LEGISLATIVE COUNCIL

Wednesday 12 October 2005

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

The Clerk of the Parliaments offered the Prayers.

AUDIT OFFICE

Report

The President tabled, pursuant to the Public Finance and Audit Act 1983, a performance audit report of the Auditor-General entitled "Implementing Asset Management Reforms", dated October 2005.

Ordered to be printed.

YANGA STATION, BALRANALD

Production of Documents: Order

Motion by the Hon. Duncan Gay agreed to:

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 created since January 2003 in the possession, custody or control of the Premier's Department, the Minister for the Environment, the Department of Environment and Conservation, and the National Parks and Wildlife Service regarding the purchase of Yanga Station including:

(a) all correspondence, memos and general communication regarding the valuation and purchase of Yanga Station,

(b) all correspondence, memos and general communication between the New South Wales State Government and Australian Federal Government regarding the valuation and purchase of Yanga Station, and

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

PETITIONS

Crown Land Leases

Petition requesting the withdrawal of changes to the rental structure of Crown land leases, particularly enclosed road permits, received from **the Hon. Melinda Pavey**.

Same-sex Marriage Legislation

Petition opposing same-sex marriage legislation, received from **Reverend the Hon. Fred Nile**.

Freedom of Religion

Petition praying that the House reject legislative proposals that would detract from the exercise of freedom of religion and the employment of persons whose beliefs and lifestyle are consistent with religious doctrine and values, and retain the existing exemptions applying to religious bodies in the Anti-Discrimination Act, received from **Reverend the Hon. Fred Nile**.

Public Housing

Petition requesting action to protect public housing tenants and to ensure that public housing remains viable for low-income households, received from **Ms Sylvia Hale**.

UNPROCLAIMED LEGISLATION

The Hon. Michael Costa tabled a list detailing all legislation unproclaimed 90 calendar days after assent as at 11 October 2005.

ABORIGINAL LAND RIGHTS ACT 1983: DISALLOWANCE OF ABORIGINAL LAND RIGHTS AMENDMENT (ELECTIONS) REGULATION 2005

The PRESIDENT: Pursuant to standing orders the question is: That the motion proceed as business of the House.

Question agreed to.

Motion by Mr Ian Cohen agreed to:

That the matter proceed forthwith.

Mr IAN COHEN [11.12 a.m.]: I move:

That under section 41 of the Interpretation Act 1987, this House disallows the Aboriginal Land Rights Amendment (Elections) Regulation 2005 published in *Government Gazette* No. 65, dated 3 June 2005, page 1912, and tabled in this House on 7 June 2005.

This motion seeks to disallow the New South Wales Aboriginal Land Rights Amendment (Elections) Regulation 2005 (No. 203). The object of the regulation is to extend the period within which elections must be held following at the appointment of an administrator to an Aboriginal land council from two years to five years. This has the effect of disempowering and disenfranchising Aboriginal people by denying them an elected voice on the peak State council. Under section 223 of the New South Wales Aboriginal Land Rights Act the Minister has the power to appoint an administrator.

The Minister also has the power to extend the administrator's term of office under section 231 of the Act. This power of extension is not qualified by the same triggers as the power of appointment of an administrator. However, the extension can only be for a maximum of two years. The last elections of the New South Wales Aboriginal Land Council were held in 1999. Under section 121 of the Act elections were to be held within a period of between three years and nine months, and four years and three months. Within this six-month window when elections were due to be held the Minister appointed an administrator for a period of 12 months.

Elections were to be held in November 2004. However, in March 2004 a change to the regulations was gazetted which altered the period within which elections had to be held from 12 months to two years. This made November 2005 the date when elections were to be held. In June this year the regulation was gazetted further extending the period within which elections had to be held, this time to five years. This brings the time for the next council elections to November 2008, nearly nine years since the last election. It is completely unacceptable that the peak Aboriginal representative body in New South Wales should not have a democratic election in such a long period—five years longer than the period between elections would otherwise be.

Changes to the regulations have occurred in both instances not long before elections were due. I understand this was because it was felt that the New South Wales body needed more time to turn itself around under the administrator. I have spoken to people on the New South Wales Aboriginal Land Council. While they still feel more time is needed under the administrator to complete the work that is under way, they believe that five years is excessive. They would be happy with three years in this case, but to maintain two years in other cases and for local Aboriginal land councils [LALCs]. As I am unable to move amendments to a regulation to alter the time frame, the mechanism available is to disallow the regulation. There was no consultation with land councils about this regulation which, in itself, is an absolute disgrace. It is nothing short of outrageous that Aboriginal people were first made aware of such an important change to their voting rights by reading about it in the *Government Gazette*.

I have received letters of support for this disallowance motion from the following Aboriginal land councils and other groups: Moombahlene Local Aboriginal Land Council, Murray River Regional Aboriginal Land Council, Albury and District Local Aboriginal Land Council, Kullowa Kudjer Ltd, Tharwal Local Aboriginal Land Council, Karuah Local Aboriginal Land Council, Cummeragunja Local Aboriginal Land Council, Wagonga Local Aboriginal Land Council, Awabakal Local Aboriginal Land Council, Wandoo Aboriginal Corporation, Anaiwan Local Aboriginal Land Council, Moama Local Aboriginal Land Council, Narrandera Local Aboriginal Land Council, Pastor Ossie Cruse of the Aboriginal Evangelical Church, the Alliance of Local Aboriginal Land Councils Network within the northern zone of New South Wales consisting of approximately 40 local Aboriginal land councils and which has a membership exceeding 5,000, and the Northern Sydney Regional Reconciliation Network. The comments I have received from these groups include the following:

> We urge you to defend the sacrifices and accomplishments of the many Aboriginal movements who fought for and won our democratic rights and our right to self-determination.
>
> The New South Wales Aboriginal Land Rights Act was an Act for the Aboriginal people of NSW. It was to provide compensation for the dispossession of our land, dislocation from 'country'. It recognised our fundamental human rights of freedom to cultural and religious practice ... What is to be achieved by continued government control?
>
> There were many indigenous and Non-indigenous people from Local Government, Aboriginal Land Councils and the Reconciliation Movement that supported the appointment of an administrator to the NSWALC in November 2003, but that support was based on the appointment being for a twelve month period only.
>
> These proposed changes are seen as contrary to the aims and objectives of the NSW Aboriginal Land Rights Act 1983, contrary to the goal of self-determination, contrary to the spirit of reconciliation and the betrayal of Aboriginal Peoples.
>
> Such changes would allow an Administrator to control the NSWALC without being accountable to the Indigenous people for his actions and deny Aboriginal Peoples their democratic right to elect their own representatives until November 2008.

The Alliance of Local Aboriginal Land Councils Network in the northern zone of New South Wales, which represents about 40 local Aboriginal land councils, met and voted unanimously to support this motion and expressed its outrage in the following terms:

> … we urge you to speak on our behalf as this Government does not appear to care or listen to the voices and opinions of Aboriginal people.

Pastor Ossie Cruse had this to say about extending the period of administration:

> … it would be morally wrong, in that it has the potential to destroy the Self determination, and reinstall the old Aboriginal Protection Board system of Government-appointed Managers; The very system which was so Soul Destroying for Aboriginal and Islander people, in that it created welfare dependency, whilst destroying self esteem and self worth, and the very system which is the aftermath of ongoing problems that exist in our Aboriginal and Islander Community today.

We need only look at the dismantling of the Aboriginal and Torres Strait Islander Commission—the downgrading of its powers and functions and the eventual demise of that body—for a frightening precedent for the stripping away of the representative powers of Aboriginal people. While the New South Wales Aboriginal Land Council has been under administration the Government has been conducting a review of the Aboriginal Land Rights Act behind closed doors. Aboriginal people need a commitment about the review of this Act. It has been stalled again and again and has been going on in camera for two years with little outcome. It is only now—two years into the process—that the Government is saying that it will begin consultation about the review. The Director General of the Department of Aboriginal Affairs has not met task force members. This Government's handling of Aboriginal affairs is an absolute mess.

The previous Minister for Aboriginal Affairs, Dr Refshauge—who has now conveniently retired—left this mess. He showed disinterest and laziness in his dealings with this portfolio. That has left Aboriginal people in our community feeling disempowered and in despair. The previous Minister did not act appropriately and was hardly on the ball when it came to addressing situations that have a massive impact on the Aboriginal community. That has led in part to unrest and the breakdown in communications between the Aboriginal community, the Government and society in general. That is an indictment of Dr Refshauge's stewardship of Aboriginal Affairs. The Government now has a new Minister for Aboriginal Affairs so we have another opportunity to make some progress. I continually postponed the moving of this motion while I discussed these matters with the new Minister and his department. But time and again I hit a brick wall, and I do not understand why.

This disallowance motion calls for elections to be conducted at the end of next year. The New South Wales Aboriginal Land Council has expressed concern that it must have time to get organised for elections. I have put that position to the Minister several times. It is reasonable to call on the Government to hold elections in November 2006, but it is not listening. That has forced me to move this disallowance motion, which is perhaps a blunt instrument to use in the circumstances. However, the Government has made no significant movement on this issue. I do not understand why the administrator, who has been in his position for several years, cannot arrange for democratic elections for the New South Wales Aboriginal Land Council to be held in November next year. That is a reasonable compromise and I am shocked that I have hit a brick wall.

The new Minister has an opportunity to inject some enthusiasm into the portfolio and attempt to address genuinely the many complex issues that Aboriginal people face. Denying Aboriginal people an elected voice for five years is not a good start—and it is certainly not the hallmark of a progressive government. As I have said, I have been trying for weeks to negotiate with the Government on this issue. It has had plenty of

opportunities to reach a compromise on this matter. Elections in 2½ or even 3 years would have been a reasonable outcome for the stakeholders involved, but the Government has refused to budge. It has refused to come to the party and accept a reasonable compromise. It is a sorry state of affairs when a Labor government disenfranchises Aboriginal people in this manner. Five years under administration with no elected council is totally unacceptable. It is paternalistic. The regulation should be disallowed and I ask members in this House to support my motion.

We should have this debate. This issue is extremely important to the Aboriginal people of New South Wales, which means that it is vital to all the people of this State. Given recent history and the frustrations felt by the Aboriginal community, I had hoped that the new Minister would show greater enthusiasm in examining this issue and reaching a compromise to avoid confrontation in the House. I believe strongly that the Government must move on this issue if it is to salvage any shred of relevance and decency in its dealings with Aboriginal people in New South Wales. I commend the motion to the House.

Reverend the Hon. FRED NILE [11.26 a.m.]: The Christian Democratic Party supports the disallowance motion, of which notice was given on 13 September. It calls on the House to disallow the Aboriginal Land Rights Amendment (Elections) Regulation 2005 published in Government Gazette No. 65, dated 3 June 2005, page 1912, and tabled in this House on 7 June 2005. Honourable members will recognise that various problems with the New South Wales Aboriginal Land Council necessitated the appointment of an administrator. We understand that the land council experienced real problems, including financial irregularities, organisational problems and conflict between different Aboriginal groups within the council that prevented it from functioning efficiently. Something had to be done and we do not criticise the appointment of an administrator. However, we are critical of the way in which the Government has devised a regulation that extends the administrator's appointment for five years until 2008. That would make it eight years and three months since members were last elected to the New South Wales Aboriginal Land Council. That is far too long.

If this disallowance motion is passed—and I believe it will be—we will be in limbo. That is a difficult place to be. Our intention in supporting the motion is not to force the Government to proceed with elections in November this year. That would be a disaster as it would allow no time for appropriate preparations such as the updating of electoral rolls, the selection of candidates, advertising and other procedures that must occur throughout New South Wales to ensure the conduct of fair and proper elections. If and when this disallowance motion is passed the Government will have to introduce urgently another regulation that extends the administrator's appointment until elections are held in November 2006. That would allow sufficient time for the administrative requirements that are necessary in preparing for elections. We want those elections to be fair so that the council is duly elected with no questions about its legitimacy and can play its role in representing the Aboriginal people of New South Wales.

In imposing this regulation, the Government appears to have lost confidence in the Aboriginal leadership. It is very unusual for members of Parliament to be lobbied by members of the Aboriginal community in New South Wales to oppose action taken by a Labor government. There appears to have been a complete breakdown in relations between the Government and Aboriginal leaders in this State. Because of that breakdown Aboriginal people have a sense of the Government's paternalistic attitude that it knows what is best for them. I raised this issue in debate in relation to the Aboriginal Housing Company in Redfern and the treatment of the council and Mr Mick Mundine by Mr Sartor, which revealed an attitude of paternalism and of looking down on Aboriginal people almost as though they are children to pat on the head and be looked after.

After 200 years we should be past that point in our history. If we want Aboriginal people to exercise leadership they must be given responsibility. They cannot be forced into an inferior position and treated like children, disempowered and disenfranchised. I urge the Government to respect the will of the House, to acknowledge the disallowance of this regulation and to introduce another regulation urgently so there can be proper elections and administration of the Aboriginal Land Council on behalf of Aboriginal people of this State. The submission the Local Aboriginal Councils of New South Wales presented to me and other members of the crossbench stated:

> All Local Aboriginal Land Councils in NSW demand that the NSW Government, in particular the Minister for Aboriginal Affairs withdraw the changes to Schedule 2 of the NSW Aboriginal Lands Rights Act 1983 which will extend from 2 to 5 years the period within which an appointed Administrator is obliged to call for elections of Councillors.
>
> Failure of the Government of NSW to withdraw the changes to Schedule 1 of the NSW Aboriginal Lands Rights Act 1983 then all Local Aboriginal Land Councils in NSW demand that the Parliament of NSW disallow the gazetted amendment to Schedule 2 of the NSW Aboriginal Lands Rights Act 1983 which will extend from 2 to 5 years the period within which an appointed Administrator is obliged to call for elections of Councillors.

> All Local Aboriginal Land Councils in NSW demand that through the Parliament the Government give an undertaking to the Indigenous people of NSW that any further changes to the Act or any Schedule to the Act be only implemented after proper consultation across NSW and these changes would reflect the view on the Indigenous people of NSW.

Since my election to this House in 1981 my policy has been to respect the views of Aboriginal people, to consult with them and then seek to represent their views in this Parliament. That is why I read that document into *Hansard*. At times they are not necessarily my views or the views of the Christian Democratic Party, but they are the views of Aboriginal people. It is not always easy to discern the views put on behalf of Aboriginal people in this State. I have tried to represent and articulate those views, and I call on the Government to respect them.

The Hon. ROBYN PARKER [11.32 a.m.]: On behalf of the Liberal-Nationals Coalition I support the disallowance motion in respect of the Aboriginal Land Rights Amendment (Elections) Regulation 2005. I understand that this amendment will extend the period within which land council elections must be held following the appointment of an administrator to an Aboriginal land council from two to five years. The Coalition has adopted a bipartisan approach to Aboriginal affairs out of respect for the pressing needs of Aboriginal people in New South Wales. It has continued to communicate with the Government. I urge the Government to communicate and act in a conciliatory manner at all times out of respect for the Aboriginal people of New South Wales. However, it is disappointing that this motion has had to be moved and that the Government is not prepared to make some compromises.

The Opposition supported the need to appoint an administrator to the New South Wales Aboriginal Land Council. The Aboriginal Land Rights Act 1983 appoints administrators for two years, which can then be extended by regulation. However, I understand that there is no need to go down this path. There has been a governance issue within the New South Wales Aboriginal Land Council but, as the Hon. Ian Cohen said, there is time to address some of those issues within the allotted time, particularly if the Government allows that to happen, without the need to extend it to five years.

When former Minister Refshauge appointed an administrator he said he would review the Aboriginal Land Rights Act and Aboriginal land rights system. In September 2003 Minister Refshauge tabled in Parliament an investigator's report into the operations of the New South Wales Aboriginal Land Council. At that time Minister Refshauge said the report was tabled so that the Aboriginal people of New South Wales knew that there was accountability and transparency in key Aboriginal representative bodies. "Accountability" and "transparency" are two key words that I would not apply to the Government in relation to Aboriginal affairs. The Minister was quoted on the Government's web site as follows:

> As a peak Aboriginal organisation, NSWALC plays an important role in the self-determination of Aboriginal people in NSW …
>
> It is important that Aboriginal people in this state are kept informed at every step in the process of investigating NSWALC. By tabling this report in Parliament I want to ensure that there are no unsubstantiated 'rumours' about NSWALC circulating in the Aboriginal community.

They are great thoughts and key words but, unfortunately, the Government has not been transparent in relation to this matter. The Aboriginal Land Council and Aboriginal groups have had to find out through other means because every step of the review has been behind closed doors. The current Minister for Aboriginal Affairs has been in the job for only two months. This is an opportunity for him to put his stamp on his role as Minister and do the right thing by Aboriginal people in this State. It is also his opportunity to show strength and not be bullied into this position.

During the recent budget estimates Minister Orkopoulos stated that he wanted to strengthen the land council system, to narrow the gap of Aboriginal disadvantage and to work with Aboriginal communities and leaders. This could be his first step. That was an interesting statement in light of what the Minister said subsequently in estimates in regard to consultation about land dealings. He said that the Government will make a decision in November and then consult the Aboriginal community about the decision it has already made. When the Minister was asked why the land council review was not being undertaken publicly he replied that it was almost at an end and the papers had already been sent to the department. One would expect such a why-bother attitude from a petulant child who had been asked to clean his room and said, "I did it last week. Why should I do it again? Surely that's enough."

The Government has shown a lack of involvement and a diminishing relationship with the Aboriginal community, which is declining rapidly. The Government has restricted consultation and appointed people to committees without a transparent process. We had to go to an estimates hearing to find out about the

appointments to various committees, who is involved with this review and its possible outcomes. While we acknowledge and accept there are some issues concerning governance and lack of service provision in some but not all of the 123 land councils, they can and should be addressed in an open, transparent and consultative manner.

The Government should respect the democratic process already in place. The Act does not have to be amended as the Government can change the status quo of the administrator's period of administration by way of regulation. The shadow Minister for Aboriginal Affairs, Brad Hazzard, offered a compromise to the Government, which has been rejected thus far. This compromise includes a three-year period of administration. This would require the Government to agree to this disallowance and introduce a new regulation, which the Liberal-Nationals Coalition would have supported. I am quite confident it would have received support from other members of the Legislative Council after hearing what they have had to say during this debate

The Government wanted four-year administrator terms for the New South Wales State Land Council and three-year terms for local land councils. I acknowledge that the New South Wales State Land Council has greater assets than local land councils. However, one principle should apply to both bodies. The Government has an obligation to uphold the democratic processes. It needs to explain the need for a five-year administrator period. It also needs to support democracy, which includes having properly elected councils that do not disenfranchise the Aboriginal community. The Coalition has received a number of letters of support from many land councils, including the Red Chief Local Aboriginal Land Council, the Northern Regional Aboriginal Land Council, the Nungaroo Aboriginal Land Council, the Awabakal Local Aboriginal Land Council in my area, the Narrabri Local Aboriginal Land Council and the Tamworth Local Aboriginal Land Council, as well as the Council for Aboriginal Reconciliation, the Eleanor Duncan Aboriginal Health Centre, the Local Government Association of New South Wales and the Shires Association of New South Wales.

In relation to the lack of transparency, I note a letter to the paper on 2 November 2003 from Les Trindle, the then chairman of the New South Wales Aboriginal Land Council, saying that there had not been opportunities to comment. That situation seems to be continuing. When it comes to reviews or any sort of negotiations of late, bullyboy tactics are employed. We saw it recently in Minister Sartor's attitude to people on the Block in Redfern and the Aboriginal Land Council. Frank Sartor's attitude of "it's my way or the highway", and doing things behind closed doors, shows a lack of respect for Aboriginal people. Frequently the President makes a statement in this place acknowledging the traditional owners of this country. That should be our attitude—to support Aboriginal people. They experience incredible disadvantage and the last thing we should be doing is supporting dealing behind closed doors and the aggressive bullyboy tactic that is permeating the Government. We need to be proactive and assertive on behalf of Aboriginal land councils, help them to govern themselves and assist them in a transparent way.

If the Government wants a review of the issue, let us get on with it and come up with some solid recommendations. Let us work positively and proactively, not behind closed doors. Let us do things transparently. Let us make sure we support this disallowance motion and assist the Aboriginal people and the Aboriginal land councils to get their governments operating correctly. We must work co-operatively and collaboratively. I urge the new Minister for Aboriginal Affairs to take a different approach from that of the previous Minister. He should show some strength and courage, and support democracy and the Aboriginal people.

The Hon. MICHAEL COSTA (Minister for Finance, Minister for Infrastructure, and Minister for the Hunter) [11.42 a.m.]: The Aboriginal Land Rights Amendment (Elections) Regulation 2005 provides for the extension from two years to five years of the period within which elections must be held following the appointment of an administrator to an Aboriginal land council. It is important that honourable members understand the background to the making of that regulation by the previous Minister for Aboriginal Affairs, Andrew Refshauge. The current Minister, the Hon. Milton Orkopoulos, outlined some of the issues surrounding the operations of land councils in the other place last month. The New South Wales Aboriginal Land Rights Act 1983 provides for the establishment of community-controlled land councils throughout New South Wales.

In the 22 years of operation of the Act, more than 100 local Aboriginal land councils have been established. These land councils provide a voice for local Aboriginal communities and significant benefits such as housing, community development programs and social services. As the Minister pointed out, the intangible benefits of these bodies are also significant—a real pride in having title to land and the sense of empowerment that goes with it. Under the current Act, the New South Wales Aboriginal Land Council has responsibility for oversight of the operations of the land councils. The New South Wales Aboriginal Land Council is also a

significant asset holder in its own right, the most significant asset being the statutory fund established in 1983 for the purpose of acquiring appropriate lands for land council ownership. As the House is aware, former Minister Refshauge placed the New South Wales Aboriginal Land Council in administration in 2003. The events leading to the appointment of the administrator have been well stated in the past but I will briefly go through some of them.

It was clear that the elected council was not providing appropriate leadership and that the systems in place within the organisation needed significant change and upgrading. The statutory fund had also been run down. Some of the issues facing the administrator were: a failure to maintain registers of pecuniary and external interests; continued disregard for standards of probity in relation to travel allowances; discretionary funds were not subject to predetermined guidelines; inadequate stewardship of the statutory investment fund, which has been set up for future generations of Aboriginal people; lack of support for local Aboriginal land councils; breach of section 157 of the Act by failing to furnish sufficient information to allow approval of the 2002-03 and 2003-04 budgets; an inadequate complaints handling process; and significant periods where the chief executive officer's position had not been permanently filled.

As the Minister indicated to the Parliament last month, the administrator is making good progress towards putting the organisation on a sustainable footing. A new and highly experienced management team has been put in place and the operations of the council are being progressively re-engineered. The statutory fund is recovering. Over the past 12 months it has grown by almost 12 per cent and I am advised that this strong growth is projected to continue. These results are extremely encouraging, but significant work is still to be undertaken by the administrator before we can move to return to an elected council. The organisation is still working on the implementation of its improvement plan. For this reason, the administrator's term has been extended for a further period of 12 months, allowing appropriate time for the overhaul of the organisation to be properly bedded down.

This Government is determined to ensure that the New South Wales Aboriginal Land Council is a strong and effective organisation that is capable of serving the Aboriginal people of this State and providing the leadership they deserve. We continue to have an unswerving belief in the land council system and its operation in a democratic environment. It can be seen from the case of the New South Wales Aboriginal Land Council, the peak body in this State, that the issues facing the operation of land councils are often complex. For this reason the regulations appropriately seek to extend the term within which elections are to be held to five years. This, of course, does not mean that the term of every administrator will be anywhere near that period, but it is prudent that this period be available should it be warranted. For these good and sound reasons this disallowance motion should not be supported.

Mr IAN COHEN [11.48 p.m.], in reply: I thank all participants in this important debate. I commend Reverend the Hon. Fred Nile for his position in consistently supporting and representing indigenous communities in New South Wales. As he said, it derived not from his personal position but from a commitment he made at the beginning of his term in Parliament. He covered a significant number of issues that are germane to this debate. His discussed the lack of confidence in the Aboriginal community and the complete breakdown of relationships that had led to a paternalistic attitude, which was clearly displayed by Minister Sartor on related matters.

The Aboriginal community is being treated like a group of children, rather than the responsible people they are. As we listened to the Minister putting the Government's point of view, it became clear that no-one in the House is defending the previous role of the land council. It is important to recognise that significant review has been necessary. I do not object, and it seems that no-one else in the House objects, to the historic placement of an administrator because it was necessary. However, the question is for how long. Five years is far too long and amounts to mistreatment of the problem and the people. Five years is making a mockery of democracy in this State. I thank Reverend the Hon. Fred Nile for his position and explanation, which is that it is up to the Minister to restore the regulation. The Minister and the Government have had ample opportunity to deal with this situation in appropriate, proper and respectful negotiations with both my office and the Aboriginal people.

I thank the Opposition, led by the Hon. Robyn Parker, for its clearly stated comments that it has been dealing with these issues on a bipartisan basis. As the Hon. Robyn Parker said, it is important that we continue to show respect when dealing with these sorts of issues. It is that respect that will be the greatest antidote to existing problems in the Aboriginal community. Unfortunately, in recent times the Government has failed abjectly to deliver that respect. Minister Refshauge, the former Minister for Aboriginal Affairs, was able to speak about accountability and transparency of the process, which has now devolved to a joke. We need a

radical approach to resolve the matter. If Milton Orkopoulos, the current Minister for Aboriginal Affairs, wants to strengthen the land council he is going about it the wrong way. I appreciate the Opposition supporting basic democratic rights and bringing forward the re-election of the land council. The Opposition appreciates it needs reform, but there has been plenty of time to reform it.

The Minister for Finance, Minister for Infrastructure, and Minister for the Hunter put the Government's position. No-one is arguing that appropriate leadership was not provided at certain times, that registers of pecuniary interests were not maintained, or that the New South Wales Aboriginal Land Council and local land councils had financial problems. But how long does an administrator have to be in a position to be, in the words of the Minister, "still working on streamlining"? I attempted to negotiate with the Minister to hold elections next November—14 months away. Even though the administration has been working away for two years that seemed to be insufficient time. Surely that would be sufficient time and it would not be too much to ask for the administrator to be working effectively and for the electoral rolls for the Aboriginal community to be in order and above board, which would satisfy everyone. In those circumstances we could have a democratically elected land council at the State level by November 2006.

The Government's absolute refusal and its attitude of not backing down is what we have come to expect. However, when dealing with the Aboriginal community it is a sad indictment on a Government that has been in office for so long that it seems to have lost touch with its originally proclaimed sentiments on social justice issues. The statutory fund was not run down by the elected council. It is much more complex than that. Other economic factors came into play. The Government is painting a simplistic picture. We are dealing with social justice and democratic rights for Aboriginal people. The historical paternalistic attitude of previous administrations to the Aboriginal community has created many problems. It is vital that we give indigenous people the right to their own voice and to express themselves with the co-operation of the Minister and the Government. There has been adequate time for the Aboriginal community and the Government to get their house in order, but to extend it to five years is a slap in the face for the Aboriginal community. I commend my disallowance motion to the House.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 20

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

Noes, 15

Mr Catanzariti	Mr Hatzistergos	Mr Tsang
Mr Costa	Mr Kelly	*Tellers,*
Mr Della Bosca	Mr Macdonald	
Mr Donnelly	Mr Obeid	
Ms Fazio	Ms Robertson	Mr Primrose
Ms Griffin	Mr Roozendaal	Mr West

Pair

Miss Gardiner	Ms Burnswoods

Question resolved in the affirmative.

Motion agreed to.

DISTINGUISHED VISITORS

The PRESIDENT: I welcome to the President's Gallery a delegation from the United States Council of State Governments, led by the Governor of Delaware, Ruth Minner.

Pursuant to sessional orders business interrupted.

QUESTIONS WITHOUT NOTICE

F6 MOTORWAY PROPOSAL

The Hon. MICHAEL GALLACHER: My question without notice is directed to the Minister for Finance, Minister for Infrastructure, and Minister for the Hunter. In his role as the Minister for Infrastructure, will he advise the House whether the F6 road project will proceed to assist with the tens of thousands of additional truck movements through southern Sydney, resulting from the decision to expand Port Kembla?

The Hon. MICHAEL COSTA: Once again, the Leader of the Opposition's premise is false. Therefore, it is very difficult to answer the question.

MEDICAL WORK FORCE SHORTAGES

The Hon. KAYEE GRIFFIN: My question without notice is addressed to the Minister for Health. Will he inform the House on the recently published Productivity Commission's position paper on Australia's health work force?

The Hon. JOHN HATZISTERGOS: This is a very important question. Some honourable members will be aware that I have raised this issue at a number of occasions in the House. I have indicated that work force shortages are one of the main challenges facing the health system, not just in this State but nationally and internationally. In June 2004 the Council of Australian Governments agreed to commission a paper on health work force issues. The Productivity Commission released its position paper on Australia's health work force on 30 September.

The position paper confirms the very real pressures on our health work force in New South Wales, across Australia and internationally. The report highlights not only current work force shortages but also factors that will increase work force pressures in the future, such as the ageing of the population, increasing consumer expectations, and advances in medical technology. An ageing medical work force and an increased demand by health workers for part-time work, or reduced hours, exacerbate the problem.

The report identifies the major issue of mal-distribution of health workers and notes that, with the exception of nurses, a disproportionate share of health workers practise in the major cities and regional centres. The paper provides a clear picture of the problem and supports many of the New South Wales Government's concerns. It highlights the failures in the Federal Government's approach to health issues. One fundamental principle is the need to boost the number of education and training places for health workers. The commission emphasises the need not just for more places but also for better matching of training and education to work force needs and improved consultation with the major employers of health workers—State governments.

In an embarrassing wake-up call to the Federal Minister for Education, Science and Training, Brendan Nelson, the commission proposes that responsibility for distributing the funding for university and training should be shifted from the Federal Department of Education, Science and Training to the Federal Department of Health.

I have spoken previously in this place about my frustration with the stranglehold on surgical training by the Royal Australasian College of Surgeons. The commission's proposal for a consolidated national accreditation scheme recognises the complexity and lack of transparency in the postgraduate training system. It is a welcome challenge to the closely guarded training monopolies of the national colleges—another area in which national leadership has been sadly lacking. The commission also explored the operation of the Medicare benefits scheme [MBS] and identified a number of issues, including access to the MBS by other than medical practitioners, the structure and relativities of MBS rebates, and the scope for delegation of MBS-supported

services. The commission criticised the lack of a formal and transparent process for assessing proposals to extend MBS coverage.

The commission's proposal to establish an independent review to oversee the scheme is a slap in the face for the Federal Minister for Health and Ageing, Tony Abbott. Unfortunately, while the Productivity Commission has clearly articulated the problem and has exposed the complete lack of national leadership on the work force issue, the commission's proposals seemed geared toward maintaining the Commonwealth's stranglehold in this area. The last thing we want is more Federal bureaucracy.

I will tell the Hon. Rick Colless about that bureaucracy in a moment. The Commonwealth Department of Health and Ageing spends more than $1 billion on health administration in this country, but it does not treat a single patient. All of the States and all of the Territories spend less than a third of that amount. I am disappointed in the commission's lack of concrete proposals in relation to rural health. The draft proposals will do nothing to improve the distribution of health workers in rural and regional New South Wales. The commission has proposed that the Australian Health Ministers Conference initiate an evaluation of work force strategies for rural and remote Australia.

I have put the issue of geographic provider numbers on the agenda for the forthcoming ministerial conference to ensure that it is progressed as a priority. I am pleased to note that at The Nationals 2005 federal council meeting, the Hon. Jennifer Gardiner successfully moved a motion calling on the Federal Government to allocate more provider numbers to doctors who practise outside capital cities. I look forward to her support on this issue.

MANNING SHELF BIOREGION MARINE PARK

The Hon. DUNCAN GAY: My question without notice is directed to the Minister for Primary Industries. Is he aware that last year, the honourable member for Port Stephens, John Bartlett, informed a meeting in Newcastle that he has a map showing the proposed Manning Shelf bioregion marine park stretching from Newcastle Heads through to Forster? Has he received a copy of a submission from the honourable member regarding the proposed marine park that includes a map? Is this map a true indication of the Minister's proposal? If not, what action will he take to stop the honourable member for Port Stephens from further circulating misinformation and creating insecurity among the local fishing community?

The Hon. IAN MACDONALD: The Deputy Leader of the Opposition is trying very hard to appear relevant to people up and down the coast. He is trying to stir up the local fishing community— the commercials and the recreationals. He is doing his best to spread misinformation. For the information of the honourable member, a bioregion assessment has been carried out and that assessment is readily available on the web site, which everyone can access. The Deputy Leader of the Opposition wants to compare the map he allegedly has with maps that are in the bioregion assessment. I encourage him to take the time to access the Department of Primary Industries web site and have a good look at that assessment. I make it very clear that the Government has not made a decision to proceed with this park and its declaration.

The Hon. Rick Colless: You said that about the Brigalow bioregion.

The Hon. IAN MACDONALD: I have been saying that for some time. Members of the Opposition must be asleep half the time, because in reality the Government has not issued a map for the marine park, it has made no decision. That is a bit of a problem for the Opposition, because it has tried to stir up the people in Port Stephens in relation to this matter. The Government will consider these issues in an orderly fashion and will make decisions at an appropriate time. The Government will not carry on like members opposite; they are trying to stir up this issue in a desperate bid to get one or two extra votes. We already know how far down The Nationals are, they need the occasional vote.

The Hon. Duncan Gay: Point of order: My point of order is relevance. The question was quite specific—it was about a map and a submission. So far, despite poncing about the House like a constipated chook, the Minister has not got within a bull's roar of answering the question. Minister, answer the questions. Was there a map? Did you receive a submission?

The Hon. IAN MACDONALD: If anyone knew what a constipated chook is, it would be the member opposite.

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

The Hon. IAN MACDONALD: The Government has not made a decision in relation to the Manning region. We will consider these issues in due course. The map that the Deputy Leader of the Opposition is looking at is probably one of the bioregion assessment maps. No decision has been made on the boundaries or anything of that nature. The Government has not started the consultation phase. If we were to have a park, we would do it properly, as we have done in all the other circumstances including Byron Bay, the Solitary Islands, et cetera. We would have proper public consultation.

PUBLIC DENTAL HEALTH SERVICES WAITING LIST

Ms SYLVIA HALE: My question is addressed to the Minister for Health. Does the Government keep records of the numbers of people waiting for public dental health care? If the lists are kept, are they publicly available? If the lists are not publicly available, why are they not? If statistics of people waiting for treatment by public dental facilities are not kept, why not, given that other government departments do keep and make publicly available similar statistics about their waiting lists?

The Hon. JOHN HATZISTERGOS: The available public information on waiting lists is published on the Internet. The matters relating to waiting lists were no doubt canvassed yesterday at the little forum conducted by Ms Sylvia Hale. The more important issue is the restoration of the Commonwealth's dental program, which resulted—

Ms Sylvia Hale: Point of order: My question very specifically addressed waiting lists, not what the Commonwealth was doing. I request that the Minister be asked to be relevant and answer the question as asked.

The Hon. JOHN HATZISTERGOS: I will answer the question in this way—

The PRESIDENT: Is the Minister speaking to the point of order?

The Hon. JOHN HATZISTERGOS: No, I will answer the question.

The PRESIDENT: Order! Ministers may make some general comments when answering a question. However, I remind the Minister that his answer must be relevant to the question asked.

The Hon. JOHN HATZISTERGOS: This is incredibly relevant to the question of waiting lists. If $100 million had not been taken from the Commonwealth's dental program, the waiting lists would not be what they are today. In relation to the publicly available information, that is a matter of record and the member can do her own research. I do not regard myself as a research service for the Greens.

LAND TITLE SYSTEM

The Hon. CHRISTINE ROBERTSON: My question without notice is addressed to the Minister for Lands. Will the Minister advise the House what the Government is doing to extend the benefits of the Torrens title system to all property owners?

The Hon. TONY KELLY: It has long been a goal of government to make conveyancing simpler and easier through a single land titling system supported by a State guarantee of title. I am proud to say that this Government aims to achieve that goal by the end of 2006. The Department of Lands, through its Land and Property Information Division, is converting all paper-based Torrens titles and old system titles to a digitised form held in the State's Integrated Titling System. The conversion project is due for completion in November next year. The project will convert some 66,000 paper-based Torrens titles and about 15,000 old system land parcels. That will be the end of the old system titles in New South Wales. The completion of this project will be an enormous benefit to the community and government alike.

Cost savings of some $2,000 can be expected for people conveying or dealing with land formerly held under old system title. Old system search fees are unpredictable and can vary by up to $500, whereas Torrens title search fees are minimal. Other benefits include savings in time and in litigation in Torrens title compared with old system title. More than 300 government agencies that have dealings with land on a day-to-day basis will benefit from having access to information from a complete, accurate and totally digitised land title register. A single and complete land title register will help synchronise the key data sets of the New South Wales Spatial Data Infrastructure.

The Hon. John Ryan: Oh, I'm so pleased.

The Hon. TONY KELLY: I note that the lawyers are particularly interested. Benefits will accrue to Department of Lands' clients in relation to conveyancing-related inquiries, land valuation, service delivery and planning, and the Government's management of its real property assets. To achieve these benefits the department has invested some $6.2 million over the two-year term of the project. The essential feature of the Torrens system is a State guaranteed title, which may be relied upon by anyone dealing with land. This underpins the property market and provides peace of mind to those involved in property transactions. Under the Torrens system, title to land is proved by one document, and conveyancing procedures are simpler and less costly. Accordingly, successive governments have pursued a policy of converting all land to the Torrens system. After 150 years of land titling in New South Wales, there were—until this project started—15,000 old system parcels and 66,000 manual titles that stood outside the Integrated Titling System.

To understand why this is so, one has to go back to the first years of the New South Wales colony, when there were no provisions for recording land transactions. In 1802, a register was provided by the Judge Advocate and parties were invited to place their dealings on record. These are the first recorded registrations in the "Old Register". This was a precursor to the establishment of a General Register of Deeds based on English Common Law. Each time land was sold or mortgaged a separate deed was drawn up. Proof of title required the tedious examination of a series of deeds, known as chain of deeds. The Torrens title land ownership was introduced in 1863. Until relatively recently, Torrens title was manually recorded.

The first digitised titles were created in New South Wales in 1983 with more than two million titles converted between 1985 and 1995. The department expects to complete all conversions of old system parcels and the manual Torrens register by November 2006. Obviously the savings and benefits of the conversion project are indisputable as both the community and government share them. A single title system makes conveyancing easier, less costly and affords opportunities for government in this field.

CIRCLE SENTENCING

Reverend the Hon. FRED NILE: I ask the Special Minister for State, representing the Attorney General, a question without notice. Has the Government's Aboriginal pilot Circle Sentencing Program reduced the Aboriginal recidivism rate by 30 to 40 per cent in areas such as Dubbo and Nowra that have adopted this program? Does the Government acknowledge that these results are a significant success in the management of socio-cultural challenges facing the Aboriginal community throughout New South Wales? Does the Government have plans to further extend the Circle Sentencing Program to other areas? Does the Government acknowledge that the Aboriginal community and the Aboriginal Housing Company have been asking for a similar co-operative approach to be adopted in Redfern, with Aboriginal elders and leaders taking a more prominent role in promoting law and order in their own community? Will the Government seek to introduce this project in Redfern and work closely with Aboriginal elders and the Aboriginal Housing Company to strengthen and build the Aboriginal community in the Redfern area?

The Hon. JOHN DELLA BOSCA: I acknowledge the success of the Circle Sentencing Program. It has been one of the great innovations in the justice system in recent years. It has had beneficial outcomes for the entire community and particularly for various indigenous communities around our State. The matters to which Reverend the Hon. Fred Nile referred in the balance of his question were mainly observations about circle sentencing. However, he asked in conclusion whether the Government would acknowledge its success by looking at ways in which circle sentencing procedures could be extended.

Given that it has been a successful program the general answer to the honourable member's question is yes. There were specifics in his question about the Redfern community and about a number of calls by leaders in that community for the extension of the Circle Sentencing Program to that community. The best answer I can give is that Reverend the Hon. Fred Nile needs to await some announcements in the near future in relation to that matter. As to the balance of the issues that he referred to in his question, I will refer them to the Attorney General and ask him to provide any more specific detail to the honourable member.

PUBLIC DENTAL HEALTH SERVICES WAITING LIST

The Hon. JENNIFER GARDINER: My question without notice is directed to the Minister for Health. Can he confirm that the public dental health waiting list in New South Wales is now of the order of 200,000 people? What is the Government doing to address this growing problem, particularly in rural and

regional New South Wales? Given that other States and Territories have boosted their investment in dental health in recent years what, if anything, is the New South Wales Government doing to boost its investment? What initiatives does the Minister propose to implement to address this problem?

The Hon. JOHN HATZISTERGOS: Since July 2001 the State Government's recurrent spending on oral health programs in New South Wales increased from $72.5 million to approximately $120 million per annum in 2005-06. That represents a $7 million increase on last year's oral health budget. In addition, $3 million per annum was provided towards Aboriginal oral health services largely via Aboriginal medical services through New South Wales Department of Health funds.

In 2004-05 funding allowed for 16,365 denture vouchers and 41,300 emergency vouchers to be provided through the Oral Health Fee for Service Scheme; 532,904 child occasions of services, in addition to 73,029 specialist occasions of services; 786,118 adult occasions of services; and the provision of a range of preventive, general and some specialist care and education services provided by public dental health professionals to eligible children and adults.

The Hon. Robyn Parker: How many are on the waiting lists?

The Hon. JOHN HATZISTERGOS: If Opposition members were interested in this issue they would go back to their mates in Canberra and ask them to restore the Commonwealth dental program.

The Hon. Robyn Parker: It is your responsibility.

The Hon. JOHN HATZISTERGOS: No, it is not.

The Hon. Robyn Parker: It is this Government's responsibility.

The Hon. JOHN HATZISTERGOS: That is not right. Under the Constitution dental services are a Commonwealth Government responsibility. The Hon. Robyn Parker should read the Constitution. The Howard Government pulled out completely and left it to the States to manage this program. We have managed to do so, with increased funding. If the honourable member were half serious about this issue, she would go back to the Commonwealth Government and point out that under section 52 of the Constitution it is the Commonwealth's responsibility. There was a constitutional amendment and people voted on the issue and said, "Give it to the Commonwealth", but it has not done anything about it. Initiatives to improve equity and access to oral health services include the Priority Oral Health Program that facilitates access to emergency oral health care within 24 hours, while patients reporting less urgent needs are prioritised following a standardised procedure and they are registered to have their oral health condition assessed.

The PRESIDENT: Order! I call the Hon. Robyn Parker to order for the first time.

The Hon. JOHN HATZISTERGOS: This system replaces the old first come, first served approach of previous chronological waiting lists. The New South Wales Oral Health Fee for Service Scheme enables patients to be issued with a voucher for treatment by a private dentist in their area who has agreed to participate in the scheme. I am advised that approximately 1,000 private dentists and prosthetists are registered under the scheme. As at July 2005 the scheme has a payment ceiling of a maximum of $180 for each authorised course of acute care and $790 for each authorised prescribed denture service.

The New South Wales Centre for Oral Health Strategy and the NSW Health Workforce Development Branch are involved in several initiatives to address recruitment and retention issues in the short, medium and long term. These include the review of the remuneration issues and strategies and the development of career pathways. To attract dentists to rural areas, incentive packages, rural scholarships and rural clinical placements have been developed. This is in addition to a streamlined process for the entry of overseas trained dentists aligned with similar processes already in existence for overseas trained doctors.

How many times have I mentioned the fact that we are not training enough people in this work force? We have exactly the same problem here. The Commonwealth is quite happy not to train these people but to give people overseas visas so they can work here, notwithstanding the fact that a large number of students in Australia would like to take up a career in dentistry. Public dental health services in New South Wales are provided in dental teaching hospitals, community health centres and school-based clinics, with clinical care provided by dentists and dental therapists. Some public care is also provided in the public sector through the Oral Health Fee for Service Scheme.

In New South Wales the eligibility criteria for public dental services is the most generous of all the States. Eligibility extends to adults with health care cards, pensioner concession cards and even Commonwealth seniors health cardholders and their dependants. It also covers preschool and full-time school students to the age 18 years. [*Time expired*].

CATTLE TICK MANAGEMENT

The Hon. AMANDA FAZIO: My question without notice is addressed to the Minister for Primary Industries. Will the Minister update the House on the status of the cattle tick inquiry that the State Government commissioned earlier this year?

The Hon. IAN MACDONALD: Honourable members will recall that earlier this year the Department of Primary Industries [DPI] identified cattle tick fever on a property in the Woodenbong area, as well as two adjoining holdings in the Tweed valley. The DPI immediately quarantined these and surrounding properties. It also took a range of other proactive measures to help to prevent the spread of tick fever. Honourable members must remember that the only things that can spread tick fever are ticks. Therefore, the policy in New South Wales to stop the spread of tick fever is to eradicate ticks. That is exactly what the department did by working in close co-operation with landholders and the Board of Tick Control.

[*Interruption*]

This is an important philosophical question and Opposition members should be listening to my reply. Even though tick fever has been detected on a handful of occasions over the past two decades, the discovery earlier this year obviously caused concerns for producers in the region. Of course, The Nationals used the detection once again to scaremonger and spread misinformation, in particular, about the tick fever vaccine. Thomas George even suggested that the honourable member for Tweed, Mr Neville Newell, backed the unlimited use of tick fever vaccine. That claim is simply not true.

In reality, Mr Newell has continually raised concerns about the use of the vaccine on behalf of producers in this area. I have no doubt that he will continue to represent his local producers on this matter. While the Opposition resorted to mischief the State Government took prudent measures to address stakeholder concerns. Honourable members will recall that I previously announced an independent inquiry into cattle tick fever headed by a former Minister and member for Orange, Mr Garry West. This provided a transparent and objective process by which stakeholders could voice their concerns.

As part of the inquiry, Mr West consulted with local cattle producers, producer organisations, rural lands protection boards, staff from the Board of Tick Control, staff from the New South Wales and Queensland departments and local members, including Mr Newell. Mr West delivered a comprehensive and professional report that outlined a range of observations and suggestions. One of his primary recommendations was that the State Government commission a technical review into the potential use of tick fever vaccine in New South Wales, particularly in the far north east of the State. It is clear from Mr West's report that the use of vaccine is a highly emotive issue. His report indicated that many stakeholders did not feel well informed about the potential benefits or drawbacks. It made a strong case that an independent technical review will help interested parties sort fact from fiction.

The Hon. Duncan Gay: He's backing Thomas George.

The Hon. IAN MACDONALD: And, from what I have said, I think it would support Mr Newell. I wholeheartedly support this recommendation and I have directed the Department of Primary Industries to select an appropriate person to undertake such a review as a matter of priority. That process is currently under way. Mr West's report also explored a range of other issues, including the introduction of Queensland cattle into New South Wales.

The Hon. Melinda Pavey: The Nats have all the answers.

The Hon. IAN MACDONALD: The way The Nationals are going, I will have plenty of staff to work with next year when a few more members of The Nationals hit the deck. We will be able to employ their limited knowledge in certain areas. The report also explored the use of electronic surveillance to enhance existing border control measures. I seek leave to table the report.

Leave granted.

Document tabled.

I invite public comment on Mr West's report, which can be found on the Department of Primary Industries web site later this week. Stakeholders will have until 16 December to lodge submissions. When all submissions are received the State Government will consider any additional measures that might help to address producer concerns. I thank all those who provided input to Mr West's report, including Mr West himself. It is a very good report. I also urge interested parties to review the report and provide comments to the department by the December deadline.

CROWN LAND RENTALS

The Hon. JOHN TINGLE: My question is directed to the Minister for Lands. Is the Minister aware that recent steep increases in rent for State lands have caused serious financial difficulties for some sporting groups in New South Wales? Was the rent for the rifle range at Casino, for example, increased from $550 per annum to $5,500 per annum including GST—which the clubs involved cannot afford? Is it intended that the new rent-setting policy should apply rigidly to non-profit sporting organisations, which can seldom afford retail market rentals? Will the Minister consider giving relief to these clubs where appropriate?

The Hon. TONY KELLY: New South Wales taxpayers deserve to be compensated for the private and discretionary use of publicly owned land. The task of government is to work out an appropriate level, balancing the need for an economic and sustainable return against broader issues such as capacity to pay and community contribution. The broad principle of market rent for Crown land tenures was introduced in 1989 by the previous Coalition Government. Recent amendments to the Crown Lands Act have broadened and standardised rebates applicable to Crown land tenures.

The Government is fully aware of the importance of not-for-profit community and sporting groups that occupy Crown land, particularly in country New South Wales. That is why eligible pensioners and sporting and community groups now qualify automatically for a 50 per cent rebate on market rent, subject to a minimum rent of $350 per annum, linked to the consumer price index. Certain holders, such as not-for-profit surf life saving clubs, volunteer bush fire brigades and coastal patrols, qualify automatically for the statutory minimum rent.

I am advised that rent invoices were issued recently to some clubs—including the rifle range at Casino that the Hon. John Tingle mentioned—that refer only to the market rent rather than the subsidised rent and do not include the level of rebate. I recently instructed the department to put a hold on the issuing of invoices for these types of groups until clearer guidelines are in place that will enable the calculation of rebates to be factored in prior to the issuing of any rent invoices. Besides the automatic 50 per cent rebate for eligible pensioners and sporting and community groups, the Crown Lands Act also allows for higher levels of rebates if warranted by the particular circumstances of the individual or group.

I recommend that any groups or individuals who find themselves in financial difficulty contact their local lands office to discuss their options. In regard to the rifle club mentioned by the Hon. John Tingle, I am further advised that the invoice issued to the rifle range at Casino represents market rent, not the reduced rent. This will be rebated in the first instance by 50 per cent to around $2,750 plus GST. The department will be in contact with the club to clarify the rent. If the club is in genuine financial hardship, it should contact its local lands office to discuss further options.

CAMDEN HOSPITAL OBSTETRICS SERVICES

The Hon. CHARLIE LYNN: My question is directed to the Minister for Health. Will the Minister advise the extremely patient people of Camden when the midwifery-led service will be opened at Camden hospital? Will the Minister assure families that, once opened, the service will remain open—unlike the maternity ward that was opened shortly before the last election and promptly closed just after the election?

The Hon. JOHN HATZISTERGOS: That is a very interesting question. When we were discussing obstetrics recently in the House the Hon. Robyn Parker raised the issue of Belmont. Then Jillian Skinner happened to issue a press release—it referenced the Hon. Robyn Parker; I do not know whether she was consulted—opposing midwifery-led standalone units such as the one that was at Belmont and the one that is at Ryde.

The Hon. Charlie Lynn: Point of order—

The PRESIDENT: Order! There is too much noise. I remind all members and the Minister that interjections are disorderly at all times.

The Hon. Charlie Lynn: My question was about Camden hospital. Labor opened the maternity unit at that hospital immediately prior to the last election and promptly closed it immediately after the election. Will the Minister please refer to Camden hospital and confirm when the midwifery service will be reopened?

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

The Hon. JOHN HATZISTERGOS: That is exactly what I am talking about. The Hon. Charlie Lynn asked about the proposal for a midwifery-led unit at Camden hospital. The Government is trying to put such units around the State because there is a shortage of obstetricians and, wherever possible, we need to locate the units in areas where there is appropriate obstetrics cover. The Hon. Robyn Parker combined with Jillian Skinner canned the concept of these units. Mrs Skinner issued a press release saying that they were unsafe.

The Hon. Robyn Parker: Point of order: The Minister is misleading the House. There was no such opposition in the press release to which he referred.

The PRESIDENT: Order! The Hon. Robyn Parker knows full well that the basis of a point of order cannot be that another member is misleading the House.

The Hon. JOHN HATZISTERGOS: These issues are being advanced around the State as quickly and as safely as possible. I suggest that Opposition members get together to discuss their position on midwifery-led units.

PORTS FREIGHT STRATEGY

The Hon. TONY CATANZARITI: My question is addressed to the Minister for Ports and Waterways. Will the Minister advise the House of the latest information in relation to be Government's policy for a working harbour in Sydney and infrastructure development in the Illawarra?

The Hon. ERIC ROOZENDAAL: I thank the honourable member for his question and acknowledge his continuing interest in this matter. I know that Coalition members are also very interested in this issue and want to know all about it. Sydney Harbour is a working port and is also the heart of our city. Residential development will not be permitted on the sites of Glebe Island and White Bay, which will be preserved as a hub of maritime industry well into the twenty-first century.

The Hon. Dr Arthur Chesterfield-Evans: Flog it off!

The Hon. ERIC ROOZENDAAL: There will be no flogging it off. That is a ridiculous statement. As the Minister for Ports and Waterways I want to see a balance between industrial uses and public access. If the car centre is not relocated to Port Kembla, we would need to construct a multistorey car park with security fencing and no public access. I know that those opposite have no interest in infrastructure in this State or in car imports.

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

The Hon. ERIC ROOZENDAAL: Members opposite just whinge and complain. They cannot come to terms with the fact that we are getting on with the business of this State.

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

The Hon. ERIC ROOZENDAAL: No-one wants to see a multistorey car park built next to the Anzac Bridge. The agreement means that the public will gain access to parts of the harbour foreshore in this maritime precinct for the first time in more than a century. The Government will undertake public consultation on planning principles to guide the renewal of Glebe Island and White Bay to ensure a viable and prosperous working harbour. I am advised that the import of dried bulk goods at White Bay and Glebe Island will continue. I mentioned some of them yesterday—cement, gypsum, gravel and soda ash imports will stay. Sydney's big

construction projects need those materials. Also remaining is the bulk import of sugar and salt as well as vegetable oil, industrial oils and lubricant facilities, including barge operations for transport of lubricants up the Parramatta River.

New and continued uses could include: common user and lay up facilities for commercial vessels; cruise shipping, freight and ferry services; maritime refuelling stations; harbour services including workshops, storage and boat facilities for harbour islands, maintenance workshops and facilities for Iron Cove Bridge and the Sydney Opera House, and firework events; major boat repair facilities; ship chandleries; slipways and sewage/bilge pump outs; general charter vessel docks and maintenance facilities; dry stack boat storage—

[*Interruption*]

It is clear the Opposition does not care about the recreational boating industry in this State. Its members would not know a boat if they were hit over the head with one. Other uses are private marine contractors, loading and berthing facilities, maritime refuelling, facilities for the heritage fleet, boat showrooms and water-based emergency response teams, and anti-spill services.

The Hon. Michael Gallacher: He is embarrassed.

The Hon. ERIC ROOZENDAAL: I am embarrassed for you! Your questions are so inane. I am embarrassed for you.

The PRESIDENT: Order! I call the Hon. Don Harwin to order.

The Hon. ERIC ROOZENDAAL: And that is just at White Bay and Glebe Island. To support our economy the harbour will retain long-term oil imports at Gore Cove. Sydney will remain the cruise-shipping hub for Australia's east coast. It will also continue to accommodate port service vessels, commercial trading vessels such as charter, cruise and commercial fishing craft. There will be no residential development at Glebe Island, and Port Kembla will be a world-class facility. Operators will be able to inspect cars and do PDI. This is good economic reform—good for New South Wales, good for Sydney and good for the Illawarra with world-class facilities keeping New South Wales open for business.

PRISONERS SEXUAL ASSAULT

Ms LEE RHIANNON: My question is directed to the Minister for Health. What is the Government doing to reduce sexual assault in gaols in New South Wales? How many sexual assaults occurred in New South Wales prisons in 2004? Is Justice Health obliged to report all sexual assaults to the Department of Corrective Services? How many sexual assaults have resulted in the victim being hospitalised?

The Hon. JOHN HATZISTERGOS: I am now the Minister for Health, not the Minister responsible for corrections.

Ms Lee Rhiannon: This is Justice Health.

The Hon. JOHN HATZISTERGOS: We treat people, we do not actually prevent assaults and matters of that kind. Perhaps Ms Lee Rhiannon will discuss the matter with the Minister for Corrective Services, who might be in a position to provide her with information. The annual report of Justice Health deals with the other information requested by Ms Lee Rhiannon. As I have said before, I am not a research service for the Greens. Go and read it!

SAFER COMMUNITIES AWARDS

The Hon. GREG DONNELLY: My question is addressed to the Minister for Emergency Services. Will the Minister inform the Chamber of recognition for New South Wales emergency management organisations?

The Hon. TONY KELLY: About 90 minutes ago I was pleased to announce the New South Wales winners of the 2005 Safer Communities Awards. Now in its sixth year, the awards are a showcase of Australia's talent in preventing, planning for and responding to emergencies and disasters. It is particularly appropriate that the New South Wales awards ceremony was held on the United Nations International Day for Disaster

Reduction, which has been marked worldwide today. As we see whenever disaster strikes the State's emergency management agencies corporate sector and community volunteer organisations have a wealth of expertise, skill and experience that can be drawn upon to assist those in need. As a community, we are fortunate to have efficient, well-resourced and resourceful organisations to assist us in times of disaster and emergencies.

The devastating earthquakes in India, Pakistan and Afghanistan this week have again reminded us of the benefits of investing in world-class emergency services personnel, equipment and training. Indeed, the 2005 International Strategy for Disaster Reduction aims at increasing disaster resilience, recognising that by investing in disaster risk reduction, one can reduce the vulnerability of people to hazards and help break the cycle of poverty. The New South Wales Government has invested heavily in our emergency services and is working with the Commonwealth and local governments across the State on a range of natural disaster prevention programs. I am confident that this State's emergency management organisations are prepared to face the challenge of responding to any major disaster swiftly and professionally. In turn, they rely on the invaluable support and assistance they receive from community agencies and private sector organisations, whether that is assisting the wounded and homeless or co-ordinating personnel movements and transportation of critical supplies.

I congratulate all the agencies that entered this year's Safer Communities Awards. This year, four New South Wales organisations have been recognised and now go on to become finalists in the national awards, which will be announced in December. The winners are the State Emergency Service [SES] for its Business Flood Safe Program. This program involved the production and testing of a tool kit to help businesses better prepare for flooding and make these preparations an integral part of their business continuity planning. Wagga Wagga and Kempsey were chosen as the two pilot locations for the program. A survey of some 100 businesses in each location was undertaken and the kit was developed around the needs identified. The kit is designed for easy adoption throughout Australia to give businesses practical advice on how to better prepare, respond and recover from floods. It is the fiftieth anniversary of the SES this year.

Richmond Valley Council was recognised for its risk assessment tool box. Richmond Valley Council was formed from the amalgamation of the former Richmond River Shire and Casino Council in 2000–before my time. As a result, local disaster plans and other emergency plans of the two councils needed to be reviewed and combined. Rather than depend on paper-based systems, council took an innovative approach and developed its own electronic analysis and recording system. The tool box is now being used by 20 other local councils and has assisted in moving local emergency management from the paper to the technological age.

Anglicare was awarded for its operation recovery kit. Anglicare is one of a number of non-government agencies that work tirelessly to provide co-ordinated and effective welfare support during emergencies. Its emergency services team volunteers work in evacuation and recovery centres, as well as on the streets in areas devastated by a disaster.

Sydney Airport Corporation Limited was recognised for its tsunami response operation. This morning Maxmore Wilton received the award. In days immediately following the Boxing Day tsunami, the Sydney Airport Corporation worked closely with Qantas and the Commonwealth and New South Wales governments to assist with Australia's emergency support operation. This included making special arrangements for the reception of deceased Australians and for the special needs of the families of victims. [*Time expired.*]

CROSS-CITY TUNNEL

The Hon. DON HARWIN: My question is directed to the Minister for Finance. Will the Government implement a toll-free period on the cross-city tunnel in recognition of the mounting frustration amongst the motorists of Sydney who suffer on our gridlock roads?

The Hon. MICHAEL COSTA: If the honourable member has been following the media, as he usually does to formulate his questions for question time, he would realise that this question should be directed to the Minister for Roads.

DEPARTMENT OF COMMUNITY SERVICES DETENTION POWERS

The Hon. Dr PETER WONG: My question is directed to the Special Minister of State, representing the Attorney General. Commenting on Radio National on the Centenary of the Children's Court in New South Wales, Magistrate Paul Mulroney and others confirmed that children are still entering detention by the administrative practices of the Department of Community Services rather than by a direct order of the court.

Will the Minister inform the House what laws and treaties are being broken by the department? What will the Attorney General do to end this outrageous situation? What punishments are available against those misusing powers of detention?

The Hon. JOHN DELLA BOSCA: I must admit I did not comprehend the recital set out in the question. As I understand it, the Hon. Dr Peter Wong quoted a magistrate who has indicated that detentions still take place under regulatory arrangements within the Department of Community Services and that relates to recent public comments from the Commonwealth about immigration detention and children. I am not sure of the logical connection, but I will ask the Attorney General to give him a full reply as soon as practicable.

WORKCOVER AUDIT MANAGEMENT UNIT

The Hon. DAVID CLARKE: My question is directed to the Minister for Industrial Relations. Does the Minister recall that on 22 June this year I asked him a question regarding WorkCover's audit management unit and he provided an answer to the question after taking it on notice? Is the Minister able to provide the House with statistics on the number of explosive power tool and formwork assessor audits conducted prior to my question on 22 June and the number of audits conducted after my question?

The Hon. JOHN DELLA BOSCA: Surprisingly, I cannot give the member an answer off the top of my head! I am quite happy to provide the answer—

The Hon. Michael Gallacher: You didn't provide the original answer.

The Hon. JOHN DELLA BOSCA: I did provide the answer. He just quoted the original answer.

The Hon. Michael Gallacher: That is why he is asking you now.

The Hon. JOHN DELLA BOSCA: He quoted the original answer, I think.

The Hon. Michael Gallacher: You didn't give him enough information. You didn't answer it properly.

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

The Hon. JOHN DELLA BOSCA: My understanding of the question I was just asked was that some information was provided. If the member wants further information, I am happy to take the question on notice and provide it.

FEDERAL GOVERNMENT INDUSTRIAL RELATIONS POLICY

The Hon. PETER PRIMROSE: My question is addressed to the Minister for Industrial Relations. Can the Minister outline the public sector implications of the Federal Government's industrial relations proposals?

The Hon. JOHN DELLA BOSCA: I appreciate the opportunity to make the House aware of some of the public sector implications of the Commonwealth Government's proposals. The Iemma Government will do all within its powers to protect workers and their families from the Commonwealth's attack on their lifestyle, wages and conditions. This, of course, extends to our hardworking frontline public sector workers. We are opposed to the Commonwealth's extreme proposals because they are fundamentally unfair, unnecessary and will be counterproductive for business and the wider community. The Federal Government's proposals will reduce the real value of minimum rates of pay, bypass both the Commonwealth and New South Wales award safety nets, and force employees into stripped-down Australian workplace agreements with fewer entitlements and little or no protection.

It is important for everyone in this place, and the people of New South Wales, to understand how these proposals will particularly affect public services. A takeover of the State system would undermine the rights of public sector workers and jeopardise the delivery of quality public services. Key New South Wales frontline services such as police—and I often see the Leader of the Opposition reading the Police Union journal during quiet times in debates—teachers, ambulance officers and nurses would suffer dramatically. Under John Howard's proposed pay and conditions standard, existing conditions can be discarded, including death and disability benefits for police and fire fighters. We are well aware of the importance of those benefits to fire

fighters and police in the course of their duties. Other conditions that can be discarded include the nurses award provision of reasonable workload guarantees that ensure quality services for the community; reasonable hours protection for ambulance officers—

The Hon. Michael Gallacher: You are shedding crocodile tears now for police working conditions?

The Hon. JOHN DELLA BOSCA: The honourable member misses the point. He might read the *Police Journal* from time to time but he has obviously completely missed the industrial relations point here. In the course of negotiating those issues with police and firefighters the Government eventually resorted to proper processes of industrial relations and an independent arbitrator—and this is precisely the problem I am pointing out to the Leader of the Opposition, but he refuses to listen. If the Commonwealth strips powers from the independent umpire and abolishes the independent umpires in the States, disputes like the one the Leader of the Opposition is talking about will go on forever and will not be able to be effectively resolved without strike action. That will lead to a withdrawal of services, such as those provided by police and firefighters. That is what the Opposition is trying to force on valuable front-line public sector workers.

The consequences for the people of New South Wales will be even more alarming under these extreme and divisive proposals. The Federal Government wants to close the New South Wales Industrial Relations Commission, which regularly settles disputes before critical public services are affected. Members would be aware that the New South Wales Industrial Relations Commission has broad powers to resolve disputes, in respect to all sides, and prevents the drawn-out conflict, strikes and lockouts that are the defining characteristics of the Commonwealth model. Ninety-one per cent of the employer lockouts in Australia occur in the Federal system. The Federal system has more disputes and longer disputes. John Howard's model is a dog-eat-dog model.

The New South Wales Opposition has shown no leadership, unlike the Opposition Leaders in Queensland, South Australia and Western Australia, who recognise the fundamental flaws and risks for their States in the Commonwealth's reckless power grab. The New South Wales Opposition has not shown this kind of leadership or any such decency. It has committed to an unfair system sight unseen. Not only has it committed to sacking 30,000 public sector workers, but also to scrapping important entitlements of front-line public servants, which will impact on the State's industrial stability and fairness.

CANOLA CROP CONTAMINATION

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: My question is directed to the Minister for Primary Industries. Did MacSmith Milling New South Wales, a major east coast canola crusher, make a recent public statement warning that its customers, particularly its Japanese customers, are becoming increasingly concerned that they are paying a premium for canola that may no longer be GE free? Will you ensure that there is an immediate and independent investigation into what appears to be a series of GE contamination incidents in New South Wales to determine how the contamination occurred, who is responsible, whether there are breaches of the moratorium legislation and what needs to be done to clean up contamination so that the canola industry in New South Wales can maintain its GE-free status and its premium prices? If not, why not?

The Hon. IAN MACDONALD: This is a similar question to that asked by Mr Ian Cohen, but it relates to a different circumstance of unintended GE presence in the national variety trials [NVT] and the plant breeding variety trials. I think that is what the honourable member is referring to. Considerable work is being done on this matter at the moment to ascertain the extent and the level of traces that have been found in some of these trials, as well as what impact that will have on policy and policy makers. I remind the honourable member that very soon this matter will be considered by State and Federal Ministers at the Primary Industries Ministerial Council. Various States have made decisions about how to handle this matter. For instance, the Western Australian Minister has allowed the trials to continue but is calling for some form of strict liability. Victoria, South Australia and New South Wales have not halted the trials at this time.

The Hon. Duncan Gay: That is what we have been trying to do here and you have been fighting us.

The Hon. IAN MACDONALD: No, strict liability is one of the issues I put before the Crown Solicitor for consideration in relation to this matter. It is not as simple a matter as some think it is. For example, whom does one pursue with regard to strict liability? It is not a simple issue and it could lead to litigation for farming communities in New South Wales. The New South Wales Farmers Association has made it clear to us in public statements that it wants the NVT to continue because in this process it gathers valuable agronomic information about newer varieties, and that is necessary to keep our conventional varieties competitive with those produced overseas.

I will consider the advice of the Gene Technology Community Consultative Committee. The chair of that committee has written to me twice recently. I received the latest correspondence yesterday. A number of issues are embedded in discussion that has been ongoing with the Gene Technology Committee. I am concerned that residues are being found in conventionally grown canola. I understand that different sectors of the farming community are concerned about it also. The matter is in need of resolution, but that will not happen at a State level; it will be resolved at a national level. That is why I am in discussions with my State colleagues and the Federal Government to find ways of resolving these issues.

The Hon. Duncan Gay: You could be the leader.

The Hon. IAN MACDONALD: I am always the leader.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: I ask a supplementary question: Are the investigations independent of the industry, and, if not, what credibility do they have?

The Hon. IAN MACDONALD: The honourable member is trying to sully the waters. Current investigations are being made to ascertain the level of trace that has been found. As I understand it there have been instances of false positives. The material is before research laboratories in Europe and we are awaiting the results. That is clearly embedded in discussions with the Gene Technology Advisory Council. Honourable members should not jump in. Instead we should wait to see the results of testing and the reports. We can rely upon both the State Ministers and the Federal Government to get the policy right.

QUEANBEYAN GOVERNMENT OFFICE BUILDING

The Hon. MELINDA PAVEY: My question without notice is to the Minister for Commerce. Was a scoping study completed to justify the construction of a new $19 million office block in Queanbeyan? Did that scoping study look at the impact on available private sector accommodation and, if not, why not?

The Hon. JOHN DELLA BOSCA: I appreciate that the honourable member is asking a question about something that obviously is of private interest to her, a matter of which I am unaware. I am happy to get the detail—

The Hon. Duncan Gay: The people of Monaro are pretty concerned.

The Hon. JOHN DELLA BOSCA: Are they? I am quite happy to say that the Department of Commerce has a very good record in the construction of public buildings, as I am sure the honourable member is aware. I am happy to provide further information for the honourable member about the construction and planning for government office space in Queanbeyan.

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

Questions without notice concluded.

[*The President left the chair at 1.02 p.m. The House resumed at 2.30 p.m.*]

GENERAL PURPOSE STANDING COMMITTEE NO. 4

Report: The Designer Outlets Centre, Liverpool

Debate resumed from 21 September.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [2.30 p.m.]: Previously I spoke about the Independent Commission Against Corruption's limited definition of "corruption", which is that if money does not change hands there is no corruption. It is an extremely limited definition of bad process and corrupt behaviour. It is a financial and legal definition; it is not a definition of what a proper practice ought to be. The ICAC's Campbelltown Hospital inquiry presented the same problem. The whistleblower nurse, Nola Fraser, described a culture of corruption and cover-up in the hospital. She produced a large amount of evidence of poor medical outcomes. I looked at the medical records and found evidence of poor practices. I took that forward for her, and the result was the inquiries by General Purpose Standing Committee No. 2 and Mr Walker. Corruption inquiries and inquiries by the Health Care Complaints Commission are ongoing. But the ICAC found that Nola

Fraser acted on hearsay because she could not prove that records had disappeared, which was likely. Last night during the adjournment debate the Hon. John Ryan referred to suspicions about an email on a hard drive mentioned by Nola Fraser, who, as a citizen, had no right to those records. She was trying to highlight poor processes, which she termed corruption based on people's duties.

The Hon. Jan Burnswoods: Point of order: All members who have spoken so far in the take-note debate have spoken about the report. Nothing the Hon. Dr Arthur Chesterfield-Evans is saying has anything whatsoever to do with the report. The rules that govern take-note debates on committee reports are pretty strict. I ask you to remind him that nothing he is saying has any relevance whatsoever.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: To the point of order: I am talking about the methodology by which the ICAC examines problems, which is germane to the functioning of the ICAC. I am coming to that point very shortly. But I put it to you that I am on the point and that I am in the process of returning to the functioning of the ICAC, which is germane to the report.

The Hon. Jan Burnswoods: Further to the point of order: The ICAC is not germane to the report at all. The ICAC inquiry was separate and took place after the report that is being debated. The honourable member, unfortunately, is using any debate to make a speech about the topic of the moment, as he quite often does. He was speaking about it yesterday and he is speaking about it again. But it has nothing to do with the report of the committee.

The Hon. Jennifer Gardiner: To the point of order: If you check the *Hansard* you will find that in this take-note debate other members of the committee have referred already to the parallel work of the Independent Commission Against Corruption and its report, and how it relates to the committee's report. I am sure the Hon. Dr Arthur Chesterfield-Evans was following along those lines.

The Hon. Peter Primrose: To the point of order. It is inappropriate to use the fact that members have made mistakes and gone against the standing orders previously to argue that another member should be allowed to go against the standing orders. The current debate is about taking note of the report. The terms of reference of the report are very specific. Accordingly, I argue that the honourable member should speak to the report and not to things that may have happened subsequent to it being tabled.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Further to the point of order. If other members have mentioned it before and not been pulled up, surely I may respond to the same issue.

The Hon. Jan Burnswoods: Further to the point of order: The Hon. Dr Arthur Chesterfield-Evans is talking about the Liberal candidate Nola Fraser and her past history. It certainly is true that the ICAC mentioned her quite voluminously in the report, but that is a completely different ICAC inquiry from the ICAC inquiry into Orange Grove, which naturally received some passing mention in the debate on the last occasion the Orange Grove report was debated. To mention both the ICAC report on Orange Grove and the committee report on Orange Grove in the debate is natural, but the Hon. Dr Arthur Chesterfield-Evans is talking about the Liberal candidate who contested a recent by-election and who was the subject of an ICAC report—very unfavourably—on a completely different issue from Orange Grove.

The DEPUTY-PRESIDENT (The Hon. Kayee Griffin): Order! The Hon. Dr Arthur Chesterfield-Evans is referring to a matter raised last night in an adjournment speech, not to the Orange Grove Designer Outlets Centre. Other members referred to the Independent Commission Against Corruption inquiry that relates specifically to Orange Grove. The member must confine his remarks to the report of which the House has been asked to take note.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: In the 26 seconds that remain for my speech, I point out that the narrow definition of "corruption" adopted by the Independent Commission Against Corruption has been demonstrated amply in the Designer Outlets Centre decision, as it has been in other places and in other situations. The improper influence exerted by moneyed interests in the way that this Government does its business has also been amply demonstrated. [*Time expired.*]

The Hon. JENNIFER GARDINER [2.37 p.m.], in reply: I thank contributors to the debate on the report of the inquiry by General Purpose Standing Committee No. 4 into the Designer Outlets Centre at Liverpool. The debate involved an extensive number of contributions, including one from the Hon. Kayee Griffin, who referred to aspects of the legislation relating to the delegation of powers of local government staff.

The Hon. John Ryan pointed out that the closure of the Designer Outlets Centre at Liverpool not only affected directly approximately 300 employees but also generated a flow-on effect beyond that amounted to the loss of perhaps 450 jobs. The closure also impacted upon the other business in the immediate vicinity, including the bulky goods centre, which occupied the same block of land.

The Hon. John Ryan also pointed out the effect of Westfield continuing to expand its operations and the threat that poses in drawing businesses away from the Liverpool central business district. He focused on a number of findings made in the report of the Independent Commission Against Corruption [ICAC] which, in his view, vindicated the work of the committee on this important issue, and I agree with him. While it is regrettable that none of the relevant Ministers chose to appear before the committee, I note that subsequent to the tabling of the report the Premier resigned, the Minister for Infrastructure and Planning resigned and the Minister Assisting the Minister for Infrastructure and Planning (Planning Administration) was demoted. The Director-General of Planning has resigned, and following the ICAC report she brought forward her departure from that important role. It will be interesting to see how long the Minister for Roads, the Hon. Joseph Tripodi, remains in his position.

The Hon. John Ryan also made the point that the Save Orange Grove Bill, which was passed by this House, was certainly an important legislative initiative. In the light of the committee's report, the bill should be passed by the lower House. Ms Sylvia Hale noted the resignation of the various Ministers and the director-general and, as is her wont, focused on the line of questioning relating to donations made to various political parties and the chain of influence that may have exerted over the government of the day. The Hon. Dr Arthur Chesterfield-Evans referred to the role of the ICAC inquiry and possible limitations in the Independent Commission Against Corruption Act affecting investigations into decisions of the Government as well as the involvement of various Ministers in the decision to close the Designer Outlets Centre at Liverpool. The Hon. Jan Burnswoods also made a contribution.

The Hon. Duncan Gay: There is nothing honourable about her.

The Hon. JENNIFER GARDINER: No, but she made the comment that the inquiry brought the Legislative Council's committee system into disrepute. I recall hearing that comment at the time, and, as the chair of the Orange Grove inquiry, I resolved in my own mind that whatever the committee did during the inquiry I would not be responsible for television images such as those that marked the commencement of the Redfern-Waterloo inquiry. If ever anything brought this House into disrepute, it was those images. No matter what provocation some members of the committee put in my way—

The Hon. Amanda Fazio: That is right. You reacted to nothing.

The Hon. JENNIFER GARDINER: I thank the Hon. Amanda Fazio. I had resolved that no matter what provocation Government members threw in my direction, I was not going to do a Jan Burnswoods at the Redfern-Waterloo inquiry.

The Hon. Charlie Lynn: Point of order: I am having great difficulty hearing the Hon. Jennifer Gardiner's contribution to the take-note debate. I ask you, Madam Deputy-President, to call the Government's squawk box to order.

The DEPUTY-PRESIDENT (The Hon. Kayee Griffin): Order! A general call to order applies to members on both sides of the House. I remind members that interjections are disorderly at all times. Members should listen in silence to the contribution of the Hon. Jennifer Gardiner—a courtesy that I am sure the member will extend to others who speak in this debate.

The Hon. JENNIFER GARDINER: I certainly endeavoured, in a quite interesting inquiry, to make sure that people were given a fair go. Despite the tactics of various members who moved endless motions of dissent against my rulings—none of which was carried—we got through the inquiry.

The Hon. Amanda Fazio: Don't take that as encouragement. You have the numbers, but you were so poor it is a wonder they all stood up.

The Hon. JENNIFER GARDINER: Oh dear! I totally dispute the Hon. Jan Burnswoods' assessment. The inquiry was certainly challenging, but it was also well worthwhile so far as this Parliament is concerned. It was a vigorous inquiry. I thank the Legislative Council and the committee for the opportunity to chair that very important and noteworthy inquiry. I thank members of the committee for their assistance in making sure that we reported in a timely fashion.

Motion agreed to.

GENERAL PURPOSE STANDING COMMITTEE NO. 3

Report: Budget Estimates 2004-2005

Debate resumed from 1 March 2005.

The Hon. AMANDA FAZIO [2.48 p.m.]: I took great pleasure in moving that the House take note of the report on Budget Estimates 2004-2005. At the outset, I thank the committee staff for their assistance in the orderly functioning of the hearings and for the work they did in preparation for budget estimates hearings. I thank also the non-substantive members of the committee who attended the hearings for their assistance. The guidelines for General Purpose Standing Committee No. 3 required us to examine the proposed expenditure for the portfolio areas of Police, Justice, Fair Trading, Juvenile Justice, Western Sydney and Attorney General. Although stated in the report, I again thank the Ministers and departmental officers who attended and appeared at the estimates committee hearings, and I thank them for promptly answering the questions taken on notice. The committee held hearings to examine the portfolios of Police on 13 September 2004, Justice on 14 September 2004, Fair Trading on 15 September 2004, Juvenile Justice and Western Sydney on 16 September 2004, and Attorney General on 17 September 2004.

Some issues that were raised in the previous year's hearings were followed up and examined in a fairly detailed manner. At the hearing for the Police portfolio on 13 September 2004 the key issues discussed included the reduction in administrative expenditure following the mini-budget; the financial decision-making process; allocation of the budget within Police; the Firearms Registry; the turnaround times and fees; inspections and audits of firearm safe storage; the DNA testing backlog; fringe benefits tax compliance in relation to gifts; the expenditure review committee; staffing levels at the Goulburn Police College; and security industry reform, in particular in relation to firearm storage and the media interest in a couple of cases in which the head offices of security firms were burgled, and a number of firearms stolen.

At the hearing dealing with the Justice portfolio on 14 September 2004 the key issues discussed included whether certain prisons would remain open; the rate at which female employees were leaving the prison work force; recidivism rates, and measures taken to lower them; post-prison transition to the community; mobile phones in prisons, and the lack of co-operation by the Federal Government in attempts to block mobile phone transmission within prison confines; compensation payments to inmates, an issue that was brought to the attention of the public following a couple of publicised incidents relating to inmates' claims; replacement of the boiler at the Long Bay prison commercial laundry; and the relocation of 100 staff positions to Goulburn, which has been an ongoing issue within the Justice portfolio. The Committee inquired also into the relocation of staff, which was behind timetable at the time of the hearings because of the lack of appropriate commercial accommodation in the Goulburn central business district; prevention of contraband entering prisons and new measures instigated to alleviate that problem; and also compulsory drug treatment in prisons.

At the public hearing for the Fair Trading portfolio on 15 September 2004 the key issues discussed included investigations and penalties relating to the Property, Stock and Business Agents Act, savings in operating expenses, and e-commerce education and protection for consumers. Newspapers frequently publish articles on the crucial matter of identity theft. People need to be sure that their transactions and their personal identifying information are safe and secure. Matters raised in that hearing included consumer protection against defective goods, commonly called lemon laws; tenant databases and black lists; the use of forged qualifications in retaining building and trades licences—those questions were in response to findings of fraud taking place; the relocation of the department's safety and standards branch; the perennial question of the way in which interest raised on rental bonds held by the department is used; and youth debt, a matter that needs to be addressed because so many young people are getting into huge debt through mobile phone contracts and credit cards.

At the public hearing dealing with the portfolio areas of Juvenile Justice and Western Sydney on 16 September 2004, separate time allocations were given to each area. The committee inquired into management of the Kariong Juvenile Justice Centre and other key issues including the riot at the Acmena Juvenile Justice Centre; design faults at the Kariong Juvenile Justice Centre; the classification of detainees; major works at Cobham and Reiby centres; programs and treatment for indigenous juvenile offenders; search powers used at juvenile justice centres; drug detection in juvenile justice centres; drug use by detainees; and the transfer of detainees from Juvenile Justice to the adult prison system. The only issue raised in regard to the Western Sydney portfolio area concerned the Orange Grove factory outlet. The committee has just concluded consideration of that report.

On 17 September 2004 the committee conducted a public hearing into the portfolio area of Attorney General. In the main we discussed the pilot Domestic Violence Court and inquired into expenditure on legal advice for Ministers and the Government, the frequency of reporting of criminal court statistics, the budget and staffing of the office of the Director of Public Prosecutions, reviews of legal fees and court costs, court security; and the court backlog maintenance program and capital works program.

This series of budget estimates hearings was conducted in a constructive and orderly manner. The committee resolved to hold no supplementary hearings for the portfolios of Police, Justice or Fair Trading, and to defer consideration of further deliberative meetings for the Juvenile Justice portfolio until after answers to questions on notice had been received. When those answers were received the committee subsequently resolved to hold no further hearings. The committee resolved to defer supplementary meetings for the Attorney General portfolio until after answers to questions taken on notice had been received. When those answers were received the Committee held the last meeting in the series on 17 November 2004, at which it resolved to hold no further supplementary hearings. The committee adopted this report at its meeting held on 23 February 2005.

I believe that the way to get the best value out of budget estimates hearings is by conducting them in an orderly manner, as I made a point of doing, so that everyone gets a fair allocation of time, there is minimum inconvenience to departmental officials who attend with the Minister, and we are clear about the issues we want taken on notice. In current and previous rounds of budget estimates other committees have taken a far more adversarial approach. In the end they have had to conduct supplementary hearings, not because they really needed to but because of that adversarial atmosphere. In the end I do not believe the quality of information that is extracted is any better, nor do I think it is any more timely.

A number of issues were resolved as a result: issues that were discussed at the public hearings and questions that were asked relating to the operation of the Firearms Registry, the turnaround time for the processing of licences and the fees that were charged. Those questions, which have been asked over a number of years, resulted in additional funding being made available to the Firearms Registry to improve backlogs identified through the budget estimates process. That is one area in which we had a quite positive response. In relation to the Justice portfolio, it was interesting to note the number of questions asked by Opposition members that seemed to be generated by media comment rather than as a result of them having done the research themselves.

Having regard to the improvements in the way in which both the Justice and Juvenile Justice portfolios are being conducted, the estimates process is a good opportunity for people to find out about some of the initiatives that are being taken and to try to rectify some of the problems that have been identified in the Justice portfolio, for example, recidivism rates. It is also valuable in highlighting problems, where better Commonwealth-State co-operation would assist greatly in ensuring that we have a better and more secure prison environment. I refer, in particular, to the ongoing issue of mobile phones. It is not uncommon in overseas cinemas to see signs stating that there is a blocking system, so people cannot use their mobile phones inside a cinema or a theatre even if they want to.

The Federal Government refuses to allow that to happen in prisons in New South Wales. People often do not understand that only one handset and one charger are needed. It is difficult to get mobile phones into prisons but it is far easier to get SIM cards into prisons. If we are serious about ensuring that people are confined and lose their liberty in response to their criminal acts, it is crucial for us to ensure that they cannot use mobile phones when they are in gaol. The State Government is quite determined to try to stop such access, but the Federal Government just sits on its hands and does nothing. Quite frankly, I believe that is a disgrace. I am pleased this issue was highlighted yet again during the budget estimates process.

It is all well and good for Opposition members to come into this Chamber and thump the table and talk about cracking down on prisoners and making criminals pay, but if they do not talk to their Federal colleagues about ensuring that our prison system is more secure and working better we cannot take any of their comments at face value. We have to regard them as ill-founded political rhetoric and treat them as the hypocrites they are. I conclude by thanking committee staff for the work that they did. I thank members, Ministers and their staff for making this a relatively painless budget estimates process in comparison to some other committee hearings that I have had the misfortune of attending.

The Hon. CATHERINE CUSACK [3.03 p.m.]: I wish to make a few brief remarks in debate on this committee report. I did not sit on this committee for the entirety of its budget estimates hearings. However, I was there for the Juvenile Justice section, so I will confine my comments to Juvenile Justice. The Hon. Amanda

Fazio, as Chair of the committee, gave the Government's perspective on what can be achieved by the estimates process. She told us that an important objective of estimates hearings is to minimise inconvenience to Ministers and their bureaucrats. Opposition members have quite a contrary view of the estimates process—that is, that it is not necessarily our responsibility, if a matter is somehow embarrassing to the Government, to protect the Government from such embarrassment.

The estimates process is all about transparency and revealing information that would otherwise have remained concealed. We have a job, as an upper House, to go about that work in a robust way to reveal the truth, no matter how embarrassing it may be for the Government. Referring to the honourable member's reference to Ministers and their bureaucrats being inconvenienced, it appears that they all at times regard the appearance before estimates and other committees of this House as inconvenient. Some people take months to locate a spot in their diary where they would be able to attend our committees as witnesses. I question the veracity of running these committees for the convenience of the Government. In fact, these committees are being operated for the information of the public, which is an important distinction.

Similarly, the Hon. Amanda Fazio talked about the less adversarial approach that was taken by her committee. As a member of that committee I recall the enormous frustration that I felt. Government members understood that there would be two-hour hearings to provide for more efficiency and for an appropriate utilisation of time. The idea of a two-hour hearing was to ensure that the time would be shared between Opposition members and members on the crossbenches. However, whenever a Minister or his or her bureaucrats were inconvenienced at that meeting Government members suddenly had questions that they needed to ask, which cut into the time of Opposition members. As a result it meant we concluded the Juvenile Justice estimates committee hearing with literally dozens of questions that were unable to be asked because of the manner in which questions on notice are now treated. Sometimes it takes more than a month for those answers to be returned.

A number of members of this committee felt that several matters were very pressing. There were high-profile and important issues where the Minister's versions of events completely disagreed with other versions that were on the public record. Regrettably, because of the way in which this committee operated, we were unable to resolve those issues. If that is a less adversarial approach all I can say is it is a code for saying, "Less information, shut down the issue and protect the Government." That certainly was my experience at those Juvenile Justice hearings. The Hon. Amanda Fazio referred also to members not doing the appropriate research and asking media-generated questions. While that was not the case in relation to Juvenile Justice, I am aware it is common at these hearings for people to ask questions about issues that have been reported by the media. There is nothing invalid in undertaking thorough research, which involves canvassing high-profile issues, researching what people are saying and reviewing those sorts of issues in the media. That is an important part of the research process.

The Hon. Amanda Fazio identified only one issue that she was able to discuss in detail in the Justice portfolio—an enormous portfolio with numerous issues. Of all the issues canvassed by the committee the Hon. Amanda Fazio was able only to identify mobile phones as a key issue and the role of the Commonwealth Government in jamming those phones. I am disappointed because I believe that much more important issues were touched on. I read the transcript of those meetings, which suggest that blame shifting problems onto the Commonwealth Government is a tactic of this Government. To have that tactic reflected in the committee process frustrates our attempts and efforts to use these committees to obtain information.

I have a motion on the *Notice Paper* that compares the operation of estimates committees in this place with the Senate estimates committee process in Canberra. The latter is infinitely superior. Federal Ministers and their bureaucrats make themselves available for indeterminate periods and committee members continue questioning until all information sought is obtained. The estimates process in this place is farcical. I will continue to draw attention to that farce at every opportunity and to press the point that the process does nothing but conceal information.

Questioning the Minister about Juvenile Justice issues was like pulling teeth. She was questioned about the underfunding of the department's capital works process. She claimed it was funded but documents were produced to show that the department had not received the funding it requested. The Minister was then forced to make an embarrassing backdown and admit that it was true. She attempted to understate the cost of the Grafton riot. However, as a result of other inquiries, the Opposition was able to produce a copy of the insurance claim that the Department of Juvenile Justice lodged in relation to that riot. It revealed a huge gap in the costs. The Minister said that the cost of the riot was about $400,000 but, from memory, the insurance claim was in the

order of $650,000. It was only when confronted with that sort of documentation that the Minister was prepared to modify her answers, provide more fulsome responses and offer the information requested. It was a very slow and trying process.

Opposition members asked numerous questions about Kariong Juvenile Justice Centre, and subsequent events totally vindicated our questioning. We asked the right questions but the Government was unwilling and incapable of answering most of them. It is a great shame that the Government refused to co-operate with the estimates process. If it had been more willing to engage constructively perhaps many of the difficulties that subsequently engulfed the Kariong Juvenile Justice Centre could have been avoided. However, the Minister defaulted instantly to cover-up and to the "I'm right, you're wrong; I'm not prepared to admit anything" approach, which was maintained throughout the estimates hearings. But the Government cannot sustain that approach when the reality is so different. Problems could have been nipped in the bud and dealt with expeditiously but there was no opportunity to do that because the Government stuck its fingers in its ears, covered its eyes and simply ignored criticism. Unfortunately, that had tremendous negative consequences for the Department of Juvenile Justice and the administration of Kariong Juvenile Justice Centre. The Minister was forced to make that embarrassing admission and, ultimately, the management of that facility was taken out of her hands.

The Opposition initiated an important line of questioning during the estimates process. We examined issues such as the way in which the classification system had been changed and asked whether that change was transparent or simply a means of downgrading the classification of often dangerous detainees in order to relieve the overloaded Kariong Juvenile Justice Centre and Reiby Juvenile Justice Centre, to which younger boys with an A classification are sent. But we received glib responses. Bureaucrats delivered often lengthy answers that gave huge amounts of information that we did not ask for and used up the short but valuable time of the committee. Not only are such tactics frustrating to Opposition and many crossbench members but the Government pokes itself in the eye because, when its argument is so unsustainable and removed from reality, the house of cards is destined to come crashing down.

I believe that all honourable members should consider carefully reforming some of the operations of estimates committees. They should be viewed more as an opportunity for obtaining information from and demanding transparency of the Government and less as a way of pandering to Ministers and their bureaucrats. That approach could achieve a great deal and perhaps prevent large-scale problems. I will continue to urge the House to examine the estimates process. This valuable tool is being underutilised and manipulated and must be reformed before next year's hearings. I will raise that issue at every opportunity.

The Hon. MELINDA PAVEY [3.13 p.m.]: I echo the words of the Hon. Catherine Cusack, who called on the Government to give the estimates process the attention it deserves. It is certainly an important part of the democratic process and is vital to our understanding of how departments and authorities in New South Wales are spending taxpayers' money. During the recent estimates committee hearings and those of last year—which we are discussing today—Ministers obfuscated, refused to respond or called on bureaucrats to answer questions on their behalf. That is appalling. It proves that Ministers in both the Carr and Iemma governments are simply not up to the task.

I participated in the budget estimates hearings of General Purpose Standing Committee No. 3 and asked questions of the Hon. John Hatzistergos, in his former capacity as Minister for Corrective Services, and of the Director General of the Department of Corrective Services. It was a good meeting. The Hon. John Hatzistergos did his best to answer as many questions as he could but many questions were referred to Commissioner Woodham. Mr Ian McLean, the Senior Assistant Commissioner, Inmate and Custodial Services, Mr Grant and Mr Schipp were also in attendance. During the hearing we concentrated on trying to establish what had happened to the Labor Party's 2003 election commitment to transfer 100 staff positions to Goulburn.

I must give some credit to the Hon. John Hatzistergos for bravely admitting that the Government was not delivering on that commitment. He offered the excuse that it had to do with appropriate office accommodation. However, the honourable member for Burrinjuck in the other place has proved many times that that statement is incorrect. The Deputy Leader of the Opposition is a resident of that region and he has confirmed the availability of office accommodation for public servants in Goulburn. The Government's disclaimer that the accommodation is somehow not appropriate has allowed it to weasel out of its promise. The Hon. John Hatzistergos revealed he was not 100 per cent supportive of the Labor Party's pre-election commitment regarding the transfer of staff positions to Goulburn—which was clearly grounded in political opportunism—and would not stand behind it. That issue remains unanswered and unresolved.

We also discussed at great length the replacement of the boiler at the Long Bay prison commercial laundry. Opposition members had received information that suggested money had been wasted in that area and we put our case during the budget estimates process. There certainly appeared to be some irregularities in that regard. The Opposition also asked about the cost of keeping inmates in prisons run and administered by the New South Wales Government as opposed to Junee prison. We tried to get to the bottom of that issue and received some interesting answers to our questions.

Another area of concern was the number of female employees who leave the prison work force. Some allegations were raised with the Opposition on this subject. It is concerning to see trained female staff leaving the employ of the Department of Corrective Services because they have not received appropriate support in our prisons, where a male culture dominates. We received some interesting answers to our questions about that issue.

Last year during budget estimates hearings of General Purpose Standing Committee No. 3 some good issues were raised and some interesting answers were provided in relation to the Justice portfolio. I hope that the Government will be more co-operative in its approach during the 2006-07 budget estimates hearings. It is difficult to get to the bottom of expenditure issues in the allotted two hours. The Australian Labor Party, crossbench members and the Liberal-Nationals have two hours in which to ask questions. It is not a good or effective process. Next year I hope the House considers that issue in its deliberations relating to the budget estimates.

The Hon. AMANDA FAZIO [3.20 p.m.], in reply: I respond to a number of matters raised by honourable members during the take-note debate on the report entitled "Budget Estimates 2004-2005". First, I refer to the overriding assumption that appears to come from Opposition members that no-one else has the right to ask questions during the budget estimates process. Coalition members always complain that crossbench members get the same amount of time as them and that Government members ask questions. There are 13 Coalition members and 11 crossbench members. Therefore, the crossbench members have the same right to ask questions as the Opposition. I have noted during the budget estimates process that crossbench members, apart from one or two, are well researched and read their questions in a sensible manner. Crossbench members ask more questions and get more responses than Opposition members because they are better prepared at the hearings.

The Hon. Melinda Pavey, who attended only one estimates hearing of General Purpose Standing Committee No. 3, simply read out a couple matters from the Justice portfolio. She claimed those issues were backed up by coming across information or having been given bits of information. The Opposition's research for estimates committee hearings is to collect bits of scuttlebutt from disaffected government department employees. The Opposition always reads the papers before question time in this place and asks questions about issues that have been raised by the media. Opposition members do nothing. The *Daily Telegraph*, the *Sydney Morning Herald* and the *Australian Financial Review* do Opposition members' research for them. Opposition members plagiarise the work of journalists.

Opposition members claim that estimates committee hearings were run for the convenience of the Government. That is why they are in Opposition. The last time I checked, the Government does not have the numbers on any of the general purpose standing committees—certainly not General Purpose Standing Committee No. 3. I am chair of that committee simply because the Opposition was not organised at its first meeting. As a consequence, I was elected chair. That is something that has stuck in their throats because they have been coughing and hawking about it ever since. Opposition members say that the budget estimates process should be run for the public interest. They are run for the public interest, but I do not think they should be run for the interests of the Opposition.

The budget estimates process is supposed to be clear and transparent, whereby all members of the committee can ask questions of a Minister about their portfolio expenditure and people in the gallery can listen. The hearings are run for the public interest. However, occasionally the public interest does not suit the Opposition so it complains. There was no agreement that the Government would not ask questions at the 2004-05 budget estimates. The assertion by the Hon. Catherine Cusack to that effect was completely wrong, as were a number of other issues she raised. The simple fact is that Opposition members have an allocated time to ask questions, and they waste that time on mind-numbing repetition, by obsessively asking the same question, to which they have received a clear answer, in 15 different ways to get an answer they want. If the answer does not exist, the Hon. Catherine Cusack must realise she cannot get it. However, if she wants to spend 19 minutes of the 20 minutes allocated to her doing that, more fool she.

Quite frankly, the Hon. Catherine Cusack takes that approach. It is no wonder she says at the end of an estimates hearing, "I can't ask all my questions. I have got dozens and dozens left unasked." That is a reflection on her performance at estimates, not on the amount of time available for questioning. The Hon. Catherine Cusack further stated that I could identify only one issue. In fact, I used just one example—there is a difference between the two. I do not expect that to be clear in the minds of some people because often their behaviour is not as rational or clear thinking as one might expect. Labelling the process as a farce takes things too far. For some reason the Hon. Catherine Cusack seems to have taken a personal dislike to me, which is fine. However, in her role as shadow Minister she ought to distinguish between her personal likes and dislikes and make rational comments about the estimates process.

It is completely wrong to say that the estimates committee process is a farce. However, the silly and time-wasting behaviour of some members involved in the process can make it appear as though it is. The budget estimates process can be as useful and productive as one chooses to make it, a point I have made time and again when I have addressed this issue. If Opposition members make an effort to act responsibly, be well researched and not waste their allocated time, they can get what they want out of the budget estimates process. However, their attitude is epitomised by the use of overly emotive terms such as, "Oh, it's all concealed. The things we might bring out are an embarrassment to the Government. We are here to bring out the truth." It sounds more like bringing out the dead! When a shadow Minister says, "The Government is trying to obscure these things" she is not on the ball or on top of things. It is what we might expect from someone who is borderline hysterical about the process.

The Government does not have the numbers on General Purpose Standing Committee No. 3. Despite that, the committee decided that it did not need to have supplementary hearings because it got satisfactory information in the time available and in the answers to the questions that were taken on notice. The Opposition does not like Government members chairing a general purpose standing committee. The Opposition should be better organised in the next Parliament and ensure that it has people present when the chair is elected.

The Hon. Patricia Forsythe: We will be in government—don't worry!

The Hon. AMANDA FAZIO: There is a one in a million chance of that happening! However, if it were to happen the Hon. Patricia Forsythe would probably not be a member of that government. Another member would be here and he or she would not have a clue what is going on. I commend the Budget Estimates 2004-2005 report to the House. Although I do not necessarily agree with all the comments of other members who spoke in this debate, I would like to thank them for taking the time to participate. I look forward to working with them in a constructive and positive manner in next year's Budget Estimates process when I will be chairing General Purpose Standing Committee No. 3 yet again.

The Hon. Melinda Pavey: Something else could happen in the meantime.

The Hon. AMANDA FAZIO: You might be hoping for me to pass over, or whatever, Melinda, but I have a few drops of Sicilian blood in me. And now you have said that to me I will stay alive just to spite you so I can chair General Purpose Standing Committee No. 3 next year as well!

Motion agreed.

GENERAL PURPOSE STANDING COMMITTEE NO. 2

Report: Budget Estimates 2004-2005

Debate resumed from 23 March 2005.

The Hon. PATRICIA FORSYTHE [3.27 p.m.]: I am pleased to speak to the motion that the House take note of Budget Estimates 2004-2005 report of General Purpose Standing Committee No. 2. I feel constrained to say, however, that there is something farcical about the system that has evolved in this House with regard to budget estimates. We are discussing last year's budget estimates process at a time when we have just concluded the first round of hearings for the 2005-2006 Budget Estimates. Be that as it may, I will comment on the report.

I acknowledge the other work of all members of the committee, which had an interesting history last year in that the Budget Estimates process began with the Reverend the Hon. Dr Gordon Moyes as the committee

Chair and myself as Deputy Chair. When Reverend the Hon. Dr Gordon Moyes resigned as Chair in October last year I assumed the position, and the Hon. Tony Catanzariti became Deputy Chair. I was not Chair for the commencement of the process, but I held that position for supplementary hearings that were deemed to be necessary because of the extreme disappointment expressed by members at the answers to questions received from the Government in the portfolio areas of Health, Community Services and Ageing and Disability.

In the time I have remaining to speak today I want to thank the members of the secretariat, who support the work of the committees. This House undertakes an extraordinary process. The first round of Budget Estimates across all the portfolios is condensed into two-hour hearings over six days, many of which are conducted at the end of a sitting day after we have participated in the business of the House. After a short break members attend a number of hearings—two lots of two as a minimum. As a consequence, on occasion the attention of members to examine the estimates process is not as focussed as it should be. If, as the Hon. Amanda Fazio suggested, the Government were fair dinkum and interested in a serious and transparent process, it would not impose such an extraordinary timetable on members.

Pursuant to ssessional orders business interrupted.

GAMING MACHINE TAX

Matter of Public Importance

The PRESIDENT: I have received from the Hon. Greg Pearce a notice under Standing Order 200 that the following matter of public importance be discussed forthwith:

> The Government's policy in regard to gaming machine taxes.

The Hon. GREG PEARCE [3.34 p.m.]: I move:

> That the following matter of public importance should be discussed forthwith:
>
> > The Government's policy in regard to gaming machine taxes.

This is a matter of public importance because New South Wales under this Labor Government remains the highest-taxed State in Australia, driving business and people to other States and running down the economy in what should be the powerhouse of Australia. The Government has no idea, no budget, a looming deficit, and crumbling infrastructure, and it is grabbing money wherever it can. At the annual conference of ClubsNSW, which was held this week, gaming taxes came to the fore. The New South Wales Opposition, led by Peter Debnam, has put forward an excellent alternative policy, which is of very great importance to the people of this State, not least the club movement. I understand that the Government will not oppose discussion on this motion.

Motion to discuss the matter of public importance agreed to.

The Hon. GREG PEARCE [3.35 p.m.]: The gaming taxes that have been imposed by this Government are of great concern to the 4.6 million people who are members of clubs and to the many community groups, farmers and others, who utilise club services. The annual conference of ClubsNSW was held this week in Tweed Heads. It is important that we deal with this matter today because, when the Government was given an opportunity at that conference to address the outrageous gaming taxes, it sent along its Minister, who spent his time telling delegates, firstly, how to spell the new Premier's name and, secondly, telling club representatives that they had to face a number of serious challenges. I suggest that the most serious challenge they face is to get rid of the New South Wales Labor Government.

Honourable members will be aware that in 2004-05, 9 per cent of the total projected New South Wales taxation revenue was to come from gambling and betting. In the latest recorded year, 2003, every person in New South Wales spent on average $1,248.30 on gambling, which was well in excess of per capita gambling expenditure in any other State or Territory. Last year, the Independent Pricing and Regulatory Tribunal stated that it considered the overall aim of the integrated policy framework should be to promote a culture of responsibility in relation to gambling. This Government is not interested in doing that; it is interested in collecting every cent it can from gaming taxes. The result has been job losses, closure of a number of clubs, and dislocation in the community. The Government is not interested in reducing reliance on gambling.

A 2004 report of the Allen Consulting Group confirmed that rural and regional communities would be hardest hit by increased gambling taxes. According to the report, other consequences of the tax hike would be

cuts to the capital expenditure of clubs, and this would mean less investment in club facilities resulting in fewer playing fields, sporting facilities, and entertainment and recreation venues. There would be significant increases in the price of meals and drinks, increases in membership fees, reduced donations to charities and local community groups, reduced funding to junior and amateur sporting teams, and increases in the cost of facility and venue hire. The gambling tax increases were introduced in the context of declining gambling revenues from clubs. Interestingly, according to the 2003-04 Budget papers, club gambling revenue for 2003-03 was $437 million, but the realised amount was only $415 million.

At that stage the revised budget for 2003-04 showed that revenue from gambling was reducing. It was in the context of reducing revenue that the Government introduced its huge tax hike because of growing concerns about gambling revenue in the community and also because the Government knew that it would introduce smoking bans in clubs, hotels and the casino, which would further impact on the gambling tax revenue. Clubs have always played an important part in community life in New South Wales. The Coalition believes that clubs and the work they do should be promoted and protected, rather than undermined. More than one-third of the population of New South Wales—2.5 million—are members of at least one registered club. Clubs provide affordable, safe and friendly venues across the State for people to congregate, whether those venues are in small towns or large cities.

Clubs donate more than $110 million per annum to not-for-profit organisations, charities and sporting groups. In the last 10 years they have donated more than $930 million to their communities. Many important organisations are among the recipients of donations, such as the Guide Dogs Association, the Rural Fire Service, the Starlight Children's Foundation, NRMA CareFlight, Surf Life Saving Australia, Bear Cottage at Westmead Children's Hospital, the Volunteer Rescue Association and Youth off the Streets. The New South Wales Liberal-Nationals Coalition believes that the good work of clubs and these people should be supported. At the Tweed Heads meeting on the weekend the Leader of the Opposition, Peter Debnam, together with the shadow Minister, George Souris, and the Leader of The Nationals, Andrew Stoner, unveiled a memorandum of understanding between the Coalition and clubs that will protect and secure the future of the club industry in New South Wales.

The memorandum of understanding includes a broader package of measures to secure the future of the club industry, protect the work clubs do in the community, and guarantee the economic contributions of clubs to the New South Wales economy and the State Budget through taxation revenue. As part of this package the Coalition will amend the Registered Clubs Act, ending the threat of a Star Chamber investigation into clubs. We support the process of industry self-regulation through the ClubsNSW code of practice and best practice guidelines. We will support a gaming policy environment based on a shared responsibility and evidence-based research. We recognise that clubs require access to new and innovative games and technology to ensure the ongoing sustainability of gaming operations.

We will also establish an industry viability task force charged with developing an industry sustainability action plan, as well as undertaking a full review of the industry's compliance burden. We will guarantee the continuation of the Community Development Support Expenditure Scheme. We will support club amalgamations. Should the Keno joint licence not be resolved by March 2007, we will extend the Keno licence currently held by ClubsNSW and Tabcorp until 2020. We will also guarantee the GST rebate on the first $200,000 of club gaming machine revenue, which will help to secure the future of many small clubs in New South Wales. We will freeze club gaming machine tax rates at current levels—that is at today's rates.

The rate will be 32.79 per cent including GST for the largest clubs, 31.39 per cent for clubs between $5 million and $10 million, 28.49 per cent for clubs between $1 million and $5 million, 19.09 per cent for clubs between $200,000 and $1 million, and below that range it will be zero per cent. We will introduce legislation that requires consultation with clubs before any future rate changes are implemented, and we will undertake a hardship review that will give severely impacted clubs additional time to meet their tax commitments. That is just an outline of the policy we have announced, which is so important to the people of New South Wales. It is designed to ensure that New South Wales ceases to be a crippled State with the highest taxes in Australia, and a State that does not emphasise the need for harm minimisation in gaming but instead is addicted to gambling revenue as a major part of its budget.

Reverend the Hon. FRED NILE [3.45 p.m.]: I will say only a few words in support of the matter of public importance raised by the Hon. Greg Pearce. My colleague Reverend the Hon. Dr Gordon Moyes will make an extensive contribution on the matter of the Government's policy on gaming machine taxes. Recently there have been a number of major changes politically, particularly the resignations of Michael Egan and Bob Carr, the former Treasurer and Premier, who were the architects of the poker machine tax, which is so unpopular

in the club movement in New South Wales. On 2 August more than 600 representatives of registered clubs from all parts of the State resolved that the campaign for a significant reduction in the rate of poker machine tax continue unabated. At that stage they were not aware of imminent changes to the State Government. Following the election of Morris Iemma as Premier they resolved to renew discussions with the Labor Government and its new Premier—a new chapter in the controversy of poker machine taxation—to determine whether the policy of the previous leadership would be reviewed by the new leadership.

Following a meeting with Premier Iemma they felt they were moving in a positive direction. The Premier indicated that he would examine the matter to see what could be done. However, because of the original policy introduced by the former Treasurer the poker machine tax increases occur automatically. On 1 September poker machine tax increased—the second of seven annual increases in poker machine tax from which Treasury will receive upwards of an extra $800 million in revenue over the original seven-year period ending in 2010. The recent increase means that the rate paid by the State's largest clubs has increased to 32.79 per cent, a 25 per cent increase since 2003. Clubs sought a change in government policy that would result in a cap on the tax at the second level of 32.79 per cent. If that were to occur, the clubs would pay a total of $6.747 billion in poker machine tax between 2004 and 2010. The club movement said that the tax increases would require the New South Wales club industry to pay an extra $799 million to the Government on top of what it would otherwise have paid under the previous taxation arrangement.

We now know that the Coalition has entered into the debate in a constructive manner. On 9 October the Coalition released its registered clubs policy, which the Hon. Greg Pearce outlined during his contribution today. The Coalition has given a written undertaking to freeze poker machine tax rates at the second year of increase. The announcement by the Leader of the Opposition, Peter Debnam, at the conference at Tweed Heads was of course received warmly by the clubs industry. The Leader of the Opposition gave a written assurance that, when elected, a Coalition government will cap the top rate of tax for large clubs at 32.79 per cent—a rate which will still result in the clubs paying $6.4 4 billion in tax between 2004-05 and 2010-11.

The Christian Democratic Party is pleased also that the Coalition has made that written promise. I am sure that the new Premier, Morris Iemma, will give serious consideration to a Labor Government response. I look forward to the Premier perhaps outbidding the Coalition's policy on poker machine tax to take pressure off the club movement that has led to the closure of hundreds of clubs throughout New South Wales. The decision of the Coalition has provided greater employment certainty for approximately 50,000 people who work in New South Wales clubs. The heavy poker machine tax has already caused the loss of 2,000 jobs in the clubs industry. The Christian Democratic Party commends the Coalition for its initiative.

The Hon. PETER BREEN [3.51 p.m.]: I am pleased to participate in debate on a matter of such urgency and great concern for the people of New South Wales. More than 2,500 million people are members of registered clubs in New South Wales. The clubs movement has been agitating for some considerable time about the unfair impact of tax increases that in effect have raised the maximum tax rate from 20 per cent to 40 per cent of the revenue that is derived from poker machines. The tax was always going to be an unjust tax. I am very pleased that the Coalition has signed a memorandum of understanding with the clubs movement to ensure that the top rate will be pegged at 32.79 per cent of revenues.

The Allen Consulting Group's report confirmed last year that the registered clubs donate in excess of $100 million each year to the community from profits made by the clubs. Honourable members should bear in mind that clubs are non-profit organisations. Their profits either go back into the community directly as grants or they go back into the infrastructure of clubs, unlike the profits of hotels which go into the pockets of the publicans. The Carr Government's changed rules relating to poker machines in hotels have been responsible for the transfer of $4 billion in gaming revenue from clubs to hotels. That is a vast amount and it has turned many hotel proprietors into multimillionaires. It has also increased the value of hotels by a factor of approximately 10.

The Hon. Duncan Gay: One of the Ministers in the Cabinet room at the time had a hotel.

The Hon. PETER BREEN: In fact I think he had three hotels. A hotel is now valued not according to the freehold or the turnover of business, but according to the number of poker machines it operates. Each poker machine is valued from a sale point of view at $300,000. The effect on the hotel industry of poker machine gambling has been enormous and it has become a huge plus. In my opinion it is shameful that the hotel industry is now one of the major contributors to the Labor Party.

The Hon. Don Harwin: It has been like that for over 100 years.

The Hon. PETER BREEN: Yes, but the amount we are talking about that is directed to political parties as a result of the increased revenue of the hotels is now far in excess of what it was in the 1800s and certainly far in excess of what it had been up until 2003. I added the amounts donated by hotels and hotel interests to the Labor Party prior to the 2003 election and I stopped counting at $1.8 million. The total reflected only the donors I could identify. The connection between donations to the major parties and the profits of the hotel industry is a matter of grave concern. I point out that I have been a supporter of clubs for a long time. When I was a student I worked at the Campbelltown Bowling Club and at the bowling club in College Street. If it had not been for the clubs industry—given that the industry provided me with employment—I would not have been able to attend university.

My father was a secretary-manager of the Campbelltown Bowling Club and a founding member of the Campbelltown Catholic Club. I have some personal history associated with the clubs movement. I have always recognised the extent to which the clubs provide benefits to the community. Some people say that $100 million is not much out of the profits made by clubs, but when other benefits provided by clubs are taken into consideration, such as inexpensive meals, entertainment and the recreational and sporting facilities provided by clubs, the extent of the contribution of the clubs movement to the community is vast. It would be wrong to underestimate or attack the value of contributions made by clubs, which is what the insidious poker machine tax has purported to do. It is a positive development for the Coalition to strike a memorandum of understanding with the clubs movement. The Government is to be complimented on negotiating and considering its position. I commend the motion to the House.

Reverend the Hon. Dr GORDON MOYES [3.56 p.m.]: I support the motion moved by the Hon. Greg Pearce. During a conference held at Tweed Heads last weekend, an indication was given on 9 October of a memorandum of understanding between the Coalition and ClubsNSW whereby the Coalition, if elected to form a government, will address the inequities of the poker machine tax. There can be no question that funding for public health, which the Premier has cited as justification for the poker machine tax, is just not an acceptable reason for an unjust tax. The tax was a concept of the former Premier, Mr Carr, and the former Treasurer, Michael Egan. Even though the current Premier has met with ClubsNSW to discuss continuation of the poker machine tax, his public comments in the recent past are a reminder of this strong personal support for the tax.

Clubs have approximately 2.6 million members in New South Wales and they are totally opposed to the poker machine tax. One would think that Premier Iemma would be able to read the writing on the wall. Late in 2003, as the then Minister for Health, he mounted a strong argument in the Legislative Assembly in favour of the poker machine tax and claimed that it was necessary for the provision of quality health care in New South Wales. The current Premier stated in *Hansard* on 12 November 2003:

> I will support, defend and promote any measure that puts more money into our public hospitals. I will promote, support and defend any revenue measure that improves the quality of health services in this State, including the poker machine tax.

I do not believe that the Premier can justify that argument. The poker machine tax has not only had the effect of cutting jobs in the clubs industry and diminishing amenities, but has also to take the cake as New South Wales's most unjust tax in the eyes of the ordinary punter. If Premier Iemma justifies the poker machine tax by claiming that it funds this State's public health system, as his predecessor did when referring to poker machine tax as funding the operations of the rail systems, then he has failed the test as Premier. Taxes are the price we pay for a decent society. In this case it is the price we pay for being an addicted and depressed society. Studies show that increasing taxes on problem and compulsive gamblers does not significantly alter their behavioural patterns or encourage them to reduce their dependency upon gambling.

The only word to describe this taxation is "exploitation". The responsibility of adequately funded public health care is a burden that should be paid by all taxpayers, not just gambling addicts. Currently the clubs are paying $799 million in additional tax through this poker machine tax, giving a total of about $6.4 billion in taxes to the State Government. Premier Iemma has some very simple options: he can abolish the additional poker machine tax on clubs, and he can fund health care from government general revenue. Health care is the right of every person in New South Wales, and every person should be funded equally. Unfortunately the whole concept of the poker machine tax is an unequal sharing of the burden of public health care. The Christian Democratic Party calls upon the Premier to not justify the poker machine tax with comments about public health care. We support the matter of public importance raised by the Hon. Greg Pearce.

The Hon. HENRY TSANG (Parliamentary Secretary) [4.00 p.m.]: The Opposition promises to freeze poker machine tax at September 2005 levels and to bring forward cuts for small clubs. It is easy for the Opposition to promise to remove taxes and to close its eyes and ears to the cuts that the Government is imposing

on New South Wales. The New South Wales Government is currently examining the level of club tax. While the Government is keen to provide relief for clubs it will not make a hasty decision that jeopardises its ability to fund hospital services. The Premier will meet with the chairman of Clubs NSW in the next month to continue discussions over what sensible and practical assistance the Government can provide to the industry. The Opposition's package is expected to cost a total of about $800 million, from 2006-07 to 2010-11, and have an ongoing cost to the budget of more than $300 million a year from 2011-12 onwards. Extra funding from the increase in poker machine tax is dedicated to hospital services.

The Hon. Duncan Gay: Point of order: The honourable member is misleading the House by indicating what the Coalition policy would cost from 2006-07. We are not in government, and there will be no changes. He is deliberately misleading the House.

The DEPUTY-PRESIDENT (Reverend the Hon. Fred Nile): Order! The member is abusing the point of order procedure by seeking to make a debating point. There is no point of order.

The Hon. Duncan Gay: I was taking a point of order that the member deliberately misled the House by indicating what the Coalition would change in 2006-07. The next State election is in 2007, so we will not be changing anything.

The DEPUTY-PRESIDENT (Reverend the Hon. Fred Nile): Order! That is not a point of order.

The Hon. HENRY TSANG: I repeat: The Opposition's package is expected to cost a total of $800 million, from 2006-07 to 2010-11, and have an ongoing cost to the budget of more than $300 million a year from 2011-12 onwards. Extra funding from the increase in the poker machine tax is dedicated to hospital services. The new tax package commenced in 2004-05. The second stage of the seven-year phase-in of the new tax rates occurred on 1 July 2005 for hotels and on 1 September 2005 for clubs. The seven-year phase-in of the rate changes allows time for the club and hotel industry to adjust. The increase in gaming taxation revenue from the changed rates will fund future growth in hospital services. I assure the Opposition that small clubs and hotels will be better off. Based on 2004-05 club gaming income figures, about two-thirds of clubs will pay less tax, or no more tax, under the new tax rates.

Clubs with annual gaming profits up to $200,000 will continue to pay no tax. Tax rates for clubs with profits between $200,000 and $1 million will be reduced every year over the seven-year phase-in period. By 2010-11 those clubs will pay about 8 per cent less tax than under the former arrangements. The biggest rate increase is for larger clubs and hotels. Rate increases are biggest for the most profitable clubs and hotels with large gaming revenues. No doubt, clubs with annual revenue of more than $1.1 million will pay more tax. The increase in gaming taxation revenue from the changed rates will fund future growth in hospital services.

In 2003-04 gaming taxation amounted to 14 per cent of club gaming revenue; that is about half the tax that would be payable on such income in other States. When fully phased in, the tax payable under the new rates on 2003-04 income would rise to about 25 per cent of club gaming revenue, assuming that clubs continue to take full advantage of the Community Development and Support Expenditure [CDSE] Scheme tax deduction. It should be noted that clubs in New South Wales paid an average tax rate of 13.8 per cent in 2003-04, and 15 per cent in 2004-05 and are expected to pay an average tax rate of 16.7 per cent in 2005-06. In 2003-04, the latest year of data available, the average tax rates for all other States and Territories was 33.4 per cent. It should also be noted that New South Wales gaming tax rates for clubs with profits of $1 million or less remain below those of other States.

On a full year basis, a club earning $1 million in 2005-06 will pay only $86,000 in New South Wales, compared with $277,000 in Victoria, $263,000 in the Northern Territory, $241,000 in South Australia, $179,000 in Tasmania, $162,000 in Queensland and $139,000 in the Australian Capital Territory. The biggest rate increase is, of course, for large clubs and hotels. A club earning $5 million in revenue will pay tax on 20.2 per cent of gaming income by 2010-11, assuming that clubs take full advantage of the CDSE tax deduction, compared with 14.3 per cent in 2003-04.

I turn now to the continuation of GST rebate to clubs. The Government provides GST compensation payments on the first $200,000 of gaming revenue to all registered clubs, at a cost of about $20 million in 2005-06. Clubs will still be able to support local communities under the CDSE arrangements. In the nine months to August 2004 eligible clubs spent $44 million on community contributions, or 2 per cent of gaming profits before State tax, and received $25 million back from the State Government in tax rebates. Those rebates, provided

under the Community Development and Support Expenditure Scheme, will continue. Under the CDSE, marginal gaming tax rates on gaming income above $1 million can be reduced by 1.5 percentage points if the club spends 1.5 per cent of such gaming revenue on eligible community projects.

In addition, the new gaming tax rates continue to tax clubs more lightly than hotels, recognising the role that clubs play in the local community. The new tax package will still leave clubs with substantial income from which to finance community initiatives. In 2004-05 the New South Wales tax revenue depended less on gambling than tax revenue in the Northern Territory, South Australia, Tasmania, Victoria and Queensland. This will continue to be the case in 2005-06 and through the forward estimates period, for those jurisdictions that publish detailed forward estimates. In conclusion, the increase in gaming tax is from larger clubs. The Government needs this revenue to fund future growth in hospital services.

The Hon. AMANDA FAZIO [4.10 p.m.]: I wish to make a brief contribution to the debate on this matter of public importance. I support the comments of the Hon. Henry Tsang. I believe the tax regime introduced by the State Government relating to profits to clubs from poker machines is fair and reasonable. This campaign around club tax has been characterised by an enormous amount of misinformation. People have been citing as examples how small clubs are struggling. The tax does not affect them; it affects only the larger clubs. The Liberal Party and its colleagues in The Nationals have latched onto this issue in the hope that they not only gain a bit of popularity from clubs members but also receive a few donations from some of the larger clubs or the club industry as a result of having signed the accord.

Quite frankly, one of the things that disappointed me in this debate was that people who have a philosophical objection to gambling in the first place should be supporting the Government's position, that is, that the increased profits from gambling that will be going to the Government will be used on the health system. That is a far better proposition than letting those who conduct the gambling decide in what way they will deign to dole out money to local community organisations. This might be an issue of public importance to the Liberal Party and The Nationals but it is not an issue of public importance to the majority of citizens in New South Wales. I do not think it is an issue of public importance to the majority of people who have taken the time to find out exactly what is involved and who have cut through the misinformation and hysteria relating to this issue.

I do not think it is a matter of public importance to those people who are opposed to gambling. They would know that the profits from gambling would be going to the Government to be used to provide better health services for the people of New South Wales. We do not have to vote on this motion but I think this is a cynical move by the Liberal Party and its colleagues in The Nationals to try to curry some favour with the club industry. I do not think we should support their endeavours in this regard. I urge all honourable members to support the Government's position in relation to the club tax, which is a fair and equitable tax.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [4.13 p.m.]: This is an attempt by the Opposition to curry favour with the clubs and pubs industry, which does not like paying taxes. I remind Opposition members that around the turn of the last century people regarded gambling as a social evil because they were captured by it and went broke. In those days, when there was not much of a welfare system, the church picked up the tab and looked after them. I do not believe that churches and private charities should have to look after those people in our society; those things should be part of a secular welfare function that does not rely on charity.

Gambling became linked with the church, and anyone who was against gambling was linked with some sort of wowserism, which was just a put down. In the 1950s illegal betting occurred at illegal casinos. There was corruption throughout the Police Force and a strong link with organised crime. People who did not pay their gambling debts were killed or disappeared. A friend of mine who had a gambling problem fell into the hands of these folk. He ended up being hunted and he fled the country in fear of his life. That is what happens when someone falls into the hands of those who run illegal gambling operations. Poker machines were legalised to lessen the harm associated with gambling.

Once poker machines had been legalised people came up with the idea of simply getting rid of the crime element. The venality of people making a profit from gambling was something of a problem. Because the clubs could not distribute their profits they grew. Architecturally some of them are a bit of a shambles because they extended their premises every few years and, in a sense, they were never planned. Clubs were then forced to return that money to the community. It has been pointed out endlessly in debate that clubs now provide sporting and other facilities, such as relatively cheap meals, and so on.

Clubs played a social function because all their money was returned to them. For reasons that I do not understand, at that time hotels were doing great things for live music. They tried to attract patrons because clubs had poker machines. The Government capitulated and gave hotels gambling machine licences. Hotels subsequently did away with much of that live music and put in poker machines instead. Only last week the live music industry lobbied me and said it was hostage to the Liquor Act and to the poker machine industry, as it is far more profitable. When poker machines were installed in clubs the cost of hotel licences more or less doubled overnight.

When we tried to make hotels smoke free, which at worst would have cut their profits by 20 per cent for a short time, there was a huge outcry. They were not grateful that the cost of licences had doubled; they were reluctant to have anything that might be of social good. So a tax was imposed, and that tax is an attempt to mitigate harm. Since gambling is illegal and more or less universal, thanks to the Internet, our gambling revenue might be somewhat disadvantaged compared with the gambling revenue that might be obtained from people playing Internet gaming systems. Betfair, which might compete with the horseracing industry, is again being kept out. Presumably it is not taxed because it is a cyber link between people who are wagering.

Clubs do a great deal of social good. For example, my son runs around the field with the Tigers little athletics club. That is an example of rugby league clubs doing good. As soon as the tax was introduced it was thought that would be the first thing to be cut. There was a suggestion that the profits of clubs would be cut and sensibly used to get rid of the gambling tax. Should there be a gambling tax? Whenever we talk about the creation of jobs, economists wax lyrical about the multiplier effect. It starts with one person, then there is a family of two people, then there are a couple of kids and the number of children in schools in the area is boosted, resulting in the need for additional teachers. Pubs and clubs do more business, grocers and butchers expand their businesses, and banks and towns flourish.

We hear about the multiplier effect and about how wonderful job creation is. However, other issues are never taken into account. What happens when somebody puts all his or her money into a poker machine? The wife has to go on welfare, the kids do not do well at school and they play truant. There is fighting, problems at home, and marriages split up. Social workers and others are brought in to try to fix these problems. So there is a big multiplier effect. According to the Productivity Commission, about 37 per cent of gambling revenue comes from people who basically cannot afford to gamble. Effectively, a huge percentage of money is coming out of the pockets of people who cannot afford it.

I believe that 37 per cent figure has a huge multiplier effect in terms of social harm. That point is always ignored. Opposition members are trying to score a few cheap political points on the back of a lobby group that has more than enough influence in New South Wales. They want to ignore the problems. Those opposite claim there should be no gaming tax and that gambling should be a cost-neutral activity. But I am afraid that it is not cost neutral. Gambling has many economic effects—it is not all beer and skittles—and does considerable harm. The gaming tax is an attempt to recoup some of those costs.

The gaming tax is probably not high enough. If someone asked me what the correct tax on gambling should be I would say it is the maximum amount of tax that could be raised without encouraging illegal gambling and associated criminal activity. In other words, we should do as much as we can to mitigate the harmful effects of gambling, which we must try to calculate. I hope that through the Gaming Machines Amendment Bill, which is currently before the House, we will be able to conduct research, get the figures and quantify the social effects of gambling. The Department of Gaming and Racing does not want to make the figures available so that bona fide researchers can calculate the harm. Those researchers do not have even the raw material to calculate the social effects of gambling. I have had this out with the Minister for Gaming and Racing and the director general of the Department of Gaming and Racing during estimates committee hearings in the past few years. We need those figures to do the research.

We are discussing gaming taxes but no-one knows the true effects of gambling. It is claimed that gambling benefits the economy but every dollar that is not spent on gambling will be spent on something else—and there is a pretty good chance that such expenditure will be more productive than spending money to support a gambling habit. We must consider this issue seriously. We must set the gambling tax rate in a rational manner. I speak often in this place about the need for evidence-based legislation so that we know what is going on. We must not simply give in to lobby groups but consider sensible legislation seriously and gauge its likely economic impact. We can then make decisions based on the long-term welfare of society—which is what we are in Parliament to do. The first step would be to discover how much gambling occurs in New South Wales, who is spending the money, whether it is affecting families and, if so, to what extent. We could then try to recoup that cost through taxation.

If individuals do not make good lifestyle decisions, the flow-on effects for their immediate family and their community will be considerable. We must calculate those effects, which requires much research. I believe those who profit from the gambling enterprise should pay for that research and, ideally, the gaming tax should raise sufficient funds to undo any harm that the gambling habit creates. That is the only rational way to proceed. We are yet to gather the figures so that we can even start that research project. We are still basing decisions on rhetoric, not known facts. The tax should be levied at such a rate—it would be considerable—to cover those costs. However, we must not reach the point where the tax discourages legal betting and encourages illegal gambling operations, which pay no tax or simply pay off policemen. That is what I think the gaming tax should do. This matter of public importance is tawdry.

[*Discussion interrupted.*]

DISTINGUISHED VISITORS

The DEPUTY-PRESIDENT (Reverend the Hon. Fred Nile): I welcome to the President's Gallery members of the Standing Committee of the People's Congress of Xinjiang Uighur Autonomous Region in China. I welcome particularly the Chairman, Mr Abdulrahim Hamid.

GAMING MACHINE TAX

Matter of Public Importance

[*Discussion resumed.*]

The Hon. JOHN RYAN [4.24 p.m.]: I strongly support the discussion of this matter of public importance, and I commend my colleague the Hon. Greg Pearce for bringing it to the attention of the House. For a couple of years the community has been debating a tax that the Labor Government introduced for no purpose other than to reap the greatest amount of revenue from the club movement to benefit the Government. The first question that everyone asks of Government members is: Where has the money gone? How do they plan to spend it? Sadly, the people of New South Wales have come to the conclusion that this Labor Government is incapable of managing its budget. The clubs tax is simply ripping more money from the club movement—some estimates put the amount at $1.5 billion—across the State.

The Government's tax on the club movement is a dagger aimed at the heart of developing areas such as Western Sydney, the Central Coast and the North Coast of New South Wales, where the club movement is strong and provides vital services to the communities in which clubs operate. When the Government takes this money from clubs—whether it is Panthers, the Marconi Club, Mounties, the Catholic Club at Campbelltown, a myriad RSL clubs and so on—where does it expect sports clubs to hold their annual prize-giving night? Where will the kids hold their end-of-year dance or drama recitals? Where will people find the funds to support local sporting clubs and other community organisations? How will we subsidise recreational activities for the aged? Where will people go for a cheap meal and to meet friends?

I have noticed that clubs are playing an increasingly important role in sponsoring and fostering live entertainment. I do not wish to criticise hotels, but they are beginning to focus more on the sale of alcohol, catering and gaming. Perhaps many are concerned about their capacity to control live entertainment patrons, but I have noticed that the hotel movement generally is moving away from that activity. It is the clubs that are giving our budding artists their only opportunity to perform. Where will those artists and patrons go when the Government has ripped the guts out of the club movement to feed its interests and fill its coffers?

This Government has a ravenous need for tax and revenue but it cannot tell us where the money has gone. I suspect the question that will give the Government the most grief in 2007 is: Where has the money gone? Yet the Government wants to take even more. The Government claimed that the clubs tax would be used to fund the hospital system—it had to take money from the clubs to fund local hospitals. But many clubs already fund hospitals through community efforts. For example, Panthers makes significant donations to the Children's Hospital and Nepean Hospital. Liverpool Hospital no longer caters for patients who present for day surgery—for example, those who visit the hospital for dialysis treatment. I will not be surprised if the clubs step in and provide that service. Clubs frequently provide the glue in the community that the Government either cannot or will not supply.

If the Government is successful in changing the clubs tax regime it will change clubs fundamentally. Let us face it: Most of us do not want to foster gambling but at least in New South Wales it has a community

benefit. Gambling funds other beneficial services. The proponents of gambling do not have a maniacal commitment to its expansion to the point where they are looking to grab the last dollar viciously from people who probably should not be gambling in the first place.

Those people are not motivated entirely by profit. Most of us feel some level of comfort that that is where gaming in New South Wales exists. It would be impossible and foolish for us to wipe out gaming. Many people participate in gaming with control. While gaming is not to my taste, I understand that many people find it entertaining. It creates jobs and it is a useful economic activity, particularly in places such as Western Sydney, the Central Coast and, most importantly, the North Coast. One only has to visit places such as the Tweed, Ballina and Coffs Harbour to see the important contribution clubs make in those communities.

The Government will succeed in diminishing the role of clubs because they will produce revenue only for and from gaming to meet the tax. Club Marconi in Fairfield sells more coffee than alcohol. It provides an important meeting place for many people of Italian origin with many community networks. I know of few other organisations where 1,500 people will turn up to elect the club board at its annual general meeting. It is a colourful event. Clearly, wide interest is shown in Club Marconi, which provides a place for people of Italian origin and heritage to meet. It is also a soccer club. Club Marconi will not be able to do that any more if the Government is successful in relation to these taxes. It will just be a big gaming house that collects and recycles revenue for the Government.

I strongly support the proposals put forward by the Leader of the Opposition, Peter Debnam, and the shadow Minister for Gaming and Racing, George Souris. They plan to stop what the Government has under way, which will destroy the club movement. It will no longer be a community-based facility that provides important recreational and development opportunities for activities such as live entertainment and sport. The Government will simply wreck that movement if it is successful. I would prefer to see the club movement do what it currently does: it supports recreational and community activities that government would never fund in a fit; it controls the incidence of gambling in our community, so it is not driven entirely by profit motive; it provides thousands of jobs across the State, which puts bread on the table in many families; and it provides recreational activities that would otherwise die out. Where would we get bowling and golf facilities if they were not subsidised and assisted by the club movement? The Labor Government plans to wipe out those community activities; clubs will be nothing more than places with rows and rows of gaming machines.

The Hon. Amanda Fazio: Bowling clubs don't pay the tax. You don't know what you are talking about.

The Hon. JOHN RYAN: Clubs are now falling over because of the gaming tax regime that has been implemented, and we still have another two years to go. Clubs are creaking under the strain of the Government's tax regimes. As a Liberal I support the club movement; it is a community activity and the Government does not need to interfere. The club movement does a great job providing many facilities. If clubs have to devote the money the Government requires of them in the form of a tax, the facilities I mentioned earlier will be the first to go. Gaming machines and alcohol will not be the first to go—sporting clubs, entertainment, cheap meals, opportunities for seniors to meet and cheap accommodation will go. For example, I refer to places such as Panthers. Our community needs and wants the things that government will not supply. I support the club movement. I do not support the manner in which the Labor Government wants to wreck it. If there were any decency on the Government side, Labor members would make strong representations in their party room to implement our policy.

The Hon. PATRICIA FORSYTHE [4.34 p.m.]: I support the motion moved by my colleague the Hon. Greg Pearce in relation to the Government's policies on gaming machines. I am not an expert on gaming machines by any stretch of the imagination. Indeed, if the Government were relying on me for revenue from gambling in any form it would get zero every year. However, like any member of Parliament, I cannot help but see the role and place of the club movement in New South Wales. As my colleague the Hon. John Ryan said, clubs are community based. Indeed, they are the centre of many rural communities.

Two weeks ago I had dinner in the enormous ex-services club at Cootamundra. Most community meetings—including Rotary, our Liberal Party branch meetings, et cetera—are held in clubs. We become familiar with the food they serve and the surroundings. I was in Cootamundra on a Wednesday. I was at the club and the bistro opened at 6.00 p.m. Within five minutes more than 20 people were waiting to be served with a hot meal, which cost well under $10. That is what clubs have traditionally provided. A range of people was present, many of whom probably came into town to that club, which fulfils a significant community function. The club

was the centre of activity in the town that night, judging by the number of cars. I was enormously impressed by its memorial to service people and by the historic display of the HMAS *Cootamundra*.

Clubs are the centre of communities across New South Wales. Why do Rotary or Lions meet in the large clubs? Because they get a good deal. They pay almost nothing for the hire of the room and meals are provided at an extremely cheap rate that can rarely be matched by hotels. Such things will increase as a result of the tax. When the Government announced the tax last year, I spoke about the significant Queanbeyan Leagues Club. I asked the club about its spending priorities and what it would have to cut. It said that it would cut things ancillary to its role as a club, such as support in the community. The club talked about community sport, including junior rugby league and the provision of jerseys for teams. It may come as a surprise to the Australian Labor Party that not every family in the State can afford the basics that one needs to participate in sport, such as shoes and jerseys. Clubs have provided those items, and they will be cut. The Queanbeyan Leagues Club said that one of its choices was whether it could continue to maintain one of the major ovals in Queanbeyan.

The club cut the lawn, looked after the fences and maintained the oval. It did not own the infrastructure; it was on Crown land. The club provided a service to the community. It would have to make a decision about that service because the Government was not being fair. If the club was going to make a choice, it might well say that as it was Crown land it was the Government's responsibility. Who loses out in those decisions? It is the community, the people who access those sporting facilities—the teams. The club movement has to be fair to its members. It has to meet that tax obligation. What are the clubs' choices? Are they meant to put up the cost of membership or increase alcohol and meal prices? These are community centres. Do they close their gymnasiums, cut back on some of the live bands and other facilities they provide, often at a reasonable price to their patrons because they see their role as being a community centre? One need only look at some of the clubs in areas where a significant number of people are retired to understand the link that they provide.

A few weeks ago I was with a parliamentary committee that held its hearings in one of the large clubs in Coffs Harbour. When one looks at the people accessing the clubs, not only having meals but, dare I say it, using the poker machines as well, one sees that many of them are retired. Many of them would have moved into that community in the past 5 or 10 years, not necessarily having a large support base or knowing other people. People look around for places to grow their network. They will do so at bowls clubs, golf clubs and the sort of club we were at, because they provide a centre of activities. They are the ones that take the people on bus trips and organise the entertainment and the food. While the gaming machines profits underpin what they do, they are able to provide a broader community benefit. When the Government steps in and says it wants a greater share of the profits, something has to give. It is the community facilities. When the Hon. Amanda Fazio interjects, as she did at the end of my colleague John Ryan's speech and says the taxes should be higher—

The Hon. Amanda Fazio: Don't you try to verbal me.

The Hon. PATRICIA FORSYTHE: I am not at all verballing you. I am merely placing on the record the comment that you made. Perhaps you thought it would not be on the record. I would not want it to have been missed. Government members are out of touch with the community. They are certainly out of touch with the clubs movement and the needs of clubs. When members opposite get to 25 March 2007 and wonder why they lost the election, they will be able to look back and say they got out of touch with the community across New South Wales. They fail to understand that people in the community are standing up for the clubs movement because they are the ones who will miss out. Services these people have been accessing will be cut to provide the taxes the Government is demanding.

The community will send the Government a clear message. They will say it is not good enough, that this is an arrogant Government that puts its hand in everybody's pocket all the time and does not give enough in return. The Government has dealt the clubs movement a hard blow. It made a fundamental assumption that because clubs are big and make a certain profit they would be able to give up a greater share of their revenue without it having an impact. That is just nonsense. Of course they will have to redefine their priorities. Ultimately, some of the things that were ancillary to the core member services will go—sadly a lot of junior sport, support for hospitals and community groups, the very things that have given the clubs a real basis in the community, will go. I refer to the provision of equipment and uniforms to emergency services. It is the sort of thing that the Government these days finds less resources for. Instead, the clubs have provided it. The Government is screwing down one of the organisations that could do so much to underpin the community of New South Wales. [*Time expired.*]

The Hon. MELINDA PAVEY [4.44 p.m.]: I support this matter of public importance. It is important to many communities across New South Wales, particularly the communities I represent as duty electorate

spokesperson for Port Macquarie and Monaro. The towns of Port Macquarie, Queanbeyan, Cooma and Jindabyne have wonderful club facilities. They have been instrumental in raising concerns about the club tax introduced by the Carr-Egan Labor Government to get out of the budgetary crisis in which the Government put itself. Those towns are very concerned.

I congratulate the shadow Minister for Gaming and Racing, George Souris, and Peter Debnam and Andrew Stoner, who went to the clubs' conference in Tweed Heads on the weekend and were able to detail a responsible relief package for clubs so that they can survive and continue the good work they do. I congratulate them for their efforts. It was an important announcement. I also acknowledge the support of Labor members in this Chamber in allowing the debate to be held. I have to say it is a little different from what happened in the other place. I am sad to say the member for Monaro, Steve Whan, was unable to support the Opposition in the motion that was put before the other House yesterday to discuss this very important issue to the people of Queanbeyan. Virginia Judge also did not cross the floor and have the courage of her convictions. They did not see that this is an issue of real concern to the people in their electorates.

Just over 2,000 jobs have gone in the club industry as a result of this tax. This information has not come from the clubs but from an independent consulting group that has looked at the impact of the club tax. There has also been a huge effect on sporting groups in Port Macquarie and Queanbeyan. They have not enjoyed the normal donations that the clubs have given in the past because the clubs' profits are going to Treasury to dig the New South Wales Government out of its budget black hole. It is worth reminding people that this is something that hurts communities and community groups. George Souris, Andrew Stoner and Peter Debnam received standing ovations from people at the Randwick Labor Club and the Merrylands RSL Club, good Labor strongholds. Those people are devastated by this tax. What was the response from the Minister for Gaming and Racing? It is well documented that he has no vision in relation to any part of his portfolio. He said nothing. One of the first priorities raised by Premier Iemma—Mirror Iemma—was to look into the issue of the club tax.

The Hon. Amanda Fazio: Point of order: I raised this point of order yesterday. If Coalition members wish to refer to the Premier they should use his proper title and not some stupid nickname they have come up with.

The DEPUTY-PRESIDENT (Reverend the Hon. Fred Nile): Order! Members should adhere to the convention of addressing other members of Parliament with respect by using their correct titles.

The Hon. MELINDA PAVEY: I apologise to the club movement for what it has been forced to endure under this Government. That is as far as my apology goes. There is a perception within Labor ranks in this place that club managers receive enormous amounts of money and are squirreling away millions of dollars. They may be interested to know that the average salary of a club manager in New South Wales is around $70,000. It is important to remember the politics of Michael Egan, as Treasurer, at the time. Some two weeks after announcing the tax increases he said it was all about getting more money for hospitals. The club industry is already paying a responsible rate of tax to the Government.

If the poker machine tax increases were frozen today the industry would still pay a record $6.44 billion to Treasury between now and 2011. If a club closes the Government does not receive one cent. For example, when the Lismore RSL closed this year not only did 40 jobs, a swimming pool, sporting fields and a rifle range go, but the New South Wales Treasury lost out on $3 million in tax payments from the club. Freezing poker machine tax increases in 2007 will keep clubs open and allow them to continue paying tax, which can go into the important areas of budgetary considerations. Having a tax level so high that forces clubs to go under and therefore pay no tax at all is like cutting off your nose to spite your face. We congratulate the shadow Minister, the Leader of the Nationals and the Leader of the Liberal Party on the announcement of this important tax relief for New South Wales clubs, which will ensure their future. It will be interesting to hear the Premier's announcement whenever it comes.

The Hon. GREG PEARCE [4.51 p.m.], in reply: I thank honourable members who have taken part in this important debate on a matter of public importance, the Government's unpopular, outrageous and, contrary to what the Hon. Amanda Fazio had to say, unfair and unreasonable gaming machine tax slug. The 2.5 million people who hold 4.6 million club memberships would no doubt be disappointed to have heard the contributions of the Hon. Henry Tsang and the Hon. Amanda Fazio. Certainly they would be most unhappy to have heard the Hon. Amanda Fazio say that she thought the tax should be increased. I thank Reverend the Hon. Fred Nile for supporting the motion. He reminded us that former Premier Carr and former Treasurer Egan were the architects of this unfair and unreasonable tax. But, having said that, he reminded us that the new trainee Premier Iemma is

in a position to change the tax to something that is fair and that does not pose the risk of clubs, their members and community groups that rely on clubs being run into the ground.

Reverend the Hon. Fred Nile pointed out, as did I and other speakers, that the Coalition's proposal to freeze the tax at 2005 rates would give this greedy Government almost an extra $800 million from clubs up until 2011. Reverend the Hon. Fred Nile thought this was a test for the Premier and wondered whether he would outbid the Coalition. Let us test the Premier and see whether he can fix the budget shambles. He certainly does not show any signs of being able to do that at the moment. The Premier does not seem to know whether the budget is in deficit. He does not know what has been spent. He has had to call in all sorts of people to help him with his budget. The Hon. Peter Breen and other honourable members referred to the Allen consulting report in the context of the $100 million a year donated to the community by the club movement, which is significant. But why would it be anything other than that? As a number of other speakers have pointed out, these clubs are not gambling dens. They represent facilities of local communities, sporting groups and other interested groups. They provide the sorts of facilities that the Government simply will not and cannot provide.

Reverend the Hon. Dr Gordon Moyes referred to the inequities of the poker machine tax. He debunked quite eruditely the reason put forward by the Premier and his poor spokesman, the Hon. Henry Tsang, who, as usual, was sold a dump on something that no-one else in the Government wanted to speak on: The furphy that funds raised by this tax go into the health system. Money from gambling revenue going into hospitals is complete rubbish! That was first mentioned by former Treasurer, Michael Egan, two weeks after the tax increases were announced. As I stated earlier, the revenue from gaming tax was falling and was going to fall even further when smoking bans came into force, which is what happened in Victoria. Michael Egan's intention had nothing to do with health. It was all about protecting his tax take, notwithstanding the State Government's mismanagement and wasteful record that has left the State in such a parlous condition. The Hon. Henry Tsang tried to make much of the argument about jeopardising hospital funding, but he could not negate the fact that almost $800 million extra will flow into the coffers of this tax-ravenous Government even if the Coalition's policy were put into place now.

How could anyone believe anything the Government has to say about the budget when it cannot tell us whether the budget is in deficit and it has no idea as to the monthly result of the budget? I have thanked the Hon. Amanda Fazio for her contribution and the absolutely extraordinary proposition that this was a fair, reasonable and equitable tax. I thank my colleagues the Hon. John Ryan, the Hon. Patricia Forsythe and the Hon. Melinda Pavey for their contributions. It was interesting to note that all their contributions came from the same perspective—clubs are part of our community, particularly in rural and regional areas. They provide facilities and finding that governments will never provide. They represent the efforts of volunteers and interested community people. As a result of their activities this Government receives hundreds of millions of dollars a year in tax revenue, which it otherwise would not receive.

As the Hon. Melinda Pavey pointed out, we are grateful that the members of the Labor Party in this House had the guts to have this debate today, contrary to members in the other House who voted against any debate on it, notwithstanding that many of them have a number of constituents who are affected adversely by this iniquitous tax. I thank all honourable members and the House for supporting our motion that the Government's gaming tax should be discussed as a matter of public importance and the Coalition's proposal, the memorandum of understanding signed in Tweed Heads on the weekend, which will result in the freeze of the tax at this year's rate. A number of other important amendments to the tax regime and the club regime will support our communities and this State.

Discussion concluded.

LEGISLATION REVIEW COMMITTEE

Membership

The DEPUTY-PRESIDENT (Reverend the Hon. Fred Nile): I report the receipt of the following message from the Legislative Assembly:

Madam PRESIDENT

The Legislative Assembly informs the Legislative Council that it has this day agreed to the following resolution:

That Allan Francis Shearan be appointed to serve on the Legislation Review Committee in place of Noreen Hay, discharged.

Legislative Assembly
12 October 2005

JOHN AQUILINA
Speaker

CONFISCATION OF PROCEEDS OF CRIME AMENDMENT BILL

CRIMINAL PROCEDURE AMENDMENT (PROSECUTIONS) BILL

NATIONAL PARKS AND WILDLIFE AMENDMENT (JENOLAN CAVES RESERVES) BILL

STATE EMERGENCY AND RESCUE MANAGEMENT AMENDMENT BILL

Bills received.

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

Motion by the Hon. Henry Tsang 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 reading of the bills be set down as orders of the day for a later hour of the sitting.

Bills read a first time and ordered to be printed.

BUSINESS OF THE HOUSE

Postponement of Business

Government Business Orders of the Day Nos. 1 to 7 postponed on motion by the Hon. Henry Tsang.

CRIMES AMENDMENT (PROTECTION OF INNOCENT ACCUSED) BILL

Second Reading

Debate resumed from 22 September 2005.

The Hon. DON HARWIN [5.01 p.m.]: Last week I made some remarks on this bill, which was introduced by the Hon. David Oldfield. Sadly, the Hon. David Oldfield is ill and will be unable to attend Parliament today and possibly tomorrow. He has asked me to adjourn debate on the bill so that he can be present when the debate resumes and will be able to hear first-hand the arguments presented by honourable members.

Debate adjourned on motion by the Hon. Don Harwin.

LEGISLATION REVIEW AMENDMENT (FAMILY IMPACT) BILL

Second Reading

Debate called on, and adjourned on motion by the Hon. Peter Breen.

ANTI-DISCRIMINATION AMENDMENT (RELIGIOUS TOLERANCE) BILL

Second Reading

Debate resumed from 22 September 2005.

Reverend the Hon. Dr GORDON MOYES [5.01 p.m.]: In the brief time available to me to speak in this debate I remind members that on the previous occasion when this bill was debated I indicated my opposition to this bill, which was introduced by the Hon. Peter Breen. I have with me a copy of the letter written on 29 September 2005 by the Hon. Peter Breen to Mr Samir Haq Yosofzai of the Nepean's Arabic Community Language School. The Hon. Peter Breen acknowledges in the letter that he is not familiar with the *Koran* and stated:

> The Reverend Fred Nile in his contribution makes the claim "that the Koran contains the statement that any person who believes Jesus Christ is the Son of God is a corrupt or perverted unbeliever. I am not too familiar with the Koran and I have been unable to locate such a statement."

The Hon. Peter Breen went on to state, "If you can counter what Mr Nile had to say about the Koran, this would be most helpful." According to Mr Sameer Habashy, who telephoned the Christian Democratic Party, the Hon. Peter Breen also stated in a telephone conversation with Mr Habashy that he needed all the help that he could get to defeat Reverend the Hon. Fred Nile. [*Time expired.*]

The Hon. DAVID CLARKE [5.02 p.m.]: The Opposition opposes the Anti-Discrimination Amendment (Religious Tolerance) Bill, which was introduced by the Hon. Peter Breen. The stated object of the bill is to amend the Anti-Discrimination Act 1977 to promote religious tolerance. I do not doubt the sincerity of the Hon. Peter Breen. He is a thoughtful and compassionate man who is guided by good intentions. However, in respect to the bill that he has introduced, he is tragically and overwhelmingly wrong. His bill is flawed in its content, and misguided in its name, and will have the opposite effect of its intended outcome.

In his second reading speech the Hon. Peter Breen said, "The protection of fundamental rights and freedoms of the individual is of paramount importance to governments." He stated a principle that I hope all members of this Parliament wholeheartedly and emphatically endorse. Two fundamental rights and freedoms are the right of free speech and the right to freedom of religion. The bill infringes both those freedoms. It will create far greater problems and conflicts than the problems and conflicts it purports to seek to resolve. It will destroy rights, not uphold them. If this bill is passed, it will stand as one of the most divisive, freedom-destroying and iniquitous pieces of legislation that this Parliament could possibly pass.

The distinction between laws prohibiting racial vilification, in contrast to religious vilification, is very clear. Racial vilification laws are directed against vilification of persons because of their ethnicity, nationality or place of birth—factors that are predetermined and over which the person has no control—whereas religious vilification laws are directed against those who criticise or vilify a person's religious belief or practices. The distinction between criticism and vilification is blurred and a matter of personal interpretation. Freedom of speech and freedom of religious thought and practice are well established and longstanding. On the other hand there is no inherent right, nor should there be, for a person's religious or political beliefs to be quarantined from criticism, condemnation or even vilification. The bill is a disaster in the making, just as similar legislation that was passed in Victoria in 2001 has turned out to be a disaster. Many who originally supported the introduction of the Victorian legislation were well intentioned, just as the Hon. Peter Breen is well intentioned.

Reverend the Hon. Fred Nile: The road to hell is paved with good intentions.

The Hon. DAVID CLARKE: Reverend the Hon. Fred Nile makes a very appropriate comment. However, the Victorian experience shows that good intentions do not necessarily lead to a good reality. As a result of a series of frivolous, ludicrous, spiteful and malicious claims that have been lodged pursuant to Victoria's religious vilification laws, quite understandably opposition has reached a crescendo. Not only are the means to bring about the claimed objects of the Victorian legislation flawed, but more importantly the ultimate objects are flawed and wrong in principle because those objects are an assault on religious freedom.

Originally the Victorian parliamentary Liberal Party supported the Victorian bill on the solemn assurance of the Victorian Premier, Steve Bracks, that the law would "reasonably and in good faith" protect people who genuinely practised their religion. The Victorian Liberal Party now vehemently opposes that law because the assurance of Premier Bracks has proved to be worthless. Most Victorian Christian denominations now oppose the Victorian law, including some who originally supported it in the mistaken belief that it would have a positive effect on religious harmony and religious tolerance. Prominent personalities of many non-Christian religious faith traditions have likewise joined this growing opposition, as have leading academic and legal authorities.

Melbourne's Anglican Archbishop, Peter Watson, has admitted that the church did not look closely enough at the legislation when it was passed in 2001. He has also said that we do not need "the law of the land intruding into places where it has no proper role". Likewise said Melbourne Catholic Archbishop, who has joined in the opposition to the laws. As I have indicated, opposition to religious vilification laws has also come from non-Christian religious quarters. In the Melbourne newspaper the *Age* of 4 June 2004, an early supporter of the Victorian legislation, Amir Butler, the Executive Director of the Australian Muslim Public Affairs Committee, in an article headed "Why I've Changed my mind on Vilification Laws" wrote:

> Peter Costello was quite correct in his National Day of Thanksgiving address to describe Victoria's anti-vilification legislation as "bad law".
>
> As someone who once supported their introduction and is a member of one of the minority groups they purport to protect, I can say with some confidence that these laws have served only to undermine the very religious freedom they intended to protect …
>
> It is obvious that criticism of one's religion is likely to offend, but just as Muslims should be entitled to aggressively criticise other faiths, likewise those same faiths should be afforded the right to voice their concerns about Islam.

> The idea that such speech—regardless of how wrong-headed or offensive it might appear—must be banned to protect these religious communities is a furphy: Discrimination on the basis of religion was already outlawed: Incitement to commit violence was already illegal and slander was already covered by existing legal instruments.

He encapsulated opposition to religious vilification laws when he said:

> All these anti-vilification laws have achieved is to provide a legalistic weapon by which religious groups can silence their ideological opponents rather than engaging in debate and discussion.

I heartily concur with those comments of Amir Butler. The truth is that the more the Australian community hears about religious vilification laws and their ramifications the more the opposition to such laws is rapidly growing. I believe that the many thousands who have signed petitions presented to this House opposing religious vilification laws represent a true reflection of public opinion. Labor governments in Western Australia and South Australia have wisely decided not to go down the religious vilification law road. Some months ago the former Premier of New South Wales, Bob Carr, made it clear that whilst he was Premier no such laws would be imposed upon the people of our State. In his column in the *Sunday Telegraph* of 3 July 2005, in referring to the proposal to introduce a religious vilification law in New South Wales, Cardinal Pell said:

> Such a law would undermine the freedom it seeks to protect, would be counterproductive and end up curtailing free speech as well as deepening the rifts between religious groups.

In reference to the Victorian legislation he said:

> Many people in Victoria predicted that the religious vilification legislation proposed there would be abused by attempts to curb religious freedom and provoke situations which the law is ill-equipped to solve.

In speaking on behalf of the Anglican Church in New South Wales, Bishop Forsyth of South Sydney said:

> Although those who promote religious vilification laws have good intentions, in practice such laws are more of a threat to religious freedom than a help to it.

If anyone remains in doubt about the divisiveness and danger of religious vilification laws I recommend that they read a comprehensive paper entitled "Enforcing Tolerance: Vilification Laws and Religious Freedom in Australia", presented by Patrick Parkinson, Professor of Law at the University of Sydney, to the Eleventh Annual International Law and Religion symposium held in the United States of America in October 2004. He concluded his very scholarly and detailed analysis of religious vilification laws and their operation by stating:

> Religious vilification laws have proven to be controversial and divisive. There has been much opposition to them from people of faith and integrity who are law-abiding citizens. There is a real question as to whom they are designed to protect and whether the benefits outweigh the costs. Other laws protect people of faith from threats and falsehoods, including the criminal law. The collateral damage to religious freedom from vilification laws is considerable. It is time for a rethink.

I was impressed also by a paper prepared by Reverend Rod Benson, Director of the Centre for Christian Ethics at Sydney's Morling College, entitled "Education not Legislation: A critique of the Breen Bill", dated 9 May 2005. In his paper, Reverend Benson conducted a detailed analysis of the key provisions of the bill and came to the view that in some important instances the protection afforded to freedom of speech is actually less than that provided under the Victorian legislation. In other instances he finds the terminology to be so vague that it would be an invitation to what may be called a proactive or interventionist judge to virtually interpret the legislation in any way whatsoever.

This bill needs to be defeated and it needs to be defeated decisively. It needs to be defeated because it is an attack on freedom of speech and freedom of religion. It needs to be defeated because it will create division and mistrust within our community. It needs to be defeated because it will inhibit people from speaking freely for fear of prosecution or incurring horrendous financial expense to defend themselves should proceedings be brought against them. The bill needs to be defeated because reasonable public discussion on religious issues will be curtailed because of the threats of vexatious or malicious litigants. The bill does not sit comfortably with our democratic rights and values. The bill does not sit comfortably with the Australian ethos. The bill takes political and religious correctness to new heights of madness, and that is why the bill should be defeated.

Debate adjourned on motion by the Hon. Peter Primrose.

CASUAL WORKERS

Debate resumed from 22 September 2005.

The Hon. GREG DONNELLY [5.15 p.m.]: When this debate was adjourned I was referring to the issues facing casual employees in Australia today. It is important to understand that the issues and challenges facing casual employees will get considerably more serious and, in my view, worse, as the new Commonwealth

workplace industrial relations legislation comes into being. No doubt honourable members have seen the extraordinary advertising in today's newspapers; a four-page spread in all major metropolitan and, I imagine, regional newspapers. The reality is that casual employees are finding things difficult under current legislation, to say nothing about how they will fare under the new legislation. When this debate was adjourned on the last occasion I was talking about the impact of the Commonwealth's legislation on a casual employee who worked for Krispy Kreme Doughnuts.

I refer now to another example: a casual employee working for Banjo's Bakehouse in Coffs Harbour. Unfortunately, the Hon. Melinda Pavey is not present in the Chamber; I would be interested to hear her views on this matter. Currently, employees at Banjo's Bakehouse are employed under an Australian workplace agreement [AWA]. I have a copy of the AWA that applies at that business. It is worth reflecting on the rates of pay for shop assistants in that bakery. Under the AWA that currently applies, the rate of pay for a permanent employee is $13.37 per hour. However, if the employee were employed under the State award, as should happen, the rate would be $14.28; that is a 91¢ discount on the hourly rate of pay for a permanent employee. For an adult casual employee, the rate is $17.80, compared to $16.71 for the AWA rate—a difference of $1.09 an hour. In addition to that headline rate of pay, it is worth noting that the AWA that applies to Banjo's Bakery at Coffs Harbour has provision for a 40-hour week. Employees under the State award are entitled to a 38-hour week, but under the AWA they have to work 40 hours to get a full weeks' pay.

All the allowances provided for under the award are abolished under the AWA. There are no penalty rates under the AWA for work on Saturdays and Sundays, whereas the award provides for penalty rates on both those days. There is no penalty rate at all under the penalty AWA for work on public holidays, but the award provides for a normal public holiday penalty rate. There is no annual leave loading under the AWA, but the award provides for an annual leave loading. There is no limitation on the number of long days people can be required to work under the AWA, whereas the award sets a proper, fair and reasonable limitation on the number of long days.

There are no minimum breaks between shifts under the AWA, whereas the award provides for a reasonable break between shifts. There is no minimum daily engagement under the AWA, so an employee can be brought in and employed for just a few hours at a time. Employees have no right to refuse a roster under the AWA. There is no benefit for employees who are rostered to work on a public holiday if it is a non-working day, and there is no provision for the Australian Industrial Relations Commission to play any role in dealing with differences between employees and employers. The AWA provides that all differences have to be dealt with through mediation. Today in Australia, under current legislation, workers are demonstrably and significantly worse off under Australian workplace agreements. Newspaper advertisements we saw today contain the following headline, "Protecting award conditions in bargaining." I quote the following directly from part of the advertisement:

> In negotiating new workplace agreements certain award entitlements will be protected in the new system—

and this is the important part—

> though bargaining can occur on these entitlements and approval of employees is required to change them.

The fact of the matter is that new employees can be put straight onto Australian workplace agreements, and all the key standard entitlements, which are award entitlements, will simply disappear. Under the new legislation, if it ultimately passes through the Commonwealth Parliament and survives a High Court challenge, there will be a requirement for an hourly rate of pay and four other basic entitlements: an average of 38 hours over a 52-week period; provision for some annual leave; provision for personal and carers leave; and provision for some parental leave. They will be the great statutory standards! But all the other entitlements—those that workers have taken for granted and enjoyed for decades—are about to go down the gurgler thanks to John Howard, Kevin Andrews and their Federal Coalition colleagues. In conclusion, with the stakes as high as they are, especially for those in weak bargaining positions, the Labor Party, unions and many ordinary Australians will be galvanised to vigorously oppose the Commonwealth's proposed industrial relations legislation and take-over of State systems. I urge all honourable members to support the motion.

The Hon. KAYEE GRIFFIN [5.23 p.m.]: This motion is about casual employment. *The Macquarie Dictionary* defines "casual" as "employed only irregularly". *The Australian Concise Oxford Dictionary* defines "casual labourer" as "one without permanent employment, working when the chances come". Casual workers are employed from day to day. They have no leave entitlements, no severance entitlements, no set hours. They are paid hourly, and there is no guarantee of further work. In fact, if an employee is not rostered on, he or she does not have a job.

A number of employers can quite easily get rid of their casual employees by simply rostering them on for fewer hours until they find it impossible to live on the money they receive and until they have no certainty about their previous casual hours of employment. In an earlier debate the Hon. Greg Pearce referred to part-time work. I define part-time work as work for which there are set hours. Anyone in full-time employment has set hours. Employees in part-time work, permanent part-time work, or full-time employment have set hours and receive entitlements. Under the present industrial relations system in this country people have entitlements. I am not sure what the future will bring if the Howard Government's changes are implemented, as there will no longer be any guarantees of employment.

Casual employees do not have such guarantees; they are not deemed to be permanent part-time workers, who have entitlements covered in an award. They are not deemed to be full-time employees despite the fact that many have what could be regarded as permanent part-time or full-time employment. Many would dearly love to have permanent jobs in order to receive the entitlements that are enjoyed by most people in the Australian work force. Casual employees have to work because at the end of the day they have to meet certain obligations; they have bills to pay and families to feed and are therefore caught in casual work. It is not necessarily a choice that they make. Many would like to have permanent employment, but it does not always happen that way.

Today I shall refer to issues that impact on casual workers, such as leave, obstacles faced when applying for finance, superannuation payments and work entitlements. A number of case studies of people in casual employment were referred to in a submission by the Labor Council of New South Wales to the New South Wales Industrial Relations Commission. In one such study, a woman who had been in casual employment for 11 years with a well-known large company always went to work when she was sick because she simply could not afford to take a day off work. Even one day without pay would have made it difficult for her to maintain her household financially.

The other case studies paint a similar picture: casual workers cannot have a sick day when they or their children are sick; some do not go on holidays because they simply do not get holidays or, if they have leave entitlement, they cannot afford to take it. If they did, they would probably find at the end of that period they would not have a job to return to. As I said earlier, if people are not rostered on they do not have a job. Another alarming revelation is that if casual employees take leave, they feel that their employment will be jeopardised. One woman claimed that if workers take a day off because of sickness or for some other reason, they will be punished, resulting in them not being called in for two days. The same woman described casual employment as "not for those who were family oriented".

It is unbelievable that in this day and age people are fearful of taking a sick day if they or their children become sick. These workers do not enjoy the basic holidays that the rest of the community enjoys. The simple entitlements that we take for granted are foreign to these people. There are many other real-life stories depicting the disadvantages of employment as a long-term casual worker. Casual employees are further disadvantaged with regard to access to credit with various financial institutions. A bank manager with a high-profile bank who gave evidence of lending money over many years stated that casual workers were significantly disadvantaged when it came to applying for a loan compared to permanently employed workers. The reason for that is that casual workers have difficulty proving their ongoing employment. Because they are employed at a casual rate their pay often fluctuates, making it difficult to establish their true earnings.

Unfortunately, in a number of cases, casual employees do not even get to the formal loan application stage because they are turned away almost immediately by loan officers after their employment situation is determined. I speak from experience in this regard: A member of my family, who is employed on a casual basis, and her husband, who has a full-time position, cannot use her salary to determine their capacity to borrow in any application for a loan to purchase a home or to engage in activities that most of us take for granted. Many stories from individual casual workers reinforce the claims of this bank manager. Indeed, one casual worker who was applying for a home loan was told that she did not meet the lending criteria because, as she was a casual worker, her employment could be terminated at any time.

A man applied for a loan through a major bank, only to be refused. He then sought finance through one of the many finance companies and his application was approved—but with an interest rate of 21 per cent. Another man applied to refinance his mortgage through a major bank and was refused simply because he was a casual worker. Some years later he became permanent, reapplied and of course this application was approved straight away—even though he was probably earning less than he was as a casual employee. Of course, built into casual rates is a loading that is supposed to compensate for the benefits that full-time and permanent

employees take for granted under existing awards in the present industrial relations system. However, those benefits may be up for grabs in future. Perhaps there will be further casualisation of the work force under future Australian workplace agreements.

Regardless of whether a person has been employed on a casual basis for 5 or 10 years, banks have their own lending requirements that must be met. Banks characterise these requirements as the general five Cs test: character, capacity, collateral, capital and conditions. Banks rely heavily on assessing a lender's capacity to repay the loan. In many cases casual workers also have trouble obtaining mortgage insurance. Unfortunately, these casual workers simply do not qualify because of their work situation. Casual workers not only are disadvantaged through leave entitlements and financially but do not have the advantage of accumulating superannuation payments—something that governments in this country encourage. This severely hinders their savings for retirement in later years. They are not entitled to a common, basic right that most full-time employees take very seriously. The Federal Government's Wagenet web site defines "casual employment" as follows:

> Casual employees are genuinely engaged for short-term, irregular or seasonal work. The essential feature of casual work is that the employer and employee enter into a series of short-term contracts on specific occasions. There is no promise to provide work or be available for work on other occasions.
>
> The length of time worked by casuals may vary and they are paid by the hour or day. They usually have no access to permanent employment entitlements such as sick leave and annual leave.

Many casual workers find themselves employed under this definition for lengthy periods. This leads to the disadvantages that I mentioned previously regarding leave entitlements and securing finance. Casual workers are faced with insecurity, low wages, intermittent employment and lack of basic employment entitlements such as severance pay and sick and annual leave payments. I understand that the Australian Bureau of Statistics used to define "casual employees" as "employees who were not entitled to either annual leave or sick leave". This definition has since changed to "employees without leave entitlements".

I think it is fair to say that the majority of casual workers are further disadvantaged and susceptible to workplace situations such as dismissal, underpayments and varied hours without notice. In many cases they do not receive the skills development that other full-time employees enjoy. Many employers do not give their casual workers the opportunity to develop and enhance their skills. This further disadvantages the casual worker. As a broader issue, casualisation has an effect on society in general. It affects the community. Many casual workers do not have the time to participate in or cannot commit to participating in community groups or activities because of their work situation. It is interesting to watch the Howard Government promoting its new workplace reforms and, in the process, throwing around words like "choice", "freedom", and "flexibility". I doubt that the casual workers whom I mentioned previously would agree that they have choice, freedom and flexibility in their workplaces at present. They have no choice but to go to work when they are sick, they have no freedom to go on holiday and they have no flexibility with their hours.

The Government's industrial relations reforms have not been well received. We see the advertisements every night on television and read the articles daily in the newspapers—the Hon. Greg Donnelly referred to the four-page advertisements in the newspapers today. The Federal Government is desperate to sell its reforms, and it is using millions of dollars of taxpayers' funds to do it. But has the hard sell worked? Professor Mark Wooden—who was once a friend of the Federal Government but is now a foe—has condemned the Howard Government's workplace changes. Professor Wooden went on the attack recently, giving the proposed changes a C minus because they do not promote real choice for workers. In an article in the *Age* Professor Wooden told the Australian Conference of Economists:

> … the plans were full of political speak about choice and appeared unable to deliver any proposal that will fundamentally help the unemployed to secure employment.

He also claimed that the Government sought to cut award standards and to undermine protection for collective wage deals by removing the no-disadvantage test. He said:

> … if a group of workers decide that they would like to bargain collectively, there is nothing in the current legislation, or the proposed reforms, that will require employers to bargain in good faith. Instead the fear is that many employers will offer their workers individual agreements on a "take it or leave it" basis.

Professor Wooden went even further, and said:

> If the IR reforms are to provide employees with real choices, then I am on Greg Combet's side—the right to bargain collectively needs to be protected.

Archbishop Peter Jensen has also come out in defence of the workers. He highlighted his concerns about the welfare of workers under the Federal Government's industrial relations reforms. He also outlined his concerns about the increased casualisation of the work force, and said:

> Further increased casualisation of the workforce should be avoided. Casual workers are disadvantaged if there is a greater shift towards 24/7 work schedules because while it increases flexibility for employers it decreases future work certainty for casual employees.

Casual employees have enough uncertainty now. We do not want that uncertainty to increase and we certainly do not want the Federal Government's industrial relations reforms to deny workers the opportunity to achieve some security for themselves and their families. Workers should not be disadvantaged for taking a day off work when they are sick and they should receive superannuation contributions. The Federal Government is always saying that people must think about their retirement and ensure that they will be financially viable when they retire from the work force. How can workers do that if they are employed casually or if the Federal Government's proposed industrial relations reforms remove every protection that workers enjoy under the present industrial relations systems in this State and across the country as a whole?

Reverend the Hon. Dr GORDON MOYES [5.36 p.m.]: Australia has one of the most casualised work forces of any industrial nation in the world. For example, between 1985 and 2002 the percentage of workers employed on a casual basis increased from 16 per cent to 27.3 per cent. That figure is now closer to 30 per cent, which translates to about two million people working casually in our nation. Clearly, casualisation may be seen as defining the typical Australian workplace. One in every three Australian workers will soon be defined as a casual worker. It is common knowledge that, characteristically, more females than males are employed on a casual basis across Australia. Although the percentage of female casual workers has stagnated at about 31 per cent, it is reported that the percentage of male casual employees increased from 15 per cent to 21 per cent between 1993 and 2003. The Australian Bureau of Statistics says that this increase can be:

> … partly attributed to the growth in the number of casual male employees working in lower-skilled occupations.

The rate of casualisation in New South Wales is no different from that at a national level. In 2001 in New South Wales 27 per cent of all employees, or about 656,700 employees, were casuals. Of those employees, 32 per cent of females, or 370,600, and 22 per cent of males, or 286,100, were employed on a casual basis. In New South Wales in 2001, 60 per cent of casual employees had been employed by the same employer for more than one year, 18 per cent had been employed for more than five years and 9 per cent had been employed for more than 10 years. Those who do not move on to full-time or permanent positions may certainly be disadvantaged because they do not enjoy the same rights and entitlements as ongoing employees. Dr John Buchanan from the University of Sydney's Australian Centre for Industrial Relations, Research and Training said that policies to promote further casualisation would drive Australia towards a "US-style" jobs market, with few protections for vulnerable workers.

Notably, Professor Mark Wooden of the Melbourne Institute of Applied Economic and Social Research at the University of Melbourne has also identified in his studies on casualisation a number of important points or characteristics in relation to casual workers. These are that most casuals would prefer not to be casuals; people who are in casual jobs consistently score lower on measures of job security; average job tenure is much lower for casual employees than for permanent employees; casuals have little or no opportunity to improve their job skills; and there is extensive empirical evidence that casual employees typically receive relatively little training from employers compared with their non-casual counterparts. Casual employees receive less pay per hour, on average, than permanent employees. Where controls for occupation, hours, education and the like are introduced, casuals receive only 6 per cent more, less than the amount of the loadings, which a casual employee nominally receives.

I want to speak specifically from my experience over 27 years at Wesley Mission helping citizens of New South Wales into jobs. The experience of Wesley Employment Services relating to casualisation makes interesting reading. Each year Wesley Mission assists more than 14,700 people into full-time jobs and more than 65,000 into jobs that are mainly casual or part-time. My staff provided me with the following statistics. In the past two years Wesley Mission has assisted 1,877 people in Western Sydney suburbs to find jobs, of which 529 were casual positions, 1,228 were permanent positions which were less than six months duration, and just 348, or 19 per cent, were full-time, permanent roles.

Casualisation is increasing dramatically. It is driven by employer demands for flexibility and convenience. It dominates work opportunities in entry-level and blue-collar roles in small and medium

businesses. Job seekers are generally willing to take casual roles which provide them with short-term benefits. Those job seekers end up disadvantaged over the longer term. They miss out on entitlements such as superannuation, job security and maternity leave. It is important to recognise that overall casualisation appears to increase the employment options for disadvantaged job seekers.

Wesley's experience has shown that employers—small businesses in particular—that provide the majority of opportunities in the Western Sydney suburbs face significant overheads and costs when employing permanent staff. These include unfair dismissal rules, lack of flexibility in managing shift requirements, and entitlements such as superannuation, sick leave and maternity leave. As a result, employers offer casual positions. Their costs do not change greatly per hour worked, but they are able to pay for only the work they require, when they require it. Wesley does not expect this demand to change, and is preparing our job seekers for long-term roles in a casualised work environment. In our experience, employers actually offer more jobs on a casual basis than they would if they offered only permanent roles, and that has increased job opportunities for job seekers. That has meant that many people on unemployment benefits have at least casual employment, which pays them far more money than welfare benefits.

On the issue of job seeker choice, entry-level and blue-collar job seekers are generally happy and willing to take casual roles, and are not concerned about the lack of sick leave and paid holidays. One of the reasons they give for that is that they have more cash in hand from a higher hourly rate—which, of course, I acknowledge is in the short term; our job seekers generally do not think about the longer term. People living in Western Sydney can find work closer to home: permanent positions are generally offered by large employers in distant industrial estates or retail and business districts, reducing travel costs and travel time and allowing more time to be spent with families. Also, 5 to 10 per cent of casual employees choose to have multiple jobs, generally to increase their earnings rather than a desire to work multiple jobs.

Within six months of beginning casual employment the majority of our job seekers are earning enough money to be taken off welfare benefits completely. This result is good for the individuals, their family, and the tax system. However, the more disadvantaged a job seeker is, the longer they are likely to remain in casual employment rather than permanent employment. The longer term impact is more difficult to assess. They have no certainty of income, no ability to survive periods of extended sickness, and no provision for holidays. From our inquiries, retirement savings are likely to be non-existent. Further research or study on this issue would be beneficial.

Some job seekers are treated poorly by employers, and are required to work shifts on short notice or for short periods of time. Those developments affect many individuals and families across Australia. Many specific and negative ramifications arise as part and parcel of being a casual worker. The Hon. Ian West has provided much detail on the consequences of casualisation in this nation, and I defer to his speech on the details of those consequences. Nonetheless, I will raise a few salient points. The very nature of individual workplace agreements has given employers the upper hand in negotiating terms and conditions of employment offered by them to employees. It is known that employers may adopt, or can be seen to adopt, a take-it-or-leave-it attitude in purported negotiations.

In rural and regional areas, and in certain industry sectors where unemployment levels are higher on a relative basis than other industry areas, individuals cannot afford to back down on an offer of casualised employment. Contract law is generally predicated on the principle that parties to a contract have an equal bargaining basis, but in practice it does not work like that at all. Unfortunately some employees end up with a dud deal and are significantly short-changed in the process. At times I have felt that unions are at fault for not better protecting employees. For example, I have appeared on television each week for 42 years. Every employee I know who works on the floor of a television studio has his employment terminated each year in the second-last week of November, when the studio shuts down, and they are perhaps re-employed the following February. I have always believed that to be a very bad situation and that the relevant unions ought to protect those people from being dismissed at the end of November.

Examples abound of workers, young and old, being disadvantaged in the terms of engagement. I personally know of a young lad who is putting himself through university and is working a casual job in a local cafe. His contract provides that every six hours he should be given a break and a meal. Much to his dismay, he has been engaged to work for 5.75 hours, which does not allow him either a break or a meal. Such a situation should not exist in this day and age. That being said, I also believe that the law of seed-time and harvest, as mentioned in Genesis 8:22, prevails in these scenarios. If an employer treats his or her employee in a manner that is not warranted, without mercy and grace, the employee will work solely out of obligation and not out of

relationship. One of the most important principles in the workplace is for an employer to lead by example and to treat employees as he himself would like to be treated. As Jesus taught, "You shall love your neighbour as you love yourself".

The Hon. Ian West noted that the increase in rostering employees for short shifts hurts the employees because it prevents them from receiving superannuation benefits. It increases the ratio of travelling time to earning time, and their total weekly hours are below the minimum to qualify for part-time work. They never receive paid breaks, and many are forced to work multiple jobs to earn sufficient money. Employment on a casual basis not only has the abovementioned ramifications in the context of working conditions but also the emotional, financial, social and physical consequences of being a casual worker.

The experience of a casual worker by the name of Wayne Balmer provides a valuable insight into the situation faced by such workers. Many people may identify and empathise with his situation. His example is typical of what a casual worker faces in his or her day-to-day life, as referred to me by my staff who work with such people. Mr Balmer referred to working conditions leading to strain within families and said, "I haven't been able to take my family on holiday for years. I find it very hard to plan to do anything with my kids and I often miss out on their sport and other activities."

One can imagine the emotional stress attached to that situation. Not only does he suffer in his role as father because he feels he cannot provide adequately for his children, but his children would at some point feel that he does not care, that they are not worth spending time with or that their father is not being a good dad. Another important implication is that the financial stress brought about by being a casual worker can lead to a marriage breaking down. Financial stress is one of the most common reasons cited for marriage breakdown. This, in turn, has untold and devastating consequences for the children involved. Individuals, family units, communities and society in general are impacted adversely.

Financial institutions regard casual workers as lacking the necessary or sufficient financial capacity to enter into financial agreements. As was mentioned by a previous speaker, lack of financial security is a serious problem faced by casual workers because it means that such workers cannot borrow to obtain much-needed loans, regardless of whether or not they have a good credit rating or even if they own their own house. People in this boat also face daily difficulties in getting the credit necessary to access services such as telephone connections and mobile phones. It is veritable discrimination on the basis of a person's employment status.

As Mr Balmer indicated, "Budgeting week to week becomes difficult because you don't know how much you're going to earn. I have been unable to get a loan for a house or car, and forget about applying for a credit card—no-one wants to know you." Being continuously rejected on financial grounds is demoralising for the self-esteem of individuals. It is also difficult for these individuals to negotiate financial debts and day-to-day commitments, which is especially frustrating in cases where people employed casually are living on a week-to-week or fortnight-to-fortnight basis. One common and notable issue in recent weeks has been the ever-increasing petrol prices. The mark left on family budgets by the cost of buying petrol is foreseeably significant and would especially be so for the casual worker who has been required to travel far to their place of employment.

Mr Balmer also indicated that he would receive greater work satisfaction if he was employed permanently or at least guaranteed a wage. He indicated that the difficult aspect of his status as a casual worker "is just not knowing [the future] and the inability to plan anything that is hard". Mr Balmer's wife said that her husband's situation also prevented her from finding work. She said, "Because he doesn't know what he's going to be doing, I always have to be available for our kids." She said, "We'd like to go away or do more things as a family, but it's very hard. Wayne can't turn down work because of the money and if he says no, he may be overlooked the next time."

Mr Balmer's experience typifies the lives of many families across New South Wales and our nation. Some fronts may see casualisation as positive. As I have said before, it helps the long-term unemployed to at least get back into the work force and earn more than they can on welfare benefits. It stimulates economic growth as a whole and aids many small employers. However, there are many frustrated and disillusioned workers, hoping and praying that their lot changes and that they will enter into employment that becomes more stable and permanent. I agree with the Hon. Ian West that we in this House must acknowledge the plight of some casual workers and recognise the impact of the phenomenon of casualisation across Australia. I commend the Federal Government for creating so many hundreds of thousands of new jobs, but one casual employee said, "I know the Government has created lots of new jobs; I hold four of them." I commend the motion to honourable members.

The Hon. RICK COLLESS [5.53 p.m.]: I wish to make a short contribution to this debate. I find it somewhat hypocritical that the Hon. Ian West has moved this motion, particularly—paragraph (a), in which he notes the relative and absolute increase in the number of casual jobs that make up workplaces around Australia. The reason I say that is that an enormous number of people employed by the New South Wales public service are in that very classification. They are casual employees of this Government.

I want to relate the story of one employee who is known to me. This woman was employed for about 13 years, until just recently, as a casual schoolteacher in the same school, working five days a week. During that period her salary should have increased incrementally by about $15,000 to $18,000. Her salary did not increase at all because she was on the top scale for casual employees. She worked for 13 years as a casual employee of the State Government and missed out on wage increments that cumulatively amounted to something like $100,000. That is what this Government has imposed on people who work for the public service of New South Wales.

I will give some more examples, of people I used to work with when I was employed by the New South Wales public service in the Department of Land and Water Conservation. Many people in that department were employed on a similar basis in short-term positions. These people would apply for a casual job and work for 12 or 14 months and then start to wonder where they would go when the job finished. So they started applying for positions all around the State. They were not focusing on the job at hand, which they were employed to do for a one, two or three-year period. They would get about halfway through their employment period and, quite rightly, start thinking about their future.

I find it somewhat hypocritical that a member of the Government has brought forward this motion knowing full well there are many schoolteachers and people employed in various categories in the New South Wales public service who are in the situation referred to in the motion. It would be in the Hon. Ian West's interests to sort out some of the problems and employment conditions that exist in the New South Wales public service. That would be a good place to start. If he had done that, I probably would have supported this motion.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [5.56 p.m.]: I support this motion and congratulate the Hon. Ian West on bringing it forward. Casualisation of the work force is a very important issue. It is potentially cheaper for employers to have casual workers. If their work is variable, they can save money by having the labour present only when it is needed. If they do not have any work, they do not have to pay anybody. The person who loses is the employee, who might have been employed for a longer period. If employers are going to take on full-time employees they have to work out how much work those employees will do. Generally the amount of work to be done corresponds to the number of hours employees are taken on for full-time or constant-time work. If the employers underestimate the amount of work and the employees have to work overtime, they have to be paid extra, so the employers lose money.

Of course, if the employers cannot fully occupy the employees, they have to pay make-up pay. If their workload is variable it may suit them to have casual employees. If their competition also has a casual work force it is, in a sense, a race to the bottom. People provide a service and hire casual employees to do it, so it is likely that a number of groups with casual employees will be racing to set the lowest price for the service. The employees have to put together combinations of jobs, which leads to the inefficiency that was pointed out by the Hon. Gordon Moyes in his contribution. They spend more time travelling between jobs as a percentage of their work time. The world of couriers is very competitive. People were persuaded to use their own cars because in the short term they did not see the costs involved. The work is variable and people drift in and out of the industry. There are not enough couriers because prices have been forced down to a level where people say it is better to stay at home, particularly with the unpredictable cost of fuel being such an important element in that industry.

We have what you might call a perfect market in the sense that we have many entrants to the market, low barriers to entry and many players, yet there is still a shortage of couriers because people cannot make a living working as a courier. The service is suffering because of the casualisation of the work force. Many jobs have been created, but they are not secure. The cost is borne by the people at the bottom, people competing in a perfect market who can offer only their labour. Reverend the Hon. Dr Gordon Moyes referred to people who cannot get a loan, which means they have to pay much higher interest rates because those lending the money are concerned that they are taking a risk and they impose a risk premium on the loan. These people have the least money yet they are paying the highest interest rates, which means that they will have the most trouble getting ahead. They cannot get a home loan so the housing boom passes them by. They are battling to pay rent if they can get rental accommodation. They have to take what they can get based on what they think they might earn and the house they are renting, which may be negatively geared, goes up in value.

It is a very tough world. Casualisation of the work force can lead to a race to the bottom. For some people the answer to globalisation has been casualisation of the work force where everyone negotiates. Ants negotiate with elephants and, needless to say, the ants do not get a very good deal. We will compete with the Third World because Australia will have Third World wages, which, presumably, means that fewer jobs will go overseas because paying an Australian would be nearly as cheap as paying a person overseas, although the total cost structure in Australia will be very much First World. I understand the negotiation process between an employee and an employer. I was a grade 20 occupational health physician at Sydney Water when my employer said, "We are going to offer you a package, which will give you more money and included in the fringe benefits will be your child's school fees, health insurance, lease of a motor vehicle and mortgage." I said, "I haven't got any health insurance. I haven't got any kids at private school. I don't want a new car. We could talk about the house mortgage, but what's the downside?"

My employer said to me, "You will be on a three-year contract instead of permanent." I said, "I won't have it." My employer said, "With the total package you will get more money. The total money in your pocket will be greater." I said, "I am quite happy where I am, thank you very much. What choice do I have?" My employer said, "Everyone has taken this package." I said "Yes, but that's not the question I've asked. What choice do I have?" My employer said, "If you do not take the package you will go back to grade 16 from 20, and if you are not placed within 12 months you will be outplaced [sacked]." I was a public sector employee with, what I thought was, a permanent job and that is what I was offered. The union said, "Why don't you fight this one?" I ended up taking the money. I was there for three years, my contract was renewed for another year and then I left. I had been in a secure job, but I had no choice. It was a matter of: Take the package or go down a whole lot of grades, which was a significant salary drop, and disappear in 12 months.

I did not have to work in the public sector. I probably could have made more money outside the public sector. I was working in the public sector because it suited me, and I should have that choice. I was doing quite a good job. We probably had the best health promotion system of any public or private company in the State. But people do not recognise that. Nobody noticed. We did not publish it, but the workers were a lot healthier thanks to our interventions. I have a friend who works at the Sydney Opera House under an enterprise business agreement. If you do not like what your boss does you appeal to the boss above him or her. If you do not like that you appeal to the boss above him or her and if you do not like that you appeal to the managing director. If you do not like that, it is tough luck. You cannot go to arbitration. That is it. You negotiate with that enterprise as an individual, as I negotiated with Sydney Water. The idea that there is an even power balance between employer and employee in the average situation is a total fantasy.

People might say, "Why would anybody believe that?" I do not know why anybody would believe that. My son's school had an excellent music teacher who had a job at one school for three days a week and another job at another school for two days a week. The school my son attends was delighted with the work he was doing. The musical development of the kids, the school choir and the school orchestra were absolutely wonderful. He had been a casual music teacher for 11 years. He was quite happy with the school, but he left as soon as he could get a permanent job. The Department of Education and Training in New South Wales had kept him waiting for 11 years for a permanent job. As Reverend the Hon. Dr Gordon Moyes stated, the loss of benefits of permanency and increments in pay was considerable. Nurses often find themselves on this type of roster, although there is such a shortage of nurses now that they probably have been snapped up.

Our Prime Minister is taking our money to give us full-page advertisements. Today's *Daily Telegraph* had four pages of advertisements paid for by my taxes, thank you very much, to tell me how no-one will be worse off if we all go to an industrial relations system where we can trade away our holidays, sick days, long service leave, shift penalties and weekends. They are all negotiable now. We are economic entities here. We are not family people. We can negotiate as ants with elephants with no trouble at all. This sort of nonsense is absolutely outrageous. I am not surprised that Newspoll showed that not many people believed this sort of nonsense. You can fool some of the people some of the time, but, by golly, you cannot fool a huge percentage. It will be interesting to see if this lie campaign, paid for with our taxes and nicely helped by the stacked High Court—all of whom are Howard appointees, saying that this is a legitimate use of our tax dollar, do you mind—and if this outrageous use of our money makes any difference to the opinions of the average Australian.

It is a difficult question because Australia is competing in a global market and the people working here are competing against people in China or Bangladesh, or whichever country currently has the lowest wages for the outsourcing of jobs and services. Call centres are going to India because it is cheaper than Australia. It is a real problem. The casualisation of the work force is a way of forcing down wages, which will enable Australia to compete in that sense. The amount of energy the Federal Government is putting into this industrial relations

campaign is interesting. As I said yesterday in my contribution to the adjournment debate, on the weekend I will attend a seminar on abolishing the States and the gridlock and complication of Australian industry caused by three levels of government—Federal, State and local.

Bickering between Federal and State governments over disability, health, education and transport is a real problem. The first priority of government decision making is cost shifting and the outcome is blame shifting rather than optimum planning. If Australia were to institute more efficient administrative and legal systems we could compete far better on the international stage. Do the politicians of Australia think, "Hang on. If we reformed our government systems we would be far more competitive?" No. There is no attention to this at all. It was mentioned by Carr, it was mentioned by Brogden, it was mentioned by Howard and it was mentioned by Abbott.

The Economic Planning Advisory Commission, the Council of Australian Governments and a 1996 National Commission of Audit examined the problem of the inefficiency of having too many facets of government in Australia, but is anyone addressing that issue? No! We are supposed to become more competitive only by implementing industrial relations reform. I think the term "reform" is being used loosely. Historically the term has meant improvement, but now it means a big change, regardless of whether the change is for the better. We might ask: reform for whose benefit?

Industrial relations reforms that will be inflicted on the Australian people will lead to considerably more casualisation of the work force. Industrial relations reforms are supposed to make Australia more competitive and create expansion of the economy, but I believe that the restructuring of governments is of equal significance—perhaps more significance—because of the advantages to be derived by industry, increases in industrial efficiency and output and, in the longer term, cost neutrality. Sadly, the restructuring of governments in Australia has been totally ignored and I believe that says something about the lack of courage of those who run this country—the Federal Government and this State Government. They do not ask themselves what the best thing would be that they could do for the benefit of this country or ask themselves, if they are going to be good at what they do, what they should do to fix this country. The schemes they come up with are to take the money from the little bloke while they live in luxury. Basically, that is not good enough.

Notice of the motion moved by the Hon. Ian West was given before industrial relations reform became acute as a result of Prime Minister Howard's control of the Senate. It has been said that the Australian Parliament has been turned into a rubber stamp for an elected monarchy, which I think neatly summarises the state of the Federal Government. The danger in what has occurred at the Federal level is the winding back of past achievements. As John Doyle said last Monday night at the Andrew Olley Media Lecture, we do not have to go back to Dickensian working conditions to appreciate the beauty or necessity of collective bargaining. Were truer words ever spoken? I support the motion. Parliamentarians ought to examine matters from the point of view of other people.

As stated by the famous poet Robert Burns, the greatest gift from God is to "see ourselves as others see us". Unless we examine circumstances from the perspective of other people, we will not inculcate humility or understanding. Increasingly, instead of embracing the universal experience of rubbing shoulders with rich and poor people from various backgrounds who have experienced various opportunities and who have various hopes and fears, we have divided ourselves into little subcultures where people think as we do, have incomes like ours and have had experiences similar to us. We see those outside those subcultures as almost foreign to us. We practically Balkanise our country, and with limited insight we proceed to advocate for our own little segment of society. I think that is an unrecognised danger.

I support the motion because I believe we have to begin examining matters from the point of view of all Australians, especially those who will be most affected by industrial relations reforms. As legislators we have to begin to infuse humanity into our roles. We have to own the problems and come up with a solution rather than simply referring to "these people", which means people other than people like us. The phrase "these people" really means "those people". We must not accept the proposition that if other people have a harder time, our services will become a little bit cheaper and we will be able to live more comfortable lives—at their expense.

During my most recent visit to New York, I foolishly paid the amount stated on a bill, but there was no way I was going to be allowed out the door without paying a 20 per cent tip. Wages amount to virtually nothing in the United States of America and tips have become wages. The tip had to be 20 per cent. People can say whatever they like, but as I am not a hairy footballer who behaves in a wildly aggressive manner, I had no chance of getting out the door without paying a 20 per cent tip. That is what routinely happens in the United

States of America, but I was a foreigner who did not understand that. When casualisation of the work force becomes policy, wages are reduced to nothing.

In the United States of America some people are doubly disadvantaged because they are working without work permits—referred to as green cards—and they cannot afford to be dobbed in. They have to accept whatever is offered to them and their bargaining position is very poor relative to the bargaining position of their employers. Effectively they say to customers, "I have served you, and now you must pay my wages because the bill you have been given covers only the food, and I have to live." That is the end point that has been reached in the United States of America where the 100 million working poor cannot afford health insurance. I believe that Australia will also reach that point. The casualisation of the work force represents an abdication of the idea that the government of Australia is for all people. Although members of the New South Wales Parliament do not govern for all Australians, we must take seriously the idea of governing for the people. It is timely that this motion is being debated now.

Ms LEE RHIANNON [6.15 p.m.]: I warmly congratulate the Hon. Ian West on moving this motion. It is interesting how timely this debate has turned out to be. Members of this House often find it frustrating while attempting to bring forward motions for debate. Although this matter could have been debated at any time, the time is ripe for this debate in view of the strong push from the Prime Minister downwards and in most sections of the Liberal Party and The Nationals to make Australia a 24/7 country. The implementation of industrial relations reform will result in wages being the same, irrespective of the hour of the day or the day of the week an employee is working, and that is an absolute crime.

Our forebears worked hard to introduce and retain the decent working conditions that the majority of Australians enjoy. I believe that parliamentarians have no right to stand by while those conditions are thrown out. As parliamentarians, we must work hard to protect the achievements of the past. I congratulate the Australian Council of Trade Unions and many unions who are fighting to protect conditions that have been established over many decades, if not centuries. Australia's current Prime Minister may be described as "the 24/7 Prime Minister" because he discusses the abolition of penalty rates and holidays that will be able to be negotiated away. That all adds up to greater casualisation of the work force and the loss of employment conditions such as holiday leave loadings, recreation leave and penalty rates. The result will be that employees will be paid a flat rate, irrespective of the hours they work. For many young people, their only option is to accept casual work. That is another very dangerous trend in our society.

Let us remember that the industrial laws that the Prime Minister seeks to repeal have been fought for over a long period. Industrial rights and conditions were not simply granted to people because one day some politicians had a good idea. The Labor Party knows that industrial laws did not originate when Labor came to power but are the result of years of struggle by working people and their unions. The key aspect of the industrial relations reforms is that working people fought for acceptable wages and conditions. Let us examine why there has been a push from the conservative parties with support from some sections of the business community to break down working conditions to a large degree. Quite simply, the industrial relations reforms are designed to increase profits. If employers are able to reduce the amount of pay that a worker takes home at the end of the day, clearly profit rates will skyrocket.

I suggest to honourable members that it suits conservative parties and the business community to casualise the work force because it is harder for unions to organise a casual work force than it is to organise a permanent work force. Organisation is the key factor now, just as it has been the key factor over the past century in improving working conditions, gaining increases in pay and in establishing standards of occupational health and safety in workplaces.

The degree to which unionised workers benefit was shown recently in research undertaken by the University of Sydney's Australian Centre for Industrial Relations Research. It found that union-negotiated agreements paid significantly more than non-union agreements. The rate was 4.4 per cent for negotiated agreements compared to 3.1 per cent for non-union agreements. Superior outcomes in remuneration and conditions have been achieved consistently through union agreements across both the public and private sectors. I certainly believe that is a key motivation of the Prime Minister in putting forward this new regime, which is about restructuring conditions. It will mean that the majority of workers will be paid at a lower rate. By weakening the power of unions, the Prime Minister believes that there is a long-term benefit for the constituency that he represents: it will be harder to organise—harder to achieve—pay rises, harder to improve conditions and harder to protect the conditions that we already have.

I grew up in the Menzies era, in the 1950s and 1960s. My uncles were wharfies, and I remember a great many times that that union was attacked severely by the Menzies Government. I remember the cartoons in the *Sydney Morning Herald* that depicted wharfies in the most despicable manner. I can remember one very horrible

cartoon depicting wharfies sitting on the job, ripping chickens apart as though that was their meal; it showed them as very uncouth, terrible people. It was probably one of my very early political lessons, because when I was growing up I found that my uncles were indeed very lovely people. They were very generous, even though their take-home pay was not huge. The wharfies picnic was a great favourite of mine. I found that I was mixing with people who had great humanity, not only in a political context—although that union played a leading role in the fight against the Vietnam War—but also as they collected money on payday, along the pay line, for the Smith Family and other charities.

I see that as a reality in the highly unionised sections of the work force. However, in the media I see severe attacks on those people. We often felt that Menzies was the benchmark for as bad as it gets. But John Howard, the 24/7 Prime Minister, is trying to turn back the clock, not to the last century but to the one before that. He certainly has a battle on his hands with wide sections of the community who strongly oppose what he is trying to do to working conditions in this country. I believe that he has misread the Australian spirit on this issue, because I believe there is widespread understanding that his industrial relations changes should be strongly opposed.

Last Saturday I visited Williamstown, where about 35 workers are on a picket line because Boeing wants to push them onto a Commonwealth contract, which is similar to an Australian workplace agreement. Talking to them brought home to me where this country will head if the Federal Government gets away with its present industrial relations plan. The workers believe that their working conditions would be severely eroded if they were pushed onto those contracts. Some of their fellow colleagues, because of personal circumstances, have decided to keep their job—they have to do that. I congratulate the Boeing workers who are still on the picket line. They explained to me that the contract onto which they would be forced sets out that they would be paid overtime only if they work more than 10 hours overtime. However, they are never given more than 10 hours overtime, so they will never be paid at the higher rate.

Although that is not actual casualisation, it is certainly heading in that direction. Again, that illustrates the problem we have with individual contracts. Another very concerning aspect that was explained to me involved compassionate leave. One man had half an hour deducted from his compassionate leave because he stayed home to take a phone call from the doctor attending his mother, who is dying from cancer. That demonstrates the rigidity of the conditions imposed on those workers. A severe cutback in compassionate leave is a characteristic that is coming through in the conditions imposed in individual contracts. There are many examples of why working people in this country need to maintain the working conditions that have been won by the unions over the years. We need to improve on them rather than ditch them under the Howard 24/7 plan.

The Hon. IAN WEST [6.25 p.m.], in reply: I acknowledge the contributions of honourable members during this important and timely debate on excessive and exploitative casualisation of the Australian work force. All honourable members who contributed to this debate spoke of the recent increase, especially in the past decade, of casual employment in Australia. I believe that we all support the proper and appropriate use of casual labour and the right to secure employment. It is clear that genuine casual work arrangements can benefit some employees and employment generally. However, we have heard about some of the risks and the costs of employment pushed onto employees through casual arrangements—deliberate cost shifts through Australian workplace agreements, labour hire contracting, outsourcing and other permeations of employment onto the worker. The use of casual labour to perform long-term, ongoing, regular, permanent work is something we all oppose. Australia can compete better when Australians co-operate and work together.

Work is supposedly a partnership between employers and employees, and I agree with that proposition on the understanding that both parties are equal and have equal bargaining positions. As Reverend the Hon. Dr Gordon Moyes pointed out, the practical understanding in the workplace is that the employment relationship is unequal—and that is the very reason that workers have representatives who attempt to equalise the bargaining process. That is pretty basic, and we all understand it. We can word it whichever way we like—we can talk about third, fourth and fifth parties—but we all know what it is about: it is about attempting to equalise the bargaining process.

We have seen growth in the employer prerogative as casualisation has increased. On current projections, by 2010 one in three workers will be casually employed. The rapid growth in casualisation is said to further increase with the release of WorkChoices—what an ironic phrase: the choice you have when you do not have a choice! We will have one national system; we will have no choices. There is irony in the WorkChoices concept. In the image of the current Federal Government, the re-regulation of the industrial relations system in Australia for more than 85 per cent of Australians is palpable. We are saying that we are talking about

deregulation, but it is re-regulation. This is another furphy; this is about re-regulating the labour market in the image of the Prime Minister. The Federal Government has set about institutionalising the absolute employer prerogative of hire and fire, and embedding employers with the unchallengeable right to determine wages and conditions. We all understand those facts of life and we can paint them all we like, but they are the basic realities.

The Federal Government's WorkChoices legislation also delivers the type of master and servant conditions that gave rise to the chartist movement, the union movement, in its original form in the first place. It is proving to be a source of great rejuvenation within the labour movement. Earlier the Hon. Greg Donnelly showed us a copy of the master and servant Act. Australians understand the master and servant Act. They know it is simple and straightforward. There is a boss and there is a worker. There is a master and there is a servant. The boss has the right of hire and fire and he has all the power. A worker's only bargaining power comes from being able to have organised labour and to bargain collectively.

Australians know it is unfair and iniquitous to have master-servant relationships; they know it is un-Australian. Australians' loyalty and dedication to the employment contract is negligible when they do not have an equal position in that bargaining contract. How can employees be expected to have a commitment to an individual contract if it is secretive, if it is between the employer and an employee and no-one else knows about it? We keep talking about transparency; we are all about being accountable and transparent.

The arrangements we are talking about today are secretive and behind closed doors. What sort of commitment is there in a one-way street where there is absolute employer prerogative? Once employees or possible employees are offered an AWA or the like, a casual offer of employment that they cannot refuse, they no longer have any protection and are not able to say, "No, I do not want to accept casualisation of my employment arrangements." However, once they have been casualised they have no come back; it is a one-way street.

Debate adjourned on motion by the Hon. Ian West.

[*The Deputy-President (The Hon. Christine Robertson) left the chair at 6.32 p.m. The House resumed at 7.30 p.m.*]

STANDARD TIME AMENDMENT (DAYLIGHT SAVING) BILL

Second Reading

The Hon. TONY KELLY (Minister for Justice, Minister for Juvenile Justice, Minister for Emergency Services, Minister for Lands, and Minister for Rural Affairs) [7.30 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

The Standard Time Amendment (Daylight Saving) Bill 2005 serves two main purposes.

Firstly, the amendments provide for an extension of the daylight saving period for 2005-2006, by one week.

Honourable members would be aware that Victoria will be hosting the XVIII Commonwealth Games in Melbourne in 2006. The Games commence on Wednesday, 15 March and finish on Sunday, 26 March 2006, which is the date the daylight saving period would normally end.

To ensure the Games and associated events can be completed with minimal disruption, the Victorian Premier, the Honourable Steve Bracks, MP, has requested that New South Wales join Victoria in extending daylight saving by one week to Sunday, 2 April 2006.

Five years ago, New South Wales had the privilege of hosting the Olympic Games and Paralympics. At that time, Victoria demonstrated its support and co-operation by agreeing to commence the daylight saving period approximately two months earlier than usual.

The New South Wales' Government is happy to reciprocate.

The extension of the daylight saving period by one week in 2006 will have minimal impact on business and families. Positive benefits will flow from the Games, including an increase in the number of tourists visiting New South Wales.

The other principle purpose of the bill before the House is to provide for a more flexible means of adopting any future changes to the daylight saving period.

The bill does not alter the current daylight saving period. However, the proposed amendments provide that future changes to the daylight saving period may be made by regulation.

Currently, the Standard Time Act must be amended whenever a change to daylight saving is needed to accommodate a major event. This is neither an efficient use of Parliament's time, nor a very practical way of addressing the situation.

Under legislation in the Australian Capital Territory the daylight saving period may be fixed by declaration by the relevant Minister. In Victoria, it may be fixed by the Governor in Council.

A similar approach could be adopted in New South Wales. However, the Government considers that setting the daylight saving period by regulation is preferable.

The regulatory impact process means that an assessment of any proposed changes to the daylight saving period would be undertaken. The public and peak industry bodies would be given the opportunity to comment on the proposals. Any regulation proposing a change to the daylight saving period would be subject to Parliamentary scrutiny and possible disallowance.

The proposed change is a practical measure and will ensure that New South Wales can respond appropriately to new developments, which may require a change to the daylight saving period.

The bill provides for one other change in the nature of statute law revision. The Standard Time Act currently allows the Governor to specify the standard time for Lord Howe Island, by order published in the gazette.

Since 1989, daylight saving time for Lord Howe Island has been fixed by order at 30 minutes in advance of standard time, instead of one hour in advance of standard time. The amendment in the bill simply reflects this long-standing position.

I commend the Bill to the House.

The Hon. DAVID CLARKE [7.31 p.m.]: The Opposition supports the Standard Time Amendment (Daylight Saving) Bill, which has three purposes. First, it seeks to extend by one week the next daylight saving period in New South Wales that would normally end on the last Sunday in March 2006 so that it ends on 2 April 2006. The purpose of this extension is to comply with a request from the Victorian Premier to ensure that our daylight saving coincides with the XVIII Commonwealth Games to be held in Melbourne next year. New South Wales will thus join Tasmania and the Australian Capital Territory, which have likewise agreed to extend their daylight saving period. Honourable members may recall that when the Olympic Games and Paralympics were held five years ago in Sydney, Victoria extended its daylight saving period by some two months to coincide with those Games. New South Wales is happy to reciprocate because it is important that the forthcoming Commonwealth Games be successful. Australia and New South Wales will benefit by the holding of the Games, including by way of increased tourism.

The second purpose of the bill is to ensure that in future the daylight saving period in New South Wales can be changed by regulation without the necessity of having to amend the Standard Time Act 1987 whenever a temporary change is required to synchronise daylight savings with the holding of a major event. The Government made it clear that any use of the proposed regulatory process will still be subject to the scrutiny of Parliament. The third purpose of the bill is to confirm by way of statute law revision the current position established by an order published in the *Government Gazette* on 2 June 1989 that daylight saving on Lord Howe Island will be 30 minutes in advance, and not one hour in advance, of standard time. As I indicated at the outset, the Opposition supports the bill.

The Hon. RICK COLLESS [7:34 p.m.]: I wish to place on the public record a few concerns expressed to me about this bill and the provision that will enable daylight saving to be changed by way of regulation. This morning I met with representatives of the Isolated Children's Parents Association, who were appalled that the period of daylight saving will be extended. There is a very good reason for that. Many children in regional areas of New South Wales have to get on school buses as early as 6.30 a.m. and 7.00 a.m. I can tell by the smile on his face that the Hon. Tony Kelly knows only too well what I am talking about.

On 2 April 2006 the sun will rise in Dubbo at 6.17 a.m. eastern standard time; it will rise in Sydney at 6.08 a.m. eastern standard time. So the sun rises in Dubbo about 10 minutes later than it rises in Sydney. What is the position further west, in Broken Hill? And again I am talking about eastern standard time, not the time in the city of Broken Hill, which is on central standard time. Many centres north and south of Broken Hill, including Menindee and Wentworth, operate on eastern standard time. On 2 April 2006 the sun will rise in Sydney at 6.08 a.m. eastern standard time and it will rise in centres north and south of Broken Hill at 6.46 a.m. eastern standard time—almost 40 minutes later than it rises in Sydney. The extension to daylight saving will have an impact on children in these centres who have to catch school buses. With daylight saving the sun will rise at 7.46 a.m., and this means that some children will be waiting at school bus stops by 6.30 a.m., in complete darkness.

This same issue was raised with me on a number of occasions in the run up to the 2000 Olympics. In August of that year children in the Northern Tablelands were standing on the sides of roads at 6:45 a.m. waiting

for their school buses There was frost on the ground and the temperature was minus four or five degrees. And I am not talking about 17- or 18-year-olds. I am talking about six-year-old children who have to get up at 5.30 a.m. in order to stand at the side of road in complete darkness to catch a school bus between 6.30 a.m. and 7.00 a.m. Sometime between that time and when they get to school the sun actually rises.

I ask all honourable members to be cognisant of that aspect of daylight saving. Members of The Nationals cop a lot of flack about this. I do not have to remind honourable members of the ridiculous suggestions by the proponents of daylight saving that those who oppose it are concerned about their curtains fading. There are some real concerns about daylight saving, especially with regard to children having to get up so early to get to school. I am concerned also that the period of daylight saving can be changed by regulation rather than by legislation. The people of western New South Wales do not like that provision either. They do not want any relaxation of the procedures relating to the application or extension of daylight saving.

The Opposition is happy to allow the bill to stand in light of the Government's commitment to ensure that any changes to daylight saving are well publicised and that there will be an opportunity by way of a disallowance motion to revoke in the House any inappropriate changes. I assure the Government that if it tries to make an inappropriate change to the daylight saving period we will do everything we can to see it revoked in this place.

Reverend the Hon. FRED NILE [7.40 p.m.]: The Christian Democratic Party supports the Standard Time Amendment (Daylight Saving) Bill. This very simple bill is the result of the Victorian Government's request that the New South Wales Government extend the State's daylight saving period next year by one week to 2 April in order to accommodate the Melbourne Commonwealth Games. As honourable members know, daylight saving usually ends at 2.00 a.m. on the last Sunday in March but the bill will extend that period for one week next year to 2 April. The bill also amends the Standard Time Act to enable future changes to the daylight saving period to be made by regulation. Previous changes to daylight saving were made via legislative amendments to the Act, which often attracted controversy. Although the legislative method remains desirable, the bill permits future changes to be made by way of regulation. In future honourable members will have to be alert to changes to the daylight saving period and challenge them by moving a disallowance motion.

The Hon. HENRY TSANG (Parliamentary Secretary) [7.42 p.m.], in reply: I thank honourable members for their contributions to the debate. The bill provides the flexibility to extend the daylight saving period without having to amend the Standard Time Act on each occasion. This will allow special events such as the upcoming Melbourne Commonwealth Games to be catered for relatively easily. However, at this point the Government believes the current standard daylight saving period, which extends from the last Sunday in October to the last Sunday in March, strikes an appropriate balance between the wishes of those who would like the period to be longer and those who would like daylight saving to be abolished. This compromise maintains well-established community expectations in urban and coastal areas and takes account of the rights of people in rural areas who experience difficulties with daylight saving. It also maintains consistency with the other mainland States that observe daylight saving. It is unfortunate that there is no statewide common interest where daylight saving is concerned, but the Government wishes to strike a reasonable balance between conflicting demands when it is possible to do so. I commend the bill to the House.

Motion agreed to.

Bill read a second time and passed through remaining stages.

LOCAL GOVERNMENT AMENDMENT (STORMWATER) BILL

Second Reading

The Hon. HENRY TSANG (Parliamentary Secretary) [7.43 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 not granted.

The Hon. Don Harwin: Madam Deputy-President, I draw your attention to the state of the House.

[*Quorum formed*.]

The Hon. HENRY TSANG: I refer honourable members to the second reading speech of the Minister in the other place.

The Hon. DON HARWIN [7.46 p.m.]: The Opposition does not support the Local Government Amendment (Stormwater) Bill, for several reasons. We have reservations about the method used for determining the level of charges, the lack of detail and the reliance on regulation in the proposed legislation. We oppose the introduction of a new tax by the highest-taxing State Government in Australia. This Government is once again resorting to the time-honoured tradition of cost-shifting State responsibilities to local government. The Opposition is not happy about that and we are particularly not happy that in this case it will result in a new tax.

The bill proposes to empower local councils to impose a stormwater management service charge of up to $25 per household and $100 per business annually. By declaring that charge optional and making the amount unfixed subject to a cap, the Government has assiduously tried to avoid the new charge being labelled a tax. However, as revenue from the levy will not be included in a council's general income and therefore will not be subject to rate pegging, one is hard pressed to imagine that any council will eschew the opportunity to raise additional funds. Thus, in practical terms the stormwater management charge will be a new direct tax on households and businesses across New South Wales.

Following the Treasurer's admission that the budget is in deficit, it comes as no great surprise to learn that the Government is trying to introduce such a levy. After wasting and mishandling the State's finances, the Government is now trying to fund long-neglected infrastructure maintenance by using local councils to collect a new tax from New South Wales residents and businesses. This new charge is just another sign of this tired old Labor Government's financial mismanagement.

This bill is symptomatic of the Government's unwillingness to seriously explore responsible solutions to the problem of our metropolitan water supply shortage. Stormwater harvesting can play a valuable role in this respect. Yet the Government is seeking to shift the burden of funding stormwater management directly onto the people of New South Wales by way of a new tax, while at the same time it is pushing ahead with a desalination plant at Kurnell that is not in the financial and environmental interests of our state.

The Opposition has repeatedly called for the Government to pursue water recycling and stormwater harvesting strategies to safeguard Sydney's water supply needs into the future. Less than 3 per cent of water consumed in Sydney is currently recycled, making the city one of the worst water recyclers in Australia. By contrast, Adelaide recycles almost 20 per cent of its water, and Melbourne recycles 11 per cent. In addition, stormwater harvesting has the potential to deliver Sydney a further 360 billion litres each year. This is a significant resource that the State Government is neglecting to utilise.

Instead of taking action on stormwater use and water reuse strategies, or demonstrating any commitment to pursue them in meaningful ways, the Government remains committed to the development of a costly desalination plant that is unwanted by residents of the Sutherland shire and will exact a significant toll from the people of New South Wales, both fiscally and environmentally, for relatively little benefit. Bob Carr's desalination plant—his parting gift to the people of New South Wales—will deliver 180 million litres a year, half the amount that it is estimated could be harvested from stormwater. The plant will cost $2 billion to construct and will produce 945,000 tonnes of carbon dioxide waste annually—the equivalent of an additional 220,000 motor vehicles on our roads. And the plant's energy demands will only further burden the struggling electricity supply that is forecast will not meet our State's consumption demands in 2008-09 because of a lack of investment by the State Government over the past decade.

Rather than place the burden of funding stormwater management directly onto the shoulders of residents and businesses at a local government level, the State Government should shelve its impractical, costly, low-yield and environmentally damaging desalination plant and redirect funds into water recycling and stormwater harvesting projects. It is time the Government turned its attention to alternative solutions and showed some commitment to reuse strategies. This is an ideal opportunity, in debate on a bill that deals with stormwater, to raise concerns about this Government, which has its direction on stormwater completely wrong.

Unfortunately, the Government has chosen to effectively abandon the only stormwater management scheme it was operating—the Stormwater Trust Fund. Recommended in the report of the Waterways Advisory Panel in May 1997, administered by the Environment Protection Authority, and initially at least financed to the tune of $60 million, the Stormwater Trust was designed to help local councils pilot innovation in stormwater

management and to undertake remedial maintenance work. The benefit of having stormwater management handled at a local government level was recognised under the scheme. However, this approach also allowed for an appropriate level of co-ordination and oversight through the grants approval process. The trust facilitated the introduction of new technologies that were developed, and partnerships between local government and both public authorities and the private sector were encouraged.

A former Minister for the Environment, the honourable member for Wentworthville, explained at an estimates committee hearing in 1998 that the trust was "one of the key measures introduced to support local government to reduce stormwater pollution" and was part of the Government's "whole-of-government approach to stormwater management". My colleague the honourable member for Myall Lakes, the shadow Minister for Local Government, detailed in a speech on this bill in the other place the way in which the Stormwater Trust worked. It is worth reading. Of course, the Stormwater Trust was far from perfect as an approach but it was at least something. Frankly, we need to be doing much more with stormwater harvesting. But even the very little that this Government did has now gone.

As the Government's finances plummeted into the red, the trust was scrapped in the April 2004 mini-budget. Rather than addressing its own mismanagement issues or cutting its oversized public service, the Government responded to the looming debt burden by cutting what was an effective and successful program that was directly benefiting the community and protecting our environment. In place of the Stormwater Trust Fund the Government has presented this serious step backwards, that is, the stormwater levy legislation. The comparison between what has been abandoned and what is now promised is not flattering. The trust was an effective scheme as far as it went, and no-one pretends that it was comprehensive or went as far as a State government should have gone in terms of stormwater harvesting. Nevertheless, it provided State funds to local councils for the management and maintenance of stormwater infrastructure, and that enabled projects to be originated and driven at a local level while subject to co-ordination and oversight regionally.

The scheme proposed in this bill establishes a new tax on our State's residents and business operators for stormwater management projects that are undertaken locally without regard for any regional co-ordination, to which I will refer later. This is certainly not a desirable outcome. The Government should abandon its unrealistic ideas about a desalination plant and divert the associated funds back into a comprehensive approach to stormwater reharvesting that may well include a revival of the Stormwater Trust Fund and certainly would include other recycling and reuse projects as part of a holistic solution to Sydney's water supply problems. The Government should act responsibly in regard to our water needs, our environment and our finances, rather than expect the people and businesses of New South Wales to bail it out of its budget deficit through the introduction of new taxes.

In turning to the bill and some of its specific provisions I place on the record several reservations that the Opposition has about the bill and the scheme it proposes. According to the bill, councils will be empowered to levy the proposed stormwater charges upon each parcel of rateable land. However, in his second reading speech the Minister stated that the charge will be capped at $25 per average residential block, and in the briefing note he circulated to the shadow Minister—and, I think, to the crossbench as well—he indicated that the charge would be applied per household.

There are substantial differences between the charge being levied per household or per block. For example, a residential block may have 10 units on it. If the charge were levied per block, the body corporate would be required to pay the council the $25 charge. If the charge were applied per household, however, the property would yield $250 to council. This appears to be an unfair impost and an unjustified windfall for councils since the residential block with 10 units would likely contribute the same level of stormwater runoff as the adjoining residential block with a single home. I imagine some of my colleagues and friends who serve on coastal councils might be very happy about that.

What of those recent residential developments into which strategic rainwater and stormwater measures have already been incorporated? Will those blocks or households be exempt? The manner in which the fee is to be applied needs to be clearly spelled out and the Minister needs to resolve the confusion he has created by clarifying this matter in his reply. Of course, this confusion may well have been avoided if a greater degree of detail had been included in the bill. This tired old Labor Government does not have a strong record when it comes to transparency. Once again pertinent detail has been omitted, with vague references to regulations included instead. The real reason, of course, for recourse to regulation is to allow this new tax to be increased quickly and frequently.

The Local Government and Shires Associations have asked to be fully involved with the Department of Local Government in the drafting of the regulation, and this certainly must occur. The Local Government and Shires Associations have highlighted that although there have been ongoing discussions over the past 5 to 10 years on the subject matter of this bill, there were no negotiations in the immediate lead-up to its tabling, according to my advice from the shadow minister in another place. This lack of close consultation with a key stakeholder is not appropriate and further demonstrates the Government's poor handling of this matter.

The lack of detailed consultation at the final stage with the Local Government and Shires Associations about the specifics of the bill appears to be in sharp contrast with the series of independent surveys concerning the willingness to pay, which apparently were conducted. These opinion surveys allegedly found a strong willingness to pay $25 per annum for improvements in stormwater management. As it appears the Government has introduced this bill on the strength of these surveys, the Opposition believes it would be appropriate for the Government to reveal who carried out the surveys and what questions were asked, and to detail the statistical results. It would be appropriate if the Minister did that in his response to the debate.

Such disclosure is all the more pertinent given that the upper limits of $25 for residential properties and $100 for commercial properties appear to have been determined without relevant criteria or rationale. This arbitrary approach to the setting of charges is of concern to the Opposition and also to the Local Government and Shires Associations. Make no mistake, individual councils need to spend very significant amounts on ageing infrastructure, which certainly needs to be renewed. An arbitrary approach to setting the fees without full involvement from the associations is not appropriate.

I am aware of the situation in, for example, Woollahra Council. There are 105 kilometres of pipes and drains and 4,156 stormwater pits in what is, I think most people would readily concede, geographically at least, one of the smallest local government areas in metropolitan Sydney. To conduct investigations to determine priority works in renewing stormwater infrastructure and to carry out those that have immediate priority was estimated to cost $1.8 million. We are talking about very significant sums of money to renew infrastructure. An arbitrary approach to the setting of charges is a problem.

The Opposition is also concerned that the bill proposes that the Department of Housing and the Aboriginal Housing Company be exempt from paying this levy. This aspect of the legislation highlights the cost-shifting nature of the bill. Under the Government's proposal, in local government areas where there are department or company holdings the cost of stormwater management services relating to those parcels of land will be completely transferred to the local government area's other ratepayers. That is blatantly unfair and the Government should pay a fee to the relevant councils on a pro rata basis for the number of Department of Housing properties in that local government area.

The final aspect of the proposed legislation that I wish to raise relates to the level of co-ordination at a regional or catchment level. When the Stormwater Trust Fund was in operation the allocation of grants could be used to co-ordinate stormwater projects identified by local councils. Under the scheme proposed in this bill, local councils will be required to consult their communities about whether the charge should be levied and about how any revenue will be spent. Councils will also be required to report to the community on how the charge was used each year. Obviously councils are well placed to identify the stormwater management needs in their local area and can clearly take some responsibility for the necessary works.

We do, however, have concerns about the absence of co-ordination at a regional or catchment level, which was a strength of the Stormwater Trust Fund scheme. A case in point is the Cooks River, which has long been plagued by stormwater pollution, among other forms of pollution. Residents along the river have long been aware that effective solutions to the problem depend on a co-ordinated approach along the entirety of the river's catchment area involving all three tiers of government. The Cooks River is impacted by stormwater activities in numerous local government areas, including Canterbury, Strathfield, Burwood, Ashfield, Marrickville and Rockdale. While the councils in each of these areas want the cleanliness of the river addressed, the solution to the stormwater pollution in the Cooks River will be most effectively and efficiently achieved through an integrated whole-of-catchment approach, giving the lead to the dozen local councils involved.

In his second reading speech the Minister stated that the Government recognises that stormwater now needs to be managed in an integrated manner, yet this bill is a negation of this stated aspiration. Under the provisions of the bill, it is not clear that there is any enhancement to the Government's capacity to ensure that local councils co-ordinate their stormwater management activities. I am concerned that the bill could undermine the kind of integrated approach to stormwater management that the Government is ostensibly hoping to

encourage. I note, for example, that this concern is held by a large number of environmental advocacy groups and has been raised with a number of members of this House by the environment liaison officer. I was one of the recipients of a fax yesterday that raised a number of issues but in particular highlighted as the first point the fact that they were concerned that "a comprehensive and co-ordinated approach from State Government is needed" and that they thought this bill was not the best way of doing that. I will quote briefly from their letter.

> Stormwater management and reuse are important elements of effectively dealing with water supply issues in urban areas. We note that while local government is an appropriate partner to deal with these issues, there must be overall co-ordination from State Government for integrated water management to ensure efficient use of the funds. This would involve co-ordination between all state government bodies, local governments, Catchment Management Authorities, other catchment bodies and water corporations.

The letter shows that there is wide concern in the environment movement that this new approach to stormwater may lead to a less co-ordinated approach to stormwater pollution. That should give members of the crossbench cause to question whether they are really doing the right thing in lending their support to the bill. Given that the Government is on the wrong track with metropolitan Sydney's water needs and how to effectively increase the amount of water recycled and come up with a comprehensive stormwater harvesting strategy, I seriously question how this approach advances that at all. The Opposition will oppose the bill outright because it lacks detail, it has significant flaws, and it represents a major backward step in stormwater management in our State. The Stormwater Trust Fund was not perfect, but now we have a new tax, a desalination plant and no plans for harvesting our stormwater to deal with Sydney's water needs. The bill is not in the best interests of our State. The Opposition will vote against it.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [8.11 p.m.]: I have grave reservations about the bill. The Government is pushing the cost of stormwater onto local councils on the basis of a study that was revealed in the briefing notes to the crossbench that more or less said that people are willing to pay $25 to $40 a year to fix the stormwater problem. The Government is being driven by the knowledge that people will accept that tax. It talks about communication and new initiatives, but words are cheap. It talks about lofty visions, but it does venal things. This is fundamentally a cost shift to local councils because the Government thinks it will be more acceptable for local councils.

Everybody knows that local councils, suffering under a rate cap that bears no relation to their costs, would be pathetically grateful for whatever extra money they can get, particularly if they have to dig up some roads and stormwater drains to fix failing infrastructure that is reaching the end of its life because of concrete cancer. As Western Sydney has developed, the upstream has developed and the run-off rates are higher, which means that the water that fell on the catchments—there are still catchments, even though they are urbanised—runs off in higher areas. The water more quickly reaches the points downstream in older areas, which means that the volume is greater and, therefore, the culverts and channels that were designed for the run-off in the more western parts of the city were not developed and are now inadequate in volume.

Many of the renewals and augmentations are needed close to the mouth of the stormwater channels. The councils that will pay for them are not those whose calculations of the run-off rates, or non-retention of the water that falls, are passed onto the next council downstream. If ever there were a case of inequity of one council paying for another council's development, this would have to be it. This is a classic case of a government with an overall view stepping in to ensure equity. But the bill does not ensure equity between councils. It pushes the problem to local councils. The Government has no money—it has admitted it is in deficit—but it wants to fix stormwater so it palms off the problem to the lower tier of government. It does not matter that it has pushed it to the wrong council.

The Government produces rhetoric about plans, approvals and schemes, but it has no evidence to back it up. To the contrary, while it is dealing with the stormwater problem—replacing drains and augmenting culverts—it is quarantining, borrowing or looking for a public-private partnership [PPP] to develop a desalination plant for $2 billion. Given the extraordinary ineptitude of the Government's ability to deal with private sector partners—we are fleeced each time—the regulations stop us from saving any water lest the private sector partner with the $2 billion PPP fails to make enough money from desalinating enough water. Will that be the performance contract to ensure that a lot of water is desalinated and we are not left with a complete white elephant? It is another unsuitable scenario.

If the Government has $2 billion to fix Sydney's water problem it should not slough off stormwater, which it says is almost enough for our total consumption. It should reuse and recycle water. Some of the water run-off is from roofs and could be captured in rainwater tanks. Some of it is from paving, streets and roads, which would be a little more contaminated. But figures from the water authorities show that it is 2.2 times more

expensive to desalinate water than it is to purify or treat sewage, which is one step further contaminated than stormwater. The Government has put the absurd proposition that people will not accept treated sewage, therefore we have to have a desalination plant.

It is ridiculous to think that we will pay $2 billion because we cannot change our mindset that water cannot be purified. It is well known that astronauts in space reuse water. It is also well known that if a town upstream discharges into the river and the next town downstream takes water out of that river, the same water is being treated on the way through. It is wrong to say that the people of Sydney would not accept treated water and that we therefore have to desalinate water at 2.2 times the cost and ignore the Malabar sewage treatment plant and the vacant land between it and the Anzac Rifle Range, which would be admirably suitable for the treatment of water. A desalination plant at Kurnell peninsula would harm the environment.

It is also well known that the canal from Warragamba Dam to Pipe Head at Guildford goes past Prospect reservoir, which holds about three days of water for Sydney. It has been said that the main function of Prospect reservoir is to contaminate the water because it comes from Warragamba quite clean and could go directly to Pipe Head. The fact that it is in Prospect reservoir for three days is convenient should there be a problem with the canal from Warragamba to Guildford, but it is not necessary. It has been said that the main problem with Prospect reservoir is that it is fairly shallow and birds pooh in it, thus increasing the phosphate, which means that more bacteria can grow in Sydney's water.

It is quite possible to pump water into Prospect reservoir and treat it. The question is: at what stage would it be put there? Would it be treated and then pumped to Prospect reservoir? Or, the most radical solution, would it be pumped as grey water and taken out again? I am not sure. These are all possibilities to collect water. We have $2 billion to fix Sydney's water. If we have $2 billion to build a desalination plant we will let Sydney waste its water and recycle as little as it does now. But we will not think about that because it is in a separate compartment. That is not any sort of solution.

This Government basically is attempting to hide its embarrassment with a fig leaf by substituting a bit of rhetoric about forecasting when it does not have any plans. Where are the serious plans for Sydney's water resources? Can the Government point to any serious discussion on this issue? I acknowledge that an inquiry is taking place, but this legislation was presented before the inquiry commenced. If the inquiry is doing good work, why is this legislation before the Parliament? Why is the Government junking stormwater? Why is the Government shifting costs? Why is this Government assuming that stormwater should just go straight out to sea? Why is the Government not giving any thought to the utilisation of stormwater? This legislation represents the Government's usual style of cobbling together some rubbish wrapped in rhetoric to create some vague impression of respectability in the vain hope that members of this House will pass the bill.

I have received recommendations from environmental liaison officers to pass the bill, but they have pointed out all the bill's flaws. I suppose they are pleased that funding is being directed to doing something about stormwater and the repair of infrastructure, and I suppose that represents a responsible approach, albeit limited. However, the problems pointed out in their letter indicate that this bill is simply not worth supporting. The Government should go back to the drawing board, work out a proper plan for Sydney's water resources and bring that before the House. This bill represents nonsense that has been taken too far. It will take a great deal of persuasion to convince me to support the type of nonsensical proposal represented by this bill.

Ms SYLVIA HALE [8.20 p.m.]: The Greens congratulate the Government on recognising that stormwater capturing and reuse can play an important role in addressing the water crisis in New South Wales, but this bill does not go far enough. The addition of a $25 per year levy on each household and a slightly higher levy on rate-paying businesses will not provide the necessary funds to enable a comprehensive stormwater reuse system to be constructed. At best the funding will provide some councils—larger councils with high numbers of ratepayers—with funds to build one-off showcase projects. While one-off projects are commendable, they will not significantly reduce demand on the Warragamba Dam.

The story of water management in New South Wales is sad and full of episodes of wastefulness, and it is also well known. The manifestations of that sad story range from people in Goulburn standing in buckets of water to bathe and farmers across the State facing the water crisis, to water restrictions that apply in Sydney. The rate at which water is used in New South Wales is far from sustainable. Anyone who has stood on the banks of the once mighty Murray River or Darling River in recent years could not help but be struck by how grossly mismanaged our water systems are. Some of the State's biggest rivers have been reduced to muddy gutters. The irresponsible use of water has degraded our natural environment on a massive scale and is now undermining the economic sustainability of many rural communities. In Sydney the rate of water use in urban areas is shameful.

In most parts of the United States of America it has been illegal since 1994 to use a shower head that uses more than nine litres of water per minute. Shower heads that discharge up to 30 litres of water per minute can still be purchased in Sydney, and dual flush toilets, which are an excellent water-saving device, are still voluntary. In Sydney's ageing system of crumbling pipes, 10 per cent of the city's water is being lost. Dam levels are hovering at around 40 per cent full. In spite of all those examples of what could be done, the State Government still refuses to seriously entertain, let alone facilitate or implement, widespread water reuse and recycling.

The Government's response to the water crisis is a massive coal-guzzling desalination plant which will be the largest in the world. Despite describing desalination as bottled electricity, Bob Carr's parting gift to the people of New South Wales was a $2 billion noose around their necks—a desalination plant. Another harebrained scheme that makes no economic or environmental sense is the $680 million plan to raise the dam wall at Tallowa and divert water from the Shoalhaven to Sydney. Raising the Tallowa Dam will threaten fishing and tourism in the area and could worsen flooding in Kangaroo Valley. The river system is already stressed from increased pollution, salinity problems, and the invasion of introduced fish and aquatic plants. The area needs rehabilitation, not further degradation. The capital cost involved in the construction of the dam wall and pipeline to Sydney will add even more to the water bills of Sydney residents.

There is an alternative to desalination and water diversion from the Shoalhaven. Huge savings can be made when people use water more efficiently by switching to triple-A rated white goods and water-efficient shower nozzles in the home, water reuse and reduction strategies in industry, and water billing regimes that give people clear incentives to use less water. These are measures that encourage personal behaviour change in the home and in the workplace. Broadly speaking, they have been embraced by the people of Sydney. Per capita use of water has been decreasing over the past 10 years. In 1992 Sydney residents consumed an average of 506 litres per person per year. By 2004 the consumption rates had fallen to 369 litres per person per year. Consumption was reduced even further as Sydneysiders responded admirably to the water restrictions that were imposed last year. Individual Sydneysiders are eager to do their bit. As the Minister indicated in his second reading speech, research shows that ratepayers are perfectly willing to pay an additional levy to fund water-saving initiatives that have tangible outcomes.

But there is only so much that individuals can do. Consumers may be doing their bit to reduce demand, but the Government has dropped the ball on the supply side of the arrangement. Only governments and big industry can build large-scale water reuse and recycling infrastructure. The construction of that type of infrastructure is what the Government should have been doing over the past 10 years but, instead, this Government has been sitting on its hands. Approximately twice the volume of water that Sydney uses each year flows out to sea as uncaptured stormwater. Despite that, the Government has consistently refused to invest seriously in stormwater capturing and grey water recycling. Water expert Tony McAlister has been employed by the Queensland Government to conduct a number of studies on water recycling. He stated in his paper "Stormwater Reuse—A Balanced Assessment":

> There is a wide range of tried and tested stormwater reuse techniques used around Australia and elsewhere in the world. These include the following:
>
> - aquifer storage and recovery;
> - urban lakes;
> - wetlands;
> - rainwater tanks;
> - water sensitive urban design;
> - water harvesting;
> - industrial reuse; and
> - unplanned reuse

Mr McAlister goes on to state:

> The benefit of stormwater reuse should need little introduction. If it is possible to replace high quality potable water supplied within a household for certain uses with lesser quality potable, or even non-potable, water, then there are obvious benefits in terms of reducing the potable water usage of a household.

His concluding comments are particularly salient:

> The benefits of stormwater reuse discussed in this paper are typically not included in the reticulated water supply or urban land use decision making process, and stormwater reuse is usually discounted out of hand.

That is precisely what this Government has done: Stormwater policy has focused on stormwater as a pollution source, rather than as a water resource that should be captured and used. Against the background of the State Government's inertia, local government has been forging ahead. While the general focus of local government

programs has been on treating stormwater as a pollution source, some councils have developed capturing, treatment and reuse facilities. Ku-ring-gai Council has embarked on a $4 million capturing and filtration system that will provide water for local parks and public gardens. The council has already cut mains water consumption by a massive 43 per cent and is expecting a further 10 per cent reduction in the forthcoming one to two years.

If Ku-ring-gai Council can do that, the potential clearly exists for the rest of Sydney to make similar savings, with support and assistance from the State Government In the last financial year the Council of the City of Sydney invested $300,000 in capturing stormwater and is currently exploring a range of filtration and reuse applications as a way of easing the pain of the current water restrictions. Other council initiatives include the building of suburban dams and ponds to capture rainwater for reuse in watering sports grounds, golf courses and parks, and building wetlands to store and purify stormwater.

Numerous councils, funded in part through the Stormwater Trust Fund, have undertaken innovative and effective initiatives and begun the capacity building necessary to move towards large-scale stormwater capture and reuse. The Stormwater Trust Fund was an initiative for which the State Government should be congratulated. Unfortunately, the Greens now condemn the Government for axing that program. The bill is about shifting the cost of stormwater management and the provision of stormwater infrastructure from the State Government to councils and ratepayers. The Government has abandoned the Stormwater Trust Fund and now proposes to allow councils to charge ratepayers a new stormwater levy.

Yet the figure mentioned by the Minister in his second reading speech of $25 per household has been criticised by councils as being too small to provide the necessary funds to build adequate infrastructure. As the Hon. Don Harwin pointed out, the lack of clarity as to what will be levied—will it be households or blocks—is another undesirable feature of the bill. I refer to an example I have already mentioned. Ku-ring-gai Council's recycling system cost $4 million. At $25 per household, Ku-ring-gai Council would need 160,000 ratepayers to fund such an investment. The number of ratepayers in Ku-ring-gai is approximately 36,000, meaning that it would take approximately 4½ years to save for that single piece of infrastructure under the Government's proposed levy.

Smaller councils could be saving for up to 10 years to fund a similar stormwater reticulation system. Most councils need multiple water capture and treatment facilities, not just one. Under this bill it would take decades to build the sort of infrastructure necessary to significantly reduce demand on the existing mains water system. The bill is even more short sighted in its failure to require a regional, co-ordinated approach on the part of councils to stormwater management. The Local Government and Shires Association has joined councils in describing this bill as piecemeal and inadequate. Make no mistake: councils are keen and able to take on the task, but they must be funded adequately.

The Greens will move an amendment at the Committee stage that seeks to oblige the Government to put its money where its mouth is and match councils and ratepayers dollar for dollar in any funds raised. The Government would be far better funding councils in a joint initiative to develop a comprehensive water capture and recycling program, rather than wasting $2 billion on a desalination plants that makes no economic or environmental sense, and one which will serve only a small portion of the Sydney community. Water usage charges to pay for that plant are expected to more than double, raising the amount paid per household by an average of $100 per year, possibly more if greenhouse gas emissions and operational costs are taken into account. The plant is expected to increase Sydney's electricity consumption by an additional 2 per cent at a time when the State Government supposedly pursues a greenhouse pollution reduction policy.

The desalination plant proposal flies in the face of sound economic and environmental management. The plant is opposed by the people of Sydney; indeed, it was probably this year's most reviled, ridiculed and denounced proposal until the cross-city tunnel became the focus of public dissatisfaction with the Government. The desalination plant is opposed universally by environment groups, community organisations, councils, the Greens and the Federal Government, which, fortunately will extend the time for submissions on whether the proposed plant at Kurnell requires full assessment under the Environmental Protection and Biodiversity Act. Despite the State Government's attempts to use its new powers under the State significant legislation to bypass environmental assessment and community consultation, the Environmental Protection and Biodiversity Act may yet be used to reveal the true cost of this monstrosity.

The Government is the sole supporter of the desalination plant. It is looking for a silver bullet, a technical quick fix, to the current water shortages. Of course, the Government is backed by its developer mates, vying for construction and operation contracts. All three consortia short-listed for the construction of the

proposed plans—Freshwater Alliance, Sydney Aquasolutions and Puresolutions—have companies that are or have been major donors to the Australian Labor Party. Companies in those consortia include: John Holland, Veolia Water and United KG, in Freshwater Alliance; Degremont, Australian Water Services, Bovis Lend Lease, Bilfinger Berger, Baulderstone Hornibrook, in Sydney Aquasolutions; and Theiss, Parsons and Brinckerhoff, in Puresolutions. Since 2002 the following companies have donated money to the Australian Labor Party: John Holland, $8,000; Veolia Water, in its former guise as Vivendi, $15,000; Bovis Lend Lease, $27,000—although Bovis Lend Lease must be congratulated for finally adopting a policy of no longer making political donations; Baulderstone Hornibrook, $44,300; and Theiss, $27,500.

Those figures do not include donations from subsidiaries or parent companies, which would amount to many more thousands of dollars. The competing firms, in their attempts to outdo each other in their effort to win this multibillion-dollar contract, have directly contributed $121,800 to the Labor Party's coffers. The desalination plant is not the most cost effective option to meet Sydney's water needs, nor is it in the broader interests of the community or the environment. It is in the commercial interests of large corporations involved in its construction and operation, and in the interests of a lazy Government with little inclination to invest in the long-term interests of the people of New South Wales.

This Government has refused to take grey water recycling seriously and instead has embarked upon expensive and environmentally reckless alternatives, including piping water from the Shoalhaven and constructing the world's biggest desalination plant. Water saving, demand management and stormwater capture and reuse would be a more economically and environmentally responsible option. Councils have demonstrated that they are able and willing to undertake stormwater works, if funded properly. This bill could provide the foundations for a comprehensive grey water reticulation system if the Government were to adequately fund councils. For those reasons the Greens urge members of this House to support the Greens amendment in Committee.

The Hon. PATRICIA FORSYTHE [8.37 p.m.]: There is no doubt that the urban communities of New South Wales have a problem with stormwater. Having now read the Local Government Amendment (Stormwater) Bill and the Minister's second reading speech, the solution to the problem is not contained in the bill that we are debating tonight. Indeed, the more I read the second reading speech the more I saw it as a cobbled together collection of words that, in my view, represent an extraordinarily backward step in any attempt to deal with one of the most significant issues that we face, not only in Sydney but also in other parts of New South Wales. If one were to analyse the second reading speech, one would understand that the problem, on the one hand, is about rain falling on hard surfaces and picking up pollution. On the other hand, we have the problem of flooding. Residents of Sydney might welcome flooding from time to time—it would suggest that we had received some decent rainfalls. However, the bill mixes together two different problems: tackling pollution and preventing flooding.

How does the Government suggest that we do this? The Government suggested that the way forward is to manage this in an integrated way. I fail to understand how giving each council an opportunity to raise a levy to deal with stormwater in urban areas as it sees fit has anything to do with managing stormwater in an integrated way. In fact, that statement is contradictory. I agree with the Government that we need an integrated approach. However, I accept the right of councils in their own areas, where they have an opportunity such as they had in Ku-ring-gai, to give this issue priority. It is nonsense for the Government to suggest on the one hand that the way forward is by adopting an integrated approach and to suggest on the other hand that the way forward is to achieve that through the imposition of a stormwater levy.

Local governments are meant to do that by engaging in consultation processes with their communities. I do not know of many communities that would not be giving support to local councils to raise this additional levy. If we asked people in the community what we should do about this issue to better support Sydney's water supply I am sure everybody would talk about capturing rainwater and stormwater. Everybody talks about the rainwater that is running down the gutters and going out to sea and everyone perceives that as being a problem. Rainwater run-off must be dealt with at a household level through the installation of rainwater tanks. However, at that level the Government would be confronted with a problem. The standard of plumbing in Australia, particularly in New South Wales, is behind the standard in other States.

New South Wales has been slow to adopt up-to-date standards. People can install rainwater tanks, but they have to go through an exhaustive process. They have to ensure that the rainwater does not become combined with or contaminate water supplied by Sydney Water. So rainwater, stormwater or grey water can really be used only in people's gardens. Even then it would be subjected to fairly rigid plumbing standards.

Rather than establishing measures to capture rainwater in such a way the Government introduced this bill. The problem for the community in general is that this is far from an integrated approach. In his second reading speech the Minister stated:

> The purpose of this levy will be to ensure that revenue from the service charge is transparently allocated to managing stormwater from land subject to the charge in line with the Local Government Act.

This Government is clearly stating that local government could play a part in this. It could raise a levy and do something about stormwater. When the community raises concerns about the amount of water that is running down the gutters I can imagine the rhetoric from this Government. It will say, "We have done something about it. We have given local government an opportunity to raise a levy. It will be able to do something about it." That is an extraordinary shift of responsibility—from the Government to various water authorities and then to local councils. Some local councils might want to prioritise this issue—Ku-ring-gai is a case in point—but that is something that they have chosen to do. However, they accept that the real responsibility still lies with the State Government, as it should.

The Government separated public land from other categories of land. If councils want to deal responsibly with the management of stormwater on public land that is not subject to a charge, they have to use other revenue. The Government said it wants transparency in respect of these issues but when it comes to an integrated approach clearly it has been damned by the Minister's second reading speech. Ms Sylvia Hale said earlier that the Government will raise only small amounts of money from a number of councils and it will be a long time before any water can be used in a meaningful way. This Government is trying to shift responsibility. In this case it is actually creating a hollow log but normally it is good at raiding hollow logs.

The Government is giving local government an opportunity to impose a levy for stormwater management. It would have to be a transparent process and councils would have to consult with their communities. Clearly, the Government does not have the will to do this. It is all about the desalination plant, which every expert said is not the way forward. It is a poor use of energy, a poor use of resources, and it does not make sense. It would be better if the Government dealt with the problem of rainwater at its source. If the Government were to do that at a household level it would be an expensive proposition. The Government could give people subsidies for installing rainwater tanks but, as I said earlier, there are enormous restrictions. I went through this exercise at my home. I want to install a rainwater tank but I have no appropriate—

The Hon. Rick Colless: Water?

The Hon. PATRICIA FORSYTHE: No, I have no wall of the right size and shape other than one at the front of the house. My council said that I could not have such a tank at the front of my house. Bushes might well hide the tank and it might never be seen. In an ideal and appropriate place it would have run-off from a number of sources. I could probably install an appropriate pumping system and recycle the water into a swimming pool. However, I have come up against red tape in trying to analyse how best to achieve that end. That is a problem that many people would face.

The Government is trying to have the best of all worlds. It said something is being done about stormwater and that it is giving local government an opportunity to be involved when it is shifting its responsibility. In my view this extraordinary piece of legislation is from a Government that is bereft of good public policy. It resorted to desalination when everybody said that the way forward was the proper capturing of stormwater. This legislation is an abrogation of the Government's responsibility. The only way forward is to oppose this legislation. It is the intention of the Opposition to do so.

Mr IAN COHEN [8.48 p.m.]: I will speak briefly to the Local Government Amendment (Stormwater) Bill. I listened with interest to the contribution of other honourable members in debate on this matter. I support the speech that was delivered earlier by Ms Sylvia Hale. She referred to many issues relating to water and to stormwater in our community. I have great sympathy with the views expressed by the Hon. Patricia Forsythe. Traditionally, the Coalition has been far ahead of the Labor Government in establishing alternative ways of dealing with problems.

This is an interesting and timely discussion. Some would say that this bill is a very small step in the right direction. But it is also a significant step culturally. After the chief executive of Sydney Water said that a desalination plant would be a measure of last resort, I was bitterly disappointed when Mr Iemma stated upon coming to office that the plant would go ahead regardless. We will probably discuss this issue many times in this place in the near future. That statement was far beneath the Premier. The State Labor Government is being

driven by Sydney Water. It is a major State-owned corporation that exercises immense power in our community and constantly proposes end-of-pipe and centralised solutions. Although the Local Government Amendment (Stormwater) Bill is a very small and in some ways insignificant step, it is nevertheless a step away from the culture of dealing with these problems in a centralised manner.

I sympathise with the Hon. Patricia Forsythe's view that the Government is taking a piecemeal approach. However, the Government has at least recognised that councils can begin to deal with this major problem. There has been much discussion tonight about the fact that this bill is too little too late. But it gives individual councils the chance to deal with stormwater run-off and to create a resource from what is currently considered to be a waste product. There are many ways of dealing with this issue and I hope that this bill represents a slight change of heart on the part of the New South Wales Government and a move away from desalination—which is madness. The former Premier correctly labelled it "bottled electricity". A desalination plant would use 1.5 per cent of the State's electricity and some 2 per cent of Sydney's electricity.

We must decentralise this issue. We must move away from the culture of Sydney Water, which offers monolithic solutions. Sewage effluent is mixing with stormwater and creating pollution, and Sydney Water is not addressing the problem at source. This bill offers local government the opportunity to deal with it at source. It is clear that we need a series of strategies in this area, of which this is just one. I am pleased that Ms Sylvia Hale has foreshadowed an amendment that would secure dollar-for-dollar support from the State Government. A stricter regime would allow for the hypothecation of money collected by local government and its expenditure on stormwater. Remember the environmental trust funds—which were introduced about 15 years ago—that comprised levies imposed by Sydney Water? That money was supposed to be used to improve water infrastructure in Sydney but the Government has regularly raided those funds over the years. Although I have supported its use in forestry in the past, I have always had trouble accepting that that money was being spent when sewerage and stormwater problems in the Sydney metropolitan area had not been resolved.

In fact, the Government, driven by Sydney Water bureaucracy, created—at huge expense to the community—three major tunnels in the city with sea outfalls. Many similar tunnels were constructed along the coast. They were the result of an "out of sight, out of mind" culture when dealing with waste and the refusal to acknowledge it as a resource. Entire flows were diverted into the ocean at huge cost. Such thinking is the reason that we are having so much trouble now creating strategies to recycle, reuse and utilise our most valuable resource intelligently. I have always contended that we do not have a water shortage in Sydney; we have profligate misuse of that resource.

This plan should be the responsibility not of the Department of Local Government but of the Department of Environment and Conservation. I agree with Hon. Patricia Forsythe that the Minister for the Environment, Mr Debus, should have carriage of this bill. However, it is important that all government departments play an active role in this area. NSW Health, in particular, should take a lead. We need updated, reasonable rules and regulations for the installation of domestic water tanks. Members of The Nationals would agree that rules and regulations governing the installation of water tanks in the city are laughable. In the country we all have water tanks on our roofs that we use successfully. In my area it is preferable to drink tank water than water from the mains system.

The Hon. Rick Colless: I bring water from my tanks at home down to Sydney. I won't drink Sydney water.

Mr IAN COHEN: I acknowledge the Hon. Rick Colless's comment. While I do not go quite that far, I have friends who do. When they visit me in Sydney they bring huge containers of water as presents—which makes it a bit difficult to move around the kitchen of my little Sydney flat! Many people believe tank water is better quality than mains system water. Sydney air pollution may reduce the quality of tank water in certain areas. Individual households should be able to make an educated decision about this matter but, no, NSW Health continually blocks the reuse of water. The Hon. Patricia Forsythe spoke about the difficulties with water tanks. Did anyone in the Chamber visit the wonderful exhibition of water and gardens that was held in the Royal Botanic Gardens recently? I saw water tanks that fit together to create walls and borders. There are all sorts of opportunities to design and retrofit tanks to houses cleverly and creatively so that we can start to save water.

The Hon. Rick Colless: Underfloor tanks.

Mr IAN COHEN: That is another good idea. Smaller tanks can capture the flow of grey water from showers and divert it to the garden. Of course, there are infiltration issues but there are all sorts of opportunities

to use grey water—not black water—in such a way that it does not enter the water system. When the system is under stress water tanks can capture rainwater that would otherwise run off and be wasted. Such water use almost mimics the natural process whereby soft ground and forests release water slowly. When water trickles out slowly we move away from the boom and bust of floods. Suburban water tanks can be used to mimic nature and slow the immense water flows that cause a great deal of pollution. This legislation offers many opportunities, but it is just a start. We all know how much damage a desalination plant will cause and what it will cost the community. We know that that infrastructure money could be diverted, like the water, to fund smaller, decentralised projects that stimulate local industries and create jobs.

Industries should put water tanks in private houses, and developers should receive support in terms of the infrastructure cost for their developments to implement clean, green, water-saving opportunities. These things are obvious, and they are being done in a small way already in terms of water saving devices in houses. I have something to think about every time I have a shower in my Sydney flat. Usually I save the grey water to put on my garden, but because I do not have a garden in Sydney—

The Hon. Patricia Forsythe: Do you take it back to Byron?

Mr IAN COHEN: Not quite. I put it into the top of the toilet cistern. It is as simple as that. I have done that many thousands of times. I do not expect others to have quite the same degree of fanaticism as I do about water. However, if such a system were set up, particularly in houses with two levels or that are elevated, the savings would be immense. Such a system could be set up by people with a little bit of plumbing knowledge or country ingenuity. Many farmers constantly do this sort of thing. Perhaps we should engage farmers as consultants to Sydney Water. They could give practical examples of how to save water because they do it all the time in the bush. If such grey water is diverted in that way into a toilet cistern, households on an average will use 25 to 30 per cent less water each year. That is a huge saving.

Many such opportunities should be undertaken. This bill is one small step in the right direction. There will be many more steps before we overcome the incredible blunders that have been made because of the traditional, historical, cultural attitude that developed from the partnership between Sydney Water—that mammoth bureaucracy that is destroying so much of the environment—and the State Government. The Government has gone along with the process for so many years. I instance the stupid ocean outfalls and, now, its equally stupid desalination plant. We should be trying to decentralise the process and deal with these major issues by using clever initiatives to reuse water to supply irrigation to sporting fields and gardens throughout the city. Individual households should be supported for using clever recycling processes. The health department should be given some relevance by affording people an opportunity to recycle rather than require householders to pay huge sums to purchase valves to prevent water from shandying in with the reticulated system. Householders should be given actual opportunities to make significant steps to withstand drought, which is so much a part of the Australian climatic condition.

I know that there are sceptics in this House, but I suggest the impact on our environment of greenhouse emissions is only going to get worse in the near future. We can save tens of millions of litres of stormwater and wastewater by harvesting and by encouraging individual households, businesses and community groups to use systems that get away from the end-of-pipe engineering solution. I support this bill, as minuscule as it is in terms of providing a resolution to the issue. However, we Greens are used to appreciating the crumbs, wet as they are on this occasion. We would like to see the Government move forward and at least give the impression that it is doing what it can to ameliorate water shortages and water and stormwater misdirection in Sydney at the present time. By doing that I hope it will reach the stage, somewhere along the line, where it realises that a desalination plant is just not needed.

The Hon. Dr PETER WONG [9.04 p.m.]: I also have some reservations about this bill. However, I accept that the stormwater pipes in our city need to be fixed. A $25 fee per household is not too bad. At the end of the day the State Government is ultimately responsible for such infrastructure. I agree with the many members who have said that harvesting stormwater is much more preferable to a desalination plant for the State of New South Wales.

Reverend the Hon. FRED NILE [9.05 p.m.]: The Christian Democratic Party supports the Local Government Amendment (Stormwater) Bill, the object of which is to amend the Local Government Act 1993 to allow councils to levy an annual charge for stormwater management services. We recognise that this bill is part of an overall plan of the Government to deal with the serious problem of water shortage in Sydney, the need for

which has been exacerbated by the rapid weekly growth in the Sydney population. This bill and the announcement of a desalination plant are signs of desperation in the Government that suddenly it realises that something must be done other than introducing tighter water shortage restrictions in the Sydney metropolitan area. The Government is receiving a backlash from families and citizens of this city and suburbs who cannot understand why suddenly we are short of water.

Obviously there should have been forward planning and infrastructure development over the past 10 and 20 years, not just in the past week. There should have been new dams constructed and greater reuse of stormwater. This bill is just one small step in an attempt to solve the water shortage problems in our city. Other practical opportunities have been mentioned, for example, the use of water tanks, which were previously prohibited by Sydney Water. The Government should commence a massive program to encourage the installation of water tanks in every residence, and reduce or remove red tape that prohibits the installation of such tanks, as well as provide subsidies to meet the cost of installing water tanks.

I note that the Government has set in motion plans to expand the South Coast dam. I note also that it has been criticised for that. I believe the Government does not have much choice if it wishes to provide sufficient water for our growing population. Harvesting stormwater is another avenue of water supply. Not only is much of the stormwater wasted; it floods many homes and businesses throughout Sydney. Up to 5,000 houses and 1,500 businesses in Sydney can be flooded during a major storm, and flooding by urban stormwater in Sydney causes about $70 million damages annually. Many councils are affected by such damage, so it is in their interests that this $25 per residence levy is used carefully. Under the legislation councils are required to provide a separate report of revenue raised by the charge and the activities funded. In other words, there must be annual disclosure to all ratepayers of how much money has been raised through this levy and how it has been spent.

If the levy is spent positively on stormwater improvements and other benefits, I believe the community will accept it. I understand the Local Government and Shires Associations have stated that many councils believe their local communities are willing to pay a small stormwater charge, provided the value for their expenditure is demonstrated locally. Obviously if the council abuses this provision and money is wasted, ratepayers will have good reason to remove their local councillors at the next local government elections.

I am sure the councils will act responsibly in spending this levy. As we know, councils have a prime responsibility for stormwater management and drainage asset ownership in their local government areas. I note that many beachside councils, including in the Kiama area where I live, have gone to a great deal of trouble to maintain stormwater pipes and drains and to erect signs asking people not to allow rubbish to get into drains. Some have even painted pictures of fish on the kerbside at the drain site to remind people where the water is going and not to allow pollutants into the stormwater drainage system. I am sure councils such as Kiama and others on the coastal rim will use this levy responsibly. We support the bill.

[*Debate interrupted.*]

DISTINGUISHED VISITORS

The DEPUTY-PRESIDENT (The Hon. Amanda Fazio): I acknowledge the presence in the President's Gallery of Miss Shauna Jarrett, from the Law Society of New South Wales.

LOCAL GOVERNMENT AMENDMENT (STORMWATER) BILL

Second Reading

[*Debate resumed.*]

The Hon. HENRY TSANG (Parliamentary Secretary) [9.12 p.m.], in reply: I thank all honourable members for their contributions and I commend the bill to the House.

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

The House divided.

Ayes, 19

Ms Burnswoods	Ms Hale	Mr Tingle
Mr Catanzariti	Mr Hatzistergos	Mr Tsang
Mr Cohen	Mr Kelly	Dr Wong
Mr Costa	Reverend Dr Moyes	
Mr Donnelly	Reverend Nile	*Tellers,*
Ms Fazio	Ms Rhiannon	Mr Primrose
Ms Griffin	Ms Robertson	Mr West

Noes, 11

Dr Chesterfield-Evans	Miss Gardiner	Mr Pearce
Mr Clarke	Mr Lynn	*Tellers,*
Ms Cusack	Ms Parker	Mr Colless
Mrs Forsythe	Mrs Pavey	Mr Harwin

Pairs

Mr Della Bosca	Mr Gallacher
Mr Obeid	Mr Gay
Mr Roozendaal	Mr Ryan

Question resolved in the affirmative.

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 3 agreed to.

Ms SYLVIA HALE [9.20 p.m.]: I move:

No. 1 Page 3, schedule 1 [1], proposed section 496A. Insert after line 18:

(3) It is the intention of the Parliament of New South Wales that the State will pay to each council that makes and levies an annual charge for the provision of stormwater management services an amount equal to the amount raised by the levying of the annual charge.

The purpose of the amendment is perfectly clear. As has been pointed out frequently in debate, the aim of the bill is to shift costs onto local government to let the Government off the hook so that it can say, "It is no longer our responsibility to control and manage stormwater. It is now the responsibility of local governments." The bill does not require an overall co-ordinated approach by councils at a regional level. The Government is seeking to abrogate all its responsibilities in that regard. It can hardly cry poor and claim, "We do not have the money for the Stormwater Trust Fund to continue", when, magically, it is able to envisage expenditure of $2 billion on a desalination plant that has been condemned universally. If the State Government can find money for an extraordinarily short-sighted solution, it certainly can find money to match, dollar for dollar, money raised by councils through any levying of any annual charge.

I am disturbed that undertakings and assurances given earlier by the Government that the bill would not go into Committee this evening have not been kept. Once again this absolutely untrustworthy Government has broken its promise—on this occasion a mere administrative promise. The Government's behaviour is extraordinary, as is the contempt with which it treats so many members of this House. The Government's perfidy does not detract from the value of the amendment. It is one way to ensure that the Government does not shift the costs completely onto local government, but rather shoulders part of the burden. It seems apparent that the bill will pass, and at least the amendment will give the Opposition and members of the crossbench the opportunity to indicate to the Government that the cost of the levy should be shared between the State and local governments. I commend the Greens amendment to the Committee.

Reverend the Hon. Fred Nile: Point of order: I wonder whether the amendment is outside the leave of the bill and outside the jurisdiction of the Committee. We are told that some councils could raise up to $1 million in a year. If we multiply that amount by the number of councils in the State, the amount that the bill

could force the Government to spend—dollar for dollar—would be in region of $100 million. I do not believe the Committee has the legislative power to pass such an amendment.

Ms SYLVIA HALE: To the point of order: In phrasing this amendment we were cognisant of the fact that it could be interpreted as a money bill. Therefore it has been worded specifically merely to state the intention of the Parliament. It is my understanding that the wording of the amendment certainly places it within the leave of the bill.

The CHAIR: Order! The key to this point is the wording of the amendment, which commences, "It is the intention of the Parliament". Such wording makes the amendment in order. I do not uphold the point of order.

The Hon. HENRY TSANG (Parliamentary Secretary) [9.27 p.m.]: The effect of the proposed amendment is that the State Government will need to provide matching funds to councils for stormwater management. The likely cost to the Government will be in the order of $30 million to $80 million annually, depending on councils' adoption of the optional charge. Stormwater management has always been a local government responsibility. Since 1996 the State Government has allocated more than $100 million to stormwater management projects with the primary aim of supporting councils. These programs were intended primarily to be seeded programs for limited periods to build councils' abilities and to demonstrate innovative stormwater management practices. The funding arrangements proposed in the bill do not represent an increased burden on councils. They allow councils the option of raising revenue to spend on local stormwater problems with the community's support. Councils that can adequately fund their stormwater management responsibilities from their existing revenue will not need to raise the charge.

Applications are now open for round one of the Government's $120 million Water Savings Fund to save and recycle water in Sydney, the Blue Mountains and the Illawarra. Council stormwater harvesting projects that substitute harvested stormwater for drinking water uses are eligible for this grants scheme, which is administered by the Department of Energy, Utilities and Sustainability. Applications for these grants close on 31 October. Councils also will be able to apply for grants for stormwater projects from the Government Environmental Trust. The Government also will provide ongoing support for councils. Catchment management authorities will play an important co-ordination role in stormwater management where stormwater problems are of regional significance.

This will apply particularly to the Sydney Metropolitan Catchment Management Authority. The catchment management authorities will work closely with councils to ensure priority problems are addressed. The State Government has provided more funding to councils for stormwater management than has any other State government or the Federal Government. Councils also have access to the Government's Water Savings Fund. The Government has demonstrated a high level of support for councils' stormwater activities. The Government opposes the amendment.

The Hon. DON HARWIN [9.29 p.m.]: The kindest comment that could be made about the Greens amendment is that it is an aspirational amendment. As my colleague the Hon. Catherine Cusack said earlier, the amendment is likely to be ineffective in achieving what the Greens want. But on another view it could be said that this is a flawed bill which reflects the adoption of a flawed approach, and the Opposition holds that view. That is why the Opposition opposed the second reading of the bill and called for a division. It could also be said that whereas the bill imposes a new tax, the amendment will provide not only for a new tax but also another tax on top of that. The amendment provides for two new taxes. Ratepayers will pay one new tax to the councils, and the other equivalent tax will be paid indirectly by the taxpayers of New South Wales. Obviously, the Opposition opposes the amendment.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS [9.31 p.m.]: I support the amendment because the bill is an instrument for shifting costs from the State Government to local government. The amendment will mitigate the effect of the bill because at least the Government will be picking up half the tab. Given the inequity of having downstream councils having to shell out money to resolve an upstream problem, the least that the State Government can do is mitigate the impost by picking up half of the tax. Even at that rate, the Government's efforts would not be sufficient, but at least the effect of the amendment will be to halve the rate levied by councils in collecting the required funds to carry out similar work.

Mr IAN COHEN [9.31 p.m.]: I support the amendment moved by Ms Sylvia Hale. It is interesting to hear the amendment being described as an aspirational amendment because I remember when many projects throughout New South Wales were embarked upon based on dollar-for-dollar funding.

The Hon. Melinda Pavey: That was under the Greiner-Murray Government.

Mr IAN COHEN: The Hon. Melinda Pavey is correct. I was just about to say that, and I thank her. That happened under a Greiner Government. I point out that instead of regarding the levy as a tax upon a tax, this amendment could be seen as an appropriate focus upon an extremely important issue. If the amendment is agreed to it will give councils the opportunity to take decisive action on this very important issue. As a member of the Greens, I describe the amendment as an essential way of looking to the future and adequately dealing with situations rather than as aspirational. Insufficient funding is being provided for environmentally astute projects, and this project has the potential to be very successful.

Ms SYLVIA HALE [9.33 p.m.]: I note with interest the remarks made by the Hon. Don Harwin that this amendment provides for an additional tax. During the most recent State election the Greens went to the people with the slogan "Services, not tax cuts", which the Greens adhere to and support very strongly. If an organisation sets out to provide services for the community and to do something constructive, that will cost money. It is important for the issue of funding to be addressed because money does not come out of thin air.

The Hon. Catherine Cusack: Where does it come from?

Ms SYLVIA HALE: It comes from contributions made by people and businesses in the community. I believe that this State is facing a catastrophic position created by environmental pollution and degradation. As the Hon. Don Harwin indicated in his remarks, the problems that relate to stormwater need to be addressed now. They cannot be put off to some time in the future in the expectation that somehow we will be saved from our own folly. If we intend to address the problems seriously and do something about stormwater, that will require funding.

My objection to the bill is that in the first place the Government is not prepared to produce the required funding and in the second place local government is not in a position to raise adequate funds to address the problem properly. The purpose of the amendment is to suggest to local government authorities that a portion of the funds be raised at the local government level, but that that funding will at least be matched by the State Government. That will show that, as a community, we all recognise our obligation to take decisive action about this problem.

The Hon. Catherine Cusack: It is all about money.

Ms SYLVIA HALE: It is about money. The resolution of problems related to stormwater management is largely about money. Money can be thrown away, which will be the effect of the Government's desalination proposal, or a decent and co-ordinated scheme can be embarked upon. Whether the scheme is the one suggested by the Hon. Patricia Forsythe of subsidising rainwater tanks, the establishment of wetlands or investment in infrastructure such as water reticulation and grey water reuse, it will take money to make it a reality. The suggestion that this amendment provides for a new tax and is consequently unsupportable—justifying us in turning our backs to the need to resolve the problem of stormwater management—is socially and economically irresponsible.

Mr IAN COHEN [9.36 p.m.]: I wish to make one comment.

The Hon. Michael Costa: Here we go.

Mr IAN COHEN: Yes, here we go. I use the term "Costanomics" to describe how the Minister for Finance, Minister for Infrastructure, and Minister for the Hunter has been bleating in this Chamber about a miniscule attempt to redress an environmental imbalance while not batting an eyelid at the Government's plan to construct a $200 million desalination plant. Where will that money come from?

Question—That the amendment be agreed to—put.

The Committee divided.

Ayes, 4

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

Noes, 21

Mr Catanzariti	Mr Kelly	Mr Tsang
Mr Clarke	Mr Lynn	Mr West
Mr Colless	Reverend Dr Moyes	Dr Wong
Mr Costa	Reverend Nile	
Ms Cusack	Ms Parker	*Tellers,*
Mr Donnelly	Mrs Pavey	Mr Harwin
Mrs Forsythe	Ms Robertson	Mr Primrose
Ms Griffin	Mr Tingle	

Question resolved in the negative.

Amendment negatived.

Schedule agreed to.

Title agreed to.

Bill reported from Committee without amendment and passed through remaining stages.

CRIMES AMENDMENT (ROAD ACCIDENTS) (BRENDAN'S LAW) BILL

CIVIL LIABILITY AMENDMENT (OFFENDER DAMAGES TRUST FUND) BILL

Bills received.

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

Motion by the Hon. Henry Tsang 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 be set down as orders of the day for the next sitting day.

Bills read a first time and ordered to be printed.

ADJOURNMENT

The Hon. HENRY TSANG (Parliamentary Secretary) [9.48 p.m.]: I move:

That this House do now adjourn.

TRIBUTE TO JOHN BROGDEN, A FORMER LEADER OF THE OPPOSITION

The Hon. CATHERINE CUSACK [9.48 p.m.]: It is with a sense of sadness and appreciation that I farewell from Parliament my friend and Liberal colleague John Brogden. John was 27 years of age when elected to Parliament. He served as the member for Pittwater from 25 May 1996 to 28 September 2005. His career has wholly coincided with years of Opposition for the Liberal Party. However, John has shown that a great deal can be accomplished from Opposition. There is no doubt that he has left his party, this Parliament and this State stronger and better. During his early career he held the shadow portfolios of Youth Affairs, Urban Affairs and Planning, Sydney Water, Planning Reform and Environmental Protection.

On 22 March 2002, the day of his thirty-third birthday, John was elected Leader of the Opposition. He was hailed in the media as the candidate from central casting and he did not disappoint. I met John 20 years ago when I was Young Liberal State President. I well recall his membership referral form, which read, quite simply, "Seems very keen." I still have that pink form at home.

There are two types of people in life: those who are builders and those who tear things down. It is too easy to tear things down; it is far harder to be a builder. John Brogden was very much a builder, dedicated to being a contributor to public life. It began in earnest during his own term as Young Liberal State President when he fundraised for bookshelves to house the Robert Nestdale library, which was bequeathed to the movement

after Robert's untimely death. John also established the Nestdale Oration and an honour board for former presidents as a mark of his respect for our history and traditions. His deep feeling for the Liberal Party's history and achievements was a hallmark of his leadership, both in the organisation and in the parliamentary party.

John's loyalty to the Liberal Party was also in evidence during 2003 when the entire State campaign that year was overwhelmed by the national focus on the war in Iraq. The Prime Minister acknowledged the difficulty of the situation and expressed his personal gratitude to John and the New South Wales division for supporting him at that time of great national need.

John and his team were again thanked for their strong support given to Federal campaigns during the 2004 Federal election, where unity and strength of purpose in New South Wales again contributed to the strong result. It is easy to be loyal when the going is good and it is easy to be disciplined when nothing much is asked. John Brogden faced enormous tests on both fronts at an early stage of his leadership and he was not found wanting.

John is very warm and quick witted. In 1994, when my eldest child was born, he noted that I was the only New South Wales Young Liberal President ever to give birth. I believe that I still retain that title. As both my husband and I were former State presidents he advised me that our baby had already been enrolled as an honorary member of the Young Liberal movement.

There were clear parallels between the Greiner and Brogden opposition years. John's attention to detail, the policy substance and discipline, the ability to stick with an issue as exemplified by the Camden and Campbelltown hospital crises, the underfunding of the State's infrastructure, the Orange Grove fiasco and, for me, his support on the Kariong detention centre issue are just some of the important issues that John relentlessly dragged into the sunlight for public scrutiny. Yes, he was every inch a builder in a world where building is high risk, painstaking and thankless hard work. He set the agenda by appointing the first ever shadow Minister for mental health. Under his leadership a record number of women were appointed to the front bench.

The annual State of New South Wales report demonstrated a clear plan for public sector reform focused on meaningful outputs instead of cataloguing meaningless inputs. John Brogden especially relished his role in strengthening policy. As a result he was able to place serious pressure on the Carr Government, and he was strong and persuasive on the floor of Parliament. He rebuilt the confidence of the Liberal Party and built relationships across the community, including the North Coast, where he was genuinely popular and highly regarded.

The flipside of John's drive was that he disliked excuses for non-performance. He fully understood the seriousness of the political and economic stakes in New South Wales and the need for professionalism and focus. There can be no doubt that John reserved his harshest judgments for himself.

I want to thank John for his service. We are also indebted to Lucy, who was an active member of the team and a very decent, bright personality in her own right. John and Lucy renewed our mandate as Liberals, lifting our sights and our sense of purpose. We are very much the richer for their efforts. With John's departure there is a sense of loss in the party and the community. There is certainly a great sense of unfulfilled potential. However, that should not overshadow the achievements of his career, the high standards he set and his lasting legacy that has positively changed the public agenda in this State forever.

WESLEY MISSION HOMES FOR HOPE

Reverend the Hon. Dr GORDON MOYES [9.53 p.m.]: In June I had the wonderful opportunity to officially open two new houses built through a volunteer program known as the Homes for Hope program. It was the culmination of the efforts of a coalition of community-minded corporations which has made over $175,000 for disadvantaged children and young people in some of the poorest areas of Western Sydney. Their combined forces produced fantastic results. The project saw the building of two contemporary two-storey homes at Nelson's Ridge Estate at Greystanes by drawing upon the donated resources, skills and efforts of more than 60 businesses and corporations and some 40 volunteers.

I was joined by Channel Ten's Leah McLeod, the State member for Wentworthville, Pam Allan, and Parramatta rugby league players Mark Riddell and Ian Henderson to cut the ribbons in front of lots 91 and 92 Driftway Drive, Nelson's Ridge. It is a wonderful testimony to the volunteering spirit of those in Western Sydney who worked so faithfully for a project that would help to fund the development and growth of Wesley

Mission's suite of children's, youth and disability services in some of the most underprivileged Western Sydney suburbs. In particular, Wesley Mission Disability Respite Services stands to benefit as it provided pre-planned and emergency respite for both children and adults at Northmead and Minto Heights.

Wesley Dalmar Child and Family Care, a department that has been caring for children for over 107 years, is also benefiting from the funds that have been raised. This Homes for Hope project began with two blocks of land which were purchased at Nelson's Ridge, a new residential development by Delfin Lend Lease. Wincrest Homes then co-ordinated the building of two standalone two-storey homes over a period of nine months. They are the first of their kind to be constructed in the new residential development. Both houses are currently on the market. All honourable members would appreciate that it is encouraging to know that Sydney Water certified the new homes to be water efficient as well as incorporating drought-resistant landscaping, underground tanks and recycling processes.

Homes for Hope has now completed nine residential projects and has built a total of 21 family homes. Other communities have pitched in to build homes at Kellyville, the Central Coast, east Maitland, Warnervale, Brisbane, the Gold Coast and, most recently, Newcastle. Time and again Homes for Hope has shown itself to be a tangible and profitable community-based initiative that will only grow stronger in the future. It also reminds us as legislators that community building often works best from the grass roots up when citizens band together to support civic-minded or philanthropic projects as opposed to some of the bureaucratic and paternalistic top-down attempts that are often proposed by parliamentarians and public servants.

Radio station WS FM was kind enough to provide valuable on-air time to attract Sydney businesses into putting something back into their communities. It was a fabulously successful exercise because it engaged government, business and the community in producing good outcomes for all. Unfortunately, time does not permit me to commend all those who made a contribution and all those volunteers who worked on the sites. Suffice it to say that this Homes for Hope project could not have been possible without the assistance of WS FM 102.7, Wincrest Homes, Delfin Lend Lease and Boral Ltd. I anticipate that within the next 30 to 60 days we will have raised half a million dollars from this successful project. As this House is primarily concerned about creating positive outcomes in New South Wales communities, I commend the efforts of those local volunteers and the companies that made this initiative possible.

NEWBORN EMERGENCY TRANSPORT SERVICE

The Hon. KAYEE GRIFFIN [9.57 p.m.]: The New South Wales paediatric and newborn emergency transport service, or NETS as it is better known, is a statewide retrieval service that transports critically ill babies and children to the most suitable intensive care unit or emergency department. This service operates 24 hours a day, seven days a week moving sick babies and children not only from around the State but also from interstate. NETS is contacted when a patient is in need of more specialised care and this form of treatment is not available at the hospital in which the child is being treated. Only three hospitals in the State are able to treat the sickest children—two Children's Hospitals in Sydney and the John Hunter Hospital in Newcastle. Rather than move a sick patient, the NETS retrieval team is sent to retrieve the patient either by ambulance or helicopter.

The team, which usually comprises a specialist doctor and intensive care nurse, stabilise a patient in order for him or her to be safely transported to a hospital that has the specialist facilities to treat the child or baby. Overall the NETS team has 12 doctors, one clinical post-graduate fellow and 25 nurses who work around the clock on a rotating basis providing this special service to our sick children. Doctors working at NETS undertake a two-day orientation before they take part in the retrieval of a patient. For the first few retrievals they attend, a NETS consultant or clinical fellow accompanies them. It is estimated that within a three-month term a doctor can attend around 45 medical retrievals. Nurses working for NETS undergo a six-week training course. During this time they are buddied with fully qualified NETS nurses.

NETS teams are on standby at their base in Westmead. Once a team is called out to an emergency, a back-up team then goes on standby in case of another emergency. Ambulance officers working for NETS are seconded from the New South Wales Ambulance Service. These officers are always on standby at the base in case of an emergency and the pilots who fly the helicopters come from Child Flight. Child Flight was established in 1989 and is the only medical retrieval helicopter service in the world dedicated to babies and children. In 2005 it is still the only helicopter service in Australia that is dedicated solely to the retrieval of children and babies.

Apart from providing this retrieval service, NETS also offers telephone advice to clinics and doctors dealing with sick babies and children, and assesses the need for patients to be transferred to another better-

equipped facility. It also initiates and co-ordinates clinical conference calls between referring doctors and other qualified staff. As well as sending medical transport teams to hospitals, it assists in educating the referring hospitals or clinics with the aim of improving prevention, treatment and recognition of acute emergencies. NETS transports 2,000 children and babies every year. This year is the twenty-fifth year that NETS has been transporting critically ill babies and children.

I recently read an article in the *Illawarra Mercury* of Tuesday 11 October about how NETS had saved the life of a baby. As soon as the tiny baby was born doctors knew that he was in serious trouble. NETS was contacted immediately and the baby was stabilised and then transported to the Children's Hospital at Westmead for more specialised care. It was pleasing to read that the baby made a full recovery after several days in intensive care. Without specialised care this happy story could have turned out very differently for this young baby and his family. This story is just one example of how NETS gives babies and children the mobile treatment and technology that could mean the difference between life and death.

Whilst the State Government provides funding to cover staffing and administrative costs, much of the lifesaving equipment is acquired through the community by way of donations and fundraising. Just one mobile intensive care unit costs more than $150,000, which means that a lot of fundraising is needed to provide ongoing support to NETS. NETS is always looking for extra funds, and most importantly promotion and awareness. I am sure that there are members of the public, and indeed members of the House, who are not fully aware of the functions and achievements of this wonderful organisation. Like many others, the mother of the baby in this news article had never even heard of NETS until her baby desperately needed its help. Now she is telling people her story and how the NETS team saved her now bright and happy baby. The work undertaken by the NETS team is vital and their dedication and hard work is to be commended.

HUNTER RAIL INFRASTRUCTURE

The Hon. ROBYN PARKER [10.01 p.m.]: On Sunday 2 October I joined about 500 people on the Newcastle foreshore to celebrate the 150th anniversary of rail in New South Wales. There were celebrations across the State involving the re-enactment of first journeys and locomotive travel. However, the anniversary had greater significance in Newcastle because it was celebrated at a time when the end of rail in the Newcastle central business district is imminent. That plan, devised first by Minister Costa, has been reinforced by Minister Watkins.

I took my family to the Newcastle foreshore from Thornton railway station in Maitland. As we approached Newcastle station I wondered why we did not catch the train more often. My children, like many young people in Maitland, catch the train to the beach or to the Newcastle shops. The rail services are very accessible and easy to use. I tend to jump in the car—I guess people in regions are not used to catching trains in the way that people in Sydney are. Rail transport is not promoted. However, my question was soon answered on our return journey. We waited on the station for a train that was due to depart at 2.35 p.m. but we were still sitting on the platform at 2.50 p.m., together with many other families with tired, scratchy children who had spent the day at the beach. When we finally boarded the train it was filthy. Do not forget that we do not even have electrified trains on this line. That is another example of the State's poor public transport record. It is not just Sydney residents who suffer late trains. Newcastle residents endure late trains, inefficient services and poor safety, and there have been accidents on railway lines up and down the Hunter.

On 15 December 2004 the State Government announced that rail services to Newcastle would cease and be replaced by a $44 million transport interchange at Broadmeadow. In a press release the former Minister for Transport announced the first stage of the New South Wales Government's response to the Lower Hunter Transport Working Group's recommendations. This response included the development of a master plan with Newcastle City Council and the Department of Infrastructure and Planning; giving in-principle approval for a fully accessible transport interchange at Broadmeadow, with funding "subject to normal State Government budgetary processes"—those processes and the budget deficit are a whole other story—and developing detailed plans, designs, funding and costing options for infrastructure and corridor improvements for consideration and final approval.

These recommendations were informed by two independent reports, one of which was the report from the Lower Hunter Transport Working Group, which should be noted comprised members of the HoneySuckle Development Corporation that develops parts of the Newcastle foreshore. On 1 June this year the new Minister for Transport, Mr Watkins, was quoted in the *Sydney Morning Herald* as saying that the Government is working on a "comprehensive public transport plan for the Lower Hunter". My question is: Where are these transport

plans, development master plans, budget allocations, detailed plans and designs, and final approval? What exactly is the Government doing?

During budget estimates hearings last month this question was asked of the Minister for Transport, who said that he had told the Newcastle community that there would be a comprehensive plan. He said that work was ongoing and that an announcement would be made in the last quarter of the year. He confirmed that, until then, the trains will run in Newcastle until alternatives are put in place. It is now October—the last quarter of the year—so where is the "comprehensive integrated public transport plan"? Newcastle groups such as Save Our Rail and others are going into flat spins trying to work out how to save the trains in the city. Members from the left-wing faction of the Labor Party who represent electorates in the Newcastle area claim that they oppose the decision to halt rail services. But they do not state their opposition loudly; they simply say that they oppose cutting the services. They do not seem able to persuade the Minister for Transport—their left-wing colleague—to devise a better alternative. Newcastle does not have good public transport but why is the Government ripping up the railway line when it has no alternative plan? We want to see such a plan from the Minister. We want to hear loud protests from Labor members. [*Time expired*.]

CHINA VISION INCORPORATED

The Hon. Dr PETER WONG [10.06 p.m.]: Dr Michael Chung and his wife, Mrs Eliza Chung, recently donated an eye surgery bus to China Vision Incorporated to perform cataract surgery in the Guangdong Province of China. The bus has been converted into a fully operational day surgery unit. The bus is airconditioned and has separate water inlets and outlets. It also has a complete and modern operating theatre equipped with a phaecoemulsifing machine, an operating microscope and other medical equipment. The donation of this bus marks the further expansion of China Vision. I was the founding chair of China Vision in 1996 so I am glad to see this phase of the project realised. The bus will enable China Vision to expand its operations to remote areas and treat people who would otherwise have no chance of regaining their eyesight. China Vision is a non-profit voluntary organisation. Since 1996 it has undertaken six trips to China and visited many cities.

A cataract is a condition that clouds the natural lens of the eye and is the leading cause of blindness worldwide. The problem is quite simple to fix and vision can be restored to a level that might not have been thought possible. This is the result of extraordinary technological and surgical advancements that are usually performed using a microincisional procedure. It is one of the most commonly performed procedures today. China Vision remains indebted to many volunteer doctors and other medical staff who have selflessly sacrificed their time and effort. We are also indebted to the many volunteer staff who spent many months preparing for each trip. In this regard, I note particularly the efforts of Pinkie Leung, Cherrie Kam, Bill Huang, Kak Tai, George Zeng and Raymond Tam. This project is the first joint venture of its kind between Australia and the Guangdong Provincial Government, and I thank the Managing Director, Mr Lui, and his staff from the Guangdong Overseas Chinese Affairs Office for making it possible. With the support of that office, we have been able to establish a working partnership with Jinan University and the Guang Zhou Medical College, through which China Vision will be able to provide technical support, advice and training for local medical staff.

The provision of this training and technical support will enable China Vision to provide free—or at an extremely low cost—cataract surgery for more than 1,000 patients per year, for an initial period of years. Cataract surgery currently costs between 4,000 to 5,000 RMB, a sum that remains beyond the affordability of many within China. The gift of giving sight back to a person is immeasurable. I take this opportunity to thank Dr Alvin Goh, a dedicated Christian and our chief ophthalmologist for the past five visits. I thank Dr Michael Tjeuw, our anaesthetist. Last, but not least, I thank our dedicated theatre nurse, Ms Ping Wang. Without such dedicated volunteers, who have devoted so much of their time and schedule, this important and charitable work by China Vision would not have taken place.

FEDERAL GOVERNMENT INDUSTRIAL RELATIONS POLICY

The Hon. PETER PRIMROSE [10.10 p.m.]: During the next few months Prime Minister John Howard plans to implement his hostile takeover of the industrial relations system, a takeover that he failed to put before the people at the last Federal election. It is a takeover that he has no mandate to carry out. Mr Howard plans to use his muscle to introduce a new American-style industrial relations system for Australia that strips away the most basic of worker's rights, driving down wages and conditions for ordinary working people. Despite the dulcet tones of the Prime Minister's taxpayer-funded advertising campaign, and his moral rectitude

about family values, Australian working people are not stupid and the latest Newspoll clearly shows that they do not trust John Howard on the important issue of industrial relations.

The first major industrial relations attack was passed into law last month by the Government's new Senate majority. The Building and Construction Industry Improvement Act applies to any worker in the construction industry; including off-site preparation work, fabrication, installation and repair work, as well as on-site construction work. The new Australian Building and Construction Commission has the power to fine and gaol unions and individual workers, and denies workers even the most basic right: the right to silence. However, one thing this new bevy of anti worker legislation does not address is another very basic right: worker safety. And if ever there was a right that should be legislated and cast in stone it is the right of every worker to go to work and then go home again to their family intact. Recent serious injuries and deaths in the construction industry demonstrate that occupational health and safety still does not rate as a high priority for some employers.

Last month a young sheet metal work apprentice, Cameron Ayliffe, went to work on a major construction site in Newcastle. Before he had even had his morning smoko he was crushed when part of the construction work collapsed on him. It was only after his workmates took matters into their own hands that he was taken to hospital, where he was admitted with horrific injuries and in a critical condition. That young man owes his life not to John Howard's so-called workplace reforms but to his workmates. The union on site—the Australian Manufacturing Workers Union [AMWU]—has been helping to care for this young man and his family. The Construction Forestry Mining and Energy Union [CFMEU] has also been involved in helping workers on the site. Yet those are also two of the unions that have been specifically targeted by the Federal Government's new construction watchdog for special roughing-up.

Another recent example of the failures of the Howard Government in tackling the dangers faced by workers in the construction industry is at the Caltex Oil Refinery. For the past four years workers involved in shutdown work and upgrading construction work at Caltex have been exposed to gas leaks. The gas is hydrogen sulphide, a poison used during the refining process. Make no mistake: this is not a substance to be ignored. Hydrogen sulphide is a gas that affects the central nervous system. With sufficient exposure it is lethal. Even in smaller doses it causes nausea, severe headaches and unconsciousness, among other problems. Workers who were exposed to this gas at the Caltex site in 2002 were hospitalised for more than a week, and some have not been able to return to work yet as a result of their exposure.

In the past two weeks this sinister problem has again occurred. More than 20 members of the Australian Manufacturing Workers Union have been taken by ambulance to local hospitals suffering from the effects of exposure to hydrogen sulphide. More than 400 workers have been forced to evacuate the site, yet management has not been able to identify either the cause or the source of the leak. While John Howard is out of control attacking workers and unions such as the AMWU and the CFMEU he has shown no zeal for regulating the industry and removing rogue employers who put the safety of their workers a very poor second to their own bottom line. Workplace safety is the most basic worker's right. If John Howard were serious about workplace reform and family values he would start by making sure that mothers and fathers, husbands and wives, go home from work to their family at night safe and in one piece. Every worker in Australia knows the truth about John Howard—his agenda is driven by ideology, not real concern for Australian families.

SMALL SCHOOLS STAFFING FORMULA

Ms LEE RHIANNON [10.15 p.m.]: The Greens support the maintenance and development of small schools, regarding them as a fundamental aspect of public education in cities and in rural areas of New South Wales. Many children and parents prefer the personal nature of a small school environment, with the often enhanced teacher-student relationship allowing for a decline in dropout rates and discipline problems. Small schools are often the centre of rural and isolated communities and can be intrinsic to the maintenance of these areas. A cycle of disadvantage and dislocation exists in many rural and isolated areas and education is one way to help break that cycle as schools have a role in reproducing equity in and deconstructing divisions in societies.

The Greens support the New South Wales Teachers Federation Small Schools Committee's call for the Government to honour its promise to review the school staffing formula. The promotion of increased executive release for teaching principals, additional school administrative support staff and extra teaching resources and support materials are also high on the Greens agenda, in line with that of the Small Schools

Committee. The current inflexibility of the staffing formula for P5 schools with enrolments from 26 to 159 children and P6 schools with enrolments of up to 25 children results in unnecessary hardship for small schools. A school receives its second teacher with the enrolment of its twenty-sixth student, and its third with the enrolment of its fifty-fifth student. The rigid cut-off system and enrolment fluctuations are cause for serious concern. The loss of one child can mean the loss of a teacher, with the resulting loss of morale for the small school in question together with a drop in enrolments due to a fear of decreased learning opportunities for students.

Classes in small schools are mostly composite classes, with children of multiple ages at multiple stages, requiring greater needs and demands which smaller classes are more able to deal with. Small schools in the New England region, such as Croppa Creek and Black Mountain, have found the unpopular staffing formula of particular concern in recent years. New South Wales has more than 500 small schools throughout the State that need attention. Constant campaigning for the improvement in the amount of executive release, since its release in 1992, has resulted in minimal improvements for small schools. Principals are unable to use their relief time as the daily rate allocated for executive release by the Department of Education and Training is frequently lower than the cost of casual relief staff for most small schools.

Additional executive release time is required given that teaching principals not only have the full responsibility and workload of a principal; they have these roles as a teacher too. School administrative support staff in small schools perform almost as many duties as their counterparts in large schools, yet ancillary staff in small schools are in short supply. While schools with more than 51 students have at least one full-time administrative support worker, schools with between 26 and 50 students are allocated two days a week for ancillary staff. That is clearly another area where there needs to be increased staff to support their important work. [*Time expired.*]

Motion agreed to.

The House adjourned at 10.18 p.m. until Thursday 13 October 2005 at 11.00 a.m.