members of Parliament are in the unique position of being responsible to the electorate, and as such must personally ensure that their work performance during sittings of the House and meetings of committees is not impaired by the use of drugs or alcohol.

(6) That for the remainder of the present session, and unless otherwise ordered, in the event of a member attending a sitting of the House while under the influence of alcohol or drugs, that member may be suspended from the services of the House by motion moved without notice for a period of time as specified, but not beyond the termination of the sitting of the House.

(7) That in the event of a member attending a meeting of a committee while under the influence of alcohol or drugs, the committee may report the matter to the House.

This motion is urgent because it is part of the culture of the Parliament for alcohol to be available, but we must take into account that the State Government has recommended that all workplaces have policies on the use of drugs and alcohol. Therefore I would be surprised if honourable members would argue against the need for Parliament to put in place a similar policy for its members. I have noted the comments of the Hon. Peter Primrose. He suggested that the best mechanism is the informal mechanism. I suggest to him that as the motion provides a workable mechanism whereby any member can move a motion to have a member removed because of drunken behaviour, that would also help the informal mechanism because it would be used rarely.

I was not here in the days when Mr Willis was President of the Legislative Council. While I have seen raucous behaviour on a few occasions after dinner, I certainly have not seen what I would describe as "drunken behaviour". So I have not seen occasions on which the mechanism would be used. The standing orders provide many benefits to this House. They not only enable us to address our day-to-day business but also improve our culture. I am pleased we have the opportunity to debate this matter, and I look forward to hearing the contributions of other members.

It has been suggested that there should be testing mechanisms. The Greens are certainly not suggesting that, because drinking has been part of Australia's parliamentary culture for many years and a blind eye is often turned when members come into this Chamber in varying states. We believe that this would put pressure on members of Parliament and on party mechanisms to improve the behaviour of members. As I said when I argued that standing and sessional orders should be suspended to allow this motion to be called on because it is urgent, what is good enough for train drivers and railway workers should be good enough for members of Parliament; otherwise, we leave ourselves vulnerable. Indeed, I would argue that if members say it is not good enough for them, they are reducing their standing in the community.

Information produced by the Institute of Alcohol Studies explains how alcohol can impair workplace performance. I put it to members that that is the key reason why we need to pass this motion. Certainly it relates to the standing of members of Parliament, but it also relates to our work and our being able to do our work properly. Taking alcohol does impair one's ability. The information from the Institute of Alcohol Studies explains how alcohol can impair workplace performance in two key ways. A raised blood alcohol level while at work will jeopardise both efficiency and safety, including an increased likelihood of mistakes, errors of judgement and accident proneness. Impairment of skills begins with any—I emphasise "any"—significant amount of alcohol in the body.

I have been ridiculed when I have raised this matter before, but the evidence is that even a small amount of alcohol can reduce our ability to do the important work of this House efficiently, properly and correctly. The second point raised by the Institute of Alcohol Studies is that persistent heavy drinking can lead to a range of social, psychological and medical problems, including dependence, and it is associated with impaired work performance and attendance, for example, increased absences because of illness. Dependence may be associated with drinking or being under the influence of alcohol at inappropriate times and places, and the deterioration of skills and interpersonal difficulties.

That sums up why we must address this matter. If pilots are not allowed to drink alcohol before flying, surely the people in charge of the State's legislation should not be allowed to partake of alcohol or other drugs. The proof is that alcohol impairs one's performance. I strongly urge members to support this motion because it will help to redeem the sanity of members of Parliament and allow us to perform our work more efficiently. We need to work together and have a bipartisan approach to the matter, rather than simply reject the motion because one member of Parliament has raised it.

The Hon. DON HARWIN [11.24 a.m.]: Listening to our colleague the Government Whip earlier, I was reminded of some generous remarks the Hon. Johno Johnson made about him in his valedictory speech to this Chamber. In his remarks the Government Whip demonstrated how true the Hon. Johno Johnson's comments were. It was a clear exposition of the position on this matter. I do not propose to repeat what the Government Whip said; I simply endorse his comments. The Opposition does not support the motion.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [11.25 p.m.]: It is remarkable that a former President of the Legislative Council lost his job over an incident with alcohol, yet no policy has flowed from that. It could be argued that this motion, which has been brought on urgently, should be debated and, indeed, should have implicit in it a reference to a committee for examination, rather than have it appear almost as a fait accompli. I must confess that I wanted to speak on the suspension motion because I did not think the main motion would be debated. Procedurally that was common sense, but the cacophony at the time suggested that honourable members did not like it.

I was greatly interested to hear the Hon. Peter Primrose say the whips were quietly beavering away to sort out the problem. Again, this is not a formal mechanism. Perhaps if we are talking about formal mechanisms for train drivers and others in the workplace we must have our own formal mechanism. Simply having a whip in a major party say, "Look, mate, you are a bit far gone to say anything. Why don't you keep it until tomorrow?", and just sitting on the bench when the bell rings, is perhaps not the way to do it. Interestingly, the Hon. Peter Primrose suggested that Ms Lee Rhiannon should police the crossbenchers for alcoholism. I must confess that I am not sure I have seen crossbench members impaired by alcohol, so I do not believe it is a big problem on the crossbench. Far be it for me to say that the crossbench has a higher standard than the major parties, but one could wonder about that. I do not believe I have seen anyone on the crossbench impaired by alcohol while they have been in this Chamber. That is simply my observation.

Nor do I believe that I have seen any member impaired by other drugs. Interestingly in terms of impairment of function, the police are now targeting various things that impair road judgement. On some days they target drink-driving, on other days they target speed, and on other days they target fatigue. As the motion targets alcohol, it is interesting that the Government pushes legislation through this place with great speed and honourable members do not have time to read it. Of course, fatigue is used as a great weapon towards the end of a session, with the Government saying that honourable members will talk at length on legislation if it is not pushed through. We may be too exhausted at four o'clock in the morning to resist the pressure to pass legislation, but it is simply necessary for the Government to get its will.

The Hon. Ian Macdonald: So you are amending the motion to add fatigue to the list.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: That is correct. I thank the Minister for Agriculture and Fisheries, who perceptively noted that I am foreshadowing an amendment that this House not sit for hours that involve sleep patterns that are likely to impair our judgement. One must acknowledge that this House has a considerable amount of power. For example, medical practitioners have the power of life and death over their patients in theory, but they make relatively small decisions about drugs or whatever in practice.

The decisions that we make in this place—to pass bills or amend hastily considered legislation that has been passed following a shock jock's comments or anecdotes—affect many people. We have a good deal of power, and we need to be sober to exercise proper judgment. The speed of the legislative process and fatigue are other constraints in this workplace that should be planned for to assist members make decisions. Five times in my life I have worked for 36 hours without sleep, and I am sure that kind of deprivation impairs judgment considerably. Everyone who has studied the matter—and read the extensive occupational health and safety literature on the subject—would acknowledge that that is the case. Members should not be expected to pass legislation at 4 o'clock or 5 o'clock in the morning, having started work at 9 o'clock the previous morning, in response to Government bullying and little else. That is nonsense. I foreshadow an amendment that will address the issue of fatigue.

We should be an example to all in relation to workplace testing. Citizens have high expectations of us and become angry when we do not meet those expectations. A reasonable, voluntarily tested blood alcohol limit of 0.05—the level at which drivers are thought to be impaired—would be acceptable in this House. Members would be generally expected to meet a 0.05 limit and could check their condition by using a testing machine conveniently placed on the wall of the Chamber. Honourable members may laugh at that, and I hear a great deal of mirth from the Minister for Agriculture and Fisheries. Be that as it may, we are making decisions that are of considerable import, and anyone who thinks they are not doing that ought to resign. All I can say to honourable members who think they can make serious decisions when mentally impaired is that hopefully they belong to a party that rings the bells to enable them to present themselves when required in the Chamber. The mirth swirling around me is irrelevant, but it does show the immaturity of honourable members who think these matters are not serious or that decisions can be made by them when mentally impaired. This issue should be discussed by a committee and not trivialised.

The elections selection process and electoral fiddling, which can determine who is elected to this House, have received much attention. I have spoken widely on that subject. I think the Government has fiddled the electoral laws to its own advantage unashamedly and venally. We need to look at who becomes a member of this place, and to examine the procedures of the House and how the Government favours its agenda in running this Chamber. Then we have to look at impairment of members. One could argue that as members of the major parties are all party disciplined, no matter what they think they will vote as they are told. They may be barely capable of staggering into the Chamber, but one of their sober party colleagues will be sitting at the dais. Crossbenchers have to be aware of what is going on, and have to make decisions and defend them. One would like to think that legislators make sensible decisions while unimpaired. Alcohol is the most obvious agent of impairment and that needs to be addressed. Sleep deprivation is another impairment that needs to be addressed. I move:

> That the question be amended by inserting at the end:
>
> (8) That this House recognises that extended sitting hours are not conducive to members' health and wellbeing, and can lead to disrupted sleeping patterns which may impair members' judgment.

That amendment should be inserted to make clear that sleep deprivation and the impaired judgment caused by it need to be addressed by this House. I move that the amendment be incorporated in the motion. I will support the motion. I do not think it is perfect but it deserves attention, just as the issue deserves attention. If the motion is not debated, the issue will not receive attention.

Reverend the Hon. FRED NILE [11.35 a.m.]: This is an important matter. I do not think any member of the House would disagree with all the propositions in the motion. Paragraph 1 emphasises the need to observe the health, safety and welfare at work of all employees. Paragraph 2 notes what is happening in other places, including the random testing of police officers. Paragraph 3 relates to the new transport policy of the Government, particularly in relation train drivers. No-one would disagree with paragraph 4, which states that the use of drugs and alcohol creates problems; or with paragraph 5, which states that members recognise our unique position of being responsible to the electorate. The point of disagreement is to be found in paragraphs 6 and 7.

Changes to standing or sessional orders are usually discussed by the Standing Orders Committee, on which all major parties and the crossbench are represented. Members have an opportunity to calmly discuss how

to deal with a particular problem and how to draft a standing order, if necessary. A standing order receives the agreement of the House because it has been drafted by a committee that is representative of all parties in the House. However, the honourable member has brought this matter on in such a way that it will be defeated on the floor of the House. However, the matter is important and should not be shelved. I give Ms Lee Rhiannon and other members of the House an assurance that as a member of the Standing Orders Committee I will raise this issue in that committee and attempt to find—with whatever words can be agreed on—a way to deal with the situation. Standing Order 192, which supersedes former Standing Order 261, provides:

> If the President or Chair of Committees calls a member to order three times in the course of any one sitting for any breach of the standing orders, or a member conducts themselves in a grossly disorderly manner, that member may, by order of the President or Chair of Committees, be removed from the chamber by the Usher of the Black Rod for a period of time as the President or Chair may decide but not beyond the termination of the sitting.

Former Standing Order 261 was used from 1916 to 1922 against a member of the House, the Hon. James Wilson, who apparently had a problem with alcohol and was removed from the Chamber under the provisions of former Standing Order 261 on five occasions. The House has been aware of the problem, as it is today. The Chair of a committee has power to take action if a member is believed to be under the influence of alcohol or drugs and cannot carry out his or her duties.

I agree, though, with the principle that members of Parliament should be consistent. If legislation that affects police officers and train drivers and so on is passed, as far as humanly possible—we are in a different situation sitting in this Chamber; we are not driving a train or arresting people—we should operate under the same high standards that we expect from workers. This is our workplace. It is probably an argument for another day whether it should be a dry workplace, in which case there would not be a problem with alcohol, the subject of the motion. I would favour a dry House. I am pleased that the dining room staff at Parliament House also serve non-alcoholic wines, which are fairly popular with many members.

Paragraphs 6 and 7 of the motion are unworkable. They provide that a member attending a sitting of the House while under the influence of alcohol may be suspended from the service of the House. How would that occur? It is almost suggesting that someone would get up and point the finger at a member, and accuse that member of being under the influence of alcohol or drugs. I see a danger in that being abused as a debating tactic—even against a Greens member. I do not think we should open the door to that simplistic approach. I do not believe it is a solution. How we deal with drugs and alcohol needs to be thought through very carefully.

The Hon. Dr Arthur Chesterfield-Evans did not refer in his contribution to the incident in the Senate involving unseemly behaviour by the Leader of the Australian Democrats, who admitted he had a drinking problem. We hope that it is behind him. I have been a member of this Chamber for 23 years and I have not seen such behaviour in this House. Reference was made to a previous President, the Hon. Max Willis. Some people think it is obvious that he was under the influence of alcohol but I understand that there were other factors. His health condition at the time was not fully investigated. As I said during the debate on the nomination of a new President, I think that President Willis was unfairly treated. I do not think it helps this debate to focus on that incident.

As I said, I do not think a motion such as this has been needed in the 23 years I have been a member of this place. The only circumstances coming close would have been in regard to the Hon. Richard Jones. He admitted that he smoked marijuana and on more than one occasion late in the day he may have been under the influence of marijuana in this House. He is the only person I can think of who may have come under the provisions of this motion. Would the Greens have ordered him to be removed from the House in view of their policy on marijuana, seeing it as a safe recreational drug? The Christian Democratic Party will not vote for the motion but I foreshadowed my intention to raise this matter in the Standing Orders Committee.

The Hon. JON JENKINS [11.44 a.m.]: I have no vested interest in this issue: I very rarely drink, only occasionally having a glass of wine. I certainly do not take drugs. The only high I have is when I am surfing or out in the bush with my family and friends. Comparison with the immediate actions of a bus driver or truck driver is fallacious. The mere flick of a wrist that might cause a terrible tragedy involving someone in control of a train, bus or truck is not the same as—

Ms Lee Rhiannon: What about enacting terrible legislation?

The Hon. JON JENKINS: It does not have the same immediacy. However, we must be mentally competent and alert. Our task here is to decide on legislation but the comparison with the situation of bus and train drivers is fallacious. I support reference of the issue to a committee where a proper set of guidelines and

testing procedures can be discussed and deliberated upon. However, I think that if we apply the rule to alcohol we must also apply the rule to drugs as well. We all know that prescription drugs carry warnings about driving heavy machinery. I think that government could be classed as a slow-moving heavy machine sometimes. So perhaps we should not drive government while we are on prescription drugs. The thought of having to blow in the bag or, even worse, provide a bodily fluid sample as I enter the Chamber is somewhat disconcerting. Although I support the general thrust of the motion I will not vote for it.

Ms LEE RHIANNON [11.46 a.m.], in reply: I thank all members who have participated in debate on the motion. I would argue that even the contributions from those who disagreed with the motion highlight the need to change the drinking culture of members of Parliament. The Hon. Peter Primrose argued that the best mechanism is an informal one. I draw his attention to the policies of his Government. I quote from the document entitled "Alcohol and Other Drugs—Policy and Guidelines" issued by the Premier's Department in August 1998, a policy that has been in existence for six years:

> The development of an organisation's alcohol and drug management program should be included with the organisation's occupational health, safety and welfare policies.

What has the Hon. Peter Primrose been doing for the past six years? What has the Government been doing for the past six years? Again, this is why this matter needs to be addressed now, because the Government is failing in its duty. It cannot bring forward its own policy. The Hon. Peter Primrose and the Hon. Don Harwin and other members think that there is no need to take action in this House, no need to change standing orders, that we should just have a cosy little informal arrangement. NSW Health department circular No. 99/43 states:

> The department recognises that the misuse of alcohol and other drugs represents a significant problem as the consumption of such substances can affect a staff member's work performance and jeopardise the safety and welfare of the staff member and their colleagues.

That is a very clear statement about how alcohol and other drugs can impact on the performance of one's work. It actually states that it can impact on the safety and welfare of other staff and work colleagues. As our job is to look after all of New South Wales, if we do not clean up our act we are saying that it is okay for members to drink, and if that impacts negatively on the rest of the people of New South Wales that is okay. Let us be clear where this is all leading if we are not willing to change the present culture. I would argue that it is an insult to the people of New South Wales that the major parties will not support the motion. The Greens believe that there should be one policy: if it is good enough for railway workers to submit to alcohol and drug tests it should be good enough members of Parliament. If it is not okay for ordinary workers to drink at work, why should MPs be allowed to behave differently?

In view of some of the arguments raised in the debate I draw attention to the arguments raised by the International Center for Alcohol Policies. It has produced considerable materials on the subject. This provides an answer to the suggestion that we can deal with the problem through an informal arrangement. The International Centre for Alcohol Policies argues that a culture of drinking can create an expectation that no-one will be punished for it. It says that alcohol consumption defines a culture around alcohol and service as a guide to behaviour. That is why we need to address this issue. The Greens agree that it is complex, but we need to start doing something.

Politicians who think it is okay to drink on the job at Parliament are not taking their responsibility to their electorate seriously. Many people would dispute that, because I see many hardworking members in this House. However, we have a collective responsibility to deal with this issue. The rest of society has been required to address it and we should not be exempt. We should set a higher standard. The action point of this motion would change the Legislative Council standing orders so that any member could move a motion without notice to eject a member who is clearly under the influence of alcohol. How could anyone object? As Mr Primrose pointed out, we already have a standing order referring to disorderly behaviour. This motion simply takes it to another level to define that type of behaviour. We must clean up our act. It is disappointing that members of this House have failed in their clear duty to the people of New South Wales.

Question—That the amendment be agreed to—put.

The House divided.

Ayes, 5

Dr Chesterfield-Evans
Mr Cohen
Ms Hale

Tellers,
Mr Oldfield
Ms Rhiannon

Noes, 25

Mr Burke	Ms Griffin	Mr Ryan
Ms Burnswoods	Mr Jenkins	Mr Tingle
Mr Catanzariti	Mr Kelly	Mr Tsang
Mr Colless	Mr Lynn	Mr West
Ms Cusack	Mr Macdonald	Dr Wong
Ms Fazio	Reverend Nile	
Mrs Forsythe	Mr Obeid	*Tellers,*
Miss Gardiner	Mrs Pavey	Mr Harwin
Mr Gay	Ms Robertson	Mr Primrose

Question resolved in the negative.

Amendment negatived

Question—That the motion be agreed to—put.

The House divided.

Ayes, 4

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

Noes, 25

Mr Burke	Ms Griffin	Ms Robertson
Ms Burnswoods	Mr Jenkins	Mr Ryan
Mr Catanzariti	Mr Kelly	Mr Tingle
Mr Colless	Mr Lynn	Mr Tsang
Ms Cusack	Mr Macdonald	Dr Wong
Ms Fazio	Reverend Nile	
Mrs Forsythe	Mr Obeid	*Tellers,*
Miss Gardiner	Mr Oldfield	Mr Harwin
Mr Gay	Mrs Pavey	Mr Primrose

Question resolved in the negative.

Motion negatived.

Pursuant to sessional orders business interrupted.

QUESTIONS WITHOUT NOTICE

RAIL AGENCIES AND FEDERAL WORKPLACE RELATIONS ACT

The Hon. MICHAEL GALLACHER: My question without notice is directed to the Minister for Transport Services. Did RailCorp, State Rail and the Rail Infrastructure Corporation make a successful application in the Australian Industrial Relations Commission on Monday 8 March pursuant to section 127 (2) of the Federal Workplace Relations Act 1996 to stop rail fleet maintenance and workshop employees, including union members, from taking industrial action? Did the Minister support the action taken by his portfolio agencies and, if so, is this completely contrary to the Minister's comments about the Workplace Relations Act in this House on 16 September last year, when he stated, "Tony Abbott runs around the country trying to undermine trade unions with the Workplace Relations Act"?

The Hon. MICHAEL COSTA: I am very surprised at the Leader of the Opposition raising this matter, for two reasons. First, given that he was the former spokesperson for the Opposition on industrial relations, one would have thought that he has at least some knowledge of the industrial relations framework in this country. If he had done his homework—and I am on record as saying that I do not believe the Opposition does its homework very well on a number of matters—he would have realised that section 127 of the Federal Workplace Relations Act was introduced into industrial law in this country in 1987 by the Hon. Ralph Willis, the Minister for Employment in the Hawke Government.

EARLY INTERVENTION PROGRAMS

The Hon. TONY BURKE: My question without notice is directed to the Minister for Youth. What action is the Government taking to improve the health, safety and education of young people in south-western Sydney?

The Hon. CARMEL TEBBUTT: As the Government has stated on many occasions, one of its priorities is to intervene as early as possible in the lives of children and young people to give them the best possible start in life. The initial, and most comprehensive, level of intervention is the $117 million Families First Program, which targets children aged between 0 and 8 years and their parents. However, clearly we also need to focus on the other end of the spectrum, and the Better Futures Program does exactly that. It targets children and young people aged between 9 and 18 years. The Government is spending $12.6 million over five years on the Better Futures Regional Strategy, which aims to improve the health, education and safety of young people aged between 9 and 18 years. We acknowledge that this is a relatively new program; we are piloting it in six regions. We believe it is the right approach, but we will carefully evaluate what happens in those six regions to ensure that the program improves the lives of young people, and service providers work together to address their needs.

The six regions that have so far been identified as areas where young people need particular assistance are Cessnock, Gosford, Wollongong, Broken Hill, Penrith and Menai. To date I have visited a number of the Better Futures pilot projects, and they are all different. They all focus on different age groups and have different ways of addressing the needs of young people. I believe that is important, because it gives us a real sense of what works and perhaps what does not work. I am pleased to advise that last week I was in Menai to launch the Menai Youth Action Project. The Menai Youth Action Project aims to help vulnerable young people to avoid alcohol and drug abuse and crime and to provide them with better services, including recreational and community programs. The Government will spend $400,000 over two years on the project, which will complement existing programs in the area. The specific aims of the project are to keep young people connected to their community; develop a youth leadership program, and allow young people to plan and implement their own activities; devise programs to help young people to avoid drug and alcohol abuse, and associated crime; engage young people in after-school recreational activity; improve community perceptions of young people; and improve transport options.

We want to focus on young people's social, emotional and physical wellbeing, recognising that what happens during a young person's adolescence can be critical to their capacity to make the transition to a healthy and well-adjusted adult. That means providing young people with a safe environment, helping them to feel part of the community, and supporting their aspirations. The Menai Youth Action Project is based on what young people themselves want. Some of the things that young people in Menai have said are that they often feel isolated through lack of transport, and that they need after-hours social activities and services. They identified

drugs and alcohol as significant issues in their lives. They also identified peer pressure as a key influence in taking part in risk-taking behaviour.

The Menai Youth Action Project aims to assist young people to develop leadership and planning skills. A co-ordinator and a youth worker have already been employed for the project, and a youth advisory group is being established. In addition, a two-day arts event has been held, a young women's program is operating one day a week, and a recreational program is being planned for Friday nights. As a community we need to identify young people who need assistance. That is what our early intervention programs aim to achieve. All of us—Government, service providers, friends, neighbours and communities—must work together if we are to promote resilience in these young people and assist them in making the successful transition to adulthood.

RAIL AGENCIES AND FEDERAL WORKPLACE RELATIONS ACT

The Hon. MICHAEL GALLACHER: I direct my question without notice to the Minister for Industrial Relations. Did the Minister know that in 2002 the former transport Minister had allowed the Rail Infrastructure Corporation and the State Rail Authority to make enterprise agreements with the relevant unions using the Federal Workplace Relations Act 1996, and not the New South Wales Industrial Relations Act? Will the Minister provide an assurance to the House that in future negotiations for rail employee enterprise agreements will be conducted under the New South Wales Industrial Relations Act?

The Hon. JOHN DELLA BOSCA: I am in a similar position to that of the Minister for Transport Services some five minutes ago, in that I feel obliged to refer the Leader of the Opposition to some of the background relating to his question. The Leader of the Opposition would be aware, as a former spokesperson on industrial relations and the current spokesperson on public transport, that for a long period rail employees in New South Wales—indeed in most States of the Commonwealth—have been employed under the Federal jurisdiction and under Federal awards. Going back in history, the fundamental relativity in the Australian economy in the forties, fifties and sixties, and even before that in the inter-war period, was the qualifications of metal trades people, or metal tradesmen as they were in those days. That relativity was used as a basic rate that was translated to a number of Federal awards. In a complex organisation such as the railway system where a wide range of categories of employees perform different kinds of work—workshops, operational, permanent away drivers and so on, with a range of different skills—all the relativities within those awards were arranged around the relativity established by the metal tradesmen.

For that reason, by way of a longstanding tradition, New South Wales Railways and its employees have used Federal awards and a very long heritage of Conservative and Labor State Ministers for Transport have operated on the basis that the Federal award system is the choice and heritage of rail in this country.

The Hon. Michael Gallacher: And you are happy for them to continue with that?

The Hon. JOHN DELLA BOSCA: I have said to the Leader of the Opposition, who is interjecting, that one of the valuable things about the Australian industrial relations system and having a strong New South Wales industrial relations jurisdiction is that it allows both employers and employees a choice to vote with their feet, so to speak, and choose which jurisdiction suits their purposes better. As I have tried to explain in a simple way, there is a long history as to why rail employers and rail employees have chosen for the most part to organise themselves around the Federal award system. For that reason when actions are commenced by both employers and employees they are generally commenced under the Federal legislative arrangements, including the various enterprise agreements that have come into place since the eighties, in both the Commonwealth and State jurisdictions. Variations on those agreements have been introduced by both Conservative and Labor governments.

I am not sure of the import of the question from the Leader of the Opposition other than one of academic interest. The Minister for Transport Services may correct me if I am wrong but there were quite a few State awards that applied, for example, the old railway canvas workers award. That State award lasted for about 50 or 60 years but recently it has been consolidated into the Federal award. A number of other small State awards covered various categories of rail employees. That was again a matter of historical heritage.

The Hon. Michael Gallacher: You were quite happy for them to stay under the Federal award?

The Hon. JOHN DELLA BOSCA: It is really a choice for those State-owned corporations, those Government trading enterprises, about which jurisdiction suits their purposes of employment and suits their

particular employment arrangements. If that is a restatement of a fairly basic government policy then I restate it. It does not take away one iota from the general point I have made that there is a great deal of value in having two competing industrial relations jurisdictions; there is a great deal of efficiency in that. As I have said, there is a great deal of attraction in having the superior Act on which the New South Wales one is based, which has an independent umpire, a formal recognition of collective bargaining and recognition of an award safety net. I have always said that it is a superior industrial relations system. I await the election of a Latham government so it can modify the current Federal arrangements along similar lines.

ALCOHOLIC SOFT DRINKS

Reverend the Hon. FRED NILE: I ask the Minister for Community Services, and Minister for Youth a question without notice. Is it a fact that the Premier has acknowledged that alcohol abuse is a major problem in New South Wales? Is it a fact that the Premier recognises that the introduction of alcohol to youth is often associated with high individual, social and community costs? Therefore, what action is the Government taking to prohibit or ban the sale of the new colourful alcopops, which contain alcohol, that are deliberately marketed to young and vulnerable persons, particularly teenage girls?

The Hon. CARMEL TEBBUTT: The Government has a broad-ranging approach to support young people and to prevent them from getting caught up in risky behaviour, including the abuse of alcohol. I outlined earlier one aspect of that approach, which is recognising that we need to provide positive opportunities for young people to give them other things to do. Clearly, however, another aspect of the Government's approach is to make sure that inappropriate products are not marketed to young people. I do not have a detailed knowledge of alcopops, and I believe the Minister for Gaming and Racing is the most appropriate Minister to approach for advice on this. I will refer the question to him and get a response as soon as possible for the honourable member.

ECO-CIVIC REGIONS

The Hon. TONY CATANZARITI: My question is directed to the Minister for Lands. What is the latest information on the work of the Department of Lands relating to eco-civic regions?

The Hon. TONY KELLY: Governments around the globe are increasingly realising the need to better understand our natural and built environments. In a regional context this is about knowing and better understanding the resources we have and how people interact within this diverse landscape as communities of interest. Simply put, communities of interest consist of people in social interaction within a geographic area that have one or more additional ties or common interests. The community can range from a small local village through to an entire region encompassing a geographic area the size of western New South Wales.

The Carr Government is responding to these challenges and is developing plans to recognise and respond to the needs of country communities. As Minister for Rural Affairs and a lifetime resident of country New South Wales I am more than aware of the importance of regional New South Wales, its economic value and social importance, and the need for governments to understand and work in partnership with rural and regional communities. The ability to define communities of interest helps governments to ensure that services are available to country families. The planning and management funding, and social and natural resources are directly related to coherent communities and regions.

I am sure that the House will acknowledge the benefits that this can bring with natural resource management and local government administration, as well as local and regional service provision. I am pleased to advise the House that a significant report on this was commissioned by the Department of Lands and has just been completed by Professor David Brunckhorst from the Institute for Rural Futures at the University of New England. Professor Brunckhorst's team has developed techniques to map the relationships between social, economic and physical components to produce eco-civic regional data sets.

Professor Brunckhorst's research work is leading edge and recognised around the world. The Institute for Rural Futures has produced, for the first time in New South Wales, a complete mapping-based picture of communities of interest, and their similar underlying resource bases across regional New South Wales. One interesting conclusion reached by Professor Brunckhorst is that existing local government boundaries align less than 25 per cent with their regional communities of interest. The report further underlines the importance of reforming local government, particularly in country New South Wales.

As honourable members would be aware, the Government, through the Local Government Reform Program, is working to make sure that outdated local government boundaries better reflect the needs of

communities. I thank Professor Brunckhorst and his team for a report which forms a valuable addition to the spatial data set held and co-ordinated by the Department of Lands as part of their whole-of-government responsibilities for spatial information for New South Wales. The challenge now is to take this innovative report and put it to work for the future betterment of country New South Wales and communities.

ILLEGAL DISCHARGE OF FIREWORKS

The Hon. DAVID OLDFIELD: My question is addressed to the Minister for Justice, representing the Minister for Police. Can the Minister advise that, apart from any other appropriate action, the tough fines announced by Minister John Della Bosca for the use of fireworks without a permit will be imposed on those involved in last month's Redfern riots? Is the Minister aware that law-abiding citizens are being advised by police that they are unable to enforce the law on the illegal use of fireworks due to the difficulty of catching offenders in the act? Is the Minister aware that this difficulty is cited as the reason why police are reluctant to attend the neighbourhood scene of illegal use of fireworks? Are police powerless to protect law-abiding residents from the illegal use of fireworks in their neighbourhoods? May the police be further empowered with regard to this and other noisy activities so as to give them greater enthusiasm to attend the scene and apprehend perpetrators, or at least issue warnings?

The Hon. JOHN DELLA BOSCA: I believe that question is more appropriately directed to me as it deals with a range of legislative initiatives on the use of fireworks that fall within the realm of the WorkCover Authority. The illegal importation and distribution of fireworks networks now occupy the attention of the Standing Committee of Attorneys-General and relevant industrial relations and workplace Ministers councils. Ministers with responsibility for customs and drug matters are also considering the ramifications of the illegal importation of fireworks because—it is logical and the Leader of the Opposition may be aware through his former vocation as a policeman—the international and domestic wholesale fireworks markets are associated with organised crime and drug importation. The Government has been working with the Commonwealth in seeking ways to cut off the supply of fireworks, with a number of successes. The Commonwealth has responded to some of those importation supply issues.

The Hon. John Ryan: Mount Kosciuszko.

The Hon. JOHN DELLA BOSCA: I note the interjection of the Hon. John Ryan.

The Hon. Duncan Gay: That is a load of rubbish. You go to Canberra. You don't bring them in with drugs from offshore. Come on!

The Hon. JOHN DELLA BOSCA: The Deputy Leader of the Opposition is wrong. The Commonwealth currently recognises that there is a serious problem with the importation of illegal fireworks, which are far more virulent than the traditional backyard fireworks people purchase from time to time over the Internet or travel from all over Australia to the national capital to acquire across the counter. The Government has engaged a number of enforcement and compliance initiatives to deal with the level of fireworks activities in neighbourhoods and public places. WorkCover has changed permit arrangements to make it more difficult to obtain a one-day permit. People must seek permission from police and be able to demonstrate that the fireworks will be used safely in an appropriate venue such as a fireworks display. One-day permits will be granted only to people with the appropriate qualification, even if it is only a short TAFE-style qualification in the safe operation of fireworks. The old days of simply obtaining a licence have gone; people must have the requisite knowledge before they can obtain a one-day permit. All other fireworks licences will be issued only to professionals and significant professional firework and pyrotechnic display companies.

Last but not least, the question dealt with police enforcement. Recently, the Government increased the powers of police and WorkCover inspectors to cover the illegal use of fireworks in backyards and public places. Police and WorkCover inspectors now have the power to issue on-the-spot fines for the use of illegal fireworks. I ask the Hon. David Oldfield to provide me later with the names of any constituents who are concerned that police or WorkCover inspectors have failed to act when they have been given advice about the perpetrators of fireworks offences.

The Hon. DAVID OLDFIELD: I ask a supplementary question. Given that the Minister's answer did not fully cover all aspects relating to the Minister for Police, will he give an undertaking that the question will be passed on to the Minister for Police for his comments?

The Hon. JOHN DELLA BOSCA: I am happy to do that.

SHANNON VALE FIELD STATION SALE

The Hon. DUNCAN GAY: My question is directed to the Minister for Agriculture and Fisheries. Is it true that the late Colonel White bequeathed his New England property Shannon Vale to the New South Wales Government in 1939 on the condition that it be used specifically as an agricultural research station? Does the Government's decision to sell Shannon Vale Field Station contravene this bequest?

The Hon. IAN MACDONALD: I have received some information on this issue and I will inform the House of it later.

The Hon. DUNCAN GAY: I ask a supplementary question. In light of the Minister's answer, will he now table that information and all documents relating to this bequest and the sale of Shannon Vale Field Station?

The Hon. IAN MACDONALD: I will inform the House later of the details relevant to the sale of Shannon Vale.

OVINE JOHNE'S DISEASE

The Hon. HENRY TSANG: My question is directed to the Minister for Agriculture and Fisheries. Can the Minister inform the House of the latest developments in the management of ovine Johne's disease in New South Wales?

The Hon. IAN MACDONALD: As I have informed the House in the past, ovine Johne's disease [OJD] was first detected on the Central Tablelands in 1980 and has since become a major issue plaguing Australia's multibillion-dollar sheep industry. The industry has expressed concerns about this and the Government is making considerable progress towards implementing a new regime. On 24 February the Government announced changes to the way the sheep industry raises and distributes funds for OJD-controlled programs. The industry has raised a number of concerns about the previous system, including non-compliance, equity, efficiency and cost of administration. There has been also a shortfall between funds raised and overall financial assistance needed by producers with OJD-infected herds.

To address these concerns the Government will introduce a new collection system that operates similar to an insurance fund. Premiums will be collected automatically upon the sale of sheep and placed into a centralised fund. An industry group, such as a board of trustees, will manage the fund, which will then be used towards services to protect producers against OJD, including vaccination or doubling of fencing for affected properties. Producers will have to contribute only in the State where they make the sale. If they choose to reclaim their premium, they will not be able to access services provided through the fund. This new system will mirror those systems already used in Victoria and South Australia and will have clear benefits for producers who trade interstate.

The New South Wales Farmers Association, in a press release dated 26 February, stated that the transaction-based levy is "simple to understand and equitable". It further stated that the change was "a great step forward for sheep farmers". The new funding system will be enacted through an amendment to the Agricultural Livestock Disease Control Funding Bill, to be introduced into Parliament later this session. On 4 March the Government announced plans to double the penalties for those who provide false or misleading information on animal health statements. These statements will help producers better describe the sheep for sale and give buyers detailed information so that they can manage risk.

If risk-based trading is to be effective, it must be backed by severe penalties for those who try to falsify the level of risk. Currently, sheep producers who provide false or misleading information on animal health statements could face penalties of up to $11,000. Under proposed amendments to the Stock Diseases Act 1923 those fines will be doubled to $22,000. This will send a strong signal that the Carr Labor Government will not tolerate misleading information that undermines the integrity of our livestock industries. These are just two of the recent improvements to the OJD program. They are the direct result of separate reviews commissioned by the Government into the management of OJD in New South Wales and an assessment by the Auditor-General's Office into the previous fund collection system.

TAFE FEES

Ms LEE RHIANNON: I direct my question to the Minister for Community Services, representing the Minister for Education and Training. Why have 20,000 fewer students enrolled in TAFE this year than last year? What role has the department's higher TAFE fees played in denying disadvantaged students access to TAFE and

in exacerbating the skills shortage facing Australia? Will the Government review the fee increases in light of the dramatic fall in enrolments?

The Hon. CARMEL TEBBUTT: I will refer the question to the Minister for Education and Training in the other place and undertake to obtain an answer as soon as possible.

ATTENDANT CARE PLACES

The Hon. JOHN RYAN: My question is directed to the Minister for Community Services. Why have only 21 of the announced 100 new attendant care places been funded following the introduction of new speed cameras which were arranged to partially fund these initiatives more than a year ago? How much money has been raised to date by the new speed cameras? How does that revenue compare with the amount of money that has been spent on the initiative of providing 100 new attendant care places? What is the Government's current information about the waiting list for people waiting for attendant care?

The Hon. CARMEL TEBBUTT: Yesterday I provided some information to the House about the roll-out of the additional 100 attendant care places. The attendant care program has a recurrent budget of $15 million in 2003-04. The Government is committed to providing an additional $21.5 million in new funding for the program over this year and the next three years. The new funding will create a further 100 attendant care places. As I indicated yesterday, we expect those 100 attendant care places to be rolled out by the end of this financial year.

As I am sure the Hon. John Ryan would be aware, the full-year effect of funding for the attendant care places was provided from the next financial year, from 2004-05. The funding provided in 2003-04 allowed us to roll out those places over the full financial year but took into account that it would take some time to get those places, to get people properly assessed and to get the service providers in place. That is why the funding provided in 2003-04 was not the full-year effect of the 100 places.

[*Interruption*]

I am sure the Hon. John Ryan understands how budgeting processes work, or perhaps not. The Government provided an allocated amount of money, and that was made clear at the time the announcement was made. The full-year effect of the funding starts in 2004-05. The high needs pool, which also provides personal assistance, is run by the Home Care Service of New South Wales, and it provides personal care, domestic assistance and in-home respite to people with a physical disability. The high needs pool has an allocation of $19.2 million in 2003-04, providing services to more than 400 people.

In order to ensure the best possible outcomes from the attendant care program and the high needs pool, the department established a working group to examine existing policies, practices and models of personal support service provision for people with a physical disability. The group included people from across the physical disability sector with expertise in this complex area. The department will continue to work in consultation with the sector to build on the extensive services provided and to improve the effectiveness and integration of physical disability services.

LONG HAUL TRUCKING INDUSTRY OCCUPATIONAL HEALTH AND SAFETY

The Hon. CHRISTINE ROBERTSON: My question is addressed to the Minister for Industrial Relations. How is the Government improving safety in the long haul trucking industry?

The Hon. JOHN DELLA BOSCA: Honourable members are no doubt only too aware of the horrific images involving serious truck accidents. However, communities and industries across the country rely on road transport, and that is why the Carr Government is committed to initiatives that improve safety in the long haul trucking industry. As members of the House will recall, an historic Workplace Safety Summit was held in Bathurst in 2002. In line with the recommendations arising from the safety summit, the Premier announced a package of initiatives to improve safety in the road freight sector of the transport industry.

One of those initiatives was to develop interagency guidelines for the key New South Wales Government agencies involved in the long haul trucking industry. The agencies involved are WorkCover, New South Wales Police, the Roads and Traffic Authority and the Department of Environment and Conservation. I am pleased to inform honourable members that the guidelines are now in place, having been recently signed by me and my colleagues the Minister for Roads, the Minister for Police and the Minister for The Environment.

The guidelines set the basis for agencies to work in partnership and, where appropriate, with non-government organisations to enhance the safety of all road users and long haul truck drivers in particular. The guidelines also include operational protocols that set out the shared responsibilities of each agency in the prevention and investigation of trucking accidents. The protocols describe the requirements of each agency in a number of operational areas, including the exchange of information, notification of incidents, co-ordination of enforcement strategies and reporting mechanisms.

These guidelines will ensure that the combined responses to the safety issues that arise out of incidents, and their investigation, enhance the effectiveness of these agencies in improving road safety. No doubt an integrated approach is essential to better road safety in the long haul trucking industry. The Government recognises that agencies must work in partnership with each other to improve the safety of all road users. I am sure honourable members will agree that the new guidelines reflect the Government's ongoing commitment to working with the trucking industry to ensure the safety of drivers and, indeed, all road users in our community.

PETROL PRICES

The Hon. JOHN TINGLE: My question without notice is addressed to the Special Minister of State, representing the Minister for Fair Trading. Is the Minister aware of the large discrepancy between the price of petrol in New South Wales and Queensland? As an example, does the Minister know that last week the price of Shell Optimax premium grade unleaded petrol was 103.7¢ a litre in Port Macquarie and at other places in north-eastern New South Wales, and was 88.7¢ a litre at Caloundra and other places in south-eastern Queensland? Can the Minister explain this price difference of 15¢ per litre? Will the Minister explore avenues to reduce the price of petrol in New South Wales?

The Hon. JOHN DELLA BOSCA: The simple answer to price discrepancies between Queensland and New South Wales—as my colleagues on this side of the Chamber are indicating—is that New South Wales taxpayers effectively subsidise Queensland road users to the tune of roughly 8.5¢ per litre of petrol at the bowser. This is simply a statement of fact. Members opposite can look at Commonwealth Treasury documents if they want to verify that. It leads me to the same view that the Treasurer argued to the Opposition and the crossbenchers during question time yesterday. I think the crossbenchers were more interested in hearing the truth about this matter. Put simply, in the words of J. T. Laing, "Federation is a conspiracy against New South Wales." And that is never more so than while the Howard Government is in office. On top of the $2.5 billion that New South Wales taxpayers subsidise taxpayers in the other States on a yearly basis, Mr Howard is now seeking, through the Commonwealth Grants Commission, to hit our budget by nearly another $400 million—it might as well be another $400 million—on top of about $100 million—

The Hon. John Ryan: Why is it Howard's fault?

The Hon. JOHN DELLA BOSCA: Because he is responsible for the Commonwealth Grants Commission through the Federal Treasurer and the Federal Minister for Finance. Members opposite know that that is the case. The simple fact is that the Commonwealth Grants Commission makes these determinations according to a methodology—not according to some negotiating package—that is outdated and irrelevant. As the Premier said the other day, the Commonwealth Grants Commission should be abolished and the Commonwealth Government should start again. But that is a debate for later in the proceedings; we will probably hear a lot more about that in the next month. I hope that members opposite are aware of their obligations to the people of New South Wales and Australia when they come here every day. A strong New South Wales economy with New South Wales taxpayers getting a fair deal in their services and paying a fair share of their taxes is good for Australia because, as we know, the New South Wales economy is the engine room of the national economy.

The Hon. Melinda Pavey: It was.

The Hon. JOHN DELLA BOSCA: No, it remains so. If the Commonwealth Government does not get the message, I suspect that it will pay dearly at the ballot box—

[*Interruption*]

I suspect that members opposite, who are interjecting feverishly because they do not want to hear the truth, will also suffer at the ballot box if they fail in their obligation to stick up for New South Wales taxpayers. The simple fact is that the Carr Government has led the way in balancing budgets, cutting government waste and

red tape, and getting good value for the taxpayer dollar through the services we provide. Members opposite and the Commonwealth Government know that. The Commonwealth Grants Commission—and members opposite endorse this when they interject—is saying that New South Wales has a greater tax capacity and we should be increasing stamp duty.

The Hon. John Ryan: And we do.

The Hon. JOHN DELLA BOSCA: The Liberal Party would, would it? In a nutshell, the Commonwealth Grants Commission recommendations assume that we are not taxing people enough and our services are too good. Essentially what Howard and the Commonwealth Grants Commission is saying is that it will take more money from us to make it even more difficult. The Opposition's first obligation is to the people of New South Wales, and its obligations to Australia include making sure that New South Wales taxpayers are dealt with fairly and that quality services are being provided to them.

DETENTION CENTRE BUILDING STANDARDS

The Hon. CATHERINE CUSACK: My question is directed to the Special Minister of State. Does the Minister recall my question to him of 15 October last year regarding security and design flaws at Acmena Detention Centre, which he dismissed as being naive, recycled and a bit of an antique? Is he aware that a few weeks later Acmena detainees seized control of the centre by popping windows out of their frames, levering open a flimsy pinewood toolbox, accessing keys to the entire centre that were left lying on a table because of lack of secure storage, and overdosing on drugs left unsecured in a filing cabinet? Is he further aware of Minister Beamer's statements that, following the riot, essential security work was undertaken to rectify these flaws, and also to strengthen the locks to internal doors, to install a more secure drugs safe and to implement a key watcher system? Does the Minister still stand by his belief of last October that Acmena security was up to scratch and that my question was naive and antique?

The Hon. JOHN DELLA BOSCA: I thank the Hon. Catherine Cusack for trying to jog my memory with such a lengthy question. She gave me several opportunities to do so by quoting me. However, I do not recognise those quotes as mine. It is not language that is characteristic of me, particularly in answer to a question from the honourable member. It may be that her researcher has interpreted *Hansard* incorrectly. But, in case my memory has failed me and I have given that answer, I will search the record and get back to her with an answer as soon as practicable.

FAMILY SUPPORT ORGANISATIONS KIT

The Hon. IAN WEST: My question without notice is addressed to the Minister for Community Services. What action is the Government taking to support people who work with families in New South Wales?

The Hon. CARMEL TEBBUTT: Despite the obvious importance of this matter, the honourable member's question has caused considerable mirth around the Chamber. There are people who work with families who suffer a range of problems and who are often at the dysfunctional end of the functioning spectrum, as it were, and they provide support for children of those families. People work with such families everyday. While there is a fair bit of laughter emanating from the Opposition, for the staff who do this type of work it is no laughing matter. One of the hardest jobs anyone will ever do is to go into a family situation in which there may well be drug abuse, alcohol abuse, domestic violence or child abuse and work with and support the parents in that family in order that they can change the way they parent their children to ensure they give their children the best possible start in life. That is tough work, and everyday we should be grateful there are people in New South Wales willing to do that work. People who work with family support services do precisely that sort of work. They also work with other families that do not have the same level of problems. Increasingly, they find themselves working at that end of the spectrum where families need significant support.

Research clearly confirms intervention by such people early in the life of a new family to put in place appropriate supports can prove highly beneficial to the future of both the children involved and the family, particularly in the case of vulnerable families. That sort of intervention requires hundreds of dedicated, well-trained people who, in turn, require support for such a challenging job. I am pleased to advise the House that the Government is providing that support in many ways. One such way is the development of kits to assist family support workers carry out their important work.

Recently I was pleased to launch the Getting Started Orientation Kit in Glebe for Family Support Inc, which has changed its name from Family Support Services Association. The Getting Started Orientation Kit,

funded by the Department of Community Services [DOCS], will be used by family support organisations throughout New South Wales to give new workers a vital introduction to on-the-job demands and to support them in their work with families and parents. The kit provides a practical resource for new family support staff based on the professional knowledge and expertise of seasoned family workers. It will give family workers new to the field of early intervention an introduction to the demands of the job, and it lays out guidelines for working effectively with families. The kits itself states, "rather than leaving new workers with a pile of policies to work through on their own, the Kit supports a planned approach to orientation, so that workers are supported to reflect on their learning, and can be confident that they understand agency expectations". This concept—that learning continues when a worker enters an industry—is vital in the ever-changing needs of the family and community sector.

The kit, which contains 40 re-education activities for new workers, was produced by the 130-member Family Support Services Association [FSSA], now known as Family Services Inc, with funding through the DOCS Community Services Grants Program. One important aspect of the kit is that it focuses on the way family workers can look after their own emotions and wellbeing. Doing the work that they do it is impossible for these workers not to get emotionally involved in the lives of families, and that can be very draining. Accordingly, it is important that family workers are aware of ways to manage stress in their jobs. Currently, DOCS allocates more than $20 million through the Community Services Grants Program to family support services in New South Wales, and FSSA receives a total of $306,724 through the Community Services Grants Program, including $85,000 towards a family services policy worker to support organisations to implement DOCS prevention and early intervention initiatives.

MENTAL HEALTH SERVICES FUNDING

Ms SYLVIA HALE: I direct my question to the Minister for Community Services. Is the Minister aware that funding for community-based mental health support services in New South Wales—at $76.92 per capita, compared to the national average of $81.76 per capita—is the lowest level of funding for such services of all States and Territories in Australia? Will the Minister guarantee that an additional $32.1 million will be allocated to this vital area in the coming New South Wales budget to make up the shortfall?

The Hon. CARMEL TEBBUTT: Ms Sylvia Hale asks a question about a very important issue but it is not within my portfolio responsibilities. I will refer it to the Minister for Health in the other place and undertake to get a response as soon as possible.

SHANNON VALE FIELD STATION SALE

The Hon. RICK COLLESS: My question is directed to the Minister for Agriculture and Fisheries. Has the Minister had the courtesy to advise the local descendants of the late Colonel White of his decision to sell the Shannon Vale Field Station, and has he further advised them of the destination of the money from the colonel's bequest? Is the Minister simply using this money to improve the budget bottom line without any consideration of the family who gave the department this facility for the purposes of agricultural research?

The Hon. IAN MACDONALD: I am advised that the Shannon Vale Field Station was founded to investigate the cause of ill thrift in sheep on granite soils on the eastern fall of the Northern Tablelands. The station was established in 1939, assisted by funds obtained from the McGarvie Smith Institute. From 1939 to 1951 the property was leased. On 8 May 1951 the property was purchased by the Minister for Agriculture of the State of New South Wales. Examination of the department's capital works expenditure for 1950-51 clearly shows that the funds for the purchase of the property were obtained from the State of New South Wales. The current certificate of title shows the Minister for Agriculture is the proprietor of the property. There has been a reasonable amount of confusion regarding funding for purchase of this property and ownership of the property. Confusion exists as funds from the McGarvie Smith Institute were used to establish the station, not to purchase the property.

LOCAL COUNCIL AMALGAMATIONS

The Hon. PATRICIA FORSYTHE: My question is directed to the Minister for Local Government. Does the Eastern Capital City Regional Council have fewer people but a greater area than the former Yarrowlumla Shire Council that it is replacing? How does this meet the reform agenda that the Minister has been proclaiming?

The Hon. TONY KELLY: I do not have the details of the exact population with me but it has a similar population. The difference is that it is all on one side of the Australian Capital Territory.

The Hon. John Della Bosca: It is no longer a doughnut.

The Hon. TONY KELLY: Yes, it is no longer a doughnut. The previous Yarrowlumla council was on both sides of the Australian Capital Territory. It was pretty close to a doughnut.

The Hon. Michael Gallacher: A croissant.

The Hon. TONY KELLY: Yes. There have been suggestions that the new council will not be viable. It is an amalgamation of part of the Yarrowlumla council but all of the Tallaganda Shire Council. If Tallaganda was saying that it was financially viable before and now it is a much bigger council, it gives the lie to the statement. Councils will achieve savings of $2.1 million in a one-off amount and more than $1 million a year thereafter. I understand that the administrators of all the councils in that area are working well together and they are happy with progress on the new amalgamation.

BIYANI CORRECTIONAL FACILITY

The Hon. PETER PRIMROSE: Will the Minister for Justice inform the House of the progress of the new facility Biyani and how it will benefit women with mental health and drug and alcohol problems?

The Hon. JOHN HATZISTERGOS: Early this morning I was present when Her Excellency the Governor, Professor Marie Bashir, opened the new facility at Biyani, which is part of the larger Long Bay therapeutic picture. It is located on the edge of the Long Bay Correctional Complex and will accommodate up to five women at a time for a maximum of 12 weeks. The cottage was named Biyani at the suggestion of Her Excellency because in the local Aboriginal dialect it means a curative process performed by women to cure illness in other women. It is a therapeutic alternative to a custodial sentence for women offenders with mental health disorders or intellectual disabilities who also suffer from drug and alcohol problems. The extent of the problem of mental health in corrections is significant. The most recent survey undertaken by the Corrections Health Service indicated that 90.1 per cent of receptions and 78.6 per cent of sentenced inmates are diagnosed with some form of psychiatric disorder such as depression, anxiety or bipolar disorder, 22.4 per cent of receptions and 15.2 per cent of sentenced inmates are diagnosed with schizophrenia, and 74.5 per cent of receptions and 57.4 per cent of sentenced inmates have a substance use disorder. The Biyani program is part of the State's commitment to reduce the number of offenders with mental health issues or intellectual disabilities in mainstream correctional facilities.

The main focus of the Biyani program is to stabilise mental health, drug and alcohol problems and to help women gain access to long-term community rehabilitation programs and resources. It is part of the department's Throughcare initiative and it provides an option to divert women from custody at the presentence stage. It has community linkages with mental health and other community services and will be developing further community partnerships. It supports offenders' reintegration into the community by maintaining and supporting current community ties and developing community ties where these do not exist. It encourages closer working relationships within the department and across the criminal justice agencies. A major strategy for participants in the program will be encouragement and support for maintenance of residents' relationships with their children. Visits, phone calls and other appropriate means of contact between mothers and their children will be supported. The selection of candidates to be placed at Biyani will be flagged through assessments made by the Probation and Parole Service in its reports to a court. The priority will be selecting women who are on remand and likely to receive a custodial sentence, and women who have returned to custody through a breach of parole and are awaiting consideration by the board. All candidates will undergo a comprehensive risk assessment. Women who have a history of violence or who are currently at risk of self-harm or committing suicide will not be eligible.

Biyani should, of course, be viewed in its broader context. It forms part of the Metropolitan Special Programs Centre. The Department of Corrective Services is working with the Corrections Health Service in other initiatives, in particular to build two new facilities at Long Bay correctional complex which will in some ways complement this facility—specifically the 85-bed prison hospital and the new forensic hospital funded by NSW Health, a 135-bed facility. Biyani will add a new dimension to the mosaic of therapy, healing and rehabilitation programs available. The department is pleased to be involved in the project and pleased to acknowledge the support received from the Governor in her very thoughtful naming of the complex.

MEDIA CRITICISM OF JUDGES

The Hon. PETER BREEN: My question is to the Minister for Justice, representing the Attorney General. In relation to the Court of Criminal Appeal decision to order a retrial of the alleged rapist Tayyab Sheikh, is the Minister aware that press and radio reporting of this decision is likely to have an adverse impact on the accused and reduce the chances that he will receive a fair trial? Would the Minister consider making a public statement in support of the Court of Criminal Appeal and, in particular, Justice Wood and Justice Mason, who ordered the retrial? Would the Minister be prepared to amend the contempt laws in order to safeguard the justice system where an accused person is given the benefit of a new trial?

The Hon. JOHN HATZISTERGOS: The honourable member asked me questions on this issue yesterday. Part of the question is speculative: Is it likely that press and radio commentary in relation to this matter is going to lead to a similar outcome? Who would know that at this point in time ahead of the matter? On the making of a public statement, the court has spoken in relation to this matter. Frankly, I do not think it is necessary for public statements to be made. The court has made its decision and the Director of Public Prosecutions has indicated that he will not appeal against it. On amending contempt laws, a Law Reform Commission report into contempt laws has been under consideration for some time. A couple of years ago I made a very thoughtful contribution on this matter in an adjournment debate, and I refer the honourable member to it.

The Hon. PETER BREEN: I ask a supplementary question. The Minister's contribution on the adjournment debate was indeed thoughtful, but I did ask the question of the Attorney General in the other place. Would the Minister mind passing on my question so that I can receive an answer from the Attorney rather than from his thoughtful contributions?

The Hon. JOHN HATZISTERGOS: I am always anxious to accommodate the Hon. Peter Breen in relation to matters of this nature. I am happy to refer the matter to the Attorney General for whatever value such a question will have.

TRAIN DRIVERS TRAINING

The Hon. GREG PEARCE: My question is to the Minister for Transport Services, Minister for the Hunter, and Minister Assisting the Minister for Natural Resources (Forests). Is the Minister aware of a Rail, Tram and Bus Union update dated 27 February 2004, headed "Review 36 Month Traineeship", which indicates:

- Please note there is no agreement to reduce the thirty six (36) months, but only review the components within the thirty six (36) months.

Why is no action being taken to reduce the 36 months of training given that only two additional drivers have been added to the CityRail system since 2000?

The Hon. Rick Colless: Good question. He will not answer it.

The Hon. MICHAEL COSTA: Of course I will answer the question.

The Hon. Michael Gallacher: Breaking new ground!

The Hon. MICHAEL COSTA: The Opposition certainly is not breaking new ground. That notice must come from the union web site. When I was looking over the web site a couple of days ago I think I saw that notice. In terms of the arrangements that are in place in relation to the forthcoming enterprise bargaining agreement negotiations and the arrangements that we made through RailCorp—we negotiated a set of arrangements around driver shortages and the recent problems that were encountered there—a commitment was made to review driver training. We will be pursuing that commitment to review driver training. Clearly, these matters are negotiating matters. It takes two parties to negotiate. We will be sitting down with the union and negotiating through a set of driver arrangements. This is an area in which I have a personal interest because I was the person responsible for reducing the training originally. When I started the training I think it was about four years and nine months; now it is down to about 20 months.

The Hon. Greg Pearce: You did not finish.

The Hon. MICHAEL COSTA: That is right: I was elected president of the union. That is not a privilege you will ever have, to be elected to anything of substance. But that is another matter. We certainly will be pursuing driver training arrangements and we will negotiate the issue with the union.

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

Questions without notice concluded.

[*The President left the chair at 1.00 p.m. The House resumed at 2.30 p.m.*]

STANDING COMMITTEE ON SOCIAL ISSUES

Membership

The Deputy-President (The Hon. Patricia Forsythe) informed the House that today the Leader of the Opposition had nominated the Hon. Greg Pearce as a member of the Standing Committee on Social Issues in place of the Hon. Catherine Cusack.

FOOD LEGISLATION AMENDMENT BILL

PARTNERSHIP AMENDMENT (VENTURE CAPITAL FUNDS) BILL

ROAD TRANSPORT (SAFETY AND TRAFFIC MANAGEMENT) AMENDMENT (ALCOHOL) BILL

CRIMES LEGISLATION AMENDMENT BILL

PUBLIC LOTTERIES LEGISLATION AMENDMENT BILL

Bills received.

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

Motion by the Hon. John Hatzistergos agreed to:

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

Bills read a first time and ordered to be printed.

STANDING COMMITTEE ON SOCIAL ISSUES.

Report: Report on Community Housing

Debate resumed from 2 December 2003.

The Hon. JAN BURNSWOODS [2.32 p.m.]: I have great pleasure in speaking to the Standing Committee on Social Issues "Report on Community Housing", which was tabled in November last year. The report is lengthy and contains 33 recommendations. Although it received very little publicity and not much broad public attention, it was an important inquiry and report process for people involved in community and co-operative housing. Although the committee usually has a generous number of reports printed, the first print run of this report has been distributed and it has had to be reprinted.

That may come as a surprise to honourable members who have not caught up with it. It also reflects the fact that when the committee was asked to do the report by the then Minister, Dr Andrew Refshauge, in late 2001 many of the issues had been the subject of considerable discussion between the community and co-operative housing sector, the Department of Housing's Office of Community Housing, and the Minister. There was broad agreement about many of the legislative and regulatory issues that needed to be addressed. However, over time a number of difficulties had arisen. It was not a controversial inquiry; indeed, the committee almost suffered from too much agreement rather than too much disagreement about the community and co-operative housing issues that needed attention.

When the committee presented its report in November 2003, community housing comprised 8.4 per cent of the social housing system in this State. It is not a huge sector, but, despite all the evil efforts of the Howard Government to kill it off here and elsewhere, it is sizeable. The evidence presented to the inquiry from a range of witnesses—people in the sector and outside—made it clear that it is important in providing secure and affordable housing to a variety of groups and individuals. Of course, support is provided overwhelmingly to people on moderate, low, and very low incomes. Those groups comprise a variety of people who, for one reason or another, are not served as well by the broader social housing sector or for whom community housing provides a much more friendly, appropriate, and genuinely community-based approach involving considerable input from residents.

The committee visited a Tamil community housing group at Enfield that provides an ideal setting for elderly Tamils to live together in a variety of houses with common amenities. They can assist one another, particularly those who still have considerable trouble with the English language. It also enables extended families to function and it allows a range of important social interactions to take place, which considerably increases the residents' quality of life.

Although the Department of Housing tries hard in many areas, the scale and undifferentiated nature of its client base in different geographic areas or blocks make its task extremely difficult. Although problems exist in the community housing sector, the committee was made aware of its success and its vital role for the majority of people it serves. Through the inquiry process the committee gained a comprehensive understanding of the important role the sector plays and of the principles of building effective communities. It became clear that if one concentrates on finding the right housing option one has gone a long way to ensuring sustainable and active communities.

The committee was impressed with the innovation and flexibility of the approaches taken to community housing. The committee acknowledges the Department of Housing in its broader role and the work of the Office of Community Housing. In particular, it acknowledges the way in which the office has sought innovative ways to deliver low-cost housing to a range of groups, primarily those on low to moderate incomes but also to elderly people, people with disabilities, single parents and their children, and people from culturally and linguistically diverse backgrounds.

Probably the most important objective of community housing is to find appropriate housing models for different groups and to assist in maintaining effective communities. The most distinguishing and important aspect of community housing is that tenants have an opportunity to participate in the management of their housing. In the smaller co-operative sector it is mandatory for tenants in facilities such as an Annandale complex that the committee visited to manage their housing and other aspects of living together in the community.

Community housing is not about bricks and mortar—it is much more than that—and that is obviously its strength. In the majority of cases the provider, whether it be a church group, a local community-based group or an ethnically based group, is involved in supplying support services as well as the bricks and mortar and in the very important role of liaising with community support services to ensure they are delivered. At its best, community housing has an holistic quality, which is an objective that should be emulated by other housing providers. Importantly, services mediated in that way are local and tailor-made to the groups concerned.

Among the various projects and centres the committee visited were the two largest community housing projects, which have shown considerable growth over the past few years. I refer to Hume, based in Liverpool, and St George, based in the St George-Hurstville area. The committee also travelled to the North Coast, where we visited the North Coast Community Housing Association, and a number of separate houses and clusters of houses organised by the Anglicare Grafton diocese. We visited a number of smaller projects, including the Tamil Senior Citizens Housing Co-operative, to which I referred, and the self-managed co-operative with the delightful name of Emoh Ruo Coop, in the inner city.

Much of the evidence given to the committee related to changes that have occurred in the community housing sector over the last decade or so. On the one hand, as I think everyone would agree, there has been a considerable increase in the efficiency of the sector and its ability to deliver high-quality housing at low cost, and considerably increased professionalism in the management of community housing. At times this has involved the input of people from the private sector, for example in relation to accounting matters. That increased professionalism and efficiency has in part been driven by the Department of Housing seeking to ensure that what is ultimately taxpayers' money is spent appropriately and, given the dire housing shortage in

New South Wales for low-income earners, that as many people as possible are housed for the money, but nevertheless housed appropriately and sensitively.

As I said, the Government and the community housing sector broadly agree on the necessary regulatory and accountability requirements. The committee found that on the whole there is a high level of compliance with the standards that have been developed and the requirements laid down by the department, and that the system of regulation, accountability, monitoring, and quality assurance is working fairly well. However, the system remains somewhat lacking in a legislative and regulatory basis. Some of the more difficult issues have perhaps unduly delayed some of the issues that should be more simple to resolve, and certainly are a matter of agreement. I am sure the committee would unanimously urge the Government to take action on those issues, which have not been addressed for some time.

Many of the committee's recommendations deal with these relatively small-scale managerial and regulatory matters. One of the priority issues identified by the committee is the need to develop a comprehensive five-year policy framework by 2005, by which time the Government will have no excuse not to have acted. The committee found that although plans and strategies have been prepared, developed, and consulted upon in the past, their implementation has often been delayed because other matters have intervened. For example, the sector may have asked for a delay, or the Government, for whatever reason, may have delayed their implementation. In one case legislation came before the Parliament but for various reasons was not proceeded with because there were flaws in it. We urge the department and the Government to ensure that future plans and strategies are released and implemented in a timely manner.

In addition to the committee's recommendations relating to governance, regulation and reporting frameworks, and the adequacy of the current framework, we also addressed some of the more controversial issues relating to community housing, such as ways to attract funding for the future growth of the sector. Many people in the sector are anxious to get title to their properties so they can borrow against them, to allow them to improve their properties or carry out maintenance, or to buy or build more properties. There are also land ownership issues in the considerable community housing sector that is run by the various churches.

For example, there are issues about arrangements under which a church owns the land but the Government pays for the building of houses on that land. There are many difficult and, in some cases, controversial issues about who owns the property, and about whether it should revert to the church or the Government in 20 or 30 years time. One view, obviously, is that if title is given, once a property goes from the social housing sector it is gone forever. Another view is that if a sector has many advantages, is popular within its own framework, and is doing a good job, we should help it to better house more people.

The final issue I wish to address is that which bedevils the whole area of social housing: the decline in funding under the Commonwealth-State Housing Agreement. While the committee was conducting its inquiry the delayed new Commonwealth housing agreement came out, and under that agreement New South Wales is considerably worse off. Not only is there an absence of funding growth, there is a real decline in the funding being made available. Many of the problems I have spoken about come from this continuous squeezing of funds and from the competition for pieces of a smaller and smaller cake. The committee looks forward to the Government's response to its recommendations, which is due in a couple of months at the latest, through Minister Scully. Finally I wish to acknowledge the work of the ongoing members of the committee, including the Hon. Dr Arthur Chesterfield-Evans— [*Time expired.*]

Reverend the Hon. Dr GORDON MOYES [2.47 p.m.]: I commend the Standing Committee on Social Issues for its work on this very important report. First, I wish to take up the issue of the status of the report in the light of trends within society. Just after World War II the Commonwealth-State Housing Agreement came into force. The primary purpose of Commonwealth funding for State housing bodies was to assist in the resettlement of veterans who served in World War II and overseas.

Obviously that has been met by and large, and as a result the State housing programs as they have developed across the nation have tended to become centres in which people who exist on certain kinds of benefits find their housing. That creates some problems within the community, particularly when certain areas are designated as Department of Housing areas and there is the concept of ghettos developing for low-income people and those who are on benefits. I am pleased that the Department of Housing has taken a number of initiatives to spread the housing through the community as land becomes available.

Under its terms of reference the committee was to look at the role of the Government-funded community housing sector in providing accommodation within the social housing system. "Social housing" is

the new way of referring to the kind of clients I have just referred to. I declare an interest, in that over the years in leading the Wesley Mission I have sought to develop close relationships with the Department of Housing, and currently I am involved with a number of community-based housing centres. Although some of those centres are provided through the Department of Housing, many of them are not. Many of them were purchased by the Wesley Mission, and we work in conjunction with the Department of Housing on some centres.

I am pleased to say that in the last couple of years we have been successful in housing more than 300 formerly homeless people in Department of Housing properties in the inner western area of Sydney. Only about 5 per cent of the department's total stock is available for social housing systems in conjunction with community housing areas, but to my knowledge the relationship between the Department of Housing and community organisations—specifically churches—is extremely good. I have had a long association with the department's senior officials on the negotiation of properties and general oversight. It seems to me that the concept of the department providing the sites and the community sector organisation providing the oversight of the people in them and providing all of the support services they need—and, believe me, people who go into public housing frequently have many other personal problems and need to be supported in ways other than just housing—makes good use of the skills that each has.

This is a more preferable system than exists in the United States of America, for example, where the private sector and the community-based sector are basically left on their own to provide housing for people with deep social needs. The consequence is that many inadequate housing sites are provided, and far too many people live in trailers along the banks of creeks and in other such places. Americans really envy our having the Department of Housing to provide good-quality housing.

I am currently developing a program for 32 women victims of domestic violence—with their children there is a total of about 60 persons—in a fairly large area of Department of Housing stock in Miller. We are providing them with a whole range of programs—self-esteem programs, educational programs for the children, financial counselling, gambling counselling, alcohol programs and the like—according to their needs.

I understand from speaking to senior officers of the Department of Housing that the department is glad we are there doing the things that are not its job to do: ensuring that rents are paid and that personal problems are dealt with before they become a social problem to the whole community. I commend the report into those areas of government-funded community housing where the department works in conjunction with the community sector. Paragraph (f) of the terms of reference states:

> The effectiveness of links between community housing providers and government and non-government support services.

As I have indicated, there is a great deal of support in these areas and I commend the department for its involvement. But this raises the whole issue of affordable housing in new housing estates. I am pleased to see that organisations such as Lend Lease, which has a very large contract to develop areas in St Marys, for example, has been developing good models of affordable housing. This is happening in other areas such as Rouse Hill and many other areas, which I need not go into. I am happy to say that in another connection I have been closely involved with Lend Lease in developing its models of low-cost housing and affordable housing.

The private sector and the community organisations are working up quite a number of models where equity is shared between differing organisations: the finance providers, the community organisations, and the families themselves. Sometimes community organisation and mutual support with the Department of Housing can become quite complex. For example, I am involved in the support of 30 young people who are at risk of homelessness and have dropped out of the education system. We are helping those young people get back into the education system by providing out-of-home accommodation where they are given educational tutoring and support services to enable them to live well and to get back into the education system. The Department of Housing is providing some of the stock in a certain area of Sydney which was formerly used quite notoriously by drug dealers, which I will not mention for the sake of other people who currently live in that area. The Department of Housing has provided 30 units and it has refurbished them to a good standard.

Other organisations have come into being. A very prominent trade union is providing support from some of its members and also financial support to the total project. The Commonwealth Government is involved through support under its various funding programs for young people. Local traders have provided equipment, including computers, televisions, kitchenware, white goods, and so on for all the units. A not-for-profit manager is running the whole program and there are at least eight or nine different stakeholders working together to solve a very serious social issue in this one area.

Not that many people live in Department of Housing properties. I think the total is only about 9 per cent. In fact, Australia has the highest rate of home ownership of any OECD country, and the number of Australians with two or more houses has increased quite dramatically. I can remember when we used to note the number of persons per room in Australian housing; today it is the number of rooms per person. So the actual number of persons living in each house has declined quite significantly.

There are some continuing needs. The Government must unlock more land to make private and public housing more affordable and available. Supply has a very definite direct impact on the cost of land. I noticed a report in today's press that 5,000 people have paid a $2,000 deposit for the chance to get one of 120 blocks of land in the Sydney basin. Public housing has something like 100,000 persons on its waiting list. Quite frankly, most of the people on the waiting list will die before they ever get into public housing. In fact, if I wear my minister of religion hat I can tell them that they are more likely to get a mansion in heaven than a Department of Housing unit on earth. There are other issues concerning State environmental planning policy [SEPP] No. 5 and SEPP 10 but we will leave them until another occasion. In general I want to commend the Standing Committee on Social Issues for its report on community housing and I commend its recommendations to the Government for implementation.

The Hon. ROBYN PARKER [2.57 p.m.]: I support this report into community housing. I was a new member and deputy chair of the social issues committee at the time this inquiry was under way. I was appointed to the committee when most of the inquiry had been completed. There were only two site visits to be made before the final deliberations, and at that time my colleagues the Hon. Kayee Griffin and the Hon. Catherine Cusack were also appointed to the committee. I became one of probably a large number of other people who were not aware of the scope and variety of community housing that is available in New South Wales. It is quite remarkable and diverse. Therefore it was quite difficult to come up with recommendations to cover the variety of service provisions, circumstances, and different communities.

A number of the recommendations to the Government are more a framework for a way forward than hard, cold recommendations. The inquiry and the report come at a time when there is growing concern about the affordability of housing in this State, particularly in Sydney and in larger regional centres. Community housing is one approach to social housing; it provides affordable rental housing to people on moderate to low incomes, particularly people with specific needs. When the social issues committee delved into this housing sector we found there were clusters of community housing for people with disabilities, for example, or for people from a particular ethnic group—people who lived in a community with a common interest. It is very much a community-focused housing sector and comprises 8.4 per cent of social housing properties.

Evidence to the inquiry was overwhelmingly in support of community housing. It does not mean that other forms of social housing are inferior but that community housing is one of many, and we do not differentiate between the different forms. However, further review is needed into the adequacy of the framework within which the Government supports community housing. We must ensure provision of a regulatory framework to manage and operate community housing more efficiently. Further funding is required to establish an appropriate framework and to implement clear guidelines that will give some certainty to community housing residents, who are concerned about title and what the future holds for them. The Government is responsible for those matters.

The community housing sector plays an important role in providing accommodation to individual families in rural, regional, remote and metropolitan New South Wales. I did not realise that New South Wales has the largest community housing sector in Australia. The overall aim of community housing is to provide secure and affordable rental housing. Witnesses who supported community housing emphasised the importance of getting housing issues right and securing sustainable and active communities. Indeed, the concept of "community" featured strongly throughout the inquiry in that people could have input into a system that provides them with a sense of ownership and community. However, they need assistance in how to run co-operatives and they need training in management.

The committee visited the Tamil group, which had fine-tuned its management of community housing by using effectively the skills of residents. A former accountant was their treasurer and people with maintenance experience were undertaking maintenance duties. The group enlisted the skills of people before they retired, but more training is required to support people making a positive effort towards their community housing. They also need skills to maintain links with the outside community so that they do not become insular within their own environment.

As house prices increase, more pressure will be placed on affordable housing, so it is timely that the role of community housing should be highlighted. Skyrocketing house prices and stamp duty across Sydney, with very little relief from the Government, features on a regular basis in the media. Two weeks ago a Hunter newspaper reported that housing in the area had increased by 32 per cent in the past year, and in the December quarter alone the increase was 11.53 per cent. The median price of a house in areas outside Sydney is $290,000, which is beyond the reach of many. Institute of Housing figures show that during the December quarter the median price of a house in New South Wales was $382,000, also way beyond the reach of many residents.

The committee considered the operating framework of community housing and proposed a comprehensive plan. Indeed, the report contains 33 recommendations, which focus mainly on enhancing and providing more cohesion with respect to initiatives that have already been put in place by non-government and government agencies. Key recommendations include developing a strategic policy framework and a review of the current arrangements for asset management to ascertain who is responsible for repair and maintenance of properties and the types of maintenance required on long-term and short-term bases. The committee also recommended a review of the funding allocations for training community housing organisations.

The committee also considered ways in which the rights of tenants can be protected and suitable policies for complaints handling. It recommended ways to enhance further community engagement and the need for a review of the rent assistance program. It also recommended that assistance be given to smaller community housing providers and ways to encourage housing providers in rural and regional areas to explore innovative approaches. The report also recommended the provision of a crisis accommodation program. The report calls on the Government to tighten the regulatory framework to provide more certainty to residents, who are currently doing a good job living in community housing. The committee asks the Government to consider a variety of options for further delivery of community housing and establishing the most appropriate model for those groups that require flexibility. Indeed, the central focus of community housing is to provide flexibility.

In conclusion, I support the recommendations of the committee. I call on the Government to consider those recommendations and to implement a regulatory framework around those recommendations. I call on the Government also to allocate more funding towards affordable housing in New South Wales in a flexible, community-based and appropriate manner, to provide the right support to people with respect to maintenance in a climate of rising housing prices and stamp duty, and relief to first home buyers or those who are disadvantaged.

The Hon. IAN WEST [3.07 p.m.]: I support previous speakers with respect to the Standing Committee on Social Issues report on community housing. On 27 September 2001 the former Minister for Housing, the Hon. Dr Andrew Refshauge, referred the terms of reference to the committee, and he did so again on 24 June 2002. The committee was charged with the task of considering a number of issues with respect to the role of the government-funded community housing sector in providing accommodation within the social housing system. The committee was impressed with the innovation and flexibility of the approaches taken by people in that sector. We visited a number of establishments, which were extremely impressive and innovative in their management and which encouraged feelings of ownership and equity within the community housing sector.

I congratulate the committee staff and fellow members of the committee on an important and, I hope, useful inquiry for the Government in finding innovative ways to provide additional funding for this particular sector of the social housing mix. As we heard, community housing makes up between 8.4 per cent and 10 per cent of the public housing sector. Community housing is an important element of a strong public housing sector. It encourages people to be involved in the management of their rental housing and allows greater social and community development through the feeling of ownership of their affairs.

One cannot underestimate the importance of equity and ownership in fostering feelings of belonging, worth, dignity and usefulness in relation to one's community and surrounds. In terms of the places we visited, I take this opportunity to congratulate collectively the people on management committees on the enthusiastic way they interacted with the committee in conveying their feelings of worth and dignity and in terms of their relationship with fellow tenants and their environment generally. It is vital that people on moderate and fixed incomes, people with disabilities, people from culturally and linguistically diverse backgrounds, mature and older people in our community and single-parent families have the opportunity to live in affordable accommodation, with assistance from the State generally. That gives them a feeling of ownership; they do not feel that they are simply getting a handout and therefore should be thankful to us for what we have done for them.

I hope that the community housing sector increases; it is probably difficult for it to increase much more than 10 per cent, but I think it can, with a lot of assistance. Community housing tends to work because it is locally responsive and flexible, and the tenants live independently. Although tenants feel that there is a safety net, they still maintain a feeling of independence. While the committee's evidence was overwhelmingly supportive of community housing, it was not conclusive on many issues relating to the role of community housing. Many of the committee's recommendations are designed to encourage further debate and review of the community housing sector.

I draw attention to some of the recommendations that relate to legislation and policy issues specifically. Recommendation 24 calls on the Minister for Housing to amend the Housing Act, after consultation with the community housing industry and tenants' representatives, and to incorporate, first, a definition of "community housing"; secondly, a regulatory role and functions clause; thirdly, powers for resourcing and provisions for funding contracts; fourthly, a multi-tiered registration system; and, finally, provisions relating to equity and title. The committee chair, the Hon. Jan Burnswoods, and other speakers referred to the important issues of equity and title.

Other specific issues of equity and title do not go only to the philosophy of title in the Land Titles Office and the question of having a piece of paper that states that a person owns a specific piece of land and specific bricks and mortar. However, those important issues go to the feelings of ownership, worth, dignity, belonging and respect. It enables tenants in the community housing structure to go forth and maintain and beautify the structure, and to feel that they will have some longevity in their tenancy. That is vital. I think that sets community housing apart. During our visits people presented themselves and exchanged information with us in such an exuberant way that they gave us the feeling that they supported the community housing sector.

Recommendation 30 calls for the Department of Housing to review its policies relating to title and equity and ensure that safeguards are maintained for public funds, equity of access and tenants' rights. Other recommendations that affect the future of community housing relate to funding, efficacy and provisions for older and disabled people. Recommendation 26 is that the Department of Housing ensure that its five-year strategic policy framework includes a commitment to new investments and future public and private funding options, in particular a review of the current rent policy to ensure the affordability and viability of the community housing sector.

Recommendation 27 is that the Minister for Housing requests his Federal counterpart to review the efficacy of the rent assistance program in delivering housing affordability to low-income Australians. Recommendation 28 is that the Department of Infrastructure, Planning and Natural Resources review State Environmental Planning Policy No. 5 for housing. No doubt my colleagues will address many more recommendations and issues. Suffice it to say that community housing is an important sector that must be carefully reviewed and developed because it represents a good opportunity to provide housing to the poor. [*Time expired.*]

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [3.17 p.m.]: The inquiry into community housing was difficult. I stand by the report, but it is worth reflecting on what was happening. Housing is a difficult area in that the gap between the rich and the poor in Australia is growing. The huge inflation in house prices in Sydney means that welfare benefits as a percentage of a reasonable return on rent in any economic framework are becoming increasingly more difficult. The Federal Government is changing its housing budget—I gather that it is less in absolute terms—but it is putting money into rent subsidies. That is difficult in Sydney, which has the highest rents in the country, even when the money is paid, because it may still not be enough. From a long-term point of view, a rent subsidy is dead money if the housing stock is declining. So the housing stock is declining, certainly in relation to need and perhaps in absolute terms, and less funding is available from the Federal Government in both absolute and relative terms.

The Department of Housing in New South Wales has a reputation for being socially progressive in relation to people leaving gaol or suffering crisis, given the demographic change of the working poor to welfare recipients. In previous discussion in this House the question was asked whether the Department of Housing should be able to evict tenants who are troublesome or commit drug-trafficking or other antisocial behaviour. Such behaviour may be encompassed by a person's mental health problems, and often will also affect the person's partner. Should a woman who has children and a troublesome boyfriend who is drug dealing or causing other problems lose the house in which they have been tenants in common? Housing presents difficult questions. It is difficult for people to have a coherent life together without proper housing.

Several models were considered. Community housing, which represents 8.4 per cent of public housing, is a fairly small market segment that enjoys better tenant involvement. Because the tenants are more involved, their morale tends to be higher, there is less vandalism, they have far more constructive interest in the properties and their surroundings, and they show a willingness to help others. The result could be described as social collectedness. Those with a genteel upbringing or more social or educational skills are more likely to be in community housing, so it could be argued that people in community housing, or those who have made a success of it, are the more advantaged public housing tenants.

We saw in Annandale an example of what could be called a therapeutic community. People with a common experience of social dislocation had put together a group in which they helped each other, and newcomers were helped with social skills that would enable them to look after themselves better than before. That worked quite well, but eventually fewer shared a common experience such as homelessness, an institutional background, or mental illness. More and more of those who came to the community from a welfare or other disadvantaged background were unable to understand the need to join and contribute to the group. The therapeutic community was running out of energy to enhance their mutual help environment, and almost came to a crisis.

Another group in Erskineville had taken over what had been a council depot. The land had been sold by South Sydney council to the Department of Housing and it was a purpose-built community housing project. People from different backgrounds and with difficult histories had come together and built a successful community with a great deal of mutual help. If one were coldly realistic, one would have to reflect that they had got that land far cheaper than the market rental because it had come from the council, and the density of people on that block was far less than it would have been had it been developed by a private developer simply building a block of flats. There was less housing density and fewer people were housed in that relatively attractive location close to transport and the city than would have been in a model that was market driven. Had it been market driven there would have been more people provided with houses for the same money. When talking about community housing one often has to talk about models that are not delivering the most housing for the least dollars, which has been a traditional objective of the Department of Housing.

Other communities based on racial groups with shared experiences also put projects together. A retirement village in South Strathfield run by the Tamils is very good. They have a well-run community, are extremely well connected to their community, and have a succession plan so that when the people running it recognise their frailty the younger people can take over. We also saw communities run by the church. A couple in a three-bedroom house in a northern New South Wales town commented, "We heard this was coming along so we thought we had better join the church so we could get a house up here. We joined the church and look how we are keeping our house very nice and tidy." They said the tenants were all fine now but they had a blind tenant who had a boyfriend who played loud rock music, and after they had a fight and damaged the property slightly, they were expelled. The church was providing housing but one could not help thinking that it was "for our sort of people". I wondered whether that was within the meaning and purpose of public housing. One has to take the good with the bad if one wants the subsidy from the Government.

The church often has large amounts of land that has been given to it. It wanted a system in which it provides the land, the Government builds the buildings on it and initially has the equity in those buildings, with a scaling down arrangement so that after 25 years the church has buildings on its land built by somebody else and it collects the rent. While the church provides the land and oversees the initial process, nevertheless the resources are transferred to the church. Transfer of title is a sensitive issue because it means the owner is selling the land. Community housing, as in Erskineville, offers the final rehabilitation for people with problems: they go into community housing, build a community and then have equity to hand on to their children. The downside is that the housing stock is transferred away from other needy people.

Larger bureaucracies were aware of the problems of tenants and were trying to maximise the conditions in communities by more intelligent management. They were almost like subsidised real estate agents who were taking head leases with government subsidies and then managing tenants with a level of understanding and commitment more befitting a social worker than a commercial property management agent. They created a wonderful interaction between tenants with social problems who the housing department was trying to assist and those in the private rental market, in which a private landowner gave his or her property to be managed and tenants' problems were taken care of by the socially aware approach of the community housing development or co-operative. There is a lot of room to move in this field and the different models offered important insights. We explored them but I cannot say I preferred one over another. I agree the Government must look into this matter, and that is one of the recommendations of this worthwhile report. [*Time expired.*]

The Hon. KAYEE GRIFFIN [3.27 p.m.]: Like the Hon. Catherine Cusack and the Hon. Robyn Parker, I came very late into this inquiry so I did not have an opportunity to be involved in hearings, but I had the opportunity to look at a number of community housing groups. I will address my remarks to the adequacy and effectiveness of training and support available to those community housing providers.

The way community housing groups work together is extremely important. People provide their skills voluntarily to make community groups work extremely effectively. When the committee visited these community housing groups we saw that they are viable because the people involved have a commitment to each other and to ensuring that their community housing is the best that they can provide. Although they may not think the funding is adequate in many ways, they use it to the best of their ability to provide the best housing they can for the residents. They do that in many innovative ways.

As other members have said, community housing forms about 8.4 per cent of public housing in New South Wales. It is an area that the Government should consider in relation to the overall provision of accessible and affordable housing. Community housing is extremely important to many groups. Other people in the community may believe that it is easy to find housing and to afford to live in a house or unit. But many people in the community, with the best will in the world, do not have the financial backing to do that. The community housing groups that we visited showed that when people pool their resources and expertise they can provide an excellent and impressive housing group, whether small or large.

The Hon. Robyn Parker and the Hon. Dr Arthur Chesterfield-Evans mentioned the Tamil group, which was concerned about succession planning. Its members said they needed people with expertise to ensure financial viability and to look after the residents. Some older people wanted to relinquish some of their responsibilities to younger people with expertise who were willing to spend a substantial amount of their own time doing these sorts of things. As we know, sometimes this degree of volunteerism does not work. I have great pleasure in commending the report to the House. Many people put a great deal of work into it. I hope that the community housing sector will expand as part of the public housing sector and that the recommendations in the report will be implemented.

The Hon. Dr PETER WONG [3.31 p.m.]: I congratulate the Standing Committee on Social Issues on its report. I thank the chair, the Hon. Jan Burnswoods, for throwing light on the funding problem. As was the case with many other members, I did not understand why there was no recommendation for an increase in funding for these excellent projects. I congratulate in particular members of my community, the Chinese Catholic community, which in partnership with the Department of Housing two years ago set up community housing in Girraween. I mention in particular Mr Hassan Chen and his wife Eve Chen, Mr Seeto and Mr and Mrs Cheung, whose contributions make the project viable and beneficial.

Pursuant to sessional orders debate interrupted.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders

The Hon. PATRICIA FORSYTHE [3.32 p.m.]: I move:

That standing and sessional orders be suspended to allow a motion to be moved forthwith so that Private Member's Business item No. 72 outside the Order of Precedence, relating to an order for papers relating to Camden and Liverpool hospitals, be called on forthwith.

The House divided.

Ayes, 23

Dr Chesterfield-Evans	Ms Hale	Mr Pearce
Mr Clarke	Mr Jenkins	Ms Rhiannon
Mr Cohen	Mr Lynn	Mr Ryan
Ms Cusack	Reverend Dr Moyes	Mr Tingle
Mrs Forsythe	Reverend Nile	Dr Wong
Mr Gallacher	Mr Oldfield	*Tellers,*
Miss Gardiner	Ms Parker	Mr Colless
Mr Gay	Mrs Pavey	Mr Harwin

Noes, 16

Mr Burke	Ms Griffin	Ms Tebbutt
Ms Burnswoods	Mr Hatzistergos	Mr Tsang
Mr Catanzariti	Mr Kelly	
Mr Della Bosca	Mr Macdonald	*Tellers,*
Mr Egan	Mr Obeid	Mr Primrose
Ms Fazio	Ms Robertson	Mr West

Question resolved in the affirmative.

Motion agreed to.

Order of Business

Motion by the Hon. Patricia Forsythe agreed to:

That Private Member's Business item No. 72 outside of the Order Of Precedence be called on forthwith.

CAMDEN DISTRICT HOSPITAL MATERNITY WARD AND LIVERPOOL HOSPITAL EUTHANASIA ALLEGATIONS

The Hon. PATRICIA FORSYTHE [3.41 p.m.]: I move:

That, under Standing Order 52, there be laid upon the table of the House within seven days of the date of passing of this resolution all documents in the possession, custody or control of the Minister for Health, Minister for Infrastructure and Planning, and NSW Health, relating to the re-opening of the maternity ward at Camden Hospital between 2002 and 24 February 2004, and the media announcement by Liverpool Hospital concerning the alleged euthanasia of Audrey Hamilton in 1999, including any document which records or refers to the production of documents as a result of this order of this House.

The New South Wales health system is experiencing a crisis of this Government's making. It is vital that this House be provided with all the documents relating to the safety of Camden District Hospital maternity ward. As it stands, the reputation of good people—doctors, nurses and dedicated public servants—is being put at risk by a Government that is focused on spin and cover-up. This Government is not prepared to be open and honest with the Parliament and the community of New South Wales. It has certainly put the lives of patients at risk. In doing so it has not been prepared to be open and honest with the families of people who sadly have died in hospital.

Honourable members may well recall answers to questions in another place during the first week of parliamentary sittings about the ongoing safety of the Camden District Hospital maternity ward, the opening of the ward and, indeed, whether it was opened to meet a political need rather than when it was ready and appropriately staffed. The Premier and the Minister for Health effectively misled the other place on crucial points of fact pertaining to this case. They moved quickly to shut down the matter and in doing so misled the Parliament. Most importantly, they misled the people of New South Wales about the safety and security of patients who attended the Camden District Hospital maternity ward. Sadly, the most glaring case is that of the Lalic family. I am sure honourable members are familiar with this case, because it has been the subject of not only questions in another place but also wide media coverage. Baby Natalia died just five days after she was born at Camden District Hospital. We still do not have clear answers about that case and neither the Premier nor the Minister for Health has been able to provide a complete explanation. If there was a lack of adequate specialist staff at the hospital as a result of a political decision, it is imperative that the community of New South Wales understands that.

I said at the beginning of my contribution that the health system is in crisis. That crisis is the result of this Government's actions and the tragic case of Natalia Lalic demonstrates that point. This Parliament must get to the bottom of the issues that have been the subject of so much speculation and media stories in recent times. My motion is an attempt to establish the facts surrounding the safety of the Camden District Hospital maternity ward. Last year the Opposition, with the support of the crossbenchers—and I thank those honourable members, as I did then—successfully moved a motion to provide access to documents relating to the maternity ward's closure and the death of Sarita Yakub. Those crucial documents demonstrated that the Government and the Minister for Health at that time, the Hon. Craig Knowles, were involved in a cover-up. Honourable members need only look at the answers provided by Ministers about some of these issues to understand that this Government's usual response is to shoot the messenger rather than to address the message.

The Opposition wants not only information about Camden District Hospital maternity ward but also a better explanation about allegations of euthanasia at Liverpool Hospital. We are particularly interested to know whether Liverpool Hospital's media officer misled the family concerned, the media and the people of New South Wales. Of course, I am not targeting an individual departmental officer but, rather, the directions that that officer may have been following. Once again, I am sure the evidence will show this is a case of spin on the Government's part to cover the tracks of its Ministers, in this case the Premier and the former Minister for Health. They are prepared to paper over the real crisis that is now gripping our health service.

The Premier and the present Minister for Health have recently made misleading claims in the Legislative Assembly. It is vital that this House have an opportunity to review all the documents relating to these cases. I remind honourable members that when questions were asked about the death of Natalia Lalic the Premier clearly stated that a number of medical specialists were present at the birth, including a paediatrician. In fact, the paediatrician had to come forward to say that he was not present at the time.

We need to understand how the Premier and the Minister for Health were able to make those sorts of statements. The people of New South Wales expect this House to review all the facts surrounding the safety and security of patients in our hospital system. Confidence in the Government's handling of this crisis and the ongoing management of the New South Wales system has hit an all-time low. That is why we must review the Government's decision-making processes and examine all the facts contained in the ministerial and departmental documents.

I do not wish to take up too much of the House's time; there are many other issues of importance to the House and the good governance of New South Wales to be debated. However, establishing a health system that the community can have confidence in must be one of our highest priorities. I urge all members of the House to support this motion so that the people of New South Wales can have access to all the facts surrounding the Government's cover-up of the health crisis.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [3.51 p.m.]: This motion is another example of an attempt to open up the facts about the health system. It would seem that Camden hospital was forced to take maternity and emergency cases in order to make the Government look good for the last election. However, the hospital was not adequately resourced. It is not clear whether that related to the fact that doctors simply did not want to work at the hospital or there was insufficient funding to get salaried staff to go there.

I believe that the hospital management was aware that it could not adequately resource Camden hospital, and it probably told the health department and the Minister that, but it had the imperative to press on. The hospital management was then placed in the unenviable position of making a choice between managing upwards, and therefore keeping the bosses happy, and managing downwards, and wondering what they would say to staff as problems arose. I gather that the number of perinatalogists or neonatalogists in proportion to the patient population in Camden and Macarthur hospitals is far less than that of hospitals in the more affluent suburbs of eastern Sydney. That is a very serious issue, and I am sure the documents called for will shed light on it.

The Walker inquiry has extremely narrow terms of reference. Indeed, Bret Walker, SC, has said that he must conduct the inquiry in a limited time frame—not only because of the terms of reference but because he is a leading Senior Counsel and he is therefore limited by the amount of time he is able to spend on the inquiry, and that surely must have an effect on the amount of evidence he is able to hear.

General Purpose Standing Committee No. 2 is inquiring into the complaints mechanism within the health service. A general purpose standing committee cannot look at all the problems associated with the health system, because it simply does not have the time to do so. The Committee on the Independent Commission Against Corruption is inquiring into corruption. Corruption is generally regarded as venality relating to the preference of one person over the preference of another, or money. It was interesting to hear the comment of one of the whistleblower nurses to the effect that "Corruption is when you are doing the wrong things for the wrong reasons and you have the wrong priorities."

People who work in the health system have told me that the problem these days is that they have to write risk assessments, and that that fundamentally means telling the people above them what is likely to make trouble for them politically. So large amounts of resources are now going into this risk assessment process, which, effectively, is managing upwards. People have said to me, "My boss wants to know if he is going to get bitten by this event that has happened. So I have to give him all the facts, and I spend half my time writing

reports on what might go wrong for people upstairs in relation to things that happened in the past. In other words, I am managing upwards, and the amount of time I am spending on this means that I cannot actually do the work at ground level, which is what prevents the problems happening."

Often people have to make the choice between managing upwards and managing downwards. If a person is given a task to do but does not have the resources with which to do it, does that person say yes to the boss and plough on, knowing perfectly well that he or she does not have the resources to do it? And should the task go belly up, that person will get the blame. One wonders about the position of a person like Jennifer Collins in such a situation. Or does the person say to his or her boss, "Look, I can't possibly do it with these resources. Stick it up your jumper. I'll go and find a job somewhere else"? One shudders to think what effect saying that would have on the career of the person who said it. It is beholden upon the Government to be far more realistic and in touch, and to listen to what people at the bottom have to say.

I have been concerned about this issue since I was with the water board in the mid-1980s. At that time we had a flabby bureaucracy in terms of the number of people doing tasks. Promotion was based on seniority, and because people had come up through the ranks they knew exactly what the problems were below them and what needed to be done; they tended to manage for the people below them. Suggestions were placed on the much-satirised public service files, which were tied up with pieces of pink tape, the files were passed up to the managers, and they went up to the level at which a decision could be made, with comments from all levels. If a file went to another department, it went straight to the head of the department, with comments all the way up and all the way down again, and it came back after a period of months. But everyone knew exactly what was going on, and, despite all the faults, there was a connection—the top with the bottom.

In the mid-1980s there was sea change in which it was decided that the only degree worth anything was a management degree. It was thought that a person who had a management degree could manage anything and it was not necessary for managers to know about technical matters. When I was with the water board, all the people who did help—that is, the hygienists and me—were turned over to the technical health department, because we were regarded as technical people. It was almost a "boo" word. The managers said, "We are managing the real situation; you're just technicians out there. You just happen to know what is going on." The real management decisions were made by people who at that time had no training and no idea and, frankly, more ambition than goodwill in terms of what was actually delivered.

A new class arose—the managerial class—people who had not come up through the ranks. They were brought in from outside, and they were often favoured by nepotism from people in the socio-economic status system, higher up. Everyone started to look at what was happening upwards, and their management style was to keep the people above, rather than those below, happy. A parallel was the Australian health system in which I worked. There was a very small health bureaucracy at that time. In fact, it was my father's complaint as a surgeon in Wollongong years ago that the chief executive officer [CEO] of the hospital performed more operations than he performed as the senior surgeon. That is how connected the CEO was with the patients coming through that hospital. Indeed, the doctors' car park was eventually taken over and became the bureaucrats' car park. The hospital that had had one car space for the CEO ended up with 120 bureaucrats' cars.

The growth of this bureaucracy paralleled exactly what I had observed in Britain, where the bureaucracy had become so large that alternative preferences had to be adopted. The small hospitals and the car parks were taken over by bureaucrats, and the problems that could not be fixed were resolved for the bureaucrats, who, miles from where the patients were, studied their statistics and made silly decisions. I will not regale this House with the examples of bureaucratic stupidity I saw or stories about patients who died fundamentally because doctors were totally demoralised, although they did what they could, recognising that they could not get appropriate resources for the problems they had to deal with.

Bureaucracy as a percentage of the total people working in the health system has increased, and more paperwork is needed for the higher turnover. I believe things have gone too far. This increasing managerialism has led to a disconnection between the people doing the job and those who make the decisions based on a bunch of statistics, which are inherently able to be manipulated. Although there are three inquiries impinging upon Macarthur Health Service, I do not believe that any of them are comprehensive. The documents called for may give grist for my opinion or the opinions expressed by the Hon. Patricia Forsythe and the idea that the Camden services were in place in order for the Labor Party to win the election, rather than because there was a real capacity to deliver those services where they were supposed to be. I think this is all part of a jigsaw puzzle.

I am currently working on a project on how the health system can be fixed. Certainly the problems in the health system are multifactorial but I think the Government has to develop a far more honest approach if it is

to get the answers to these problems. The Government has to be far more honest with the people and it has to have direct connection. I believe that the old hospital boards should be reinstated, whereby local citizens looked at how the hospital was going and had an input at the highest level. The Government seems to have the idea that all the problems can be hidden and that all our efforts should be used in writing memorandums for the Minister so that he is never embarrassed. The Minister has to say, "Things are wrong. We are going to change them and we are going to be a lot more honest." This motion partly does that but I think we still need to have a far more open and honest look at health.

Certainly if the Howard Government wants to take over health, that may be a response to the fact that Mark Latham is doing very well in the polls, as the commentators have said. Having worked briefly as a bureaucrat in the Department of Veterans Affairs I observed that the most commonsense suggestions from people in New South Wales were totally mucked around with by people in Canberra who were technically at a lower grade but who, being closer to the kitchen, had a lot more say in how the dough was baked. They would basically kill good ideas because they had not thought of them or pinched them, or because they were involved in some other crazy project that bore no relation to what was needed on the ground.

So I think it is a dubious proposition that Canberra can manage the health system. Because of the problems between Federal and State governments and the blaming and the distorting effect on resource allocation that cost shifting is having within the health system, there is a need for health financing to come from a single source so that Medicare, the inpatients system, and the community-based system are all funded from the same pool. Such a system could be looked at far more openly and transparently and with resources optimised to lessen the impact of intensive care. I am not saying that all the faults in health are the fault of the State Government—that would be quite wrong. I believe that the private health insurance industry, the Federal Government, the payment structure for doctors whereby some procedures are paid immensely well and some are not and, of course, the lack of prevention are all factors in this problem.

I believe we need a far more open culture in terms of information within the health system, and this motion is just another step in prying out information about one hospital system and about an incident of euthanasia in another hospital. We need a far more managed downwards philosophy; we need less of a managerial structure and a far more hands-on approach; and we need far more honesty from this Government in the health area as well as in other areas. We need a health system that is managed by a single funding point with a commitment to funding health on the basis of health need, not on the basis of how wealthy people are—another aspect of health policy that is not directly related to this motion.

I support the motion but I think in the broader context the Government should take a more honest approach overall and perhaps have an overarching inquiry. Even after the current three inquiries and, indeed, the information that will be gleaned from this motion, I am not confident that we will be in a position to make a more universal and sensible recommendation about the future of health in New South Wales.

Reverend the Hon. FRED NILE [4.01 p.m.]: The Christian Democratic Party supports this motion, which particularly refers to Camden Hospital and to the alleged euthanasia of Audrey Hamilton at Liverpool Hospital in 1999. These are serious matters and I believe it is correct for these papers to be made available so these matters can be further investigated.

The Hon. AMANDA FAZIO [4.02 p.m.]: I oppose the motion. The reason for doing so is that I believe that it shows how little attention the Opposition pays to the process and what happens in this Parliament. In fact, this is the second day in a row the Opposition has called for papers. We all know from the past history of what happens in this House that when there is a call for papers, whether it is from the Opposition or from the minor party representatives—particularly the Greens—copious amounts of papers are delivered to the House, but half the time Opposition members do not even bother going through them. It is a complete waste of time.

The documents that are the subject of this motion have already been provided to the Opposition. The Opposition has these papers; it is just a stunt. The documents fall within the scope of a previous call for papers and a freedom of information request by the Leader of the Opposition. It is not that the Opposition does not have these papers, it is because it wants to make a public show of demanding them. It wants to make out that there is some reason why these documents will not be provided. The simple fact is that the documents have already been provided to the Opposition. If members of the Opposition have not seen them I suggest they ask the Leader of the Opposition in the other House for them. I suggest they go to John Brogden's office and ask him whether he will show them the papers, rather than hijack the time for Government business and demand that these papers be provided.

Frankly, if the Opposition were honest—and I think it is about time it was—it would say that this is nothing more than a stunt. The Opposition should be ashamed of itself for wasting the time of the House. If they are really serious about being in Opposition, members should not demand papers day after day that they already have just so they can make a public show about it. If Opposition members were fair dinkum they would not do this sort of thing. But they are obviously not fair dinkum, they are just going to continue down this track rather than seek any positive outcomes from the three inquiries into the Macarthur Area Health Service. I urge all members to think carefully before they vote on the motion, and to oppose it.

Ms SYLVIA HALE [4.06 p.m.]: The Greens support this call for papers. I find the remarks of the Hon. Amanda Fazio to be somewhat outrageous. I am sure she will be pleased to know that after we finish with this motion I will seek to move a motion to have a development application produced to the House because although that development application was lodged on 30 January the Sydney Harbour Foreshore Authority is refusing to make it available to residents or to North Sydney Council. This is just one example of how this Government thrives on secrecy and cover-ups—and, as we all know, secrecy and cover-ups are the bases of corruption. That is the hallmark of this Government. It was its hallmark in relation to council amalgamations and it was the hallmark in relation to Sydney Water and the extraordinary efforts we had to go to to get access to the report of Sydney Water. That has certainly discredited the Government. With the crisis in our health system we can see the secrecy and the cover-ups that are occurring there.

The Greens have no hesitation in endorsing this call for papers and for supporting the Hon. Dr Arthur Chesterfield-Evans in saying that we really do need a wider inquiry into just what is wrong with our health system. What we are seeing in regard to the health system is the chickens of spin, hype, and budget surpluses all coming home to roost. The public is now paying the price of a prolonged Government failure to adequately maintain and fund essential public services and essential infrastructure. The Government has failed to do that with the railways and it has failed to do it with the health system.

Almost every day we read in the newspapers about one further scandal, one further thing that has occurred but has been obscured and hidden, including the incident on 13 January at Goulburn Base Hospital when an operation had to be finished by torchlight, the blow-out in waiting lists, and the cuts to community mental health services. In a question I asked in the House today I said that funding of community mental health services is lower in New South Wales than in any other State.

We read in the media about the tragic results of failure to adequately fund mental health services, with the dismissal of chief executive officers of area health services, the $7 million budgetary blow-out of the Southern Area Health Service, rising levels of hospital infections, overworked doctors and nurses putting patients at risk, inadequately staffed and resourced units, and the Government's cynical attempts to run a political agenda of cover-up, spin, hype and secrecy. The latest revelations relate to the Health Care Complaints Commission, yet what is the response of the Government? It admits the crisis and rearranges the desks of bureaucrats, as it did with the railways and TAFE.

The Government splits up a centralised service, and when the system does not work three or four years down the track because of inadequate funding, the Government centralises it again. When that fails, it splits up the system again. This masterstroke of bureaucratic rearrangement, failure to address genuine problems confronting the system, and a reluctance to provide necessary funding are the result of the Government's preoccupation with a budget surplus at all cost, despite its disastrous effect on the people of this State.

I shall give just one example of the ridiculous level to which our health services have descended. This morning my office was informed that Nepean Hospital is so short of funds it can no longer provide cooled water to its outpatients. We did the right thing and checked the accuracy by asking the hospital, "Are there bubblers at Nepean Hospital?" The answer from the Director of Services was, "Sorry. You will have to checked with the Minister's office." It is extraordinary that we have to check with the Minister's office to get an answer to that simple question! It is a perfect prescription for cover-up and secrecy. Certainly, it demonstrates that those who work within the New South Wales hospital system have been cowered and stood over and are too frightened to speak up. One need only consider how long it took nurses at Camden and Campbelltown hospitals to speak out and their subsequent intimidation. It is time the documents were at last made available for inspection for the benefit of all the people of this State. The Greens support the motion.

The Hon. PATRICIA FORSYTHE [4.13 p.m.], in reply: I thank all honourable members who have spoken in the debate and I thank the crossbench members for their support. Formerly when the Opposition sought the tabling of certain documents, the Government used to use the line that that would take up the resources of a department. The new approach is that we already have all the documents.

The Hon. Amanda Fazio: That is true.

The Hon. PATRICIA FORSYTHE: No, we have the documents that the Government deems are necessary to meet the spin it is so good at, not documents that go to the heart of the matter. The Government will not answer questions that are asked in Parliament or put on notice. The only way to get to the facts is to read file notes et cetera. If the Government has nothing to hide, it will support the motion. I thank honourable members and commend the motion to the House.

Motion agreed to.

PREVENTION OF CRUELTY TO ANIMALS AMENDMENT (TAIL DOCKING) BILL

Bill introduced, read a first time and ordered to be printed.

Second Reading

The Hon. IAN MACDONALD (Minister for Agriculture and Fisheries) [4.15 p.m.]: I move:

That this bill be now read a second time.

The Australian Veterinary Association, the RSPCA and other animal welfare groups have, over a number of years, been lobbying strongly to ban cosmetic tail docking of dogs. In their view such a procedure is unnecessary and inhumane. There are two methods of tail docking. The banding procedure places a rubber ligature over the tail. This is usually an orthodontic band placed over the tail when the puppy is two to four days old. This effectively cuts off the blood supply to the tail, which comes away after a few days. The other procedure involves severance of the tail, usually with surgical scissors.

Following a number of representations from animal welfare groups, veterinary bodies and other concerned individuals, the Primary Industries Ministerial Council agreed in October 2003 to introduce a nationally co-ordinated ban on cosmetic tail docking by April of this year. It is vital that States and Territories work towards a national approach to key issues. This decision will bring New South Wales legislation into line with that of every other Australian Government. This national ban was proposed at the first Primary Industries Ministerial Council meeting that occurred after I became Minister. I specifically asked that any action be held over until I had had the opportunity to fully consider the consequences and to canvass the viewpoints of all key stakeholders in New South Wales.

Since that time I have either met with, or received and considered representations and submissions from, interested stakeholder groups. These include the New South Wales RSPCA, the New South Wales Division of the Australian Veterinary Association, the New South Wales Animal Welfare League, the Animal Societies Federation, the Animal Welfare Advisory Council, the Pet Industry Joint Advisory Council of Australia, the Royal New South Wales Canine Council, the Council of Docked Breeds, the Dog Body, and a range of dog breed societies as well as dog owners.

All animal welfare organisations and the Australian Veterinary Association are strongly in favour of a ban on the routine or cosmetic docking of dogs. However, it is apparent that many dog breeders, particularly those with an interest in breeds that are traditionally docked, are vehemently opposed to any amendment that would prohibit cosmetic tail docking. The practice of tail docking started hundreds of years ago when community expectations were quite different and people were not as well informed about the welfare of animals as they are today. The practice became common in the Middle Ages in Britain and Western Europe.

A number of theories have been advanced that seek to explain the origins of tail docking. They include the prevention of rabies, the prevention of back injury, increasing the speed of the tail-docked dog, and the prevention of tail damage due to fighting, baiting or ratting. Docking of tails on farmers' or drovers' dogs, used for herding or driving cattle and sheep, originated in early Georgian times in England as it exempted the owner from a tax levied upon working dogs with tails.

Many other types of dogs were also similarly docked to avoid this luxury tax, and although this imposition was repealed in 1796 the habit of docking particular breeds remained. Given the variety of historical reasons for the practice of tail docking, and the fact that none of them appears to have any continued significant application in a modern, animal-welfare-oriented society, there are no compelling reasons to continue this practice, unless it is done specifically in the best interests of the dog.

I have listened to a number of arguments raised by those who oppose the proposed amendments. They include advocating that tail docking should remain because of the tradition that it represents, personal preferences, or because breeders can be trusted to ensure that they will do nothing that will harm their animals. I make this very clear: I have absolutely no doubt that breeders have the welfare of their dogs firmly at heart. Indeed, the vast majority of the breeders I have spoken to are incredibly knowledgeable as to the needs and wants of their dogs, and the passion they hold for their animals is clear for all to see.

However, the need to remove a dog's tail for the sake of tradition must be challenged in a society that is constantly re-evaluating laws and customs to ensure that they reflect community expectations and that they are targeted to promote the best interests of our animals. Another argument against these amendments is to state that tails are removed to prevent potential hygiene problems and tail injuries. Under the proposed amendments, docking of tails will still be permissible if it is done for the dog's well-being, for example, if a dog seriously injures its tail or contracts disease such that its tail causes significant pain or distress.

Others have proposed that the ban would be the beginning of the end for many pure breeds of dogs, that economic problems would ensue for the dog breeding industry and that generations of careful selection will be jeopardised. Others predict that the prohibition will eventually extend to include sheep, pigs and cattle. Let me make this clear: it certainly will not. However, an examination of the technical and other evidence available shows that no convincing case exists that would necessitate any other course of action than that which I now propose in this bill. I believe that all stakeholders have been adequately consulted during this process and that the Government has fully and comprehensively considered all submissions.

The amendments proposed for the Prevention of Cruelty to Animals Act will restrict the tail docking of dogs to veterinarians only when it is in the welfare interests of a particular dog to do so. This will effectively limit tail docking to situations in which a curative or therapeutic effect is sought. This might occur if a dog has suffered a severe injury to the tail from, for example, being jammed in a closing door or through a vehicle accident. There may also be situations in which a dog's tail may require amputation because of the growth of a tumour or the development of severe dermatosis. Very few dogs may require docking because of repeated minor injuries sustained through vigorous tail wagging or because of repeated injuries sustained during hunting.

An examination of the technical material available to me shows that removing a dog's tail for preventive reasons, when it is perfectly healthy and useful to the dog, is clearly not in the animal's best interests. Inflicting an unnecessary and potentially painful injury to prevent an accidental one that may, but is unlikely to, occur appears to be contrary to the animal's welfare interests. The Australian Veterinary Association and various animal welfare groups assert that the act is inhumane, unwarranted and self-serving. Perhaps more importantly, no clear benefit has been shown to accrue from tail docking that can outweigh the potential harm that may be caused to the dog involved, particularly if it is not conducted by appropriately trained professionals.

The evidence supports the assertion that all dogs that undergo a tail amputation are likely to experience acute pain as an immediate consequence unless appropriate analgesics are administered. However, the administration of such drugs to puppies is impractical and may result in serious complications. Consequently, they are usually not used. It has been argued to me that very young animals, such as puppies that are poorly developed at birth, will have an immature nervous system incapable of feeling pain. However, modern research presented to me suggests otherwise. The lack of a myelin sheath on pain conducting nerve fibres has oft been cited as a reason why the nerve impulses are not properly conducted and pain is not perceived in these animals. However, we now know that this lack of a sheath merely slows pain impulses, rather than eliminating them.

While a puppy cannot often effectively demonstrate that it is in pain, many biological markers show that pain is being experienced. Studies in premature infants, once thought not to feel pain, have shown that they are well able to feel pain but are incapable of expressing this feeling as they will do at a later age. The same is true of puppies. A scientific study of docking has demonstrated that puppies often respond in a limited way, usually by whimpering and shrieking during and after the docking procedure. As well as the acute pain, there is also the possibility of long-term consequences that have been associated with tail amputation. These include muscular weakness around the perineal area, urinary incontinence and a diminished ability to communicate effectively through tail carriage and wagging. Even if in only a small number of cases, it seems clear that the harm that may result from the cosmetic tail docking of dogs far outweighs any purported benefits.

This decision to amend the Prevention of Cruelty to Animals Act to ban the tail docking of dogs, with a defence for veterinarians when the docking occurs in the interests of the dog's welfare, strikes an appropriate

balance between the concerns of the broader community, dog breeders and legitimate animal welfare issues. It will prevent the routine or indiscriminate docking of puppies' tails. The other States and Territories either already have bans on cosmetic tail docking or are well on the way to doing so. From October 2003 Queensland legislation has restricted this procedure to veterinarians and only when it is in the interests of a dog's welfare. It is expected that this wording will essentially restrict the procedure to therapeutic use only.

Amendments are proposed for the Victorian animal welfare regulations whereby the practice will be restricted to veterinarians and, similar to Queensland, only when it is in the interests of a dog's welfare. In the Australian Capital Territory legislation has been in place for a number of years to restrict the practice to veterinarians for therapeutic and preventive purposes. Of course, that has not led to the sort of scaremongering in which the Hon. Rick Colless has engaged this afternoon. It is expected that within 12 months the procedure will be limited to use for therapeutic purposes only.

The introduction of a new animal welfare Act in Western Australia in early 2003 ensured that the practice of tail docking of dogs was restricted to veterinarians. Docking for preventive purposes as well as therapeutic purposes is allowed under this legislation. In the Northern Territory legislative amendments are proposed whereby the operation will be restricted to veterinarians but will be allowed for both therapeutic and prophylactic purposes. This will be essentially the same as the requirements currently enforced in the Australian Capital Territory and Western Australia. The South Australian animal welfare legislation was amended in late 2003 to restrict the docking of dogs' tails to veterinarians and only then for therapeutic purposes.

However, there is a mechanism to allow review of the general prohibition with respect to individual breeds. If valid statistics can demonstrate satisfactorily to a properly constituted panel that a particular breed should be allowed to be docked because of hygiene or injury concerns, that breed may be docked as a preventive measure. Legislative amendments are soon to be introduced into the Tasmanian Parliament that are essentially the same as those proposed in South Australia. That rendition of the national scene shows that all States have agreed, essentially, to introduce the ban on tail docking that was agreed to by all governments, including the Commonwealth Government, at the Primary Industries Ministerial Council in October 2002 and reiterated in 2003, with a deadline of 2004. So New South Wales is not out of step in relation to this issue. Indeed, we are coming into line with the national framework proposed through the Primary Industries Ministerial Council.

In addition to the prohibitions on tail docking that already exist in Australia, a number of European nations have prohibited tail docking of dogs—some, such as Norway, since 1987. These countries include Denmark, Estonia, Finland, Germany, Iceland, Israel, the Netherlands, Norway, Switzerland, Sweden and some parts of Austria. A number of other countries are considering bans and the number is sure to increase in the future. Despite claims to the contrary, there has been no action to repeal the legislation in those countries. I reiterate, a large number of countries have had tail-docking bans in place since 1987, and in all of those countries there are significant agricultural industries. So, the tail docking of dogs for cosmetic purposes should not be confused with genuine issues relevant to production animals in a real-life agricultural situation.

The perception that dog owners can surgically alter the appearance of their dogs as they wish is out of step with community expectations and other existing requirements of the Act. For example, ear cropping in dogs, a purely cosmetic procedure, has been outlawed for many years. This prohibition, if introduced, will show the continuing respect for dogs and other animals as much-loved companions and family pets. It will also demonstrate that dogs are not just objects to be bought and sold, disposed of, euthanased, mistreated, exploited or surgically modified at will. The arguments supporting tail docking of dogs are ethically unconvincing and do not accord with the contemporary status of companion animals in our community. In the words of George Bernard Shaw, "The worst sin towards our fellow creatures is not to hate them, but to be indifferent to them: that's the essence of inhumanity." This bill demonstrates the Government's commitment to both protecting the welfare of animals and upholding contemporary community values. I commend the bill to the House.

Debate adjourned on motion by the Hon. Don Harwin.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders

Motion by the Hon. Patricia Forsythe agreed to:

That standing and sessional orders be suspended to allow the moving of a motion forthwith that Private Members' Business item No. 76 outside the Order of Precedence, relating to an order for papers with regard to the use of public donations by Westmead Children's Hospital, be called on forthwith.

Order of Business

Motion by the Hon. Patricia Forsythe agreed to:

That Private Members' Business item No. 76 outside the Order of Precedence be called on forthwith.

WESTMEAD CHILDREN'S HOSPITAL USE OF PUBLIC DONATIONS

The Hon. PATRICIA FORSYTHE [4.33 p.m.]: I move:

That, under Standing Order 52, there be laid upon the table of the House within seven days of the date of passing of this resolution all correspondence between Westmead Children's Hospital and the Western Sydney Area Health Service and NSW Health concerning the use of public donations by the hospital for the period January 2002–January 2003, including:

(a) any advice, including legal advice, sought by the hospital from any other body associated with the hospital concerning the application of public donations, and

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

I am not going to speak to this but I seek advice. I thought when I originally launched my notice that the dates were from January 2002 to January 2004, but it has been printed as January 2003. Am I able to amend my own motion?

The DEPUTY-PRESIDENT (Reverend the Hon. Fred Nile): Not unless you seek leave and the House gives you permission to change the date.

The Hon. PATRICIA FORSYTHE: Then I seek leave to do so.

Leave not granted.

The Hon. DON HARWIN [4.34 p.m.]: I move:

That the question be amended by omitting "2003" from line 4 and inserting instead "2004".

I do not think there is any need to elucidate further on the reason for the amendment. The Hon. Patricia Forsythe has covered that.

Amendment agreed to.

Motion as amended agreed to.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders

Ms SYLVIA HALE [4.36 p.m.]: I move:

That, standing and sessional orders be suspended to allow a motion to be moved forthwith that Private Members' Business item No. 88 outside the Order of Precedence, relating to an order for papers in regard to the Metro Edgley development on the Luna Park site, be called on forthwith.

The House divided.

Ayes, 24

Mr Breen	Ms Hale	Ms Rhiannon
Dr Chesterfield-Evans	Mr Jenkins	Mr Ryan
Mr Clarke	Mr Lynn	Mr Tingle
Mr Cohen	Reverend Dr Moyes	Dr Wong
Ms Cusack	Reverend Nile	
Mrs Forsythe	Mr Oldfield	
Mr Gallacher	Ms Parker	*Tellers,*
Miss Gardiner	Mrs Pavey	Mr Colless
Mr Gay	Mr Pearce	Mr Harwin

Noes, 17

Mr Burke	Ms Fazio	Ms Robertson
Ms Burnswoods	Ms Griffin	Ms Tebbutt
Mr Catanzariti	Mr Hatzistergos	Mr Tsang
Mr Costa	Mr Kelly	*Tellers,*
Mr Della Bosca	Mr Macdonald	Mr Primrose
Mr Egan	Mr Obeid	Mr West

Question resolved in the affirmative.

Motion agreed to.

Order of Business

Ms SYLVIA HALE [4.43 p.m.]: I move:

That Private Members' Business item No. 88 outside the Order of Precedence be called on forthwith.

The House divided.

Ayes, 24

Mr Breen	Ms Hale	Ms Rhiannon
Dr Chesterfield-Evans	Mr Jenkins	Mr Ryan
Mr Clarke	Mr Lynn	Mr Tingle
Mr Cohen	Reverend Dr Moyes	Dr Wong
Ms Cusack	Reverend Nile	
Mrs Forsythe	Mr Oldfield	*Tellers,*
Mr Gallacher	Ms Parker	Mr Colless
Miss Gardiner	Mrs Pavey	Mr Harwin
Mr Gay	Mr Pearce	

Noes, 17

Mr Burke	Ms Fazio	Ms Robertson
Ms Burnswoods	Ms Griffin	Ms Tebbutt
Mr Catanzariti	Mr Hatzistergos	Mr Tsang
Mr Costa	Mr Kelly	*Tellers,*
Mr Della Bosca	Mr Macdonald	Mr Primrose
Mr Egan	Mr Obeid	Mr West

Question resolved in the affirmative.

Motion agreed to.

LUNA PARK AREA DEVELOPMENT

Ms SYLVIA HALE [4.46 p.m.]: I move:

That, under Standing Order 52, there be laid upon the table of the House within 14 days of the date of passing of this resolution all documents in the possession, custody or control of the Sydney Harbour Foreshore Authority relating to the development application lodged by Metro Edgley on 30 January 2004 for the development of an office building on the cliff top above Luna Park, including any document which records or refers to the production of documents as a result of this order of this House.

The PRESIDENT: Order! If members wish to chat, they should leave the Chamber. The Hon. Sylvia Hale has the call.

Ms SYLVIA HALE: Luna Park is an iconic site. It has a special place in the heart of many Sydneysiders.

The PRESIDENT: Order! I call the Hon. Jan Burnswoods to order for the first time. I cannot hear Ms Sylvia Hale.

Ms SYLVIA HALE: Madam President, I hoped out of consideration for members to make this speech relatively brief but obviously it has been protracted by the antics of the Government. I commence once again. Luna Park is an iconic site. It has a special place in the heart of many Sydneysiders, and certainly occupies one of the city's most prominent harbourside locations. As such, Luna Park belongs to us all. It belongs to the people of Sydney, for this and future generations—not to one Minister, not to one developer. This is why the current secret proposal to develop the Luna Park site is so alarming. Because of its location Luna Park has long been a prime target for developers. Three years ago North Sydney Council approved a development application from the current developers, Metro Edgley, to build a range of recreation facilities including restaurants, theatres and 100 car parking spaces. This was consistent with the local environment plan and the master plan approved by North Sydney Council and the State Government of the time.

The plan of management developed under the master plan allowed for a low-scale restaurant-type building nestling among the heritage fig trees on the cliff top. However, that was not sufficient to satisfy the developers. They pressured a compliant State Government and the Minister called in the development, overrode the council's planning powers and on 31 January 2002 granted the developer 389 car spaces rather than the original 100 that the council had approved, and a commercial tower on the site that had previously been approved for apartment, hotel or restaurant development. The contract with Metro Edgely over the site remains essentially secret. Almost all the critical elements have been blacked out on documents obtained through the freedom of information process.

In December 2000 PlanningNSW took control of the Luna Park site from North Sydney Council and in August 2003 the Department of Planning, Infrastructure and Natural Resources handed control to the Sydney Harbour Foreshore Authority [SHFA], which is its own consent authority. In January this year we learnt that the developers and the State Government were again planning to move the goalposts for Luna Park. With construction of the entertainment parts of the park nearly complete, on 30 January the developers unveiled the plan for a new five-cinema complex and a 14-storey commercial tower on the area previously scheduled for a low-scale two-storey restaurant building. The design balances the tower on a metal frame over the edge of the cliff, wedged between the existing fig trees. The day before submitting the development application to SHFA the developers held a press conference to announce the proposal. However, no-one else has been allowed to see the development application; it remains hidden until this day. That secrecy is redolent of the secrecy surrounding the activities of the disgraced chief executive officer of Sydney Water, Greg Robinson, who was CEO of SHFA until, under the auspices of former SHFA member, Frank Sartor, he moved to Sydney Water.

Local residents and North Sydney Council have not been consulted or allowed to see the development application. To this day, almost six weeks after it was lodged, they remain in the dark. SHFA refuses to divulge any details of the development to the council or the local community. The community's objections cover excavation of the heritage cliff face, endangering of heritage Moreton Bay fig trees, overshadowing of the outdoor swimming pool, particularly in winter, loss of views for existing residents, loss of character of the headland as seen from the city, and the visual impact on the Sydney Harbour Bridge. These are not nimby objections; they are objections that any resident of Sydney might raise in relation to this public asset, public land and iconic site. There are serious concerns about the impact of the development and the cinema complex on traffic in the area.

Serious questions must be asked about why North Sydney Council has not yet been provided with a copy of the development application and why it has not been made public as required by the Environmental Planning and Assessment Act. In 2001 the community agreed to a degree of development to save the site and to put it back into use. The council and the community have invested time and effort to develop a local environment plan [LEP] and a master plan that protects the heritage and character of the site while accommodating commercial considerations in the interests of the people of Sydney. Those planning frameworks have been completely ignored. Although the State Government gazetted the LEP in 2001 it has dragged its feet on a number of minor amendments lodged since then.

Is the Minister for Infrastructure and Planning intending to change the LEP so that this inappropriate development can be approved without being subjected to the normal public consultation process? After all, a 14-storey tower is completely unacceptable under the current LEP and the plan of management. Metro Edgley accepted the management plan and the LEP when it tendered for the site. This is the most outrageous case of collusion between a developer and the State Government to overturn or sidestep an essential planning process. This is public land. Luna Park is a public asset and it should be used for the public good, not to maximise the flow of political donations to the Government and the flow of profits to its crony developer mates.

These documents must be made available now so that we know what the Government has in mind for Luna Park. The public has been kept in the dark too long; light must be shed on the backroom deals and disposal of a priceless and irreplaceable heritage icon. The Greens are not surprised that this secretive Government is

resisting the call to make these documents public. We urge the Opposition and the crossbench to support this motion in the interests of open and transparent government and the interests of current and future generations of Sydneysiders.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 24

Mr Breen	Ms Hale	Ms Rhiannon
Dr Chesterfield-Evans	Mr Jenkins	Mr Ryan
Mr Clarke	Mr Lynn	Mr Tingle
Mr Cohen	Reverend Dr Moyes	Dr Wong
Ms Cusack	Reverend Nile	
Mrs Forsythe	Mr Oldfield	
Mr Gallacher	Ms Parker	*Tellers,*
Miss Gardiner	Mrs Pavey	Mr Colless
Mr Gay	Mr Pearce	Mr Harwin

Noes, 17

Mr Burke	Ms Fazio	Ms Robertson
Ms Burnswoods	Ms Griffin	Ms Tebbutt
Mr Catanzariti	Mr Hatzistergos	Mr Tsang
Mr Costa	Mr Kelly	*Tellers,*
Mr Della Bosca	Mr Macdonald	Mr Primrose
Mr Egan	Mr Obeid	Mr West

Question resolved in the affirmative.

Motion agreed to.

EDUCATION AMENDMENT (NON-GOVERNMENT SCHOOLS REGISTRATION) BILL

Second Reading

The Hon. CARMEL TEBBUTT (Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Youth) [5.02 p.m.]: I move:

That this bill be now read a second time.

Governments have a clear obligation to articulate what we, as a community, expect from our schools. Governments also have an obligation to help parents make judgments about schools on the basis of objective and reliable information. Parents have to be confident that their school is capable of providing a quality learning environment. Parents who choose to send their children to a non-government school deserve to know that their choice is resulting in concrete benefits for their children. They want assurances that schools are providing responsive, effective and safe learning environments. And they want the information about school performance and policies that will help them know whether a school is meeting their expectations.

Today I introduce legislation that will help deliver these assurances. It will provide for greater transparency of school policies and practices. It will lead to more information being made available to parents about key school features and performance. It will encourage ongoing school improvement and responsiveness. And it will help provide parents and the wider community with information about the quality of education being delivered in non-government schools.

I want to state at the outset that we acknowledge the achievements of the non-government school sector, which has played, and will continue to play, a key role in providing diversity and choice for families. This bill is not about restricting choice, nor about restricting the capacity of non-government schools to meet the needs and expectations of their communities. The Government recognises that non-government schools are a

vital part of the educational landscape in New South Wales and will continue to be one of the cornerstones of our system.

A constant in this Government's achievements in education has been a concern for standards and rigour. The changes we made to the School Certificate and the High School Certificate were about raising standards of student achievement, and this applies equally to the improvements we are making to government schools. The bill is about extending the same framework of standards for non-government schools. It follows the recommendations of the first report of the review of non-government schools, the Grimshaw report. Grimshaw found that standards for all schools should be about goals and expectations, not minimum or basic requirements.

The review also registered an increase in community expectations about school accountability. Parents, in particular, want schools to account more comprehensively for the outcomes being achieved by students. In New South Wales these expectations are being addressed in a number of ways. For example, an emphasis on standards and accountability has led to an outcomes-based curriculum and reporting framework for the School Certificate and Higher School Certificate.

The new emphasis on standards is reflected in syllabuses that set high expectations. It is also a requirement that in the reporting of student achievement, results are linked with specific performance standards. The Government sees it as appropriate to apply similar expectations consistently across all schools. There is a need for a regulatory framework that addresses quality and accountability in non-government schools so the community can be confident that high educational standards are being achieved across all sectors of schooling.

That is what this bill achieves, in the following ways. Firstly, like other public bodies, schools will need to be duly constituted as legal entities, with owners and operators clearly identifiable and accountable. Secondly, teaching staff at a non-government school will need to either attain, or be progressing toward, defined standards of professional teacher competence. Thirdly, schools will need to provide a safe and supportive environment by having in place policies and procedures that promote student welfare, as well as policies and procedures that show their compliance with the child protection requirements of other Acts. As well, the ban on corporal punishment introduced by the Government as an Australian first in 1995 will remain in place.

Fourthly, schools with boarding facilities will need to have in place documented policies and procedures to ensure the safety and welfare of boarders. They will also need to clarify that the boarding facility is provided by either the school itself or a provider who has a formal contractual relationship with the school. Fifthly, schools will have to base their courses of study on Board of Studies syllabuses. The bill makes available the option, however, for schools with particular philosophical or religious objections to present a case for using different material. Lastly, schools will need to have policies and procedures in place to ensure their capacity to participate in annual reporting.

I would like to point out that we are not asking non-government schools to do anything that government schools have not done, or will not do. The Act clearly stipulates that government schools must comply with the same requirements that apply to non-government schools. I do not propose to refer to the provisions of the bill in exhaustive detail as there is an extensive explanatory note. I would, however, like to refer briefly to the sections of the bill that are of greatest significance.

The amendments are set out in schedule 1 to the bill. The Government would like to assure the non-government school community at the outset that future changes to the requirements and the way they are interpreted in the Board of Studies' guidelines for schools will not be made without full and prior consultation with affected stakeholders. The Government recognises that change in education is best effected through consensus and co-operation, and it has no desire to force policy changes on the non-government school community without proper consultation and dialogue.

The Government would also like to reassure schools that the new requirements will not increase the liability of non-government schools to civil claims. The Government has made sweeping changes to civil liability legislation. This makes it extremely unlikely that non-government schools will face any additional liabilities as a result of this legislation. However, to absolutely ensure that the new requirements for registration do not give rise to any civil cause of action, the Government will move an amendment in relation to proposed new section 47.

Items [4] and [6] amend part 3 of the Act, and provide that courses of study for primary and secondary schooling respectively are to be based on, and taught in accordance with, syllabuses developed by the Board of

Studies. Syllabuses developed by the Board of Studies describe in clear terms what students should know, understand and be able to do. However, in the classroom, board syllabuses provide considerable leeway for teachers to develop programs that take account of the nature of the learner, the ethos of the school and the expectations of the school community.

While each syllabus is designed to give schools the flexibility and discretion they need, they are also the outcome of a rigorous quality assurance process. That board syllabuses have the confidence of schools is shown by the fact that almost every school uses them. The prescription of the board's curriculum will ensure that all students have access to the same essential learning experiences. The fact that board syllabuses do not require a single approach also means that schools will continue to have the flexibility and discretion to adapt them to their needs.

The Government acknowledges that there will always be a small number of schools that, for philosophical or religious reasons, will find it very difficult to use board syllabuses in their entirety. To allow these schools to continue to offer the choice sought by their communities, clauses 5 and 7 of the bill provide for parts of syllabuses to be modified on application to the Board of Studies.

I now deal with item [9]. The intervening clauses deal with provisions of an administrative and ancillary nature, and I will return to them later. Item [9] inserts in the Act a new section 47, which is the heart of the bill. It renders, in legislative form, the Grimshaw proposals for school registration. Paragraph (a) of new section 47 contains the requirement for school proprietors to constitute themselves as appropriate legal entities. It is in the interests of both proprietors and parents that those who own and operate schools have an appropriate legal form. The legal responsibilities and liabilities of members of governing boards, councils or bodies need to be clearly defined and understood. Some schools become large enterprises that control very substantial resources. Others remain small concerns that are reliant on a handful of key personnel. In recognition of the variety of school types it will be a matter for each proprietor to decide on a legal form that is compatible with the school's philosophy and aims.

Paragraph (b) stipulates that each responsible person for the school must be of good character. The bill uses the same yardstick applying to public boards and authorities. That is, school proprietors, members of governing bodies and principals will be required to notify the Board of Studies if they are convicted of an offence punishable by 12 months or more in prison; become bankrupt or insolvent; or become mentally incapacitated. These requirements mirror those applying to appointments to public bodies around Australia. The same standards should apply to those enterprises whose business is the nurture and development of Australia's most precious asset—our children and young people. Paragraph (c) implements the Grimshaw recommendation that those responsible for the cancellation of a school's registration should be ineligible to run another school for five years from the date of the cancellation.

Paragraph (d) links requirements for registration to the Government's agenda for high teacher standards across the government and non-government school sectors. The Government sees a professional standards framework for teachers as playing a key part in a quality assurance framework for schooling. The bill provides for teaching staff in a non-government school to either attain, or be working towards, an appropriate standard of professional teacher competence. Teaching staff who have not attained the standard will also need to be under the direct on-site supervision of staff who have attained the standard.

We also want to proceed in ways that build on current levels of teacher professionalism. For this reason, when the standards come into effect, people with doctorates and other higher level qualifications who are currently teaching will continue to be able to teach. On the other hand, people without a degree and people who have only completed year 10 or 12 will not be able to take responsibility for delivering the mandatory curriculum to our students. This will, however, not affect the discretion of schools to employ specialists such as artists, chaplains, or youth workers who provide support as guests of the school.

Paragraphs (e) and (f) require schools to have premises, buildings and facilities that are adequate for the courses of study at the school. These provisions are carried over from the current Act. Schools should be able to show that their classrooms, libraries, computer laboratories and other facilities are adequate to deliver their courses of study successfully.

Paragraph (g) requires schools to provide a safe and supportive environment for students. This requirement is aimed squarely at providing the best possible policy settings to ensure the safety and welfare of students. It concerns the extent to which a school has formal policies and procedures that establish a safe and

caring environment in which students are nurtured and which responds to each student's personal and social needs. It also concerns the extent to which the school is complying with its child protection responsibilities. The provision will require schools to have policies in place providing for a safe and supportive environment. These policies will need to touch on matters such as security, supervision, pastoral care and codes of conduct, to name a few.

This Government was the first in Australia to introduce child protection legislation. We take very seriously our responsibility to make sure that those working with children are subject to the strictest standards of probity. We want to send the clearest possible message about our commitment to the care and protection of young people and to reinforce this commitment at every opportunity. That is why the bill includes specific reference to the key legislation for child protection—part 3A of the Ombudsman Act 1974 and part 7 of the Commission for Children and Young People Act 1998. We want to make sure that there is no doubt about what the obligations of schools are and that those obligations are followed through with clear and specific policies.

Paragraph (h) carries over from the current requirements the ban on corporal punishment; again, an Australian first, now emulated nationally. It also requires schools to base their discipline policies on the principles of procedural fairness—another Australian first. Paragraph (i) deals with the provision of boarding facilities. It requires these facilities to have policies and procedures that are satisfactory to ensure the safety and welfare of boarders. Any facility that plays a custodial role for young people must subscribe to and account for, appropriate standards of care. The bill will close a gap in the framework of legal protection for young people in residential care situations. We will be the first State to regulate boarding schools in this way.

Paragraph (j) provides the link between requirements for registration and the changes to part 3 of the Act, which I have already discussed. It is the provision by which non-government schools will be required, as a condition of registration, to base their courses of study on Board of Studies syllabuses. Paragraph (k) ensures that schools which offer part or all of their courses of study by distance education make appropriate provision for the social and personal development of their students. In item [1] "distance education" is defined as education in which students and teachers are not regularly in the presence of each other but communicate in writing, by print or by electronic or similar means.

Our requirements for schools need to anticipate new and emerging forms of schooling as much as possible. For several years now, schools have been taking advantage of advances in information technology. Many are now using the Internet to deliver lesson materials, conduct tutorials, provide access to libraries and disseminate and collect assignments. Schools are beginning to replicate on line many of the experiences and features that we previously assumed to be the exclusive preserve of the bricks-and-mortar institution. The possibility of using the Internet as a delivery mode adds a whole new dimension to our assumptions about what schooling is and how to ensure quality outcomes for all students, regardless of the setting. In tandem with the other requirements for registration, this provision will ensure that schools that operate in a "virtual" environment do not lose sight of their responsibility to help students develop a capacity to interact with others and to function as responsible members of the community.

Paragraph (i) introduces annual public reporting by non-government schools. Accountability should be one of the central features of our system of schools. Moreover, since quality outcomes for all students are important for the whole community, the forms of accountability should be similar for both government and non-government schools. Best practice in school reporting is well researched and documented. The research shows that the best frameworks have five features in common. First, the focus is on reporting to parents on the achievement of goals and school performance across a range of measures. Second, reports provide clear benchmarks. Third, the information is accurate and reliable. Fourth, schools work within the parameters of an agreed reporting framework. Finally, schools and school systems promote a culture of accountability.

It is precisely this type of culture that we want to encourage across all schools in New South Wales. In establishing common reporting, however, we recognise the diversity of the sector and its relative independence, and will give schools flexibility in how they will report. However, all schools will report on performance in statewide tests and examinations, teacher standards, retention rates, enrolment policies and profiles, student welfare policies, discipline policies, complaints and grievance resolution policies, school developed improvement priorities, and school income and expenditure.

In successive years the indicators may evolve, coinciding with changes in reporting in government schools. This is to ensure that reports across the government and non-government school sectors remain broadly consistent, with the same core features. Sub-paragraph (ii) of paragraph (l) refers to the provision by non-

government schools of information for inclusion in the Minister's annual report to Parliament. It means that more information collected from the non-government schools sector will form part of the Minister's report to Parliament on schooling in New South Wales. Inclusion of data on the performance of the non-government schools sector will see the report become a better tool for accounting to Parliament and the community on the effectiveness of all our schools. The Grimshaw report made a number of recommendations for strengthening the processes for registration. The bill reflects these, as well as other provisions necessary to give effect to the new registration requirements.

The definition of "responsible person" in item [1] will ensure that any person who is responsible for the overall control and direction of the school, either directly or indirectly, is subject to the good character provisions. Item [2] aligns the definition of a proprietor with the new legal entity requirement. Items [4], [5] and [6] relate to the new curriculum requirements, which I have already discussed. Item [7] provides for exemptions in certain circumstances. Item [8] tightens up requirements relating to schools that decide to withdraw from a system of non-government schools. It will require these schools to apply for registration within one month of leaving the system. At the moment, these schools can continue to operate under the terms of their system registration for an extended period.

Item [10] imposes the discipline on school proponents to make application for registration well ahead of the school's proposed opening date. This is to give the Board of Studies enough time to properly consider the application and work through any issues with the proprietor before classes commence. Item [19] makes similar provision for schools that are already registered and are approaching the end of their registration. Item [12] enacts the Grimshaw report recommendation regarding an initial 12-month period of registration, during which fledgling schools would be more closely monitored. Items [13], [17] and [18] allow the Minister to change the status of a school's registration if concerns arise about that school's continuing compliance with the requirements during the course of its five-year period of registration. Specifically, the items provide the means for the Minister to change a school's registration status to provisional or to otherwise vary the term of registration if the Board of Studies discovers serious deficiencies in the operation of the school.

These provisions are based on the Grimshaw recommendations for a series of graduated steps to be followed in the event of a school not complying with the requirements. The steps range from initial investigation by board officers to cancellation of the school's registration. Item [24] makes similar provisions with respect to the accreditation of schools for the School Certificate and/or Higher School Certificate. Item [16] reduces the term of registration from six years to five. This is to provide for more frequent compliance monitoring of schools. Item [23] is a cognate change to certificates of exemption from registration. Item [24] makes a similar change with respect to accreditation.

Item [20] supports the good conduct provisions. It makes clear the grounds on which persons responsible for a school are to notify the proper authorities of a change in their personal circumstances. As I have mentioned, the grounds are the same as those applying to members of other public boards and corporations. Item [21] reiterates the overall emphasis of the bill on standards by introducing a daily penalty for operating an unregistered school. New South Wales has a long tradition of excellence in education, and we acknowledge that the non-government sector has made a significant contribution to this tradition. The achievements of all schools, however, are made possible through policy and regulatory frameworks that are established by governments, taking into account the interests of the community as a whole. This bill is an important step forward on behalf of those interests. I commend the bill to the House.

The Hon. CATHERINE CUSACK [5.22 p.m.]: The Liberal Party and The Nationals do not oppose this bill. It has always been the position of the Coalition to regulate education in a way that promotes the highest standards and methods of accountability that are meaningful and foster an environment of continuous improvement in all our schools. Indeed, it was the Greiner and Fahey governments that abolished the staid and secretive Education Commission and established the New South Wales Board of Studies—Australia's leading authority on curriculum and standards.

Under the leadership of the Board of Studies and the very fine leadership of government and non-government educators appointed to the board, the New South Wales Higher School Certificate was rescued from oblivion and became an internationally recognised credential. The Greiner Government, through the Education and Public Instruction (Amendment) Act 1988, restored the School Certificate and strengthened this credential, which had been scheduled for destruction by the Unsworth Government a year earlier.

I well recall the passage of these reforms through the Legislative Council, where more than 100 amendments were proposed and the division bells rang non-stop for nearly two days. Virginia Chadwick led for

the Government and at one stage staff in our office strapped cushions around our heads to try to cope with the sounds of the bells! If my memory serves me correctly, the introduction of the Basic Skills Test—a diagnostic test for young students that also enabled us to collect the most crucially important data about school performance so we could target areas of need—was so controversial the accepted view was it would be impossible to implement through this Chamber. Ultimately, the tests were negotiated as an industrial issue rather than an educational issue, such was the archaic tenor and climate of education back in those days.

Much of the fight focused on accountability and benchmarking for better standards in schools. It was bitterly opposed by the then Opposition and the Teachers Federation. But the effect of these reforms have not only stood the test of time, they have been pursued in other States, furthered now by the New South Wales Labor Government and taken up by non-government schools in New South Wales. I refer in particular to the Basic Skills Test.

I remind honourable members of the success of our education agenda between 1988 and 1995. It was an era in which a great deal more was expected of our government schools. We dezoned the State system—a bold, controversial, philosophical move—because we had complete confidence in our government schools to rise to the challenge, to respond to a new emphasis on rigour in the curriculum and to grow with new responsibilities. It was indeed a golden era where State school enrolments grew in proportion to non-government schools. The bill seeks to require non-government schools to meet many of the standards expected of State schools. Those standards are high, thanks to the success of those earlier reforms.

I turn now to accountability in non-government schools, which is a major theme of the bill. Many of the provisions are already being met by the bulk of non-government schools. For example, new section 47 (b) refers to the need for each responsible person at the school to be of good character. Other paragraphs of section 47 are more complex and there is some ambiguity as to their impact. For example, paragraph (d) requires teachers to be formally qualified or in the process of obtaining such qualifications. According to the Minister, this will not affect the ability of schools to employ specialists as guest teachers, artists, chaplains and youth workers—that is commonsense, as we want more, not less, community interaction in our schools.

I realise this has been a significant issue for many years, particularly in schools such as my old parish primary school at Mount Carmel, which, in those days, was predominantly staffed by nuns. They were caring teachers but not all qualified in a formal sense. I know that some of the things I was taught never existed on any school curriculum! Indeed, few people in Australia had tertiary qualifications in those days. There has been a dramatic shift in the teaching demographic of Catholic schools since then, and this reform, I suspect, is no longer the issue it was in the past. I support the provision as the standard for the future, but I acknowledge and pay tribute to the nuns and brothers who, in the past, dedicated their lives to teaching and doing a fine job despite lacking the necessary piece of paper.

Paragraphs (e) and (f) of new section 47 require schools to have premises, buildings and facilities that are adequate for the courses of study at the school, and I will speak more on this in a moment. New section 47 (h) relates to the discipline of students, and here I acknowledge the achievement of the Government in banning corporal punishment. This section continues that ban. New section 47 (i) refers to boarding facilities. There is a reference in the Minister's second reading speech to the fact that "any facility that plays a custodial role for young people must subscribe to and account for appropriate standards of care". I am not quite sure what that means. Possibly it is a description of boarding schools as being custodial facilities. If so, it is a very poor way of classifying such institutions. Supervised accommodation is a long way from being in custody. I would ordinarily associate custody with a court order. Proposed new section 47 (l) deals with public reporting conditions as outlined by the Minister, and proposed new section 47 (l) (ii) deals with the Minister's annual report to Parliament.

In some respects the bill is something of a Trojan horse. It is not so much that the bill imposes new requirements; rather, it is the manual referred to by the bill that contains the substance of much of what is to occur. I understand that tens of thousands of hours have been spent by government and non-government educationalists poring over the manual, worrying about the wording, cross-checking, re-negotiating, redrafting and the like. The shadow Minister in another place recognises the significance of this and, thanks to considerable persistence on her part, was able to obtain a late draft of the manual. She has read the manual and discussed it in great detail with affected third parties and stakeholders. I congratulate her on her thoroughness. The Opposition and the non-government sector are well served by this level of scrutiny and attention to detail in such important legislation.

The Government is bringing the standards and accountability of non-government schools into line with its own schools but, of course, public funding for the non-government sector falls well short of the public sector. I make this point because of some outrageous and dangerous lies being peddled as a political agenda by the socialist left of the Teachers Federation and the Greens. The campaign to mislead our community into thinking that private schools receive more funding per capita than is received by government schools is meant to score points and votes off the Howard Government. In the crossfire of this dishonest debate, our parents and students in public schools are being demoralised, and families engaged in the non-government sector are experiencing equal distress and division. I will give an example of the misleading concept that non-government schools are wealthy and public schools are poor.

I read with interest the Carr Government's plan to reduce kindergarten class sizes to an average of 20. This is great news for schools such as Pottsville Beach Public School in Tweed, where the new formula has triggered funding for two new classrooms to accommodate more classes. I contrast the situation in the legislation, where the State Government, which funds capital works in public schools but not private schools, is seeking to increase building standards in private schools without providing financial assistance to help achieve these standards. Non-government schools rely on the Commonwealth for that help. Therefore it is the height of hypocrisy for the Federal Labor Party to attack Commonwealth assistance that will enable private schools to meet the new State standards.

The worst manipulation by both Labor and the Greens is to present the debate as being about a poor public system versus a rich private system. My children attend a Catholic parish school. Last year my youngest son was in a kindergarten class of 31, and this year he is in a years 1 and 2 composite class of 29. I do not for a moment begrudge the State school adjacent to St Joseph's School moving towards a class size of 20. However, it is incorrect to say that my children's school is better resourced than the neighbouring government school.

A similar situation exists in Bowraville, where I have twice visited St Mary's primary school and met its inspirational principal, Claire Mellon. Anybody who thinks that funding for the non-government school system is about sandstone buildings at Kings should go to Bowraville and see the beautiful children and the staff, who should be given an Order of Australia award for excellence in cobbling together funding submissions to provide innovative and life-changing support for their students.

While the Government's position in relation to funding for non-government schools is hypocritical, it is also true to say that the Government is not looking after government schools, which are struggling to achieve building standards. I will outline some of the examples that have been raised in the Parliament over the past 12 months. At North Newtown Public School a leaking roof caused a number of problems, including a flooded after school care area and rotting doorways. At Karabar High School in Queanbeyan, leakages caused classrooms and corridors to flood.

The Hon. Carmel Tebbutt: Point of order: We are debating the Education Amendment (Non-Government Schools Registration) Bill. While I accept that a degree of latitude is allowed, the Hon. Catherine Cusack seems to be moving beyond that degree of latitude in what she is now seeking to document.

The Hon. CATHERINE CUSACK: To the point of order: The Minister said in his second reading speech that nothing more was expected of non-government schools than is already expected of government schools. It is important to discuss the expectations of government schools, and I am giving examples of that.

The DEPUTY-PRESIDENT (The Hon. Kayee Griffin): Order! Strictly speaking, not all the matters that have been referred to by the Hon. Catherine Cusack are relevant to the debate. Accordingly, I ask the member to confine her remarks to the subject matter of the question before the Chair.

The Hon. CATHERINE CUSACK: There was an extensive and successful discussion of these issues in another place, and I refer honourable members who are interested in them to that debate. I have given notice of a motion to introduce a government schools asset register bill to assist State schools to achieve better and fairer funding and to achieve the building standards that I think the Government is talking about in this legislation and wrongly claims has already been achieved in the government school system. The Opposition has a number of concerns regarding the collection and use of data, particularly about financial information, in relation to non-government schools.

I refer honourable members to the remarks made by my colleague Mrs Jillian Skinner which comprehensively explain those concerns. As I have indicated, the shadow Minister has undertaken extensive

consultation with stakeholders regarding the practical impact of the legislation on their schools. I turn now to correspondence forwarded to Mrs Skinner from Mr Ian Baker, the Director of Education, Policy and Programs for the Catholic Education Commission, which is dated 9 March 2004 and provides further advice on the education amendment bill. Earlier today I provided a copy of this correspondence to the office of the Minister for Education and Training to assist the Minister and his advisers in preparing a response. I seek the leave of the House to incorporate the text of the letter in *Hansard*.

Leave granted.

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9 March 2004

Further Advice on Education Act Amendment Bill 2004

CEC greatly appreciated the opportunity provided by Shadow Minister Skinner to explore Education Act Amendment Bill issues.

On balance CEC agrees that in respect of both:

- The Registration and Accreditation Manual

and

- The issue of the Civil Liability of Schools

the issues identified can be addressed through the "Second Reading" process, without the necessity for complex legislative amendments.

i. The Registration and Accreditation Manual

An assurance should be sought that when a Minister exercises his or her powers under section 19 (c):

> *19 (c) to exercise the functions in connection with registration that are conferred or imposed on the Minister under part 7;*

that in all cases the Minister will only exercise such functions and powers after appropriate consultation with the proprietors of Registered Schools. Such consultation to be carried out through the normal processes of the Board of Studies and the office of the Board of Studies.

ii. Civil Liability

CEC acknowledges the assurances given that both Government and Non-governments schools stand on equal footing with respect to potential civil claims arising from the provision of schooling in accordance with the requirements of the Education Act by virtue of the interaction of:

- Section 127 of the Education Act 1990
- The Civil Liability Act 2002
- The Civil Liability Regulation 2003

However, CEC seeks a second reading assurance that if, despite the advice outlined above, non-Government schools should be found to be liable to civil claims, which in the same or similar circumstances could not apply to government schools, then appropriate legislative action will be taken to ensure that all NSW schools are equally accountable at law.

Specifically, CEC remains concerned that there might be an implication that the new Registration requirements as envisaged by the proposed Section 47, which is to be inserted by Clause 9 of the Bill, might give rise to the creation of a whole set of implied terms into contracts between parents and non-government schools in a way neither envisaged by parents nor school principals at the time of enrolment. Moreover, such implied terms could not apply in similar circumstances in the context of Government schools, given the absence of any contractual relationship between Government schools and their parents.

Consequently, CEC seeks a second reading assurance that if non-government schools are, as a direct result of this Amending Bill, presented with civil actions which could not be commenced against Government schools then appropriate legislative action will be taken to ensure equality of accountability as between government and non-government schools in NSW.

Your assistance with these two matters through the second reading process is appreciated.

Please ring on 9287 1520 if you wish to discuss.

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Ms LEE RHIANNON [5.34 p.m.]: This Labor Government has shown a lack of resolve to stem the increasing flow of funds and students from the public education system to private schools. The Carr

Government continues to be a major contributor to private school funding, supplying more than 35 per cent of the $1.5 billion of annual Federal and State funding. Accountability is needed in any system. In this age of fiscal responsibility it is hard to credit economic rationalists, efficiency experts and sundry other catchcriers that any sector can take so much public money and not be held to account for one cent of it. So the Greens clearly have a strong commitment to accountability. However, the devil is in the detail, and that is what we need to consider.

We are concerned that the accountability measures that this legislation will establish, if weakly and inappropriately designed, could be misused by the private school lobby in a push for further funding. Education is a crucial determinant of the economic and social development of an individual and also of the success of society itself. The progressive objectives of education must be that all students, regardless of the accident of their birth, are given the opportunity to live fulfilling and satisfying lives and to participate in constructive ways in their communities. A healthy and dynamic public education system is central to this objective.

Only public education welcomes all children, regardless of their socioeconomic and cultural background, ethnicity, varying abilities, religious belief and observance of their families, and level of academic interest. The Greens support the proposal that private schools should be required to conform to the same standards of public accountability for their actions as are required of public schools. In fact, that very proposal was one aspect of my private member's bill, the Education Amendment (Reduction of Financial Assistance to Wealthy Non-government Schools) Bill, which I introduced in June 2001.

As I said, it is extraordinary that private schools are not required to have any accountability mechanism for the millions of taxpayers' dollars that go to them every year. The New South Wales Government is planning to give $540 million of public funds to private schools this year. Yet no-one, apart from the private schools, has any idea how that money is spent, what other sources of income the schools have, or what money is spent on non-educational and promotional activities. For all we know, the public dollars could be spent on nothing but marketing to damage our own public education system.

The Government hands this money over without any knowledge of how the funds are used or what outcomes are achieved by their expenditure. The Government does this without creating any responsibility for public accountability, and it does so without any provision for ensuring that the funds will either benefit the public or enhance social justice. No other industry is afforded the freedom to receive and spend public funds without accountability, and nor should they. Given the inequity in funding of private schools at the expense of public education, that is unacceptable. Public policy and debate must be informed by reliable data so that the conclusions reached are sensible and realistic. At the moment there is no reliable data as no-one knows how the money is spent.

The Greens will not vote against this bill, but we have considerable concern about its formulation and timing. In terms of timing, in the lead-up to the last Federal election the then New South Wales Minister for Education and Training, Mr John Aquilina, established the review of non-government schools in New South Wales headed by Commissioner Warren Grimshaw. The long-awaited second report of what has become known as the Grimshaw inquiry is reportedly due this month. It is widely accepted that Grimshaw will recommend changes to the funding formula for non-government schools.

This is the Government's own inquiry. Surely it should have drawn up any legislation covering the accountability of the private school sector after the release of the Grimshaw report and after it had responded to the Grimshaw recommendations. We may well have a situation where, as a result of the Grimshaw recommendations, changes are made to funding mechanisms for private schools, but the current legislation does not cover these changes.

When the then Parliamentary Secretary, the Hon. Ian Macdonald, responded to my private member's bill on behalf of the Government he gave a clear indication of the Government's thinking on the timing of the Grimshaw report. Speaking in Parliament in June 2001 the Hon. Ian Macdonald indicated that the Government would wait until it had received the report of the Grimshaw inquiry into the funding and regulation of private schools before making any changes with respect to the accountability of private schools. The Grimshaw report was expected at the end of 2001. Now we hear it will be out this month. Considering the long wait and the track record of this Government, I doubt that anyone is confident about when it will appear.

While the Greens remain strongly committed to greater transparency, we need to ensure that accountability mechanisms work in the public interest and are not designed in ways that deliver for sectional agendas. We are wary that the accountability format that will be established under this legislation could work to

consolidate an equality assurance regime for private schools that could then be used to justify further funding. The Greens are concerned to ensure that the bill's accountability mechanisms will not be used to push for yet further increased funding for private schools and, if they are, that this Government will not succumb to such pressure.

We are also concerned that the bill, if passed, could open up the education system to the development of league tables—that insidious mishandling of data with the clear objective of boosting the numbers of students in private schools. I will move an amendment to ensure this does not happen. The Greens believe it would be more responsible of this Government to delay the passage of the bill until the second volume of the Grimshaw inquiry findings is released and the Government has publicly released its response to all of the Grimshaw recommendations. I will also move an amendment to that effect.

Public education in New South Wales requires a lot more support from the Government. This bill barely rates in public education priorities. The best we can hope is that the accountability mechanisms to be established are not misused to justify even more funding. The Greens remain committed to ending the funding of the wealthiest private schools. We call on the Government to act on the Federal funding scandal and to adjust State Government funding to undo the worst aspects of the Coalition Government's socioeconomic status [SES] funding mechanism.

The Government has had three years to act, but it has put its head firmly in the sand. Each year half a billion dollars goes from the State, and that money could have been effectively adjusted downwards to make New South Wales SES free and to protect public education in this State from the private education onslaught. Instead, the Government is fiddling around. It has delayed the second volume of the Grimshaw report. It has succumbed to pressure from the rampant private school lobby. Public schooling needs this Government's support.

The Hon. PATRICIA FORSYTHE [5.43 p.m.]: Nothing can be more divisive and less productive than debate in the community about so-called public versus private education. At the end of the day we want to have well-educated, well-rounded young citizens that will benefit the whole community. The sort of rhetoric we just heard does not advance the education needs of our community one iota.

When one talks about public and non-government education, one has to put education in New South Wales in particular, but in Australia as a whole, in a historical context. To do otherwise is to ignore some significant facts about why we are where we are today. Australia was established as a colony with no provision for education and with no understanding of the needs or the place of children. It was the coming of Irish children, the children of convicts, that led, through the Catholic system and other religions as well, to the development of Sunday schools to provide some education for the children of convicts. That is how we our education began.

Very early in the nineteenth century we had two schools. One was established to provide for the education needs of the daughters of the gentry—by Bishop Broughton's wife, as I recall—St Catherine's School at Waverley. I know its history well because I taught there in the late 1970s. The other was the Kings School. From those two schools grew the movement towards an independent group of schools, and the Sunday schools ultimately evolved into the Catholic systemic system. It was not until the 1850s—or even later—and Sir Henry Parkes that we moved to a public education system. By then New South Wales had a tradition, which was taken up throughout Australia, quite different from that in almost any other country. To try to understand our education system and not see it in that historical context and to not remember its growth and development is to ignore something fundamental to our ethos. It is why parents are passionate on all sides of the debate.

I am quite passionate about the role and work of Sir Henry Parkes. I have said before that my grandmother went to school with his youngest daughter. My first public speech was about Sir Henry Parkes. I am passionate about public education—I am the product of public education—but I am equally passionate about the right of parents to choose to send their children to non-government schools. The sort of rhetoric we heard a few minutes ago does not help education at all.

We do not oppose this legislation. At a noisy public meeting in Western Sydney in 2000 I, as the then shadow Minister, said to the Minister for Education and Training that we would be happy to see an open and accountable system. We believed it was appropriate that non-government schools were accountable to the community, both for their spending of public funds and also for the nature of education they were delivering. I said it was not necessary to have an inquiry, that we would support the Minister if he wanted to take action then.

That was about four years ago, so it has taken four years for the Government to reach this position. It is important that there are standards for all students, and we have an obligation to defend those standards. Any suggestion that everybody who goes to non-government schools is wealthy is nonsense.

I do not want to dwell on the bill. My colleague the Hon. Christine Cusack made an outstanding speech, and I was disappointed in the point of order taken by the Government. The point we were making comes back to what the Minister has said about a level playing field. If non-government schools are required by this legislation to provide school buildings and premises that are satisfactory, the only way we can have a level playing field is if that same standard is required of public schools. There is an obligation on the Government to deliver. We believe we have an obligation to the people of New South Wales when we identify schools that are failing because of poor buildings. It is not the schools that are failing; so often schools defy the odds in the quality of education they deliver despite the fact that they leak, suffer from mould, and have antiquated electrical facilities. We support all students being educated in satisfactory school buildings.

Paragraph (d) of new section 47 deals with professional teaching competence. I have seen some correspondence from a small Christian school seeking an amendment in relation to professional competence. Teaching is a profession. I would not want a person who might be able to deliver medical services but who is not a qualified doctor to treat me. Equally, I expect teachers in this State to be professionally competent.

I have to say that the Government is dragging the chain once again. For at least three years this Government has promised a move towards a college of teacher education, yet no clear set of competencies is in place. I take the Government's claim about working towards a standard of professional teacher competence to mean a recognised degree or training such as a diploma of education or a degree in education. I take the Minister's point that that will not prevent the use of visiting teachers, but we must recognise that teachers have specialised skills and they must be trained in those specialised skills. It is absolutely fundamental that all schools have professional teachers that meet that competency.

As I have done for the last three years, I request the Government to move quickly to establish a professional college of teachers, with ongoing professional education requirements for all present teachers and for people who wish to teach. To the extent that that is in the bill I only hope that the Government has another bill to follow in this session that sets out what is actually meant by the professional teacher competency that is referred to in the bill, because as it stands that is not clear. I hope it will put in place for all teachers a proper regime of ongoing professional training. If we are going to have smaller classes—about which I am passionate—we have to have training and qualifications of teachers to match.

I assured crossbench members who kindly allowed me to speak at this point that I would not speak for too long. I am passionate about these issues. It is important that non-government schools have in place a system of open accountability, but then they never saw it otherwise. Whether it was the Catholic Education Commission, the Independent Schools Association, or various other groups, there was always an understanding that they needed to be open and accountable, particularly on issues such as what they were teaching but, even more particularly, how they were spending public money. So I do not think we are getting an argument from them. If there is any argument it is because we are short of facts about exactly what is in the Board of Studies manual. If we had a better understanding of that we would have a better understanding of where the Government is taking us with this bill. The principle is right but we are a little short on the detail.

Reverend the Hon. Dr GORDON MOYES [5.52 p.m.]: The object of this bill is to amend the Education Act 1990 to provide more rigorous standards for registration of non-government schools by enhancing the criteria for the registration of non-government schools and by making sure that teachers are fully equipped to teach. The bill also amends the Education Act to provide for courses of study in key learning areas in both government and non-government schools, based on and taught in accordance with syllabuses developed or endorsed by the Board of Studies. The Christian Democratic party supports the bill. We recognise the research by Commissioner Warren Grimshaw and look forward to seeing his report when it is eventually released.

I am an active member of the Australian College of Education and I am very keen on some of the issues that have been raised today. The bill aims to increase accountability and transparency in the non-government school sector, of which I have been part. I was involved in the establishment of a large institute at a tertiary level which today has some 4,500 students and which is accredited to grant degrees at bachelor and master levels in more than a dozen different subjects.

In the face of the flurry of publicity, particularly by some of the public school teacher unions, I note that the State Government spends 92.5 per cent of its $6.9 billion education budget on State schools. Only

7.5 per cent goes to private schools, although the pupil ratio is approximately 32 per cent to 68 per cent respectively. When Federal Government support to private schools is factored in, private schools, with 32 per cent of pupils, get 20 per cent of funding. However, having said that, I am committed to all schools having quality teaching, teaching set curricula, and having safe buildings.

The issue of non-government schools with teachers with excellent qualification and no teaching diploma is very real. Only today I discovered that a member of my staff has almost completed his third PhD but he has no teaching diploma and therefore must undertake some graduate diploma in education before he can teach. I have been responsible for employing specialist teachers—in such creative arts subjects as dance, drama, music, counselling, psychology and theology—and all of them had PhDs. I remember searching Australia to find a teacher with a PhD in teaching drama. Eventually I found a person with those qualifications in Evanston in the United States and brought him back to Australia. But very few people with such qualifications have graduate diplomas in education.

To this end, two years ago at Wesley Institute we initiated proceedings to establish courses for a graduate diploma of education so that every one of our private school instructors not only has excellence in the particular curricula for which they are specialist teachers but also have graduate diplomas in the art of teaching. I would encourage the Government to pursue this course. There is no excuse for teachers at any level—primary, secondary or tertiary—who have excellence in particular subjects but do not have elementary diplomas in education. We also support transparency in enrolments. But I make the point that in enrolment transparency there should be special areas that incorporate the numbers of disabled children and the numbers of non-English-speaking background children that are allowed in schools.

There should also be transparency in discipline. I support the banning of corporal punishment, although many members and supporters of the Christian Democratic Party do not. I have urged that all schools outlaw physical punishment. I remember writing a paper on this issue in the 1970s or perhaps in early 1980. I found only recently, 25 years later, that that paper is still being quoted on the Internet in, of all things, Portuguese emanating out of Brazil. In Australia we need standards on the abolition of corporal punishment.

The transparency of reporting should also include examples of schools providing for student welfare, and all sources of school funding. By that I mean not only Commonwealth and State government sources but also private sources, fundraising and the like. I agree entirely with the Government's remarks about annual reports being produced. It has been part and practice of my public life for the past 47 years to produce annual reports on the areas in which I have been involved. But what concerns me is where the annual reports from public schools are disseminated. Where are they distributed? To whom do they go? Who sees them? My home is surrounded by three good public schools, but in the past 25 years living in that area I have never seen reference in the local press, in my letterbox, or anywhere else to any annual report from any public school.

I believe that we need to have an objective report on the standard of school buildings. Without going down the track of a former speaker against whom an objection was raised in the Chamber concerning the standard of school buildings, I say that there is no question that we do need objective reports on the standard of buildings so that they are safe, not only for students but for the occupational health and safety of teachers. The Federal Government is spending $1 billion on capital works in schools during its current term in office. We need transparency, particularly about the state of New South Wales public schools. The Christian Democratic Party [CDP] supports the Government's amendment and I thank the Government for adopting the CDP amendment. As the Clerk will confirm, we proposed this amendment before the Government introduced it. I do not care who gets the credit in this case.

The Hon. Carmel Tebbutt: We will ensure that you do now.

The Hon. Catherine Cusack: We proposed it first.

Reverend the Hon. Dr GORDON MOYES: We are all dependent upon outside resources and interested parties in this matter. The CDP commends the amendment concerning proceedings for breach of contract against proprietors of non-government schools. I recognise the very nice—I use the word in its correct sense—legal aspects of this amendment and the CDP supports it. I commend the Government for the thrust of this bill.

The Hon. JAN BURNSWOODS [6.01 p.m.]: I have much pleasure in supporting the Education Amendment (Non-Government Schools Registration) Bill. I will refer to a particular aspect of the bill that I

welcome; that is, the emphasis on the importance of teaching standards. I am pleased that this legislation has attracted a reasonable level of support from the Opposition and the crossbenchers, although there may have been a certain amount of damning with faint praise. I hope I will be forgiven for correcting some of the so-called facts that have been presented in this debate. According to the Hon. Patricia Forsythe, the New South Wales education system stems from St Catherine's School and The King's School. That is strange. I remind her of the opening of Sydney Public School in 1810 and the subsequent establishment of the Church and Schools Corporation. Sir Henry Parkes had no role prior to 1866. A large number of government schools still operating in this State were opened in 1849. The education system expanded rapidly, particularly in the Hunter and rural areas, and a number of schools have recently celebrated their sesquicentenary.

Reverend the Hon. Dr Gordon Moyes: The first public school was established in Hyde Park in 1794.

The Hon. JAN BURNSWOODS: Of course, it depends on the definition applied. People normally refer to official establishments when dealing with government funding. I know that the Hon. Patricia Forsythe's heart was in the right place, but the history she presented was wrong. The Hon. Kathryn Cusack's comments about the period from 1888 to 1995 were amusing, if anything, with regard to what happened in education during those years. I do not think many people would agree with her about the golden age of the Greiner and Fahey Governments. The standards provisions in this bill are part of the Government's broader agenda to raise teaching standards. Clearly we cannot have the situation that exists in many non-government schools in which inexperienced or unqualified teachers front classrooms with no on-site supervision. We do not tolerate that in government schools in this State and clearly we should not tolerate it in non-government schools, but the current legislation allows it to occur.

The Education Act refers only to teaching staff with necessary experience or qualifications, or teaching staff who are supervised by those with experience or qualifications. Parents and students have a right to know that if they choose a non-government school the teaching will be backed up by a robust framework of professional standards and quality. Too often the so-called choice of a non-government school is made on little or inadequate information about teaching standards. We know from extensive research into young children, including that undertaken by the Standing Committee on Social Issues, that the overwhelmingly important factor in determining a child's education outcomes is the quality of his or her teachers. The same applies to the quality of preschool staff. Improving teacher quality is fundamental to improving student learning outcomes.

This legislation will ensure that the key elements of teaching quality are achieved. Teachers must know their subject content and how to teach; they must know their students and how they learn; they must be able to plan, assess and report for effective learning; they must communicate effectively with their students; they must create and maintain effective learning environments; and they must continually improve their professional knowledge and practice. Recounting that list reminds us of the difficulties involved in teaching. Teaching primary or secondary school is one of the most challenging professions one can pursue. Teachers cop a great deal of criticism, but theirs is one of the most difficult roles in our community. The feedback collected by the Government during the drafting of this legislation has been very supportive. The end result will be a framework of standards that will give greater assurance to parents, caregivers, students and the community about the qualities and capabilities of teachers. I congratulate the Government on the legislation.

The Hon. JON JENKINS [6.06 p.m.]: I declare my interest in this topic. My wife is a dedicated professional and very caring public school teacher and my son attends a public school. He is the school captain at Banora Point Public School and he is participating in the New South Wales swimming championships. My daughter attended a public school for seven years and she now attends a non-government school. We have had a proud and long association with public schools. I suppose that I have a foot in each camp.

This morning I spoke to the representatives of many groups, including the Association of Independent Schools of New South Wales, the Catholic Education Commission and some parents' associations. I would like the Minister to address my concerns in her reply. Why has the legislation been introduced now? The second Grimshaw report is due to be released soon. Surely, given that they are linked, it would have been more appropriate had this legislation been introduced in concert with the report.

I have also had extensive teaching experience. I taught at university for many years before becoming a member of Parliament. I have experience of teaching without a Diploma of Education or a Master of Education degree. I agree that schools should be governed in accordance with the legal and perhaps moral ethics of a good corporate entity, but I am concerned about the onerous requirements that will be imposed on small schools. Steiner schools, for example, might find some of these reporting, policy and procedural tasks difficult to

complete. The central system will do the work for government schools, but small private schools will be faced with this extra burden. Will they receive extra funding to assist them to comply?

I had the great fortune to be taught by Professor Julius Sumner Miller. He had no teaching qualifications, although he was a professor of physics, but he was an inspirational teacher. Professor Julius Sumner Miller taught at the school for a considerable period. It would be extremely worrying if people such as he, our inspirational teachers, could not teach. Karl Kruszelnicki is currently an educator in physics and science. I do not think he has a Diploma of Education, although I am not sure. Would we prevent him from teaching as a guest teacher at a school for three or six months? I certainly hope not. Again, he is one of these inspirational people who inspire children to greater things. My daughter attends a private school at which an artist regularly teaches the students. Is that artist also required to have a Diploma of Education or a Master of Education to teach? What a sad thing it would be to lose his wonderful talent.

The Hon. Rick Colless: Does he have a private art collection?

The Hon. JON JENKINS: I note the interjection. No, he does not. What a great loss it would be if those great inspirational artists were not able to come to the school. Local tradesmen also come to the school to teach children woodwork and metalwork and other trade talents that they may wish to learn. What a loss if they were no longer able to come to the school on a regular basis. Sportspeople have also come to the school. Some of the Fydlers have come to the school to teach the students swimming and inspire them to go on to greater things in sport. What a great loss it would be if those people were not allowed to come to the school.

I did not intend to mention this, but I will. My wife is a public school teacher, as I have said. On occasions she has come home in tears at the frustration of the incompetence of teachers with a Diploma of Education. The fact that a teacher holds a Diploma of Education or a Master in Education does not guarantee that he or she is a good teacher or that he or she can inspire the students to go on to greater things. That concerns me. If we are to introduce this legislation, we must assess the quality of teachers properly. I express some concern about the civil liabilities issue, which I believe Reverend the Hon. Fred Nile will raise.

Reverend the Hon. Fred Nile: The Government will move an amendment to address that issue.

The Hon. JON JENKINS: As Reverend the Hon. Fred Nile reminds me, the Government will move an amendment to address that issue. I ask the Minister whether programs such as the international baccalaureate program will be dealt with under the bill, and whether teachers will teach that program. I also ask the Minister to provide in her reply information about the Institute of Teachers. We have heard about the institute, but we have had very little information about how or when it will be set up and whether people other than those in the closed Government loop will have input into it.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [6.14 p.m.]: The Australian Democrats do not oppose the Education Amendment (Non-Government Schools Registration) Bill. It is proposed that the Government amend the Education Act to provide accountability in the non-government sector, and the Democrats are basically about accountability. The changes involve new registration requirements for non-government schools; annual reporting by non-government schools to their communities; annual certification by non-government schools that they are using State funding for educational purposes; and expansion of the Minister's annual report to Parliament to include more information from the non-government sector.

We believe that this is perfectly reasonable. However, obviously in any obligation to report to a bureaucracy or supervising body there is a question of the goodwill of that bureaucracy and its sensible application of what may be, in theory, not extremely onerous requirements. A couple of examples that concern me need to be placed on the record. Michael School, which is a small Steiner school in Leichhardt was effectively hounded out of existence. It did not have the right number of computers and I think probably did not have the right amount of playground space. Despite the fact that it was doing its job as a Steiner school, when I visited the school I noted that the students seemed to be in a very caring environment and that a great deal of personal interest was taken in their development. Their development in terms of artistic ability appeared to be very high and they appeared to be original thinkers. It is difficult to believe that although they were not in the mainstream education system, they would not get a good education at the end of the day. The school was effectively very depressed by its dealings with the bureaucracy. It tried to deal with the Minister, but eventually the school was closed.

A Steiner graduate worked in my office. He was an extremely original thinker. Perhaps he needed to see the world a little more, and certainly we had to negotiate about the timetabling of his singing lessons. Be that

as it may, I think this is a different approach to education and the bureaucracy does not always take into account other possibilities. When legislation on the control of home schoolers came before the Parliament, some horrendous stories were told about the use of regulations concerning children having their own bedrooms, the lighting over their desks, the tidiness of the house, and so on, with regard to whether they would receive a good education. Those stories were documented by people who were doing their very best to educate their children.

There is a danger in having the most unexceptional requirements for registration, annual reporting and certification; they must not be made onerous. There must be a mechanism for negotiation if a dispute arises. I have sought to ascertain whether a school that has a problem can go to the Administrative Decisions Tribunal, or whether it must appeal to the Board of Studies or some other bureaucratic body, which may effectively stonewall and make it very difficult for the school to continue to have its licence. There must be an independent arbiter. I ask the Minister to indicate whether the bill envisages the Administrative Decisions Tribunal being the avenue for appeal should a dispute arise. The Government's briefing document refers to registration. It states:

> *Teaching standards:* the quality of teaching should be uniformly high. Teachers who do not hold formal teaching qualifications should be supervised on-site by experienced and/or qualified staff and be engaged in professional development.

I have no problem with that. The document goes on:

> This means a chemistry teacher in a non-government school who has not completed a Dip.Ed but has a PhD in chemistry will be able to continue to teach provided he or she undertakes appropriate professional development.

In other words, a teacher with a Dip.Ed will be able to tell a teacher with a PhD what to do. The teacher with the PhD will be under pressure to obtain a diploma of education, but it seems that the teacher with the diploma of education will not be under any pressure to get a PhD. I wonder whether we have things a little the wrong way round here. I do not suggest that teaching is not an art. Some people have a natural ability to get messages across, and some certainly do not. For those who do not have that ability, some of those skills can be imparted to them so that they are not quite the babes in the woods that they may have otherwise been, relying on a natural teaching ability.

As the Hon. Jon Jenkins pointed out, Professor Julius Sumner Miller, who was a great television personality, was also a household name in the 1950s or 1960s as a teacher of physics. His television program was very entertaining, and of course he also worked in schools. The Hon. Jon Jenkins is very lucky to have been taught by a man of such ability. He may have had a visiting professorship from the United States of America, but I can assure members he did not have a diploma of education. Under the circumstances, the Hon. Jon Jenkins is lucky he escaped. For the sake of the record, that comment was facetious. The fact is that a diploma of education is not the answer to everything, and it would be a bit much if a board of studies started insisting that all people with PhDs must have diplomas of education. What can start off as a quality control mechanism must be used reasonably. If it is not used reasonably, a non-costly appeal mechanism must be in place.

I want a reassurance from the Minister that if there is a dispute about the qualifications of a teacher any appeal will go to the Administrative Decisions Tribunal. Within that framework the Democrats support the bill to the extent to which it is involved in quality control in education. However, we would like the caveat of the appeal mechanism and obviously we are interested in what the enforcement mechanism will be. I understand that another bill will be introduced along those lines in the future. We will await that with interest.

Reverend the Hon. FRED NILE [6.20 p.m.]: The Christian Democratic Party supports the Education Amendment (Non-Government Schools Registration) Bill, as was outlined by the Reverend the Hon. Dr Gordon Moyes. I will put on the record some of the concerns I have had in writing from the Catholic Education Commission and from others. Like other speakers I would like to indicate just for the record that I am a strong defender of the non-government school sector, particularly the Catholic school system and what we call the Christian system—both systems are Christian but we do not use the word "Protestant" to describe the non-Catholic system. I know that that has sometimes created a bit of concern with some Catholics when we say there are Catholic schools and Christian schools, but that is a way of distinguishing between the Catholic system and the Protestant system. However, we do not use the word "Protestant" anymore so we use the word "Christian" to differentiate between the systems.

The Hon. Michael Egan: Why don't you use the word "Protestant" any more?

Reverend the Hon. FRED NILE: Because that is now part of history.

The Hon. Michael Egan: But that is what you are! Aren't you proud of your heritage?

Reverend the Hon. FRED NILE: We are moving on now to where we all work together. "Protestant" sounds like we have got a chip on our shoulder against the Catholics and we do not. We are working together to the same end, but perhaps with some different emphasis within those churches.

The Hon. Michael Egan: How about non-Catholic Christian schools?

Reverend the Hon. FRED NILE: That is a bit of a mouthful. I am just making the point that in no way is it attacking or criticising the Catholic school system by differentiating between the Catholic school system and the Christian school system. Even though I support non-government schools, and particularly both Catholic and Christian schools, I have never had anything to do with them. When I was growing up I attended public schools at Mascot Infants School, Mascot Primary School, then Crown Street Commercial School, and finally Cleveland Street High School. My wife and I made a decision that all of our children would attend public schools—it was also a fact that we had very little money because we were on a very low ministerial stipend, as many ministers are. So our children attended Hurstville Primary School, Gladesville Primary School and, finally, Hunters Hill High School. Through the public school system two of our children are university graduates—one is a social worker and one is a teacher—and two others graduated from Hunters Hill High School with higher school certificates and served for approximately 20 years in the New South Wales police service.

So I think that demonstrates my clear position that I am not anti public schools. In fact I probably spent more time since I became an active campaigner in 1973 in the Festival of Light Community Stands organisation campaigning to improve the public school system. That was my priority. That was why I was critical of the way-out courses that were introduced in sex education and then later the HIV/AIDS course and so on. I believed all those courses were not helping the public school system—and I was right, but I did not win. What happened? The parents decided that if they could not get quality teaching and if they had to put up with some of these courses being taught, they had no option but to take their children out of the schools. So there has been a massive move out of the State school system.

If my campaign had succeeded against what was then the New South Wales Teachers Federation then I believe those parents would have kept their children in the State system. But they moved out and the percentage of students now attending non-government schools—in Catholic and non-Catholic Christian schools—has gradually risen from 20, 22, 23, 25 and 26 per cent to as high as 33 per cent of students, according to latest figures. That is really a protest movement. People have moved their children out because they want a certain kind of education for them and they are prepared to pay a lot of money for it. I know from personal contact with many families that is a great sacrifice for them. Quite often the wife, unwillingly, has to work to help provide the funds for that non-government school education. That means they are being taxed to pay for the government school system and they are paying out of their own pocket for the non-government school system that meets their children's needs.

It has been a hollow victory for the New South Wales Teachers Federation because I know it has often been driving some of these, what I would call, very permissive approaches in the school system. Sometimes governments—both Labor and Liberal—have had to accept it. They may not have willingly accepted it but they have compromised.

The Hon. Catherine Cusack: We had a bit of a battle.

Reverend the Hon. FRED NILE: I know you had a battle, but some of these developments did happen during the Coalition years as well. We have had discussions with the various Ministers for Education over the years and quite often they agreed with us but found it was very difficult to change the grass-roots situation in the classroom. To that extent it is perhaps sad that the government school sector is suffering. Every day now we are seeing reports that a school has had a drop in student numbers and therefore a teacher has had to be moved out and the parents were upset. This upsets the unity of the school and the quality of its teaching levels and so on. I think that is a pity, but the fact cannot be avoided: parents are removing their children and the Department of Education is then forced to adjust the number of teachers in those schools.

I want to see a strong values-based government school system and a choice for parents who want a good-quality non-government school for their children. Even though the bill has the general support of the various non-government educational bodies it is interesting that all the major aspects of the bill will reduce the rights that the non-government school sector has been enjoying. The objects of this bill emphasise enhancing the criteria for registration of non-government schools in relation to teaching staff standards. As other speakers have

already said, there is a concern that there is a hidden agenda; that even though some teachers have doctorates they may be disqualified from teaching because they do not have a diploma of education. This is of concern because in some smaller Christian schools it could dramatically affect the school's ability to continue if a number of its teachers are told they are no longer accepted because they do not have the qualifications necessary to be a teacher.

The second object of the bill is to reduce the maximum initial period of registration for a non-government school from two years to 12 months. The direction of the legislation is going to produce more uncertainty in the non-government school sector.

[*The Deputy-President (The Hon. Kayee Griffin) left the chair at 6.30 p.m. The House resumed at 8.15 p.m.*]

Reverend the Hon. FRED NILE [8.15 p.m.]: Earlier I indicated that we had not received any objections to the bill from the New South Wales Parents Council, the New South Wales Catholic Education Office or the Anglican education office. However, some smaller Christian schools, particularly those highlighted in the bill, have expressed concern about certain aspects of the bill. I am not sure whether the Minister can comment on this, but the bill seems to be reducing, to a large extent, some of the certainty under which non-government schools are operating. For example, the bill reduces the maximum period for which initial registration of a non-government school may be granted from two years to 12 months.

A period of two years would give some certainty to a school that is registering for the first time; 12 months is not long. So that is one concern about the bill. The second concern is that the bill reduces the maximum period for which renewal of registration of a non-government school may be granted from six years to five years. In other words, the bill reduces all time periods, which may have an impact on a school, its staff, contracts with teachers and so on. The bill makes it clear that the initial period of registration, which is to be reduced from two years to 12 months, will be provisional. That introduces another aspect of uncertainty into the non-government school sector.

The bill provides that the Minister for Education and Training may, on recommendation of the Board of Studies, reduce the duration of the initial period of provisional registration. The initial registration period has been reduced and will be provisional, and now the provisional registration period could be reduced even further. The Government may have some special reasons for adopting this approach. The bill further provides that the Board of Studies may reduce the period of accreditation of a non-government school. These concerns have been raised by some smaller schools and, obviously, new schools that are about to commence operating.

I hope that the Government does not have a hidden agenda in relation to this legislation. Under Federal Labor governments, many obstacles were put in the way of non-government schools operating. The Howard Government removed those obstacles. However, Mr Howard was criticised for that because it led to an expansion of the non-government school system in Australia, especially in New South Wales. I understand that New South Wales has had the biggest growth of non-government schools in Australia. I hope that the State Labor Government does not intend to introduce indirect obstacles or uncertainties to slow down the growth of the non-government school sector in this State.

I do not believe that that is the Government's strategy, but it is strange that most of the provisions in the bill reduce the time periods that apply to registration. Why did the Government not include a provision that extended a time period? The pattern in the bill may reveal the state of mind of those who drafted the legislation, which may not even be the policy of the Premier, Mr Carr, or the Cabinet; it may have come through the drafting of the bill. I simply draw that to the attention of honourable members. I ask the Government to monitor carefully the operation of this legislation. The Christian Democratic Party supports the bill.

The Hon. CARMEL TEBBUTT (Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Youth) [8.20 p.m.], in reply: I thank all honourable members for their contributions to this debate. A range of issues have been raised, some of which will probably be the subject of further debate in Committee. However, some members have raised specific issues and requested a response so I will attempt to cover them in my reply to the debate. This bill is highly significant legislation because it will make non-government schools more accountable for the taxpayer dollars they receive.

The Hon. Jon Jenkins raised concerns about teacher qualifications, and I will address those concerns. Issues were raised about whether the requirements the Government is putting in place for non-government schools are comparable to those in place for government schools. Section 27 of the Act provides that

government schools must comply with the requirements set for non-government schools. Government schools already have the same broad requirements covered by the bill. The difference is that these have been system policies, not statutory requirements.

Under this bill, certain requirements will apply to all schools, for example, reporting to parents each year, having student welfare and discipline policies, meeting the building and facilities standards, having qualified staff, using Board of Studies syllabuses, and having policies for the welfare of boarders. The requirements intend to make sure that all schools are aiming towards the same quality standards.

A number of honourable members have raised concerns about teacher standards and whether the requirements will prevent schools from engaging creative or talented individuals who do not hold teaching qualifications. Many non-government schools currently employ individuals with outstanding academic qualifications but with no teaching qualifications. Other schools have specialists—such as artists, chaplains and youth workers—and the Government has no intention of restricting the discretion of schools to engage such people to enrich the learning experience. The bill does not affect their status, and their experience will be duly recognised under the new teacher standards framework being developed by the interim committee. The standards will ensure that people who have doctorates and other high-level qualifications who are currently teaching will continue to be able to teach. They will also ensure that schools can still employ specialists, such as artists, chaplains, sports coaches and youth workers, provided they are not engaged to teach the mandatory curriculum. This should remain the responsibility of duly accredited teaching professionals. Individuals who teach the mandatory curriculum and have an undergraduate degree but no teaching qualifications will have up to four years to gain teaching qualifications.

The cost of the proposed reforms was also raised. The cost of reporting in government schools flows on to funding in non-government schools. Both State and Commonwealth funding is based on costs in government schools, and if government school costs increase because of reporting, or they already exist within their costing structure, that will flow on to non-government schools as funding. I address also the appeals process raised by the Hon. Dr Arthur Chesterfield-Evans. The advice I have is that there is no change as a result of this bill, so the appeal process will still be to the Administrative Decisions Tribunal.

I believe I have covered the majority of the issues raised by honourable members during the debate. State Government funding for the non-government school sector is almost $600 million annually. This is a huge investment and warrants appropriate accountability to the taxpayer. The legislation will be of enormous benefit to the education system in New South Wales. We will have a more accountable and transparent non-government system, a move that will be welcomed by parents and students. Again I thank all honourable members for their contributions and commend the bill to the House.

Motion agreed to.

Bill read a second time.

Suspension of Standing Orders

Ms LEE RHIANNON [8.26 p.m.]: I move:

> That standing orders be suspended to allow the moving of a motion forthwith that it be an instruction to the Committee of the Whole that it has power to consider amendments relating to academic performance of schools and the establishment of a parliamentary committee to inquire into and report on the operation of this Act in relation to the accountability and funding of schools.

I seek the support of honourable members for this motion as it will enable me to move an amendment on the academic performance of schools and the establishment of a parliamentary committee. Detailed data to be collected under the auspices of this bill could be used to construct league tables of schools in order to promote their apparent academic performance. However, league tables are invariably misleading. They are never more than partial indicators, they are misused by those promoting them and they are frequently misunderstood by their intended audience. Such tables focus on statistics at the expense of considering everything a school has to offer or the background to that school's performance. The Government has assured the House that this data will not be used for this purpose, but the Greens want to ensure that no future government is given the leeway to do so. Legislative action is the best way to achieve this. That is why I seek the support of members to be able to move an amendment. I assure members that the amendment we are proposing does not affect the data that is currently made public, including the annual list relating to outstanding higher school certificate students and the Minister's annual report to Parliament.

With respect to other aspects of the motion relating to a parliamentary committee, we are still awaiting the second part of the Grimshaw report, which will deliver an important and urgently needed review of public funding arrangements for non-government schools. In debate on this bill many members have spoken about the Grimshaw report. Obviously it is very relevant to our considerations and to the essence of the bill. Debate on funding of non-government schools is crucial and must be conducted in consultation with the community and through an open and transparent parliamentary process. The amendment we will move if this motion is agreed to will seek to ensure that the response to the Grimshaw report does not take place in the secrecy of the Cabinet room but instead heeds the full spectrum of views in the community and in Parliament. Surely all members would support that.

We are also concerned that the Government could use its numbers to establish a committee to facilitate that debate. Hence, we wish to legislate to ensure that the committee process is followed when the second Grimshaw report is released. For all those reasons, I urge members to support this motion. The bill will be strengthened as a result, and that will go some way towards improving education in this State.

The Hon. CARMEL TEBBUTT (Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Youth) [8.29 p.m.]: The Government does not support the motion. I am advised that the amendments that Ms Lee Rhiannon wishes to move are outside the leave of the bill. There are very good reasons why debate should be constrained to the leave of the bill. Otherwise, on any bill being debated members could introduce many extraneous issues that would be more appropriately dealt with at other times and in other business in the House. The Government's view is that that process should not be supported. If Ms Lee Rhiannon wants to pursue these matters there are other options available to her through other processes in the House.

The Hon. CATHERINE CUSACK [8.30 p.m.]: The Coalition supports the Government's position on this matter and does not support any of the Greens foreshadowed amendments. We believe that appropriate business should be dealt with in the appropriate forums and in the appropriate way. The Greens position is basically blanket ideological opposition to private schools—in any forum, at any opportunity, and by any mechanism that can be identified.

Ms Lee Rhiannon: That is not true. If you read our policy you will see that it is not true.

The Hon. CATHERINE CUSACK: For the last 10 minutes I have been reading the Greens policy, and I have yet to find one item that does not relate to resources. I can find nothing relating to curricula, planning, and such issues. It is all about an ideological attack on the Federal Government, a false claim that the Federal Government has responsibility for public education and ought to make that its primary responsibility. This is all a game that the Greens are playing to raise the issue to get votes in a Federal election, and they will cause enormous damage to the fabric of education. Co-operation means nothing to them in what is clearly a ruthless search for votes. It disgusts me. It is one aspect of what the Greens do that I cannot support in any way. The Coalition does not support the Greens agenda in any way or what the Greens are seeking to do to non-government education in New South Wales and nationally. We support a vibrant and diverse scheme and will vote with the Government in relation to the amendments.

Reverend the Hon. FRED NILE [8.32 p.m.]: The Christian Democratic Party also does not support the motion moved by the Greens. The referring of an issue to a parliamentary committee is a separate matter and there should be no attempt to attach it to the bill. That should be fairly obvious even to Ms Lee Rhiannon, who has been here a long time. This is not the right time or place to do it. We agree with the statements by the Hon. Catherine Cusack regarding the agenda of the Greens—their mode of operation, their remarks, and the intent of their motions. They do not tolerate the non-government school sector and do everything they can to hinder it. Therefore we oppose their policies.

The Hon. JON JENKINS [8.34 p.m.]: I also oppose the motion. I find it absolutely hypocritical that the Greens spend half the day in this Chamber requesting publication of documents and information and yet now foreshadow an amendment to hide information. I am incredulous.

Ms LEE RHIANNON [8.34 p.m.], in reply: I thank all members for their contributions to the debate and I again urge them to support the motion.

Motion negatived.

In Committee

Clauses 1 to 3 agreed to.

The Hon. CARMEL TEBBUTT (Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Youth) [8.36 p.m.]: The Government does not intend to move foreshadowed amendments Nos 1, 2, 3 and 5. I do, however, move Government amendment No. 4:

No. 4 Page 7, schedule 1 [9]. Insert after line 9:

47A Effect of section 47 on certain contracts

The operation of section 47 is not to be regarded as giving rise to any implication that it is a term of any contract (whether or not written) between the proprietor of a registered non-government school and a parent of any child enrolled at the school that the school comply with the requirements imposed by or under this Act for registration of non-government schools or that failure to comply with any such requirement in itself gives rise to any civil cause of action.

Note.

Non-government schools are given protection from civil liability in tort for breach of a statutory duty (including liability for damages sought in an action for breach of contract or any other action) under Part 5 of the *Civil Liability Act 2002* by virtue of the *Civil Liability Regulation 2003*.

This amendment relates to civil liability. Consultation initiated by the Government since the bill was tabled has shown that some schools are concerned about the operation of the legislation in relation to contracts between schools and parents. Some groups were worried about being sued by parents for breaches of the new requirements. Reverend the Hon. Dr Gordon Moyes and Reverend the Hon. Fred Nile referred to this issue during the second reading debate.

The Government's amendment responds to these concerns and makes clear that the new requirements for registration do not give rise to any civil cause of action. The note included with the amendment also makes it crystal clear that the protection of non-government schools under the Civil Liability Act and its accompanying regulations is not affected by the bill. The amendment means that schools that act in good faith will be protected from ambit claims or claims that are frivolous, vexatious or unreasonable. I commend the amendment to the Committee.

Reverend the Hon. FRED NILE [8.38 p.m.]: As the Minister said, the Christian Democratic Party supports the amendment. There was some debate as to whether it is necessary but we believe it removes any uncertainty about civil liability, so we are pleased to support the amendment and pleased that the Government has introduced it.

The Hon. CATHERINE CUSACK [8.38 p.m.]: The Opposition also supports the amendment. There has been considerable confusion surrounding this issue. I understand that the amendment relates to a very complex issue. Extensive discussions were conducted by the shadow Minister with the stakeholders, and during debate in the lower House the shadow Minister foreshadowed a version of the amendment. I have a very large folder dealing with the amendment, which testifies to its complexity. The amendment is of immense importance to certain individuals who will feel a great deal more comfort with the bill after the inclusion of the amendment. In order to assist them, and with the goodwill that we would always seek to foster with bills as important as this one, the Opposition is happy to support the amendment.

Amendment agreed to.

Reverend the Hon. Dr GORDON MOYES [8.39 p.m.]: In light of the Government amendment that has just been passed, the Christian Democratic Party will not move its amendment as circlated.

Schedule 1 agreed to.

Title agreed to.

Bill reported from Committee with an amendment and passed through remaining stages.

BUSINESS OF THE HOUSE

Postponement of Business

General Business Orders of the Day Nos 7 and 8 postponed on motion by the Hon. Carmel Tebbutt.

PARTNERSHIP AMENDMENT (VENTURE CAPITAL FUNDS) BILL

Second Reading

The Hon. CARMEL TEBBUTT (Minister for Community Services, Minister for Ageing, Minister for Disability Services, and Minister for Youth) [8.43 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

The Government is pleased to introduce the *Partnership Amendment (Venture Capital Funds) Bill 2003.* This bill amends the *Partnership Act 1892* to allow for a new form of corporate entity, the incorporated limited partnership, for use as a structure for venture capital investment funds. This will align New South Wales with the dominant structure internationally for venture capital investment funds.

Research conducted by the Australian Venture Capital Association Limited indicates that New South Wales will financially benefit from these reforms. Introducing this structure to complement the Commonwealth' s recent venture capital tax reforms, it is anticipated that more than one billion dollars will be invested in Australian growth companies, $350 million will be added to Australian gross domestic product and $120 million to net exports each year. Through incorporated limited partnerships, New South Wales will be able to more readily attract both domestic and foreign capital for investment in New South Wales growth companies.

Venture capital is an important source of funds for start-up companies, expanding businesses and restructuring businesses. By its nature, venture capital investment is high risk as it provides funding to companies at difficult stages in their development and consequently, at the stages where there is the greatest risk of failure. The venture capital process attempts to prevent this failure by working with the management of investor companies through the growth phase. This applies in key areas of economic activity that often require years of research and development before investors may see returns. Medical technology and biotechnology are two such activities. In fact, the joint New South Wales, Queensland and Victorian 'Australian Biotechnology Alliance' project is likely to benefit from an enhanced venture capital investment regime.

The introduction of the incorporated limited partnership is intended to complement the recent Commonwealth venture capital tax legislation. The Commonwealth legislation is designed to align the Australian tax regime applicable to venture capital investment structures with that of most other developed countries.

The Commonwealth's tax reforms apply in respect of three forms of limited partnership:

Venture capital limited partnerships, which are limited partnerships investing directly in companies;

Australian Funds of Funds, which diversify investment risk by investing across a range of venture capital limited partnerships; and

Venture capital management partnerships, which under the Income Tax Assessment Act 1936, can only be involved in the management of these other bodies.

Since 1992, limited partnerships have been taxed as if they were companies. The Commonwealth *Taxation Laws Amendment (Venture Capital) Act 2002* entitles limited partnerships registered as venture capital limited partnerships or Australian Funds of Funds to flow through taxation treatment. That is, partners in these types of limited partnerships are taxed on their share of the income, profits, gains and losses of the partnership, according to the partner's tax status.

Under the Commonwealth's *Venture Capital Act 2002* the Commonwealth is responsible for the registration and reporting process of Venture capital limited partnerships and Australian Funds of Funds. Registration requires the partnership to be in existence for more than 5 years and have capital commitments of more than 20 million dollars. The Commonwealth registration requirements, and allowing the formation of Incorporated limited partnerships, will help ensure that NSW gets long-term economic investment in innovative companies.

Although limited partnership structures exist in Australia, they do not presently provide venture capital investors with the certainty required in respect of liability protection. This bill amends the Partnership Act to allow formation of a new type of partnership, the incorporated limited partnership, which addresses the issue of liability and provides a structure that is internationally preferred for venture capital investment.

Currently, a partnership in NSW is not a separate legal entity from its partners. Principles associated with these partnerships such as joint and several liability, mutual agency and beneficial ownership of partnership assets, do not readily apply to a partnership that is a separate legal entity. To overcome this, proposed section 1C of the bill states that the general law of partnership does not apply to incorporated limited partnerships, except as provided by the Act.

An incorporated limited partnership will be a separate legal entity and for the purposes of the *Corporations Act 2001*, a body corporate. Therefore, in most cases, the firm will be subject to those provisions of the *Corporations Act* relating to bodies corporate, such as directors' duties and the prohibition on disqualified persons being involved in management.

Under proposed section 51 of the bill, an incorporated limited partnership must have at least one general partner but not more than 20, and at least one limited partner. The general partners are responsible for the management of the partnership, while limited partners are investors.

Rights and duties between the partners must be set out in a partnership agreement, in accordance with proposed section 53B. This agreement has effect as a contract between the incorporated limited partnership and the partners.

Under proposed section 53C, an agency relationship exists between the general partners and between each general partner and the incorporated limited partnership. However, no agency relationship exists between a limited partner and either the general partners or the Incorporated limited partnership.

An incorporated limited partnership is formed when registered with the Registrar for Incorporated Limited Partnerships, who is currently the Director General of the Department of Commerce. In addition, an incorporated limited partnership wishing to qualify as either a venture capital limited partnership or an Australian Fund of Funds will need to register with the Commonwealth's Pooled Development Fund Board.This board ensures that the firm meets the Commonwealth's requirements for these two forms of venture capital fund.

An application to form an incorporated limited partnership may be made by a partnership, or by the natural persons, corporations, and other partnerships who are to be partners in the firm. The incorporated limited partnership must register as, or satisfy the requirements applicable to, one of the three authorised venture capital bodies.

To avoid any doubt, the bill extends the limited liability status to limited partnerships enacted under similar legislation in another jurisdiction, by virtue of proposed section 66D. Where a statute in another jurisdiction is not similar to this bill, it can for the avoidance of doubt, be proscribed in regulations to ensure recognition of those partnerships in New South Wales. A reciprocal relationship exists under section 66C of this bill, which explicitly allows New South Wales registered incorporated limited partnerships to operate in other jurisdictions while maintaining their incorporation and limited liability status.

A limited partner in an incorporated limited partnership has a limitation on their liability, under proposed section 66A. Under this section, a limited partner has no liability for the liabilities of the incorporated limited partnership or of the general partners. This does not effect a limited partner's obligation to contribute capital or property to the firm. The bill sets out that the firm is primarily liable for the debts of the partnership, but that the general partners are personally liable to the extent that the firm cannot satisfy the debt.

The limitation on liability is balanced by a prohibition on limited partners taking part in the management of the incorporated limited partnership. However certain 'safe harbour' provisions are proscribed in section 67A within which a limited partner is able to participate in the management of the incorporated limited partnership. These provisions essentially allow a limited partner to oversee their investment, assist the growth of the enterprise and ensure that the incorporated limited partnership is being managed effectively. A limited partner who breaches this provision and engages in wrongful conduct will be personally liable for loss or injury caused directly to a third party as a result of that conduct, where that third party reasonably believed that the limited partner was a general partner.

The bill also ensures that the safe harbour provisions provide for conduct by a person acting on behalf of the limited partner. This extends to conduct not only directly in respect of incorporated limited partnership and its general partner, but also in respect of associated entities functions. It is understood, for example, that in practice certain functions, such as those requiring an Australian Financial Services Licence, may be undertaken by a different entity associated with the incorporated limited partnership

Proposed sections 73C and 73D of the bill outline assumptions that a person is entitled to make when dealing with an incorporated limited partnership. These include an assumption that the partnership has title to property, and that a person acting on behalf of the firm has complied with the partnership agreement. These provisions were included in the Victorian *Partnership (Venture Capital Funds) Act 2003* and similar provisions exist in the *Corporations Act 2001*.

As an incorporated limited partnership is a body corporate for the purposes of the *Corporations Act* it is necessary to include proposed section 81A, which allows certain provisions of the *Corporations Act* to be disapplied. This will ensure that both Acts work in tandem and do not cause confusion or inconvenience for those operating or dealing with incorporated limited partnerships.

Schedule 1 of the bill provides the provisions for winding up an incorporated limited partnership. This can be done either voluntarily or by a certificate of the Registrar. Where it is done by certificate, any person aggrieved may appeal the application to the Supreme Court. Before issuing a certificate the Registrar may ask an incorporated limited partnership to show cause before being wound up. This provision is important due to the interaction with the Commonwealth's venture capital legislation, as it may be that the partnership must take certain steps to comply with the requirements of the Commonwealth legislation.

While incorporated limited partnerships are not designed to raise funds from the public, any proposal to do so will be subject to the fundraising provisions in section 6D of the *Corporations Act.*

This bill aligns the liability regime for limited partners in venture capital funds with the international preferred vehicle for venture capital investment. In addition to providing separate legal entity status to venture capital limited partnerships, Australian Funds of Funds and venture capital management partnerships, the bill recognises that the unique nature of venture capital investment demands certainty in respect of the liability of investors.

The bill provides that limited partners should have protection against involuntary entanglement in legal actions against the incorporated limited partnership. It also recognises that while limited partners have an active role in overseeing and assisting the investments of the partnership, and in ensuring that the incorporated limited partnership is being managed effectively, this role should not of itself expose the limited partner to liability. Providing that a Limited Partner stays inside the safe harbour provisions in the bill, their liability will remain limited.

This bill will help ensure that New South Wales attracts long-term economic investment by providing a structure that will allow investors to access Australian markets and invest in small, innovative enterprises. This will help to ensure that Australian initiatives are developed and commercialised within Australia and in particular, New South Wales.

I commend the bill to the House.

The Hon. GREG PEARCE [8.46 p.m.]: This is an important piece of legislation for New South Wales. It is designed to facilitate an increase in investment in venture capital funds, which are an important source of funding, particularly for start-up companies and businesses that by their nature involve a high risk in their early years. Medical technology and biotechnology businesses benefit from this type of investment. Investment in those areas takes time to come to fruition and involves a considerable degree of risk.

The bill is somewhat complex because it involves the establishment of a new form of legal entity—a limited partnership structure—that is designed to give the benefit of limited liability to investors and to create a structure that allows the promoters of a scheme to have a strong role in management. It also takes advantage of the Federal Government's support for this type of investment. The bill allows the structure to take advantage of the tax regime when the losses and costs incurred during the early years can be accessed by the investors through the partnership structure.

I was surprised by how that goal has been achieved in this legislation. Amending the existing Act may result in its being more complicated than it needs to be. The Government could have given venture capital a greater boost and more encouragement by creating separate legislation. That is a personal opinion and obviously the Government believes the best method to achieve its aims is to amend the existing legislation. A number of schemes have been designed over the past three or four decades to encourage the creation of venture capital markets in Australia. A venture capital market can have enormous economic, research and other benefits for the country.

During the debate in another place mention was made of a study undertaken by Australian Venture Capital Association Ltd. Its report found there was likely to be a financial benefit from these reforms that could result in more than $1 billion being invested in Australian growth companies, $350 million being added to the country's gross domestic product and $120 million being added to net exports each year. The medical technology and biotechnology areas are ripe for this sort of investment. Regrettably, the Australian market is almost non-existent compared with the United States market.

Traditional forms of fundraising have not been available for venture capital companies. Banks do not like to lend against existing venture capital companies and, if they do, they want security over the homes of the investors. Private companies have not been capable of increasing the venture capital market in Australia, particularly because there is no market to trade in the stock of the companies involved and there are difficulties in winding up ventures, and so on. Public companies are available as listed companies for venture capital investment, but they do not necessarily provide an accessible marketplace.

There are some new venture capital markets developing in New South Wales. One of them is the Newcastle Stock Exchange, which is encouraging listed capital companies. I note that the Newcastle Stock Exchange is able to do this because it requires only 50 shareholders and $500,000 in net assets to list a company.

The Hon. Patricia Forsythe: There are only a dozen companies on the list, though.

The Hon. GREG PEARCE: That is right, but potentially the list will grow. I do not propose to go through the technical provisions of the bill as they have been more than adequately explained in the other place. The Opposition wants to encourage financial benefits for industry, and the development of business and industry in New South Wales that can take place with the encouragement of our venture capital markets. Accordingly, the Opposition does not oppose the bill.

Reverend the Hon. FRED NILE [8.51 p.m.]: The Christian Democratic Party supports the Partnership Amendment (Venture Capital Funds) Bill. We congratulate the Government on introducing the legislation, which encourages investment, research and development. I am sure that the Treasurer, who is in the House, had a lot to do with the introduction of the bill.

The Hon. Michael Egan: I did, indeed.

Reverend the Hon. FRED NILE: It shows how far the Labor Party has moved—moved to the right or moved to acceptable capitalism. However, there is a restriction on the bill's operation; it does not apply to everyone. An incorporated limited partnership must be registered with the Office of Fair Trading and the Commonwealth's Pooled Development Fund Board. The Pooled Development Fund Board undertakes prudential regulation and ensures that firms meet the Commonwealth requirement of $20 million start-up

capital. The bill is unique in encouraging research and development, and we note that it must be in place for five years. We are pleased to support the bill, and we look forward to its creating jobs and putting Australia at the forefront of scientific and technological development.

The Hon. MICHAEL EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [8.53 p.m.], in reply: I thank members for their contributions.

Motion agreed to.

Bill read a second time and passed through remaining stages.

SUPERANNUATION ADMINISTRATION AMENDMENT BILL

Second Reading

The Hon. MICHAEL EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [8.53 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

The Bill before the House will strengthen the prudential requirements and corporate governance of the New South Wales public sector superannuation schemes.

It simply brings our public sector schemes further into line with other parts of industry and as regulated by the Commonwealth's Superannuation Industry (Supervision) Act.

The Superannuation Administration Act 1996 was reviewed in 2001-02 as part of the Government's ongoing program of reviewing legislation after five years.

The proposed Bill simply implements some of the recommendations of the five yearly review of the Act, and increases the focus on prudential supervision more broadly on the SAS Trustee Corporation and the FSS Trustee Corporation.

The SAS Trustee Corporation, is responsible for the State's defined benefit super schemes, and the FSS Trustee Corporation, covers the public sector's accumulation scheme.

The Government has a responsibility to ensure the trustees' investment and administrative activities are consistent with best practice. As a result, the Government is seeking to amend the Act to provide for increased monitoring of the superannuation trustees.

The amendments make three key changes to the Act. These include:

Facilitating prudential reviews of the two Trustee Corporations;
Giving the minister the ability to request information from the Trustees, and finally
Clarifying the voting requirements of the boards of the Trustee Corporations.

The first of the proposed amendments will provide the Minister responsible for the Superannuation Administration Act with the power to initiate prudential investigations into the operations of the SAS Trustee Corporation and the FSS Trustee Corporation. This would include reviewing the operations of the outsourced scheme administrator.

The power to initiate prudential investigations into the operations of superannuation funds brings NSW in to line with the Commonwealth's Superannuation Industry (Supervision) Act.

The legislation will allow APRA-style reviews to ensure things like:

members' contributions and earnings are accurately recorded;
the trustees have investment plans and that these are implemented;
fraud controls are adequate;
systems are in place to minimise overpayments to members; and
the operations of the trustees and the administrator are efficient.

The review does not review the appropriateness of the investment strategy.

The proposed legislation will also enable the Minister with administrative responsibility for a NSW public sector superannuation scheme to request information relating to that scheme from the relevant trustee. The sort of information would be aggregated data relating to the fund's performance, not to individuals.

The Bill also corrects an inconsistency in the Superannuation Administration Act, concerning the voting requirements at a board meeting and when business is transacted otherwise than at ordinary meetings.

Under the proposed changes, a quorum for a board meeting will be increased to six. Currently five of nine board members constitute a quorum.

In addition, the legislation seeks to make the number of votes for a decision of the board consistent both at a board meeting and outside of ordinary meetings.

The proposed amendments will make a resolution of two-thirds of the majority of the votes to be a decision of the board. That is, a minimum of six of the board members.

The proposed amendments to the Superannuation Administration Act will make the voting requirements consistent, and in line with the Commonwealth's Superannuation Industry (Supervision) Act.

Existing provisions relating to the Local Government Superannuation Scheme and the Electricity Industry Superannuation Scheme, which were established in 1997, are ambiguous about trustee responsibility for disputes and appeals of former members.

The proposed amendments will make it clear that former members in dispute with STC or FTC before they were transferred to local Government or Electricity Industry Schemes will now have their issues resolved by the trustees of these latter funds.

A number of amendments by way of statute law revision are also proposed to update the Superannuation Administration Act.

The superannuation arrangements supported by this Bill allow the trustees to achieve efficiencies in their financial and administrative operations, as well as allowing the Government to improve the prudential and corporate governance of the trustees.

I commend the Bill to the House.

The Hon. PATRICIA FORSYTHE [8.53 p.m.]: The Opposition does not oppose the Superannuation Administration Amendment Bill. Indeed, the amendments are largely administrative in nature and relatively minor. Although, one should say that everything we do in this House is significant and nothing should ever be taken to be minor. The bill implements some of the recommendations of the review of the Superannuation Administration at 1996. That Act was reviewed in 2001-02 as part of the Government's five-yearly review of each piece of legislation.

I am pleased that the Treasurer is in the Chamber because I have found the task of describing the bill a little difficult. Members will well recall the directive from the Treasurer to this House late last year that members should not use acronyms when speaking about legislation.

The Hon. Michael Egan: Did I use some acronyms?

The Hon. PATRICIA FORSYTHE: You should have read your bill. The overview reads:

(a) the provision of information relating to the general administration of FSS Trustee Corporation (FTC) and SAS Trustee Corporation (STC) superannuation schemes and funds to the Minister administering the Acts relating to those schemes and funds (currently the Special Minister of State), and

(b) monitoring the activities of FTC and STC …

I did my best to understand the origins of the FSS Trustee Corporation, known as the FTC, and the SAS Trustee Corporation, known as the STC. I had a little difficulty—

The Hon. Michael Egan: One is a defined benefits scheme and the other is an accumulations scheme.

The Hon. PATRICIA FORSYTHE: I am grateful for the Treasurer's assistance, but I ask him to assist me in understanding the origin of the FSS, which obviously, in the historical context of the trustee corporation—

The Hon. Michael Egan: It is First State Super.

The Hon. PATRICIA FORSYTHE: What about the SAS?

The Hon. Michael Egan: The SAS is the State Authorities Superannuation scheme. Then there is the SSSS.

The Hon. PATRICIA FORSYTHE: The Treasurer should not confuse the House. The SSSS is not the subject of the bill. The bill has a number of objectives, and I have already described some of them. Its

further objectives are to clarify the role of various superannuation trustees in resolving disputes concerning entitlements and obligations of members and former members of certain superannuation funds, and to clarify procedures relating to quorums and voting procedures of the boards of the FTC and the STC. If we are to have these directives about acronyms in the House, the Treasurer should either read the legislation or include an historical footnote so that members have a full historical context in which to place trustee corporations such as the FSS.

The Hon. Michael Egan: No-one has ever had that, and no future member will ever be entitled to it.

The Hon. PATRICIA FORSYTHE: The Treasurer should not direct members not to use acronyms when the overview of the bill specifically refers to acronyms such as the FTC and the STC.

The Hon. Catherine Cusack: There is a lot of money in Labor Council pockets.

The Hon. PATRICIA FORSYTHE: There is certainly a lot of money somewhere. The aim of the legislation, and the reason the Opposition does not oppose it, is that it will provide better prudential supervision, which we would all applaud. The consequence of the changes is that instead of only the Minister responsible for the Superannuation Administration Act, that is the Treasurer, having a role in this, the Minister administering the State superannuation funds—the Special Minister of State—will also be able to request information from the funds.

That seems to be perfectly laudable, because from time to time when members of this House ask shareholder Ministers or Ministers with certain portfolio responsibility to request information from superannuation funds, Ministers seem to have a great capacity for buck-passing and suggesting that only the Minister who has that particular responsibility, rather than a shareholder Minister, is able to obtain such information. In this case both Ministers will be able to request information from the funds. Given that one of them has a responsibility under one administration and the other is the Minister administering the funds, it would make sense—

The Hon. Michael Egan: Don't ask me to explain who is responsible for what.

The Hon. PATRICIA FORSYTHE: I should not even acknowledge the Treasurer's interjection, because I know that in dealing with these superannuation issues the Treasurer would take an appropriate and responsible approach.

The Hon. Catherine Cusack: Based on Labor Council advice.

The Hon. PATRICIA FORSYTHE: Indeed. Whether it is Labor Council advice, as my colleague the Hon. Catherine Cusack suggests, or advice from Treasury, I suggest that at the end of the day the Treasurer would take appropriate advice. As a consequence of this bill, APRA-style investigations will be possible; indeed, that is the bill's focus.

The focus will be on issues such as adequacy by the two corporations—the FTC and the STC—in relation to their fraud control plans. There will be checks on the adequacy and accuracy of their recording of members' contributions and earnings; checks on the nature of investment plans and on the system for avoiding payments; in other words, a risk management process and the capacity for the Ministers to be able to seek information and give an assurance about it. Such investigations do not include appropriateness of the investment strategy but it is an appropriate prudential oversight and those Ministers now have that capacity.

In addition, the effect of the legislation is that it changes the quorum provisions of the FTC and STC boards from five to six and increases the number required to vote for a resolution to two-thirds of the board rather than two-thirds of those members present. This would seem to be eminently sensible and in accordance with the review of the legislation in 2001-02. We believe that appropriate prudential superannuation is important. I would not want to give the impression in any way that I was being light-hearted about this, although from time to time the Treasurer does give us some leeway in the way in which he addresses matters in the House—often in good spirit. At the end of the day we know we are dealing with serious legislation. We are dealing with legislation that will affect multimillions of dollars, and we believe this is a step in the right direction. The Opposition will therefore not oppose the legislation.

Reverend the Hon. FRED NILE [9.01 p.m.]: The Christian Democratic Party supports the Superannuation Administration Amendment Bill. As the other speakers have said, the bill makes three key

changes to the Act: it will facilitate prudential reviews of the superannuation funds; it will enable the Minister or an authorised person to require a superannuation authority to provide information relating to the exercise of its functions; and it will clarify the voting requirements of the boards of the trustee corporations. I noted that in the report of the Legislative Review Committee the question was asked why this legislation—unless the provision has been changed—commences on a day to be appointed by proclamation. I would ask the Treasurer if there is any reason why there is no proclamation date on the legislation as normally applies, especially with financial matters, which have a clear commencement date.

The Hon. Michael Egan: I am not sure of the reason for that but it would be our intention to proclaim the legislation fairly soon after it is sent through.

Ms LEE RHIANNON [9.02 p.m.]: The Greens support the Superannuation Administration Amendment Bill. As has been previously explained, if passed the bill will mean that the Treasurer, the Minister responsible for the Superannuation Administration Act, and the Minister administering the State superannuation funds, the Special Minister for State, will now have the power to request information from the funds. There are obviously many other provisions that have been well detailed but I think, in addition to having the opportunity to debate this bill, it is also worth giving consideration to the current debate with regard to the superannuation of members of Parliament. Soon we will have that opportunity, hopefully, now the major parties appear to be changing their position, and hopefully New South Wales Labor will follow the lead of their Federal leader—

The Hon. Michael Egan: Point of order: This issue that Ms Lee Rhiannon has raised is completely outside the leave of the bill and it is therefore out of order. The matter is completely irrelevant to the bill before the House.

Ms LEE RHIANNON: To the point of order: I was going on to discuss issues that are clearly to do with superannuation, so I believe that that is within the leave of the bill. Also there is the tradition of the House that there is latitude when it comes to debate so we can explore issues that help expand our understanding of the matters before us.

The Hon. Michael Egan: Further to the point of order: I would draw your attention to the title of the bill and the overview of the bill. It is clearly to do with the FTC and the STC and nothing else.

The DEPUTY-PRESIDENT (The Hon. Kayee Griffin): Order! I remind Ms Lee Rhiannon that when debating a bill she should confine her remarks to its subject matter.

Ms LEE RHIANNON: I note that in the bill before the House the Treasurer is given the power to initiate potential prudential investigations into the State superannuation funds. As the Australian Prudential Regulation Authority [APRA] does not cover public sector superannuation schemes, this now allows APRA-style investigations, which previously were not allowable. I think that is all well and good but at the moment ordinary workers get only 9 per cent employer contributions but ordinary superannuation schemes—

The Hon. Michael Egan: Point of order: Ms Lee Rhiannon is dealing with matters that are completely outside the leave of the bill. This is not about benefits under any superannuation scheme. This is not about entitlements under any superannuation scheme. This is about the prudential supervision of superannuation schemes and the provision of information to relevant Ministers.

The Hon. Patricia Forsythe: It is a spray on superannuation.

Ms LEE RHIANNON: To the point of order: I note the member's interjection and it certainly is not a spray, it is a comment. Considering the way the Treasurer has gone on in many debates, canvassing issues that have nothing to do with anything that is before the House, I am surprised at his reluctance to allow a member to discuss issues that are linked to aspects of this bill. I think it is disappointing and I would see it as a matter of concern that the Treasurer is backing away from his own Federal leader's position on some of these issues. I think that latitude can be afforded to members when it comes to debate.

The Hon. Michael Egan: Further to the point of order: It is always amazing that Ms Lee Rhiannon is the first to try to shut someone up when she does not like what they are saying.

Ms LEE RHIANNON: Give us an example.

The Hon. Michael Egan: She is, all the time.

Ms LEE RHIANNON: No, not a generalisation, give us an actual example.

The Hon. Michael Egan: I will give you a perfect example: Ms Lee Rhiannon was the person responsible in the first instance—and I must admit the Opposition played a part in this—for changing the standing and sessional orders dealing with question time. Ms Lee Rhiannon did it because, as someone overheard her say in Parliament House one day to the Greens member of Parliament from New Zealand, "We are going to do this to shut Egan up."

Ms LEE RHIANNON: Further to the point of order: The Treasurer is flattering himself; that is the only conclusion possible if he thinks New Zealand members of Parliament would want to talk about him.

The Hon. Michael Egan: No, it is about what you wanted to talk about.

The DEPUTY-PRESIDENT (The Hon. Kayee Griffin): Order! I am having considerable difficulty registering the end of discussion on the point of order. I again remind Ms Lee Rhiannon that when debating a bill she should remain relevant to the matters referred to in the bill.

Ms LEE RHIANNON: As I said, the Greens will support this bill and we hope the Treasurer will have the courage to provide the House with an opportunity to discuss the wider issues that are of concern to the people of New South Wales when it comes to superannuation.

The Hon. MICHAEL EGAN (Treasurer, Minister for State Development, and Vice-President of the Executive Council) [9.08 p.m.], in reply: I thank honourable members for their contributions to the debate. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

LORD HOWE ISLAND AMENDMENT BILL

Bill received, read a first time and ordered to be printed.

Motion by the Hon. John Hatzistergos agreed to:

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

Second reading ordered to stand as an order of the day.

STRATA SCHEMES MANAGEMENT AMENDMENT BILL

Second Reading

The Hon. JOHN HATZISTERGOS (Minister for Justice, and Minister Assisting the Premier on Citizenship) [9.11 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

I have great pleasure in introducing the *Strata Schemes Management Amendment Bill 2003* today. This Bill further demonstrates the Carr Government's commitment to ongoing review and refinement of legislation that affects so many in our community—those who live in, own or operate commercial activities in strata complexes.

There are nearly 60,000 strata schemes in existence in NSW ranging from simple two-lot suburban developments to massive 700-lot high rise complexes.

Medium and high density living is becoming more and more a part of urban life and strata title is by far the preferred choice for those who develop and market these buildings.

The operation of strata buildings and the handling of the associated administrative tasks by owners corporations has in many instances become more complex since the first strata management legislation commenced in 1974 via the *Strata Titles Act 1973*.

Due to the sophistication and variety of modern developments, there are many more issues that owners' corporations or their managing agents now have to deal with.

Some strata schemes are now so large that they have more people living in them than entire villages and towns. Their annual budgets may be millions of dollars.

This Bill deals with a number of necessary improvements to strata legislation. The original idea of strata title came about as a NSW invention in 1961. While there is no doubt that the concept of strata ownership, where individuals have title to their own space but share in the responsibility for common areas, has weathered the 42 years of operation in NSW very well, some fundamental improvements to the management provisions of the law are needed.

The refinements in this Bill include matters identified during the National Competition Policy Review of the *Strata Schemes Management Act 1996* carried out during 2001.

The first round of amendments arising from the National Competition Policy Review were passed by this Parliament in November 2002.

Dealing mainly with caretaker contracts, proxy voting and priority voting rights of mortgagees, these amendments commenced operation on 10 February this year. These matters were identified as matters of some priority and were brought in ahead of the broader package of necessary reforms that arose during the National Competition Policy review process. However, it is now time to address the other matters, a brief summary of which I will give shortly.

In June this year the Government released an Issues Paper, *Living in Strata Developments in 2003*.

This cross-agency Paper covered a wide range of issues connected to strata schemes including the special concerns affecting the very large high-rise developments, building quality and fire safety issues and the mechanism for terminating schemes when their practical life comes to an end.

Submissions from 113 interested parties were received, including strata lot owners, executive committee office-bearers, developers, managers, lawyers and Government agencies. The Issues Paper included the NCP recommendations and provided a further opportunity for people to comment on them.

As a result of the National Competition Policy review, the *Living in Strata Developments in 2003* Issues Paper and the Government's awareness of current aspects of the law needing to be overhauled, there is a package of refinements contained in the Bill before the House today.

I will now outline the more important details of the proposals included in the Bill.

The first initiative is one of the most significant.

The Bill provides a mechanism for large schemes to be treated differently to smaller schemes. Since the commencement of the first strata management laws in 1974 under the *Strata Titles Act 1973*, all schemes irrespective of size and type have fundamentally been subject to the same legislative regime. All strata schemes whether a six-lot double storey block at Merrylands, a townhouse development at Nambucca Heads or a twenty story building in the heart of Sydney have largely been subject to the same rules and requirements in regard to administration.

It has become plainly evident that the running of a large high-rise building is a different proposition to the average scheme and the Bill takes account of this.

As a first step, any scheme with 100 lots or more will be defined as a large scheme and this will enable the tailoring of special provisions that will streamline the operation of their owners' corporations. In calculating the 100-lot figure, parking lots and utility lots such as storage rooms will not be counted.

It is estimated that less than five percent of all the strata schemes in NSW comprise buildings of over 100 lots although many of the developments of recent years, particularly in inner-city areas, are in the large category.

The new provision will provide the necessary flexibility to adjust the administrative requirements for these large schemes, to ensure both a smoother and more workable management process and to recognise the level of accountability that needs to be included. Also allowances need to be made for the sheer volume of tasks that have to be carried out on a day to day basis in such a large enterprise.

The Regulations will be able to prescribe differing processes and requirements for such matters as the conduct of meetings, the functions of office-bearers, the management of finances and the operational powers of the executive committee.

The development of the Regulations, in which the variations will be included, will be subject to consultation with relevant groups. Indeed, representatives from some of the largest schemes have already made their views known to the Government on these issues and there will be ample material to use in the commencement of the consultation process. With passage of time it may become necessary to come back to Parliament with further adjustments to the legislation itself on some of the matters affecting the operation of large schemes.

The aim is to remove administrative burdens wherever possible while retaining the essential objectives and benefits of the strata management legislation. In some instances, new obligations will be placed on owners corporations of large schemes in the interests of individual unit owners and in recognition of the corporate nature of such large enterprises.

While much of the detail of the variations to apply to the administration of large schemes will be provided through the Regulations, some matters associated with large schemes will be addressed directly through the Bill. Some current concerns have been identified as being in need of immediate rectification and the Bill includes some specific provisions in this area. These changes are as follows:

- Financial accounts will have to be audited annually by suitably qualified persons
- At least two quotations will have to be obtained for the larger items of expenditure
- The executive committee will be limited to spending no more than ten percent above any approved budget item
- Personal notice to all unit owners will be required for upcoming executive committee meetings as will notification of the decisions of the executive committee. Notification of meetings and decisions made will no longer be permitted to be carried out simply by placing a notice on a notice-board.
- Proxy votes to be used at owners corporation meetings will have to be submitted to the secretary at least 24 hours before the meeting involved takes place

The Bill also contains a number of legislative amendments that will apply to all schemes.

Notwithstanding what I have already said about the need to make specific adjustments for large schemes, there are many aspects of the strata legislative framework that have relevance and value for all schemes. The Bill contains a package of improvements that will tighten up areas where shortcomings have become evident.

I would like now to give a brief overview of the remaining provisions of this Bill.

Changes are to be made to the way in which sinking funds are required to be managed by owners corporations.

This Bill will require that owners corporations have a structured approach to sinking fund reserves. It will be mandatory for all new schemes to implement 10-year sinking fund plans. They will have to be reviewed at least each five years.

They will be required to have a ten-year maintenance and expenditure plan and associated budgeting. In other words, they will have to turn their minds to capital expenditure that will arise over the following ten years and plan the sinking fund budget accordingly.

The revised sinking fund provisions received overwhelming public support during the recent consultation on the *Living in Strata Developments in 2003* Issues Paper.

It is clearly preferable for adequate financial reserves to be built up over the passage of time so that regular planned maintenance can be carried out. This Bill will provide sensible support to such an approach. Owners corporations will be free to use expert outside assistance in formulating their 10-year sinking fund plans if they wish but this will be optional. They may have experts within the scheme who can help in devising the plans and so little or no additional costs will arise for the owners corporation in getting their plan put together. I am sure that members will support the Government's endeavours in this area as they will provide benefits to strata unit owners and the wider community for generations to come.

While the Bill provides that these new sinking fund provisions will only apply to schemes that come into existence after the revised legislation commences, a Regulation-making power has been provided to extend it to existing schemes where appropriate.

Where there are insufficient funds put aside and inadequate maintenance provided, major building expense may arise. This requires a large one-off levy on all unit owners, placing a heavy burden on people with limited sources of income.

The level of public support for the sinking fund reforms indicates that extension of the provisions to existing schemes would be appropriate. However, this will not occur until adequate consultation has been carried out.

Another new initiative will be in relation to the commencement of any form of legal action by executive committees.

Concern has been expressed that prior to commencing action individual owners should be made aware of the cost of legal action and the likelihood of success.

Most strata schemes will contain individuals from a broad cross section of the community with a variety of personal expectations, attitudes and level of involvement. It is impossible to expect that there will always be perfect harmony. The commencement of legal action on matters concerning the scheme is one area where it is certain that a divergence of views will exist.

The Government proposes to minimise the level of internal dispute arising in this area by taking some simple but effective measures.

Firstly, if legal action of any type is being contemplated, the estimated cost of the action is to be provided in writing to all owners in accordance with the *Legal Profession Act*. A meeting of the owners corporation must be called before the action can actually commence to ensure that everyone can have a say if they wish. These new provisions will not only include the initiation of legal proceedings but also the obtaining of legal advice.

Executive committees will effectively be prevented from undertaking legal action under their own initiative thus removing the possibility that claims will be made that a committee has not acted in the interests of all owners and added to existing conflict rather than dissipated it.

A new mandatory item will be added to the agenda of the annual general meeting of each owners corporation.

The owners corporation will have to consider whether any restrictions are to be placed on the decision-making powers of their executive committee for the ensuing year. This will remove the likelihood that owners suggest that their executive has acted

beyond its mandate and leave the executive free to carry on with its tasks without undue hindrance. An associated amendment will make it clear that the owners corporation is the superior body and has the final say in the event of any dispute between the two levels of management.

Another clarifying amendment will confirm that the owners corporation can dismiss its entire executive committee by special resolution should extreme circumstances arise that would lead to such an action being necessary.

I want to make it clear that there is no intention to unnecessarily muzzle executive committees. Most owners corporations could not operate effectively without a diligent executive committee to carry out the essential day to day tasks. These measures should minimise the possibility of disputes arising in this area in the future.

We are all aware of the critical importance of fire safety in any building especially those that accommodate large numbers of people.

It is very important that the local government and fire authorities have adequate access to strata buildings to inspect and confirm that necessary fire safety measures are in place. To remove uncertainty over who is responsible for providing access, the Bill includes a provision making it clear that this is the owners corporation's duty.

To reflect the seriousness of the issue, owners corporations will be subject to a significant penalty for not complying with the new obligation. To ensure owners corporations are not unfairly penalised when residents fail to give access inside individual units for the purposes of a fire safety inspection, they will be given a defence to a prosecution in these circumstances.

Another new initiative taken through this Bill is to provide that a strata managing agent appointed by the owners corporation cannot transfer the management responsibilities to another agent without the consent of the owners corporation concerned. This will be an equivalent provision to the one already in place dealing with the transfer of caretaker management responsibilities.

An important amendment in the Bill relates to the extent of documentation required to be handed over by the original owner, usually a developer, at the first annual general meeting of the owners corporation. It is essential that the owners corporation has all the necessary plans, warranties and other documents to enable it to take over the running of the scheme and the new provisions adds to the list of material that developers will have to provide. To ensure compliance with the new obligations, the associated penalties will be increased ten-fold.

The Bill contains a package of amendments that have arisen from the National Competition Policy review during 2001 and 2002. As I have already said, some of the recommendations from the NCP Report have already been implemented. This Bill includes the remainder of the recommendations already adopted by the Government. I will not go into detail as the amendments cover a wide range of quite different issues. They have been in the public domain since the NCP Report was released and there is no secret about them. I will just give a broad overview of these provisions of the Bill.

The Bill makes it clear that the owners corporation has the necessary power to add to, alter or erect new structures on common property or allow others to do so. This previously uncertain area has often resulted in by-laws being devised to overcome the doubtfulness of the situation. The powers of the owners corporation and the responsibility for ongoing maintenance of common property affected in this aspect of strata life will now be made clear to all concerned.

The inconsistencies over the period for which the various owners corporation records have to be retained is removed and a 5-year period will apply to all records.

The Bill will make clear that office-bearers cannot simply issue notices to comply with by-laws on residents of a strata scheme without a verification of the action by the owners corporation or its executive committee at a formal meeting.

Consent to conveyancing searches of owners corporation records will be able to be given orally by the lot owner concerned.

All types of insurance taken out by owners corporations, whether optional or not, will have to be with approved insurers.

An exemption will be provided for 2-lot strata schemes on the standard of discretionary audit used for their annual accounts which will effectively allow them to utilise any form of audit deemed appropriate.

The Bill includes provisions which assist in overcoming some past difficulties in relation to dealing with the delegation of functions by owners corporations. Under the *Strata Schemes Management Act*, owners corporations can only delegate their functions to licensed strata managing agents. In other words, only strata managing agents can be appointed to stand in the place of the owners corporation, making decisions and taking actions as if they were the owners corporation itself. Other people can help the owners corporation in carrying out tasks and duties but only strata managing agents can be given the power to make decisions for, and undertake the full role of, the owners corporation.

Despite refinements to the laws in 1996 there has still been some uncertainty in this area in recent times. The Bill therefore seeks to clarify this issue a little further. It does so by specifically listing the types of matters that can only be given to a strata managing agent to carry out under delegation should an owners corporation elect not to do them itself. These are the critical operational functions of the owners corporation in the areas of budgeting, fixing of levies, managing the finances, insurance, conduct of meetings and handling of correspondence and other documentation and keeping the necessary records. Other less important tasks could be carried out by other persons.

It is intended, that once and for all, time consuming and unnecessary arguments that a person who sweeps the common property hallways and staircases or who rakes the leaves on the lawn must be a licensed strata managing agent to be able to do so on behalf of an owners corporation be resolved.

The process for appointment of strata managing agents by Strata Schemes Adjudicators or the Consumer, Trader and Tenancy Tribunal is to be streamlined giving a wider range of circumstances when such appointments can be made. It will also be put

beyond doubt that a managing agent could be appointed compulsorily on the basis of circumstances revealed when an Adjudicator or the Tribunal is considering an application about an unrelated issue.

Important changes are to be made to the mediation provisions of the legislation.

Mediation has been one of the real success stories of the revised strata management laws that commenced in July 1997. The success rate is very high and the New South Wales mediation mechanism is the envy of other Australian jurisdictions. However, we aim to improve it even further. We will achieve the improvements by widening the discretion of the Registrar to waive the need for mediation. This will give added flexibility to ensure that in those circumstances where mediation would obviously be fruitless or counter-productive, the Registrar could shortcut the dispute resolution process by sending the parties directly to adjudication. Some types of disputes, such as the re-allocation of unit entitlements will be specifically listed as being exempt from the mediation requirement.

The other major reform to the mediation provisions will be to provide for a ratification order by an Adjudicator once parties have come to a mediated settlement. If there has been one weakness in the mediation mechanism, it is in the area of making mediated settlements "stick". The Office of Fair Trading has received information on a number of experiences where parties have left mediation sessions in apparent full agreement to the terms of settlement only to have a change of heart at a later time, thus resulting in the matter going on to formal adjudication.

The Government believes that the process would be streamlined if a mediation settlement achieved could, wherever possible, be ratified by a confirmation order by an Adjudicator. This would mean that the settlement would be binding and the avenues already provided in the legislation for parties to have orders enforced, would be available. However, in recognition that the inherent effectiveness of mediation could be jeopardised by too stringent a process, ratification will only arise where the parties agree to it at the conclusion of the mediation session.

The Bill also deals with some essential by-law issues. Many owners corporations use by-laws to deal with matters specific to their own complexes. By-laws are intended to enhance and utilise the laws that are already in place so that the circumstances of a particular scheme can be accommodated. They are not able to fundamentally change what the general laws already provide. It is recognised that some owners corporations may attempt to stretch by-laws further than their intended limit and the Bill contains a provision which will stress that by-laws cannot be used in an endeavour to go beyond the provisions of the *Strata Schemes Management Act* or any other relevant laws. Also, it is made clear that by-laws that conflict with any existing laws are invalid.

A secondary amendment to the by-laws provisions will have a substantial and fully-intended impact. Exclusive use by-laws are sometimes registered to give individual owners sole access to, or use of, a portion of the common property. It takes a substantial vote of the owners corporation, effectively a 75% vote in favour, to pass an exclusive use by-law. The laws already provide that, as a consumer protection, during the early life of an owners corporation when a developer is likely to still have substantial voting control, exclusive use by-laws that would benefit some, but not all owners, cannot be passed. However, there is no such restriction in such by-laws being registered with the plan itself by the developer. To ensure that incoming purchasers are not disadvantaged by not being aware of exclusive use by-laws already in place, disclosure will be required by the vendor. Perhaps a developer may have exclusive use by-laws in place in regard to common property parking spaces. Those who did not have access to the spaces by by-laws already in place should obviously know about this in advance. Purchasers can then receive advice on whether to go ahead with the acquisition.

There are over 700 retirement villages operating in NSW. Between 40 and 50 of them are strata schemes. The *Retirement Villages Act* and the *Strata Schemes Management Act* operate in tandem in respect to these villages. The overlap of the two sets of laws can sometimes require some careful consideration by those older members of the community moving out of their family home. For instance, both village fees and strata levies are usually payable by residents. There are two separate annual budget processes and individual annual meetings. Sometimes there are both village rules and strata by-laws that apply.

Prospective residents of retirement villages must already be given a package of information by the village operator to help them in their decision whether to move in to a particular village. The amendments included in the Bill will ensure that those contemplating entry to a strata retirement village will also be provided with the necessary information about strata levies payable and other relevant strata information to assist in making their choice.

The last substantial reform provided in this Bill's package of amendments relates to a Regulation-making power to exclude certain strata schemes from the dispute resolution mechanisms should it ever be found to be desirable. This provision is merely to provide sufficient flexibility should it be found appropriate to move certain schemes from the dispute resolution processes available under the Act to other more conventional mechanisms. It could be argued that large commercial strata schemes should not be utilising a dispute resolution process fundamentally designed for issues arising in residential buildings. It could be held that it is a misuse of resources to have a relatively inexpensive, quick and informal process designed for residential matters to be accessed by wealthy commercial interests. While there are no specific plans for any schemes to be excluded at this stage, the new provision will provide the necessary flexibility to deal with any valid concerns that arise in this area.

The Government concedes that there are quite extensive Regulation-making powers included in this Bill which might draw some interest from the Legislation Review Committee. However, it is considered that none will lead to unreasonable restriction on personal rights. They are largely supported by the community and none will be finalised without adequate consultation with relevant interest groups.

In conclusion, as well as the matters I have just outlined there are also some minor amendments dealing with consequential changes arising from the February 2003 amendments. Matters relating to accountants carrying out the functions of treasurer of an owners' corporation and the granting of a licence over common property by an owners corporation are also included in this very extensive package of amendments.

I wish to advise the House that further refinements to the strata schemes and related laws are likely. To this end, the Government intends to release a further Issues Paper shortly which will invite comment on a number of areas where a final position has not yet been reached and where a diversity of views have been encountered. The Paper will include coverage of matters such as:

- The most desirable mechanism for the termination of schemes
- The extension of the new sinking fund provisions to schemes already in existence
- Special category of manager for large schemes
- Further issues affecting the operation of large schemes
- Further restrictions on the use of proxy votes
- Building and performance standards
- Fire safety assessment
- The maximum number of persons permitted to occupy residential units
- Modernisation of model by-laws
- Delineation of common property and private property
- Access to strata buildings by emergency services
- Relevance of the most recent strata reforms to community schemes

I am sure that the refinements and improvements outlined in the Bill will prove to be beneficial to that substantial proportion of our community associated with strata scheme life and will assist in the better operation of the laws. I commend the Bill to the House.

The Hon. MELINDA PAVEY [9.12 p.m.]: The Opposition does not oppose the Strata Schemes Management Amendment Bill. The Strata Schemes Management Act 1996 was amended in late 2002 to take into account the national competition policy review of the legislation. Further proposed amendments were not amended at the time. This bill incorporates those further proposals. The proposals are designed to give security to people who, more commonly and especially in city areas, live in strata accommodation. One need only travel around Sydney, Newcastle and Wollongong to see the enormous number of strata developments. People may choose to downsize from the traditional quarter acre block into a more convenient city-style location.

This bill relates to property with more than 100 lots, so the impact is not too heavy on coastal and regional communities. There has been considerable unit-style development at Port Macquarie on the North Coast—not so much in Coffs Harbour—and in the Tweed, certainly in Ballina. The Opposition does not oppose the bill because it will give those who wish to live in that style of development more security and certainty in terms of their investment and lifestyle.

In recent years there has been a trend across New South Wales towards the development of large high-rise blocks. This movement towards larger scale blocks has created the need for additional legal support and provisions to meet the new requirements. Therefore, this bill will amend the Strata Schemes Management Act 1996 to make special provisions for the management of large strata schemes as defined by those containing more than 100 lots. However, parking lots and utility lots such as storage rooms will not be counted when calculating the 100 lots.

The intention of the bill is to provide a large scheme with sufficient flexibility to alter its administrative arrangements for ease of management. In addition, it recognises the greater accountability of owners corporations funds that are required by large schemes. The bill intends that regulations contain provisions that will prescribe different processes and requirements in matters such as the conduct of meetings, the functions of office-bearers, finance management and the operational powers of the executive committee. Some of these will be handled by the regulations.

However, the bill has specifically addressed some provisions. These include: that financial accounts of large schemes will be subject to audit on a yearly basis; owners corporations will need to obtain two quotes for large items of expenditure; executive committees for large schemes will be limited to spending no more than 100 per cent above any approved budget item; all unit owners require personal notification of upcoming executive committee meetings and are to be notified of any decision made by the committee at those meetings. Noticeboards will no longer be sufficient. People living in the buildings will receive better communication and those who have not previously been involved may be more inclined to become involved to ensure better management of their building. Proxy votes for such meetings will need to be submitted to the secretary at least 24 hours prior to the meeting.

The bill will introduce changes to the way in which owners corporations manage sinking funds. They must adopt a structured approach to their sinking fund reserves. It will be a mandatory requirement for new strata schemes to implement 10-year sinking funds with five-year review intervals. In addition, 10-year maintenance and expenditure plans, with associated budgeting, will be required for new schemes. Although the sinking funds provisions only apply to new provisions, they may be extended to existing schemes by regulation if deemed appropriate.

The bill will establish a procedure to be followed prior to the commencement of any form of legal action by the executive committee. Owners will be made aware of costs and the likelihood of success prior to any legal action. The bill will prevent executive committees taking legal action on their own initiative. Broader consultation with the rest of the body corporate will be required. This will prevent owners from lodging complaints that the executive committee did not act in the interests of the owners. The owners corporations will be regarded as the superior body and may override decisions of the executive committee should a disagreement arise.

The bill confirms the right of an owners corporation to dismiss its executive committee by special resolution should it be deemed necessary. In relation to the transfer of strata managers, the owners corporation must give consent before transfer of management responsibilities can take place. The bill contains a series of amendments in order to comply with recommendations arising from a national competition policy review of the Strata Schemes Management Act 1996. The bill clarifies the powers of an owners corporation to alter, add or erect new structures on common property. Owners corporations must retain records for five years and will no longer be permitted to merely issue notices to residents to comply with by-laws without the formal support of an owners corporation or executive committee meeting.

The amendments will clarify any uncertainly in relation to the delegation of owners corporations. Only strata management agents are empowered to make decisions on behalf of an owners corporation. The bill will specify the types of matters that can be given to a strata managing agent to carry out the operational function of the owners corporation. These areas include budgeting, fixing of levies, managing finances, insurance, conduct of meetings, handling of correspondence and keeping of necessary records. The circumstance in which a strata managing agent can be appointed by a manager or the Consumer, Trader and Tenancy Tribunal is to be widened.

The discretionary power of the Registrar is widened to waive the need for mediation. The bill contains regulation-making powers to exclude certain strata schemes from dispute resolution mechanisms under the Act. This idea stems from the fact that large strata schemes would not generally benefit from dispute resolution mechanisms. By-laws are not to be used as a means of going beyond the provisions of the Strata Schemes Management Act. An exclusive by-law can only be passed if 75 per cent of an owners corporation votes in favour.

I commend my colleague in the other House, the shadow Minister for Fair Trading, Katrina Hodgkinson, for her work with all interested stakeholders. She was able to get some clarification from the Minister, which resulted in three amendments in the other place to tidy up some areas of the bill that had raised concern. In addition, the Legislation Review Committee raised a series of questions with the Minister which have been answered. Many of the concerns related to the regulation that will bring in many of the changes. We want to ensure that the regulation will not be onerous and outside the intent of the original legislation.

Stakeholders, while welcoming many of the changes, were concerned about the restrictions imposed on executive committees, overexpenditure and legal action. The shadow Minister consulted widely with bodies such as the Institute for Strata Title Management, the Property Owners Association of New South Wales, the Retirement Village Residents Association, the Real Estate Institute of New South Wales, the strata title manager, the business assurance and management company, the New South Wales division of the Australian Property Institute and the Property Council of Australia. I commend her for her consultation. I also commend the Minister for making some changes in the other House to address the concerns of industry.

The Minister, in her reply to the second reading debate, said that the bill takes a step to minimise these situations arising in the future by removing longstanding uncertainties over the issue. Owners corporations will have the power to allow alterations but they must make a by-law to clarify who is responsible for ongoing maintenance. Presumably most owners corporations would want to ensure that the unit owner has responsibility for ongoing maintenance of the altered common property. With those comments, and having acknowledged the work of the shadow Minister, Katrina Hodgkinson, the Opposition will not oppose the Strata Schemes Management Amendment Bill.

Ms SYLVIA HALE [9.21 p.m.]: The Greens support this bill but I will make a few comments about it. As most members would be aware, New South Wales was the first jurisdiction in the world to implement the concept of strata title. Therefore, it is fitting that we also lead the way in refining and improving this form of property ownership. The Greens welcome this bill as a step towards resolving some of the most serious problems with the management of strata buildings. We welcome the improvement in accountability for owners

corporations, executive committees and office bearers. In particular, the requirement for a full meeting of the owners corporation to authorise legal action, clarification of the powers of the executive committee, and controls on the activities of strata managing agents appear to be significant improvements on the existing situation.

Similarly, the Greens welcome the improvement to budget systems, particularly budgeting for sinking funds over longer periods. The need to provide funds for major renovations in a relatively short time frame has been a burden on many strata owners, and I hope these provisions will make the situation less likely. I am pleased to note that this bill increases the requirements for developers to provide documentation to owners corporations and the increase in associated penalties. Despite this, there is still a need to address the situation when unscrupulous developers retain sufficient ownership of units to ensure control of the owners corporation. There have been cases in which they have abused this control to prevent legal action from individual unit owners against the developer on the basis of shoddy workmanship. While this is extremely difficult to protect against, it is a common enough circumstance that special provision should be made to protect unit owners, for example, by requiring developers to sell a majority share of units on the open market.

[*Debate interrupted.*]

DISTINGUISHED VISITORS

The DEPUTY-PRESIDENT (The Hon. Christine Robertson): I welcome to the gallery the Speaker of the House of Assembly of Tasmania, the Hon. Michael Polley, and the Clerk of the House of Assembly of Tasmania, Mr Peter Alcock.

STRATA SCHEMES MANAGEMENT AMENDMENT BILL

Second Reading

[*Debate resumed.*]

Ms SYLVIA HALE: The Minister has indicated that this legislation is the result of an extensive process of discussion and community consultation. I was aware of the 2003 "Living in Strata Developments" discussion paper. While I support these recommendations, I am somewhat disappointed that this review did not examine some of the more fundamental aspects of the strata system, which are in need of rethinking. The fundamental challenge of strata title is that it changes forever the use of land. Once a given block of land has a strata titled building on it, the interests of all the owners will have to be taken into account forever more. It is almost impossible to reduce the intensity of use of the site, for example, by converting a six-storey building into a two-storey one. While the general trend is towards consolidation and increasing density, this does not appear to be a problem.

However, when considered in the context of potentially hundreds of years of use, the complications are obvious. For example, it is possible that over these time frames changes to our climate and energy system may make our current tall towers of energy and water intensive units unsuitable. Although it is extremely difficult, under strata title it is still possible to rebuild, renovate or refit existing buildings. However, it is essentially impossible to change the nature of those buildings without interfering fundamentally with the system of ownership. Therefore, the decision to convert a block to strata title has the potential to create a long-term economic problem that overrides environmental or other considerations. This is a decision in perpetuity. At the moment a basic flaw in our planning system is its short-term focus. By that, I mean short in environmental terms.

The Hon. Amanda Fazio: Point of order: The Strata Schemes Management Amendment Bill deals with the management of strata schemes in New South Wales; it does not deal with the issues relating to land management in New South Wales. I know that the honourable member is obsessed with these topics. However, she should confine her remarks to the bill before the House and not subject us to yet another diatribe against property development.

Ms SYLVIA HALE: To the point of order: This bill definitely deals with the management of strata schemes. I am canvassing the problems associated with the management of strata titles, particularly as they extend into the long term, rather than the short term. As my colleague Lee Rhiannon pointed out in an earlier debate, generally and traditionally considerable latitude is extended to members when discussing bills in terms of the way an issue should be addressed. This is a relevant time to address these broader considerations.

The Hon. Catherine Cusack: To the point of order: Global environmental degradation is beyond the direct responsibility of strata title managers. Therefore, the bow that the honourable member is seeking to draw is so long that it has snapped. I support the honourable Amanda Fazio in seeking your support to draw the honourable member back to the scope of the bill.

The DEPUTY-PRESIDENT (The Hon. Christine Robertson): Order! I uphold the point of order. The bill relates to the management of strata titles, not their origin or the way they are set up. Ms Sylvia Hale should confine her remarks to the provisions of the bill.

Ms SYLVIA HALE: Another feature of strata titles that is in need of reform, and which this bill fails to address but undoubtedly should, is the ability to capture increasing value associated with the conversion of land to strata title. The property owner who converts land to strata title has gained an enormous windfall profit. In reality he has not created any new resources or contributed to the community; he has merely applied a beneficial legal status to his land. It is only reasonable that the public should capture some of that windfall value increase. After all, it is the community—

The Hon. Catherine Cusack: Point of order: I do not believe that other than inserting a couple of bridging sentences the member has in any way altered the content of her speech. Therefore, she continues to speak in a manner that ranges much too far from the scope of the bill. I ask you again to draw her back to the leave of the bill.

Reverend the Hon. Fred Nile: To the point of order: I support the point of order. Ms Sylvia Hale said, "I am now going to deal with matters not in the bill." She upholds the point of order.

The Hon. Duncan Gay: To the point of order. As my colleagues have indicated, a dissertation on whether a profit motive is appropriate is obviously well outside the leave of the bill.

Ms SYLVIA HALE: To the point of order: I find it extraordinary that when we are talking about superannuation we cannot talk about superannuation and when we are talking about strata title we cannot talk about strata title.

The DEPUTY-PRESIDENT (The Hon. Christine Robertson): Order! I uphold the point of order. Ms Sylvia Hale should confine her remarks to the bill. Issues relating to development that are distressing to her may be debated at another, and more appropriate, time.

Ms SYLVIA HALE: This bill represents progress in improving the fairness and effectiveness of the current strata title system. The Greens support the bill but look forward to the opportunity to make more far-reaching and fundamental changes to the system of strata title in the interests of long-term environmental and social sustainability.

The Hon. AMANDA FAZIO [9.32 p.m.]: I support this legislation for two main reasons. The first is that, with the Hon. John Ryan I was a member of the Joint Select Committee on the Quality of Buildings, which heard considerable evidence from owners in large strata schemes about the inadequacy of current strata arrangements to deal with the newer style, large developments being constructed not just in the central business district but in other areas such as Parramatta, Hurstville and Rockdale. They are all over. The original strata management team was looking at buildings with no more than 10 or 12 units in them, and the way in which they are managed is very different from the way in which one would manage, for example, Regis Towers, which has more than 400 units.

Strong evidence was received by the inquiry about the inadequacy of current arrangements relating to problems with the original handover of the strata schemes and the way to deal with strata management in cases where many owners of units in strata schemes are offshore investors—people who have never looked at the units and do not know how the buildings are managed. They put their faith in the managing agents who are often appointed by the people who first transferred the scheme to the owners' corporation. Many difficulties were raised with us during that inquiry. That information was fed into the consultative process on the review of the strata scheme.

Ms Sylvia Hale said she did not believe there had been wide consultation, but there was a series of consultations on this review of the Strata Schemes Management Amendment Bill, and I congratulate the Minister in the other place on the way in which it was conducted. All stakeholders had a really good chance to

put forward their points of view. A large number of owners in strata schemes were unhappy with the arrangements they were saddled with after they bought into a development. The consultation process was good. An issues paper was released in August 2000 and 80 submissions were received. Public discussion forums were held in Sydney, Tweed Heads, Port Macquarie, Newcastle, Wollongong and Batemans Bay. We had the final report of the National Competition Review and 77 submissions were received after that. Then we had consultation on living in strata developments in the 2003 issues paper, and 113 submissions were received in relation to that.

Almost half those submissions came from individual owners. Some came from owners' corporations and some from industry groups and government agencies. The paper was released in May 2003. I approached the Minister about the closing day for submissions, because having previously lived in a strata management scheme I knew the communication flow in strata schemes can be slow. Consequently, the original closing date for submissions of 27 June 2003 was extended to 1 August, and that allowed many more owners' corporations to formulate their viewpoints and put in submissions. Eighty-one per cent of submissions came from the Sydney metropolitan area, which outlines the overview that the Hon. Melinda Pavey gave about the location of these sorts of developments. Consultation was good and the proposals that have been brought forward are good. We should reject some of the comments made by Ms Sylvia Hale, particularly her comment that developers should be required to divest themselves of units within a particular property. There is no commercial way that can be—

Ms Sylvia Hale: Point of order: I believe Ms Fazio, as usual, is totally misrepresenting what I said. I find it somewhat difficult to understand why I am restricted in what I can say yet Ms Fazio seems free to wander where she will. She is not talking to the bill. If my comments were ruled out of order, I believe her comments too are out of order. Her comments on my comments are equally out of order.

The DEPUTY-PRESIDENT (The Hon. Christine Robertson): Order! I remind Ms Sylvia Hale that a process is available for members to take points of order and that she has availed herself of that opportunity.

The Hon. AMANDA FAZIO: To the point of order: I am not sure what the point of order is. The first point was that I was misrepresenting the comments of Ms Sylvia Hale. The second point was that I seem to have a more in-depth knowledge of issues relating to the legislation than Ms Sylvia Hale has and that, therefore, I was being irrelevant when she was not. Ms Sylvia Hale believes I have misrepresented her but my understanding of what she said was that she did not believe developers should be able to retain a majority of units in a development once it has been completed. If she claims not to have said that and she can tell me exactly what she said, I will retract the comment. However, I do not believe the point of order is valid.

Ms Sylvia Hale: Further to the point of order: I said there should be some process whereby the community could capture windfall gains that resulted from strata titling of land. I did not talk about the way in which that should be done. I made no reference to people having to contribute units or any such thing. This is a complete fabrication by the fertile imagination of Ms Fazio.

The Hon. Greg Pearce: To the point of order: Ms Sylvia Hale is a new member and may not understand the standing orders and conventions of the House. I remind her—and you Madam Deputy-President—that it is not a breach of the standing orders that a member misrepresents another member. The Hon. Amanda Fazio does so regularly. It is also not a breach of the standing orders for a member to be untruthful in the House. Again the Hon. Amanda Fazio does that regularly, as do many other members on the Government side of the House. If Ms Sylvia Hale believes she has been offended, the appropriate course, as you will no doubt rule, is that she may make a personal explanation at the appropriate time. There is no point of order as there has been no breach of the standing orders. There has been no allegation of unparliamentary language so there is nothing to withdraw.

The DEPUTY-PRESIDENT (The Hon. Christine Robertson): Order! I do not think the point of order taken by Ms Sylvia Hale related to a misrepresentation of her comments. The point taken was that the Hon. Amanda Fazio was straying from the scope of the bill. I uphold the point of order.

The Hon. Rick Colless: Don't you dare stray, Amanda.

The Hon. AMANDA FAZIO: I will try not to stray. I know that sometimes we are here late but my memory is not that bad. I think I will be vindicated by *Hansard* tomorrow in relation to the comments of Ms Sylvia Hale. The bill will bring about a good change for people who live in larger-style strata schemes. It will give them a guarantee about the amount of money they will have to pay in levies. It will give them certainty

about the upkeep of the building in which their major life investment, their home, has been made. It will also take away some of the more shonky practices in relation to collusion between builders and strata managers. For that reason I commend the bill to the House and ask you, Madam Deputy-President, to ignore the comments of Ms Sylvia Hale, because I do not think she knew what she was talking about.

Reverend the Hon. FRED NILE [9.41 p.m.]: The Christian Democratic Party supports the Strata Schemes Management Amendment Bill. We support the remarks of the Hon. Amanda Fazio. In her last words she summed up what I was going to say about the bill. We congratulate the Government on introducing a bill that deals with an important and controversial issue, particularly in relation to high-rise complexes. People have been very frustrated about who pays for repairs, who authorises repairs to serious decay, concrete cancer and other problems in buildings. As honourable members know, there are now nearly 70,000 strata developments in New South Wales, ranging from a simple two-lot suburban development to a massive 700-unit high-rise complex. So we do need the bill and we are pleased to support it.

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [9.42 p.m.], in reply: I thank honourable members for their contributions and commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

RETIREMENT VILLAGES AMENDMENT BILL

Bill received, read a first time and ordered to be printed.

Motion by the Hon. John Della Bosca agreed to:

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

Second reading ordered to stand as an order of the day.

FOOD LEGISLATION AMENDMENT BILL

Second Reading

The Hon. IAN MACDONALD (Minister for Agriculture and Fisheries), [9.45 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

Five years ago, my ministerial predecessor introduced the Food Production (Safety) Bill which established the new agency Safe Food Production NSW. Safe Food was to become responsible for food safety in the primary produce and seafood industries up to the back door of the retail shop or restaurant. In his second reading speech the Minister said:

"The Government believes that the Safe Food initiative will help bring about justified consumer confidence in the safety of the food supply without imposing unnecessary burdens on industry. The Government also commits to the long-term goal of establishing a comprehensive Food Safety Authority as recommended by the Kerin review and by the Blair review"

With the introduction of this bill, the Government delivers on that commitment. The bill will enable the merger of Safe Food with the food regulatory staff and resources of NSW Health to form the NSW Food Authority. The bill does this by repealing the Food Production (Safety) Act 1998 and transferring relevant provisions to the Food Act 2003, establishing the NSW Food Authority, and providing for staff transfer and related issues.

The merger will implement the key recommendation of the comprehensive review of the NSW food regulatory system conducted during 2002 by the Hon. John Kerin. Mr Kerin consulted extensively with consumer and public health advocates, the food industry, local government, and scientific and technical experts and received 84 submissions in response to an issues paper. He found overwhelming support for the establishment of a single independent State agency with through-chain responsibility for food regulation.

Mr Kerin's report was publicly released in December 2002. It provides the detailed case for this initiative. Food-borne disease costs Australia $2.26 billion each year, equating to a New South Wales cost of $765 million. Furthermore, the incidence of food-borne disease appears to be increasing in many developed countries, including Australia.

The apparent increase may in part be due to improved food-borne disease reporting, through systems such as the OzFoodNet initiative. But there is no doubt that food-borne pathogens have greater opportunity to cause disease as supply chains lengthen and become more complex through globalisation and changes in production processes.

Changing consumer habits also contribute to the increase in food-borne disease, with the average Australian now eating more than 250 meals each year prepared outside the home.

In addition, more people are vulnerable to food-borne disease as the population ages and medical science prolongs life.

For all these reasons, food safety management is more challenging than in the past when end-point inspectors checked for spoilage or foreign objects and consumers relied on the "sniff test". Regulators now use science to assess risks at every step in the supply chain and use a combination of preventive systems and enforcement action to minimise food safety risks.

It therefore makes sense to bring the State's resources together in a single agency which can target its activities in a consistent way to the highest risks along the supply chain.

Over the past five years, Safe Food NSW has brought together the former Dairy Corporation, the Meat Industry Authority, the Shellfish Quality Assurance Program from NSW Fisheries, as well as regulation of shellfish depuration, smallgoods fermentation, and goat and sheep milk production from NSW Health. It has refocused existing programs and developed new programs to address risks in the seafood and plant products industries.

The merger will bring these industries together with the retail, food service and food manufacture sectors, under the one umbrella. This will be a first for Australia although many countries, including our New Zealand neighbours in 2002, have recognised the benefits of similar integration.

The functions of the NSW Food Authority, to be included in a new part 9, division 1, will enable it to carry out the objects of the Food Act, namely to ensure that food is safe and suitable, to prevent misleading conduct in the sale of food, and to apply the national food standards code in this State.

These functions will include all the functions now exercised by the "regulatory authority" under the Food Act—currently defined to be the Director-General of the Department of Health—plus the functions of Safe Food under its current Act. In addition, the new function at proposed section 108 (2) (f) will support future consumer information and education initiatives as recommended by the Kerin review.

NSW Health will retain its responsibilities under the Public Health Act for notifiable disease and disease surveillance and will lead investigations involving human food-borne disease, assisted by the Food Authority. NSW Health will also retain responsibility for nutrition policy and health promotion. The respective roles and responsibilities of the Food Authority and NSW Health in these areas will be set out in a comprehensive memorandum of understanding before the merger. This will include a detailed protocol for the agencies' joint response to incidents of food-borne disease.

Because the Food Authority will be established by the Food Act with specified functions, its accountability will be clear and it will report directly to me as Minister in the same way as other agencies within my portfolio. The bill also implements Kerin's recommendation that ministerial control and direction should not extend to licensing matters, which are reviewable by the Administrative Decisions Tribunal, or to decisions whether to prosecute.

The Food Authority's core funding will be provided by merging the existing funding of Safe Food and the food regulatory funding of NSW Health. The Government will commit a total of $9.48 million per annum to fund the Food Authority. The funding includes $1.23 million for laboratory testing of food samples by the Government's Food Laboratory under service agreement with the Food Authority.

Under principles established by the Government's Food Safety Funding Review in 2001, the food industry contributes to the cost of Safe Food's preventive programs through licence fees, levies, and fees for audit and inspection services. The Government believes that these principles should apply generally to the funding of the Food Authority's preventive programs. Accordingly, items [20], [23] and [24] of schedule 1 bring together the fee provisions of the Food Act with those of the Food Production (Safety) Act.

I turn now to some key features of the food regulatory framework to be provided by the bill.

The Food Authority will use risk analysis to focus its resources and efforts on the areas which pose the greatest risk to public health. It will also seek to maintain the right balance between preventive approaches, such as food safety program requirements in food businesses, and enforcement action when food laws and standards are breached.

The key to this risk-based and balanced approach will be the food safety scheme mechanism currently contained in Part 4 of the Food Production (Safety) Act. This enables food safety schemes to be tailored to particular industries or sectors and prescribed by regulation. These schemes may include preventive requirements such as food safety programs, arrangements for auditing of these programs, licensing of food businesses, and associated fees and charges.

The schemes are based on scientific assessment of food safety risks and implement national standards such as the Food Standards Code where applicable. Over the past five years, Safe Food has introduced food safety schemes covering the dairy, meat and seafood industries, and schemes for selected plant products sectors and eggs are being developed.

Item [18] of schedule 1 will transfer the food safety scheme provisions to the Food Act, where they will be available to cover food businesses anywhere in the supply chain. Existing food safety scheme regulations will be preserved as if they were made under the Food Act. The food safety scheme provisions will replace current Food Act provisions which deal with licensing of food businesses, food safety programs, and auditing requirements.

The bill retains the important process requirements which ensure that food safety schemes are soundly based, effectively targeted, and do not impose unnecessary costs on the food industry. These requirements include prior risk assessment and industry consultation, preparation of a regulatory impact statement, and establishment of a structure for industry consultation on operation of the Scheme and any amendments to the scheme.

In accordance with national policy directions, NSW Health has already begun work to develop food safety program requirements for high-risk sectors involving food service to vulnerable populations and certain catering operations. This initiative will be transferred to the Food Authority and implemented through a food safety scheme regulation.

For the primary produce and seafood industries currently covered by Safe Food, the bill makes no significant change to the regulatory and consultative arrangements established over the past five years under the Food Production (Safety) Act.

In particular, the farm sector will continue to be exempt from Food Act requirements to comply with the Food Safety Standards in part 3 of the food standards code, unless compliance is specifically required by a food safety scheme regulation. Similarly, licensing requirements will only apply to farmers, or any other food business, if provided by a food safety scheme. This is precisely the current position under the Food Production (Safety) Act.

Although the two Acts contain similar enforcement provisions, some harmonisation was needed to bring the offences and penalties provisions together. The offences and penalties established under part 2 of the Food Act remain unchanged.

However, the Food Act offences in section 92, which relate to food safety programs and auditing, have been combined with the food safety scheme offences in the Food Production (Safety) Act in proposed new section 104. Penalties have been harmonised to the Food Act standard by removing the different penalty for a first offence and the imprisonment option in the food safety scheme offences and by including the higher maximum penalty for corporations.

The bill makes consequential amendments to a number of Acts. In addition, following consultation with the interim Meat Industry Advisory Committee, the Bill repeals the provisions of the Meat Industry Act 1978 which provide for lamb branding and the Meat Industry Consultative Council.

Lamb branding ensures that consumers who pay for lamb get lamb and not hogget or mutton. These provisions will now be enshrined in the Food Act, as its objects include consumer protection.

The Consultative Council provisions will be transferred to the Meat Food Safety Scheme Regulation, and a new council appointed with the revised composition agreed with the interim committee.

The Meat Industry Act will continue to provide for the levy on livestock producers. Producers pay an annual levy ranging from $5 to a maximum of $130, with the average being $14. The proceeds of the Meat Industry Levy, which is collected by Rural Lands Protection Boards together with other levies, are used solely for the Meat Food Safety Scheme.

Meat industry businesses from abattoir to retail butcher are licensed by Safe Food and pay fees for the preventive programs in their sectors. Because Safe Food does not currently implement preventive programs in the meat producer sector, the levy is the only means by which livestock producers contribute their share of costs for the meat food safety regulation from which they benefit.

The NSW Farmers Association has raised some concerns about the levy. In response, I have requested the Meat Industry Consultative Committee to conduct a review of the levy. The review will focus on inequities in the levy arrangements, including the possibility that it applies to occupiers of land who do not benefit from meat food safety regulation. For this reason, the bill makes no change to the current provisions.

In preparation for introduction of this bill, Safe Food and NSW Health have carefully prepared for transition to the NSW Food Authority, which will have around 110 staff. The NSW Health Food Branch co-located with Safe Food head office staff in April last year and together they moved in November to the building at Newington which will be the authority's head office.

On commencement of the Act, staff of both agencies in rural and regional areas will move to common regional offices near their present locations. Work to integrate programs, and review through-chain resource allocation according to food safety risk, can then begin in earnest.

I conclude with some comments about the crucial role of local government in food regulation. Local government councils have been involved in food regulation since 1896. A recent survey of councils found that approximately 344 staff in 172 councils performed some food regulatory work, with the total resource being equivalent to 92 full-time staff. The Food Act 2003 provides for councils to be prescribed as "enforcement agencies" with broad regulatory powers and for some coordination and support by the State-level agency through annual reporting requirements and promulgation of national guidelines.

However it is widely acknowledged that a better framework is needed to support a consistent and effective local government role and eliminate duplication of effort. The Kerin review recommended that the New South Wales Government explore with local government a model which would mandate, support, and resource a consistent local government role in food regulation.

The Food Authority will take this recommendation forward as a high priority. In November, a directions paper "Toward a strong food regulation partnership" was jointly released by State agencies, the Local Government and Shires Associations and other local government bodies to set the scene for this important work.

This bill will establish the first through-chain food regulatory agency in Australia. Completion of agency integration at State level, complemented by a strong partnership with local government, will provide the best platform to ensure a safe food supply for New South Wales consumers without imposing excessive costs on the food industry.

I commend the bill to the House.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [9.46 p.m.]: Once again we were enthralled by the Minister's contribution here tonight. Time moved quickly and now it is my turn to contribute to the bill.

The Hon. Ian Macdonald: I was listening upstairs. I do not think you should say things like that.

The Hon. DUNCAN GAY: Your speech seemed to go pretty quickly. That is merciful. The bill we are discussing deals with food safety, an issue that affects the health and future of our farming industries, our entire food production and distribution system, the retail sector and consumer wellbeing. Over the past decade food safety has become a high-profile health issue, while the food safety environment has been rapidly changing. To keep pace our regulators have had to shift from a reactive to a preventive approach in managing risks and educating consumers about them. The purpose of the bill is to repeal the Food Production Safety Act 1998 and amend the Food Act 2003 so as to establish a standalone agency responsible for food regulation from production to consumption. This agency, to be named the NSW Food Authority, will replace the current Safe Food Production NSW and will have all-encompassing responsibility for food regulation in New South Wales. It will also merge the food regulatory resources and skills of NSW Health and be responsible to the New South Wales Minister for Agriculture and Fisheries. Approximately 70 Safe Food and 40 NSW Health staff will be merged.

The creation of the NSW Food Authority frankly is a long-overdue step toward food safety regulation, but it is not perfect. Five years ago Safe Food Production NSW was established to take over responsibility for food safety from the producer to point of sale, and five years ago the Government promised that this would be a stepping stone to a comprehensive food safety authority. In 2002 the Kerin review—written by the same bloke who stuffed up our wool industry—recommended the creation of this authority. For a Government claiming to take food safety seriously the bill has certainly been a long time coming—nine years in fact. Food safety is too important an issue not to prioritise. Whilst consumer concern has been rising in correlation with the increasing incidence of perceived or real biosecurity threats, New South Wales has been unacceptably slow to act on tightening regulation systems.

As we have seen over the past decade, consumer concern over food safety is easily sparked and able to bring whole food industries to their knees in the blink of an eye. Consumers rightly expect, and industry justifiably demands, food safety regulation from their governments. Germany's health and agriculture Ministers were forced to resign in 2001 over mishandling the mad cow disease epidemic. The United Kingdom Government had to establish a new food standards agency directly responsible to Parliament after the British mad cow nightmare. Belgian health and agriculture Ministers resigned in June 1999 over their failure to manage outbreaks of dioxin contamination of chicken meat and eggs.

The current challenge is the creation of a safe food environment which inspires consumer confidence but which does not unnecessarily constrict industry. That will not be easy. New South Wales needs a holistic and professional approach to food safety. That can be achieved only with a strong, efficient food safety authority. As I said, the food safety environment is changing for a variety of reasons. Australians are now eating out more often, and as our population ages we are more vulnerable to food-borne diseases. These factors make it more difficult to monitor the safety of and to protect our food products. They also require the Government to take a more active role in consumer education. That is why the concept of a one-stop shop for food regulation in New South Wales makes sense to the Opposition. However, we wonder why the Government did not see fit to do this earlier, especially given that an announcement was made to local councils that the authority would be up and running by the end of 2003.

I will refer to the key elements of the bill and comment briefly on them. The three basic functions of the bill are to amend the Food Act 2003 to create the NSW Food Authority, to extend the operation of the Act to primary food production and to transfer to the Act the provisions of the Food Production (Safety) Act to enable the establishment of food safety schemes by regulation. As I indicated, the Opposition supports those functions in principle. The legislation's other function—that is, to repeal the Meat Industry Act 1978 provisions relating to the Meat Industry Consultative Council and to re-establish the council under the Food Act—should not be overlooked. Aside from the council, the Meat Industry Act also provided for lamb branding. The regulation and control of lamb branding, which is essential to ensure the quality of the product and to protect consumer

interests, will be transferred to the amended Food Act. I understand that, unlike the Opposition, the New South Wales Farmers Association was consulted about that amendment and supports it.

The Meat Industry Act will continue to provide for the annual levy paid by livestock producers, collected by the rural lands protection boards and used for the Meat Food Safety Scheme. The New South Wales Farmers Association has raised concerns about the levy system, and those concerns have resulted in the agreement of the Minister for Agriculture and Fisheries to undertake a review of the necessity for, and efficiency and management, of the levy. Of course, the Minister is really saying, "Trust me; the levy will be okay, but I will not get rid of it." The association has accepted that, and that is its choice. Along with the association, the Opposition will be monitoring the progress of the review and will comment on the results when they are released. The authority's two-pronged focus on risk analysis designed to concentrate resources and efforts on high-risk areas and to find a balance between preventative approaches and enforcement action is a necessary step. The provisions covering primary production are part of the one-stop approach to food safety regulation, and the Opposition supports them in principle. The same applies to the establishment and management of food safety schemes under the authority.

With regard to the Food Authority's other functions, the Opposition is concerned about the Government's clear failure to ensure that the legislation provides for the new authority's functions in regard to consumer and community education. We are all consumers and many of us feel constantly under siege from the onward march of increasing food safety threats. People are concerned about flaws in food safety nets and the presence of pesticides, herbicides, antibiotics and genetically modified foods. We are also concerned about bird influenza, mad cow disease, carcinogens found in overseas-farmed salmon and so on. Those concerns need to be met with balanced and informative education programs. For example, people in Asia were concerned about the risk of catching avian influenza from eating Thai chicken. Such concerns were obviously unfounded, but they had to be addressed to avoid consumers changing their habits unnecessarily.

Before tabling this bill two weeks ago, the State Government promised that the Food Authority would be responsible for everything from food safety regulation to consumer and community education. The bill does not deliver on the latter. Community education programs are essential in any food safety strategy. Consumers must be kept aware and informed of real and perceived risks and about what they should expect in terms of safety from the food sector. That must be achieved through community education frameworks and not be left to vague promises to give advice and assistance, because we know that will not happen. The New South Wales Government stated in a November 2003 paper entitled "Towards a strong food regulation partnership", which it distributed to local councils, that the NSW Food Authority would address issues ranging from food safety and nutrition to consumer information and community education. Although the Opposition accepts the logic of keeping nutrition, policy and health promotion under NSW Health's umbrella, the bill fails to state specifically that a necessary function of the Food Authority will be to provide not only advice, information and assistance but also community education about food safety. That is both negligent and lazy. Community education is too important to leave to chance. The Food Authority must be bound to undertake education initiatives. The honourable member for Tweed—Napping Neville, also known as Neville Newell—misled the other place when he said in his second reading speech:

> … the new function in proposed section 108 (2) (f) will support future consumer information and education initiatives as recommended by the Kerin review.

If Napping Neville had read the bill more closely, he would have found that proposed section 108 (2) (f) does not mention the word "education" let alone "education initiatives". As I said, this bill is long overdue and I congratulate the Minister on an important step forward. However, it is imperfect, and to correct it the Opposition will move one important amendment designed to ensure that the Food Authority takes responsibility for community education about food safety—as previously promised and as Napping Neville said would happen. The proposed amendment to schedule 1—

The Hon. Ian Macdonald: Who is Napping Neville?

The Hon. DUNCAN GAY: Neville Newell. That is what that they call him in the Tweed. The Minister asked me that; I did not volunteer it. It is on the record because the Minister asked about it. The Minister has indicated that he will agree to the proposed amendment and I congratulate him on that.

The Hon. Jennifer Gardiner: He is awake even if Napping Neville is asleep.

The Hon. DUNCAN GAY: I acknowledge the interjection from the Hon. Jennifer Gardiner. The proposed amendment inserts "community education" after the word "information" in proposed section 108 (2) (f). Paragraph (f) will read:

> to provide advice, information, community education and assistance in relation to matters connected with food safety or other interests of consumers in food.

Having provided details on that during the second reading debate, I will not need to do so in Committee. I trust that the Committee will accept and support the amendment, and I commend the Minister for indicating that the Government will do so. Consumers have a good appreciation of the importance of safe food. However, we are all still have a way to go with education about the importance, significance, and impact of food safety regulations. I repeat: education on food safety is essential.

As the Australian Consumers Association wrote in its 2001 submission to the Kerin review, "consumer education of safe buying and handling procedures are essential to complement HACCP style food safety systems and ensure against unsafe food". The Opposition will also closely monitor the Government's commitment to the integration of the new system with local government. As the last page of the 2002 Kerin review states with regard to section 73:

> The responsibility of local government for the regulation should be clearly defined and appropriately resourced. The NSW Government should explore with local government the implementation of a model which would mandate a local government role.

Both the public and industry will expect that this authority will involve a genuine partnership between the New South Wales food agency and local government, and the Government must keep its promises on this issue. I place on record my concerns that the Food Safety Authority will fall entirely under the responsibility of the current agriculture ministry.

The Hon. John Della Bosca: Ministry, or Minister?

The Hon. DUNCAN GAY: My speech reads "Minister", but I am going to be benevolent.

The Hon. Rick Colless: You're too kind.

The Hon. DUNCAN GAY: People say I am too kind. The reason I had this concern—and it was echoed in the lower House by my colleague the honourable member for Lachlan—is that this is a major change for the Department of Agriculture. The department has not traditionally had this role. I accept that the Minister indicates that it is a separate agency, but concern has been expressed within the department that it is a policing role that traditionally the department has not had. The department had a similar power with regard to ovine Johne's disease, but that was a loss of that special relationship that the department had. If the amendment is accepted, the Opposition will not oppose the bill.

Debate adjourned on motion by the Hon. Peter Primrose.

ADJOURNMENT

The Hon. JOHN DELLA BOSCA (Special Minister of State, Minister for Commerce, Minister for Industrial Relations, Assistant Treasurer, and Minister for the Central Coast) [10.03 p.m.]: I move:

> That this House do now adjourn.

SENIORS CARDS INTERSTATE USE

The Hon. JOHN RYAN [10.03 p.m.]: It gives me an enormous pleasure to draw the attention of the House to an announcement by the Federal Government, through the Minister for Family and Community Services, that it intends to ask the States to consider a scheme that will allow Seniors Card holders to use their Seniors Cards when they visit other States. Currently, Seniors Card holders are able to obtain discounts for public transport when they travel within their own State. Obviously, that scheme meets with enormous approval from seniors. I remind the House that during the last election campaign the Coalition had a policy, which I understood was enormously popular, that it would extend Seniors Card benefits to a number of self-funded retirees. I remain somewhat disappointed that the Carr Government has not taken up the Prime Minister's offer to extend the benefits of Seniors Cards to a number of self-funded retirees. Nevertheless, perhaps the States will take up the Federal Government's latest offer, which I imagine will be enormously popular, to allow seniors to

use their Seniors Card entitlements to access public transport when they travel interstate. In announcing the offer, Senator Patterson said:

> For some time now the Australian Government has worked closely with state and territory governments to explore the possibilities of providing public transport concessions to card holders travelling interstate.
>
> I have written to state and territory governments with a revised offer which will provide states and territories with more flexibility in applying the benefits to visiting seniors.
>
> If agreed, State Seniors Card holders travelling outside their home state will be able to access a minimum 35 per cent discount on public transport fares in areas nominated by the state or territory government.
>
> There are more than 2.3 million State Seniors Card holders in Australia.

We could well do with more seniors tourists visiting New South Wales. If part of the incentive for seniors to visit New South Wales is that they can access public transport discounts—which could include using rail transport through CountryLink, for however long the Labor Party allows Country link to survive—they will be able to use those discount opportunities to see New South Wales and spend their money here.

I encourage the New South Wales Government to seriously consider the enormous benefits that are likely to come to our economy, as well as the opportunities that will be afforded to our own seniors when they visit other States. It is a wonderful scheme that is being promoted by the Federal government. I would hope that, unlike the unfortunate response that the Government has taken towards the Prime Minister's latest offer to extend benefits to self-funded retirees and expand the operation of the Seniors Card, the State Government takes up the offer. In making the offer, it is not as though the Commonwealth is coming to the table without making some effort itself. I understand that under the proposal New South Wales would receive funding of up to $3.8 million to make the scheme work in this State.

The Hon. John Della Bosca: You've got to be kidding.

The Hon. JOHN RYAN: The Minister says, "You've got to be kidding." In many instances seniors will use capacity in our public transport system that is currently underused. They are not likely to compete with peak-hour transport commuters; they are likely to use the State's buses and trains at a time when they are almost empty. It is therefore a great opportunity to ensure that a new capacity in our public transport system is used. It is a win-win situation all round: a win for the Government, a win for our seniors, and a win for the State's economy.

I hope that next week, which is Seniors Week, one of the first announcements that the State Government will make is that it will accept the offer by the Commonwealth to extend Seniors Card benefits across the country, particularly to our own citizens, who, I am sure, would be only too happy to use Seniors Card benefits in other States. I will certainly do all I can to encourage the State Government to take up the offer. Should it refuse to do so, I will do my level best to communicate all around the State how appalling the State Government has been in not taking up this offer.

LOCAL DEVELOPMENT TASK FORCE

Ms SYLVIA HALE [10.08 p.m.]: The Government established the Local Development Task Force in July 2003 because it asserted that "the current development application process can be cumbersome, costly and tedious". The task force reported in October 2003. When delivering the report, the task force proclaimed that the implementation of its recommendations would result in an average seven-day turnaround for housing development approvals. What the task force failed to mention was the sacrifices that would need to be made to achieve such a turnaround. It would inevitably come at the expense of community consultation, of expert assessment of development applications, and of proper consideration of local, heritage, and environmental factors. To say the least, the recommendations are developer friendly and geared to making it harder for communities to know about, let alone control, development in their towns and suburbs.

The task force's recommendations are even more suspect when one looks at its composition and the conflicts of interests its members have. Significantly, the task force included not one representative of the Local Government and Shires Associations or the Planning Institute of Australia, and not one elected councillor or one qualified professional planner. It included no-one who was currently or who had recently been involved in the daily assessment of development.

Let us look more closely at just who was on the committee. The Chair, Neil Bird, has been the deputy chairman of Landcom, chairman of the Bringelly South West Group Pty Ltd, and a director of the Honeysuckle group in Newcastle. Two other members have strong links to developers: Robert Barnaby from Masterton Homes and Elizabeth Crouch from the Housing Industry Association. When we bear in mind that between 1998 and 2003 the Government accepted $4,998,530 from the development industry, it is not surprising that the recommendations of this developer-driven task force would make it easier for developers to fast-track housing approvals by limiting community and council participation in the process.

The approval process is made easier for developers in a number of ways. The first is the implementation of common housing standards. The aim of introducing statewide so-called common housing standards is to so broaden the definition of what would conform to the standards as to permit some 70 per cent of all house applications to be approved virtually automatically, regardless of whether the area was a greenfields development site, a dense inner-city suburb, or a coastal or wetlands area. This is a deeply flawed "one size fits all" approach.

Provided the development complied with the prescribed controls, an accredited certifier could approve the development without any need to take into account lot characteristics such as size, impact on neighbours, waterfront aspect, or bushfire considerations. There would be no need for developers to consider heritage and streetscape issues such as subdivision patterns, density, views, colour, design, or external finishing.

The second concern was the certification process. The report recommends that private certifiers be allowed to impose conditions on complying development certificates in order to make a non-complying development that breaches a standard comply and thus be approvable. It introduces merit considerations into what was originally touted as a non-merit assessment scheme. Since the introduction of the private certification system in 1998 the scheme has been so bad and so corrupted that the State Government has even had to strip the peak building surveyors accreditation body of the power to license private certifiers. The Government-controlled Campbell inquiry produced a damning report on the activities of private certifiers. The reason was obvious: private certifiers depend for their income on builders or developers and they have an inherent conflict of interest. They cannot be relied upon to put the community's interests first.

A third area of concern is the notification procedures. The report recommends the imposition of a mandatory statewide notification policy, which would replace each council's policy. This would be a boon to developers as it would ensure that notification policies developed by councils to meet the needs of their particular communities would be dispensed with. The report gets worse. It recommends that neighbours be notified of the development only after approval has been granted, and thus undermines residents' legitimate expectations that they will be informed of proposed developments adjoining their properties and will be permitted to make submissions on the impact of that development on their properties, on the streetscape, or on broader community considerations such as heritage.

Clearly the only beneficiaries of these recommendations will be the developers whose ability to buy favourable planning outcomes will increase. Needless to say, the Greens will oppose any move by the State Government to implement these recommendations, and the Local Government and Shires Associations and community groups are unanimously opposed to the recommendations of the task force.

COMBOYNE COMMUNITY TECHNOLOGY CENTRE

The Hon. KAYEE GRIFFIN [10.13 p.m.]: On 6 March it was my pleasure to open the Comboyne Community Technology Centre on behalf of the Minister for Commerce, the Hon. John Della Bosca. Community technology centres form part of the New South Wales State-Commonwealth government initiative to address the digital divide of advantage and disadvantage in country New South Wales. The New South Wales State Government has established new community technology centres in regional New South Wales to give people better access to the latest information technologies such as the Internet, email, teleconferencing and e-commerce.

During 2001, 18 community representatives from the townships of Comboyne and Kendal collaborated on a major submission to establish a community technology centre that would have a main street presence in both townships. The first meeting was held in Kendal on 13 June 2001. Seed funding was approved and the steering committee was formed. The committee met weekly in order to establish a legal entity to receive the funds and commence the project. The Kendal Comboyne Community Co-operative held its formation meeting on 19 June.

The board commenced the start-up phase during 2002-03 and the co-operative was registered in June 2002. The Kendal site was refurbished during the initial operating year and the Comboyne site had to undergo extensive refurbishment. Looking at the before and after photographs it is hard to imagine that it is indeed the same building, but determination on behalf of the committee and countless volunteer hours have paid dividends. The building is now very functional and is providing a broad range of facilities to the Comboyne community.

The Comboyne Community Technology Centre is now part of a network of 84 community technology centres spread across New South Wales. One of the key reasons for the success of the community technology centres program is the high level of community involvement that goes into the planning and operation of the centres; it is a fine example of the community working together for a common goal. Both Comboyne and Kendal community technology centres will provide leadership to their local communities, fostering innovation technology training and local economic opportunities. The hard work that a community demonstrates in establishing a community technology centre is well rewarded with local partnerships and local economic opportunities. Local partnerships are an important part of the viability of community technology centres, and I believe these partnerships will prove to be both advantageous and rewarding to all involved.

This month the Comboyne Community Technology Centre will host a range of activities for Seniors Week 2004. This provides a valuable opportunity for local seniors, who have perhaps had somewhat limited access to information technology applications in the past, to update and upgrade their skills and to look at the range of information that best suits their needs and provides better access to services and facilities. I understand that the Comboyne Community Technology Centre has a strong interest in assisting visitors with local tourist information, accommodation, et cetera. I believe this is an excellent way to introduce more visitors to what is a very scenic part of New South Wales.

I was also pleased to hear that the Comboyne Community Technology Centre intends to conduct comprehensive information technology training programs. These are just a few examples of the hard work going into developing a strong association between the community and the community technology centre. I also want to acknowledge Hastings Shire Council for providing funds for the centre. This partnership has had support from all tiers of government and has the will to succeed because of the commitment of the committee and the support that the local community has given the project.

It was a great opportunity for me to talk to the committee and members of the community about their plans to expand the programs that will operate out of the centre and the advantages that the technology centre will provide to all members of the local community: students, seniors, people who want to improve their information technology skills, and small businesses in the area, including dairy farmers, who will be able to utilise greater access to technology to improve business transactions and databases for their dairy farms. I congratulate the Kendal and Comboyne Community Technology Centre Committee and the community on their commitment to the project and on the innovative ideas they have to expand the use of the technology centre in Comboyne.

THE PASSION OF THE CHRIST

The Hon. DAVID CLARKE [10.18 p.m.]: Mel Gibson's film *The Passion of the Christ* has been doing enormous box-office business both overseas and here in Australia since its release on Ash Wednesday. I and members of my family are among those who have attended its screening. Apparently it has the second-highest box-office takings ever for a film in the first week of release. In the United States of America it had the biggest opening day for any film ever released outside the summer and holiday period. It is on track to become the highest grossing religious theme film of all time.

I want to endorse the comments made in the House only a few days ago by Reverend the Hon. Fred Nile regarding *The Passion of the Christ.* I congratulate him on that speech. His comments are a moving tribute to this film. I believe he established beyond any reasonable doubt that Mel Gibson has produced a truthful and accurate re-enactment of the last 12 hours of the earthly life of Jesus Christ as recorded in the Gospels. Reverend the Hon. Fred Nile established that the film is based on bible truth.

Mel Gibson believes that he received the inspiration of the Holy Spirit in the pursuit of his project and I believe him when he says this is so. I do indeed believe that it is a project inspired by the Holy Spirit. I find it boringly predictable that the same self-consumed, left-leaning, humanist and secularist public commentators who are in the forefront of campaigns to liberalise and abolish censorship controls relating to violence and pornography, have suddenly become so concerned about the public, especially young people, being exposed to

the violent, but truthful, scenes in Mel Gibson's film. What an amazing turnabout; from promoters for the abolition of censorship in films, these people are suddenly shocked and affronted by the violence accurately displayed in *The Passion of the Christ*.

The same commentators lecture us that *The Passion of the Christ* will create deep and widespread division in our community. Where is this prophesised division manifesting itself? I do not see any evidence of it at all. The truth is that *The Passion of the Christ* is having the opposite effect. It is bringing Christians of all denominations, and others, together. The leaders of virtually all Christian denominations right across the spectrum who adhere to the fundamental and traditional beliefs of Christianity have spoken in high praise of this film and its message. After viewing the film His Holiness the Pope said, "It is as it was."

The film has received strong endorsement from the respected evangelist Reverend Billy Graham, a man who throughout his long public life and ministry has been beyond reproach and scandal. Cardinal Pell has praised Mel Gibson's film, as have the leaders of Sydney's Anglican archdiocese, the largest diocese in Australia. Whether Catholic, Protestant or orthodox, the leaders of world Christianity have spoken in high praise of *The Passion of the Christ*. Spokesmen for a number of non-Christian faith traditions have also been fulsome in their positive comments.

I pay tribute to Mel Gibson for his inspired project. I honour him for his perseverance against all the odds and opposition he has endured. I express my admiration of him for his Christian temperance and self-control in the face of concerted attempts to ridicule, denigrate and malign him and the film he has created. My hope is that this great and worthy film will serve as a means to spread the truths of the Christian faith. My hope is that it will serve to solidify and strengthen the faith of Christians everywhere and that it will do so in a manner that shows, undeniably and convincingly, that the Christian faith, applied in practice, is the cure and solution for the great proportion of social ills and problems that confront our society in these times.

GENETICALLY MODIFIED CROPS AND MR PERCY SCHMEISER

Mr IAN COHEN [10.23 p.m.]: Honourable members may have heard of a Canadian farmer Percy Schmeiser, who came to Australia to warn farmers of the dangers of getting involved in genetically engineered [GE] crops. However, members may not be aware of what happened to him. The following is an extract of the speech he made at the recent Bioneers Conference, in which he stated:

> I am a seed developer from western Canada, where since 1947 my wife and I have been developing a strain of canola that is resistant to certain diseases that we have on the prairies. I am also a seed saver, like hundreds of thousands of farmers around the world who save their seed from year to year to plant and harvest.
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> Besides being a farmer, I was also mayor of my community for over a quarter of a century. And as a member of the government, I always worked on agricultural issues for the betterment of farmers.
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> In 1998, without any prior knowledge, Monsanto laid a lawsuit against me alleging that I had infringed their patent by growing their genetically modified canola without a licence. It was a real shock to my wife and me, as we had never had anything to do with Monsanto. But the real issue that concerned us was the possibility that our pure seed, which we had developed after half a century of research, would now be contaminated. We stood up to Monsanto, arguing that if any genetically modified organisms (GMOs) were present in our pure seed, then Monsanto were liable for destroying the property of others.
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> It took two years for this case to go to trial at the Federal Court of Canada, with one judge, but no jury, and I had no choice in the matter. In the two years of pre-trial, Monsanto withdrew all allegations that I had obtained their seed illegally, but because they had found some GMO canola plants in the ditch along my field, I had infringed their patent. That is the basis on which the case went to the Federal Court of Canada.
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> This is what the judge ruled: It does not matter how Monsanto's GMOs get into or onto any farmer's field or into a seed supply. (He went on to specify how this could happen: Direct seed movement by birds, by wind, especially on the prairies, by floods, and through cross-pollination by bees.) It doesn't actually matter how the genetically modified organisms get into an organic farmer's field, or into the fields of a conventional farmer like myself: once there, those seeds and plants become Monsanto's property.
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> It was a very startling decision. The judge also ruled that we were not allowed to use our seeds or plants again and that all the seeds and plants that we had developed over half a century became the property of Monsanto. You can imagine how we felt, losing half a century of work and development. The judge also ruled that all the profit from my 1998 canola crop was payable to Monsanto.
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> I had taken samples from every one of my canola fields. They were sent to the University of Manitoba, where two scientists did checks on the purity of our seeds, and they found that from two of our fields there was no contamination, some fields had 1%, 2% and 8% contamination, and in the ditch along one field, contamination was around 60%. But the judge ruled that even from the land that had no contamination, all profit would be payable to Monsanto because there was a probability that our seed contained some of Monsanto's GMOs.

Percy Schmeiser has had his life's work ruined through the strongarm tactics of Monsanto. Our farmers face the same risk. The Minister for Agriculture and Fisheries seems oblivious to the risk both to our farmers and rural industries as a result of GE contamination. This risk is not just confined to canola farmers. It also seriously jeopardises wheat and barley growers who grow canola and other grains in rotation. It will not be possible to keep GE canola out of wheat and barley. As well as the grains industry, the pork industry, the dairy industry, feedlot farmers and apiarists are all at risk as a result of GE contamination.

Further, grain farmers will be forced to use 2-4D or other more hazardous herbicides in an attempt to reduce the number of volunteer GE canola plants in their fields. Indeed, 2-4D is highly volatile and dangerous to cotton growers, orchardists and wine growers, not to mention its impact on native flora. Has the Minister consulted these industries that are at risk? He seems to have no concept of the extraordinary risks of allowing a huge commercial GE canola crop to proceed in breach of the moratorium. It is time for the Premier to step in before it is too late.

INTERNATIONAL WOMEN'S DAY FUNCTIONS

The Hon. JAN BURNSWOODS [10.28 p.m.]: Last night I spoke about a number of events associated with International Women's Day but was unable to conclude my comments because of time constraints. I shall do so now. I attended a very enjoyable function at the University of Western Sydney organised by the Vice-Chancellor, Jan Reid. The function was held at the female orphan school, a building dating from 1813 or 1814 on the Parramatta campus of the University of Western Sydney. The guest speaker was the amazingly impressive Dawn Casey, a former director of the National Museum of Australia. Unfortunately, the Howard Government removed Dawn, partly as a casualty of the so-called history wars—and it is interesting to note the numerous expressions of regret at such action.

For instance, in December Kathryn Greiner said that the Government's treatment of Dawn sent all the wrong signals in that it was both racist and sexist, given that Dawn was a female of Aboriginal heritage. Numerous people spoke about her achievements in running the museum and the fact that between its opening in March 2001 and the end of last year, the museum had attracted two million visitors. I am sure that all those who attended the function found Dawn an inspiring speaker.

I would like to mention also a launch of the revised autobiography of Jessie Street that took place yesterday at Sydney Town Hall. Jessie's autobiography was originally published in the early 1960s, but it has been updated, revised and considerably expanded by Leonore Cultheart, who is based at the National Museum of Australia. Jessie was an amazing woman. She was a feminist who was active in many causes from the time she first became interested in the plight of working women in England before the First World War, including numerous activities during the 1920s and 1930s, and as an undercover munitions worker during the Second World War, culminating in her being the only Australian woman to take part in the conference that led to the founding of the United Nations at the end of the Second World War. She put numerous issues of ongoing importance, such as pay equity, on the agenda. She also played a major role in ensuring that the United Nations Charter and Statement of Belief did not begin with the statement, "All men are brothers."

As I said, it was an interesting function that paid tribute to an important woman. There were lighthearted comments about the fact that Jessie Street, who had a long and fascinating life, ran for the Federal seat of Wentworth in 1943 as an Independent and almost defeated the sitting conservative member. So there is a certain amount of speculation about what issues Malcolm Turnbull might take up if he is fortunate enough to win the Federal seat of Wentworth, which must be something of an open question.

Another function relating to International Women's Day was the UNIFEM breakfast held in Sydney. Breakfasts were also held in Parramatta and other places. The Sydney breakfast held on Monday morning was notable for two reasons. First, the theme related to Australia's position vis-a-vis the Pacific Island states. Probably the most inspiring contributions were those of four schoolgirls, three of South Pacific descent and one of Aboriginal descent from years 10, 11 and 12. All four of them spoke excellently in front of a very large gathering of women, which is not easy. However, as these are the kinds of girls coming through our public schools, we do not have much to worry about in the future. The guest speaker at the function was another admirable woman, Dr Elsina Wainwright, who is the strategy and program director at the Australian Strategic Policy Institute. She spoke about her role in Australia's foreign affairs and aid program in the Solomon islands, New Guinea and numerous other places around the Pacific Rim. I congratulate all these women on a fine international women's week.

Motion agreed to.

The House adjourned at 10.33 p.m. until Thursday 11 March 2004 at 11.00 a.m.