

LEGISLATIVE COUNCIL

Tuesday 11 November 2008

The President (The Hon. Peter Thomas Primrose) took the chair at 2.30 p.m.

The President offered the Prayers.

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

ASSENT TO BILLS

Assent to the following bills reported:

Children and Young Persons (Care and Protection) Amendment (Body Piercing and Tattooing) Bill 2008
 Mental Health Legislation Amendment (Forensic Provisions) Bill 2008
 Vexatious Proceedings Bill 2008
 Crimes (Sentencing Procedure) Amendment (Victim Impact Statements) Bill 2008
 Road Transport (Driver Licensing) Amendment (Demerit Points System) Bill 2008
 Tow Truck Industry Amendment Bill 2008
 Civil Liability Legislation Amendment Bill 2008

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

The PRESIDENT: I report the receipt of the following message from His Excellency the Lieutenant-Governor:

J. J. Spigelman
 LIEUTENANT-GOVERNOR

Office of the Governor
 Sydney 2000

The Honourable James Jacob Spigelman, Chief Justice of New South Wales, Lieutenant-Governor of the State of New South Wales, has the honour to inform the Legislative Council that, consequent on the Governor of New South Wales, Professor Marie Bashir, having assumed the administration of the Government of the Commonwealth of Australia, he has this day assumed the administration of the Government of the State.

5 November 2008

CHILDREN (CRIMINAL PROCEEDINGS) AMENDMENT (YOUTH CONDUCT ORDERS) BILL 2008

Message received from the Legislative Assembly returning the bill without amendment.

MINISTRY

The Hon. TONY KELLY: I inform the House that, following the standing aside on 4 November 2008 of the Hon. Tony Stewart, MP, from ministerial duties, Her Excellency the Governor, with the advice of the Executive Council, has authorised the following Ministers to act for and on behalf of Minister Stewart in the following portfolios: the Hon. Ian Macdonald, MLC, to act as Minister for Small Business; and the Hon. Jodi McKay, MP, to act as Minister for Science and Medical Research, and Minister Assisting the Minister for Health (Cancer).

CHILD DEATH REVIEW TEAM

Report

The President announced the receipt, pursuant to the Commission for Children and Young People Act 1998, of the annual report for the year ended 31 December 2007, received out of session and authorised to be made public on 31 October 2008.

Ordered to be printed on motion by the Hon. Tony Kelly.

OFFICE FOR CHILDREN**Reports**

The President tabled a document incorporating the following annual reports:

- (1) Report of the Office for Children for the year ended 30 June 2008, according to the Annual Reports (Departments) Act 1985;
- (2) Report of the New South Wales Commission for Children and Young People for the year ended 30 June 2008, according to the Commission for Children and Young People Act 1998; and
- (3) Report of the Children's Guardian for the year ended 30 June 2008, according to the Children and Young Persons (Care and Protection) Act 1998.

The President announced, pursuant to the Act, that it had been authorised that the report be made public on 31 October 2008.

Ordered to be printed on motion by the Hon. Tony Kelly.

TABLING OF PAPERS

The Hon. Eric Roozendaal tabled the following papers:

- (1) Annual Reports (Departments) Act 1985—Report of the New South Wales Crime Commission for the year ended 30 June 2008.
- (2) Legal Profession Act 2004—Report of the Legal Profession Admission Board for year ended 30 June 2008.

Ordered to be printed on motion by the Hon. Eric Roozendaal.

MINI-BUDGET AND RELATED PAPERS**Financial Year 2008-09**

The Hon. Eric Roozendaal tabled a copy of the Treasurer's speech on the Mini-Budget delivered this day in the Legislative Assembly and a document entitled "Mini-Budget 2008-2009".

Ordered to be printed on motion by the Hon. Eric Roozendaal.

AUDITOR-GENERAL'S REPORT

The Clerk announced the receipt, pursuant to the Public Finance and Audit Act 1983, of the following reports of the Auditor-General:

- (1) Financial Audits Report, Volume Three 2008, dated October 2008, received out of session and authorised to be printed on 31 October 2008.
- (2) Financial Audits Report, Volume Four 2008, dated November 2008, received out of session and authorised to be printed on 5 November 2008.

Ordered to be printed on motion by the Hon. Tony Kelly.

LEGISLATION REVIEW COMMITTEE**Report**

The Clerk announced the receipt, pursuant to the Legislation Review Act 1987, of the report entitled "Legislation Review Digest No. 13 of 2008", dated 10 November 2008, received out of session and authorised to be printed on 10 November 2008.

BUSINESS OF THE HOUSE**Postponement of Business**

Government Business Orders of the Day Nos 1 to 4 postponed on motion by the Hon. Tony Kelly.

LEGISLATION REVIEW COMMITTEE**Membership**

The PRESIDENT: I inform the House that, following the resignation of the Hon. Roy Smith, the Clerk, pursuant to Standing Order 210, invited nominations for membership to the Legislation Review Committee. As the only nomination received was from Ms Sylvia Hale, Ms Sylvia Hale has been appointed a member of the Legislation Review Committee.

Message forwarded to the Legislative Assembly advising it of the appointment.

PRIVILEGES COMMITTEE**Report: Citizen's right of Reply (Mr M. Tebbutt)****Motion by the Hon. Kayee Griffin agreed to:**

That the House adopt Report No. 46 of the Privileges Committee, entitled "Citizen's Right of Reply (Mr M. Tebbutt)", dated October 2008.

Pursuant to standing orders the response of Mr M. Tebbutt was incorporated.

Reply to the answer given by the Minister for Lands, the Hon Tony Kelly MLC, to Question Number 1842 submitted by Ms Sylvia Hale MLC in the Legislative Council on 3 June 2008

I submit that I have been adversely affected:

- (a) in reputation,
- (b) in respect of dealings or associations with others

by an answer to Question No. 1842 (7) directed to the Honourable Tony Kelly MLC, Minister for Lands on 3 June 2008, and answered on 8 July 2008.

Question: "If the Tebbutt's application to purchase the freehold title to their property was the only one authorised in the three months immediately prior to commencement of the 3 percent regulation between March and July 2004 how could a refund 'set a precedent'?"

Answer: "The processing of Mr Tebbutt's application concluded on 28 August 2002, when agreement was reached to the purchase price."

The processing of the application actually concluded on 27 July 2004, nearly two years later.

By providing and allowing this incorrect statement to stand I believe that my reputation and truthfulness is adversely affected, and in particular in relation to my continuing dealings and associations with other members of Parliament over this unresolved matter.

PORTS AND MARITIME ADMINISTRATION AMENDMENT (PORT COMPETITION AND CO-ORDINATION) BILL 2008

Second Reading

The Hon. PENNY SHARPE (Parliamentary Secretary) [2.45 p.m.], on behalf of the Hon. Eric Roozendaal: I move:

That this bill be now read a second time.

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

Leave granted.

As trade continues to grow, substantial pressure is being placed on New South Wales ports and the supply chains servicing them.

The 2003 New South Wales Ports Growth Plan outlined the strategy for increasing port and trade capacity in New South Wales.

Projects under the Ports Growth plan include:

- A new container terminal at Port Botany bringing port capacity to 3.2m TEU per annum;
- New container and coal terminals at Newcastle; and
- Relocating the car import trade to Port Kembla with three times the storage capacity.

However, increasing port capacity is only one part of the solution. Just as important is enhancing the efficiency of port operations and the supply chains that transport goods to and from the ports.

This is why the Rees Government is undertaking major port reforms to improve efficiency at the ports and along their port supply chains.

These reforms are essential to ensure the continued growth of trade and the New South Wales economy.

In developing the reforms embodied in this bill, the Government has been guided by two major public reviews recently conducted into the regulation and operation of New South Wales ports.

CIRA Review

A review of Port Competition and Regulation in New South Wales was conducted by Pricewaterhouse Coopers on behalf of the New South Wales Government.

This review was conducted to fulfil a commitment under the COAG Competition and Infrastructure Reform Agreement (CIRA).

The CIRA review made a number of recommendations in relation to improving port services, price oversight and lease and access arrangements.

For example, this review recommended that:

- port corporations should work with stakeholders to identify capacity constraints and facilitate the improvement of landside infrastructure;
- port charges should balance cost recovery and facilitate trade; and
- long term lease conditions should be subject to greater transparency and reviewed to ensure they reflect current Government policy.

IPART Review

The need for reform was also shown by the recent review of Port Botany's links with inland transport conducted by the Independent Pricing and Regulatory Review Tribunal (IPART).

This Review highlighted the need to reform the landside interface at Port Botany and for Sydney Ports Corporation to lead and facilitate the reform.

Key themes arising from IPART's review included the need for:

- greater transparency in performance reporting and access arrangements;
- performance standards and systems to drive improvements; and
- measures to drive 24 hour/7 days operation at the port to reduce peak hour congestion.

Port reforms

In response to these reviews and the changing commercial environment confronting our ports, the port reforms in this bill seek to:

- ensure port corporations' decisions balance commercial and policy objectives;
- enhance the role of the port corporations in facilitating improvements in the port related supply chain; and
- provide regulatory powers for government to act should voluntary industry action fail to improve the efficiency of the port logistics systems.

Port Corporation Objectives and Functions

Port corporations current objectives require them to operate as a successful commercial enterprise, promote trade, manage port facilities and ensure port safety functions are carried out.

Recent reviews have clearly shown these objectives need to be updated to better reflect the role of a modern port in a global commercial environment.

Modern port corporations need to foster competition and act as an independent facilitator to reduce congestion and inefficiencies along the supply chain.

This includes a leadership role in facilitating improvements in the supply chains that transport goods to and from the port.

New South Wales port corporations are in a unique position to take on this role, however their current statutory functions and objectives do not support this.

New Objectives

This bill amends the statutory objectives of the port corporations to support their standing as powerhouses of the New South Wales economy in the 21st century.

Port Corporations will be provided with additional objectives to:

- promote and facilitate a competitive commercial environment in port operations; and
- to improve productivity and efficiency of the port-related supply chain.

These objectives will have equal status with the existing statutory objectives so that no one objective is more important than another.

Leasing Reforms

The CIRA review found current stevedore leases maximise rents but fail to encourage competitive commercial behaviour.

The new objectives will allow port corporations to look beyond simple rental returns and landlord style lease structures.

The new objectives will provide the ability, and the responsibility, for the board to give equal consideration to the impact of the lease on investment and efficiency.

The bill makes provisions to enable the Minister to provide direction to a port corporation if tension arises between the new policy objectives and the existing commercial objectives in making a decision.

This will allow transparent management of potential tensions between public policy and commercial considerations.

Directions could be made at the request of the port corporations or on the Minister's initiative.

In the case of major leases, for example, the Minister will be able to direct the port corporations to adopt certain leasing practices to foster competition, investment and productivity.

This could include directions for Port Corporations to include in leases:

- shorter terms of duration;
- productivity and performance targets;
- enforceable capital expenditure schedules;
- incentives and penalties for meeting targets; and
- end of term handover provisions.

The bill provides a system of reviews, checks and balances in relation to issuing a Ministerial direction.

The port corporations' shareholders must be informed of any Ministerial directions and the Treasurer's approval must be received for any direction affecting a port corporation's approved financial outcomes.

The direction giving power will not extend to directions to rail agencies, authorities or operators beyond their interface with supply chain facilities.

New Principle Function

No port works in isolation. Each port is connected to producers and consumers through complicated supply chains that include many port users and service providers.

For example, the port-related supply chain at Port Botany is comprised of:

- Two (soon to be three) stevedoring terminals;
- Over two hundred different road carriers;
- Four rail operators;
- Two rail track owners;
- Six metropolitan intermodal terminals; and
- Thousands of warehouses, importers and exporters.

The Hunter Valley Coal supply chain which transports coal from the mines to the Port of Newcastle is just as complicated with:

- 16 coal producers;
- over 20 load points or 'coal intermodals'
- 2 rail track owners;
- 2 train operators with 26 trains;
- 5 dump stations; and
- 2 coal terminals supplying approximately 1, 000 vessels per year.

Port Kembla is already Australia's leading steel export port and the second largest for grain.

The recent dismantling of the single desk for wheat grain exports will increase the complexity of the supply chain by increasing the number of New South Wales exporters involved.

As car imports are transferred to Port Kembla from Sydney in late 2008, the complexity of the supply chain which serves the Port will continue to grow.

This bill directly addresses the management of the complex supply chains servicing our ports.

It provides a clear and comprehensive definition of the port related supply chain to include cargo transport, handling and storage operations (and coordination of those operations) In connection with a port.

Supply chain facilities are defined as providing storage, handling and distribution of cargo in connection with a port.

These are vital links where bulk goods, containerised commodities, or empty containers are staged, stored temporarily and/or transferred. This can also include moving from one mode of transport to another.

Port corporations will be provided with a new statutory function to facilitate and co-ordinate improvements in the efficiency of the port-related supply chain.

This will enable industry to lead the required efficiency improvements with the ports providing coordination, support and independent facilitation where it is needed.

The ports' broadened functions will enable them to provide firm and impartial oversight of initiatives to enhance competition and meet performance standards.

For example, Port Corporations may work with industry to encourage stevedores to look beyond crane rates and shipside performance to deliver a fast and consistent turn-around of trains and trucks.

The Government understands that each port user and supply chain service provider will have different objectives and often competing commercial priorities.

Rather than having a coordinated approach to moving goods along the whole port supply chain at times we end up with a detuned supply chain optimised for individual links but performing well below par as a whole.

With their new principle function to facilitate and coordinate supply chain improvements, Port Corporations will be in a position to help resolve issues arising from commercial tension between operators to help achieve outcomes to benefit the entire supply chain.

These changes are expected to help to reduce costs and to improve the reliability of cargo movements between warehouses and the port.

This will make export businesses more competitive and imported goods cheaper, giving extra benefits to New South Wales producers and consumers.

Regulation Making Powers

Should voluntary action and facilitation prove insufficient to improve supply chain performance, this bill will provide powers to initiate regulatory actions to boost supply chain performance.

These powers will be used if voluntary industry initiatives are shown as ineffective in improving port productivity and efficiency.

This approach is consistent with the recommendations of the IPART report. IPART recommended for improvements to be led by industry, with Government stepping in only if industry efforts failed to deliver the desired results.

As recommended by IPART, Sydney Ports Corporation will take a lead role in facilitating and coordinating the industry-led response in the first phase of implementation.

Should industry initiatives fall short of improving transparency and performance the Government will progress to Phase 2 and may step in and mandate measures to deliver the required improvements.

The bill provides for the making of regulations to support this including the power to: require provision of information to

- monitor performance and investment in port facilities and the supply chain;
- set mandatory standards for the operation or provision of supply chain facilities and services;
- require supply chain facilities and providers to keep records and provide information for monitoring compliance with mandatory standards;
- provide independent audits and inspections to ensure compliance with mandatory standards; provide penalties for non-compliance with mandatory standards with incentives for meeting standards; and
- determine charges and the mechanism to set charges for supply chain facilities and services.

This will provide for new standards to be introduced relating to access, performance, and transparency along with the incentives and disciplines to enforce compliance.

In the event of industry initiatives failing to achieve improvements at Port Botany this would enable the Government to act to improve performance.

Access Standards

This would allow, for example, the Government to set standards for allocation such as the minimum number of truck slots available to access Port Botany.

Standards could also be applied for the terms of access to require trucks to have an e-tag or transponder in order to use their slot booking.

On rail this could be a requirement to have a contract for a rail path in order to access the terminal at the port.

Charges

Also in regards to access, the bill provides the power to put in place fixed charges or auction mechanisms for the allocation and pricing of charges along the supply chain.

This would support either the off peak incentive scheme endorsed in the Government's response to the IPART Report or the IPART Reports recommendation for a 'Dutch auction' system for pricing access to the stevedore terminals.

Performance Standards

Mandatory standards for performance would allow the setting of standards for maximum truck turnaround times, and for the punctual arrival of trucks for their slots.

The IPART Report proposed a system of matched penalties and compensation for non-compliance with these performance standards where the party which failed to meet the standard compensates the other party.

This would see payments from stevedores to truck operators for failing to meet a truck-turnaround standard or a payment from the truck operator to the stevedore for being late to a booking time.

These types of penalties are expected to deliver significant alignment between the actions of supply chain participants and the economic consequences.

Auditing and Transparency

Regulatory powers will exist to require supply chain participants to record and provide information sufficient to check compliance with these standards and allow for enforcement.

Information regarding port and supply chain performance may be published to provide greater transparency. This will introduce public accountability which will provide a noneconomic incentive to improve performance and comply with any new standards or requirements.

The bill also provides for audit powers to verify the accuracy and completeness of this information.

Regulatory Safeguards

To ensure regulations are appropriate in their scope and application the bill does not allow regulations to be made with respect to the operation of any railway outside a port or supply chain facility or on the sea-side interface of the stevedore terminals.

The Treasurer will also be consulted in relation to the scope of specific regulatory proposals.

All proposed regulatory action will of course be subject to impact assessment and consultation to ensure Government's actions are required, reasonable and proportionate to the issue.

Action to improve supply chain performance is needed now.

The proposed regulation making powers will ensure the Government can step in quickly if industry can't deliver the improvements we need by ramping up their voluntary efforts.

Conclusion

It is clear that the forecast strong growth in trade through all New South Wales Ports will require renewed efforts and innovative arrangements to improve the efficiency of our ports and their associated supply chains.

The costs of the proposed reforms are minimal and will deliver long term benefits of all participants on the port supply chain and the New South Wales economy as a whole.

The initiatives in this bill will provide a platform for promoting a competitive environment in port operations and for ensuring efficiency and productivity gains along the port supply chain.

This is necessary to ensure the growth of New South Wales is supported by a competitive port environment and efficient port supply chains.

I commend this bill to the House.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [2.45 p.m.]: The Opposition does not oppose this bill. However, we are concerned about some of its provisions. The Opposition had no problems with the Minister introducing the bill, which he foreshadowed in media releases and in discussions with the industries involved. His stated views in that regard were laudatory.

The Hon. John Della Bosca: Statesmanlike.

The Hon. DUNCAN GAY: The Minister suggests that the Hon. Joe Tripodi was statesmanlike. Many in this State would find that hard to swallow.

The Hon. John Della Bosca: I was referring to your support for the bill.

The Hon. DUNCAN GAY: I thank the Minister for that, but he might yet wish to retract the compliment. But before I say something that might cause him to want to do that, I indicate we certainly supported the initiative of the Minister to invite the Independent Pricing and Regulatory Tribunal [IPART] to inquire into and report back on New South Wales ports. The Minister has said that he accepts all the recommendations of the Independent Pricing and Regulatory Tribunal with the exception of its Dutch option, a proposal that no-one but he favoured. I was greatly surprised that such a comprehensive and good report contained a recommendation that was regarded by the industry as unworkable. To the Minister's credit, to this day he says that in his view the Dutch option was the way to go but that he accepts the view of the players in the port industry.

We have to be careful not to treat the bill as the panacea for the problems at Port Botany. The bill is not just about the problems confronting industry on a day-to-day basis at Port Botany; its provisions apply to each port in New South Wales. It is not a discrete bill for Port Botany. Having said that, I caution members about the potential ramifications of the bill. For example, it gives the Minister immense powers, and I suspect many in New South Wales would not be surprised that Joe Tripodi would accept those. Some people in the industry claim that for a long time the Ports Corporation has not properly managed our ports—and with regard to Port Botany they are probably right.

Some suggest that as it was his initiative, he should be given the powers. I and many in the community—some with whom I have not spoken directly—have grave concerns about that. I note also that economic reporters for the *Australian Financial Review* and the *Australian* share those concerns.

The Hon. John Della Bosca: What are these concerns?

The Hon. DUNCAN GAY: Those concerns are that your friend, Joe Tripodi, part of the dodgy brothers, is using these powers.

The Hon. John Della Bosca: Nonsense. That is political propaganda.

The Hon. DUNCAN GAY: The Minister asked the question. If he does not like the answer, he should not ask the question. He should keep his head down and stay out of it.

The Hon. John Della Bosca: I thought you were making a serious speech.

The Hon. DUNCAN GAY: The Minister asked the question. Their concern is that the Minister will be given powers additional to the foreshore powers he already has. Does the Minister have any more questions? If

he wants more information, I have a lot more I can give him. The Minister has gone quiet. The concern is that the Minister will be able to use those powers. To some degree the Minister has done a reasonable job and we are happy for him to have those powers. However, the majority of New South Wales would take a different view; the broader electorate is quite concerned about the Minister having those powers.

Additionally, no-one in this Parliament or Government can guarantee that the Minister will continue in this portfolio, and the powers are only as good as the Minister who is exercising them. No-one can guarantee that Joe Tripodi will hold this portfolio for another month or another year; he certainly will not have it for two years. When the next ministerial reshuffle takes place—which will probably be before Christmas—which one of the brains trust will be in charge? Which one of the dodgy brothers will have power over ports in Sydney, Port Kembla, Newcastle, and across the State?

The Minister already has the power under other Acts to direct the Port Corporations, yet the Government wants this power specified in this Act. One must ask the question: Why do we need a Ports Corporation at all? Why does the bill not remove the Ports Corporation, given that the bill takes away its powers and gives them to the Minister, who today is Joe Tripodi?

The Hon. Jennifer Gardiner: How did he get that job and how does he keep it?

The Hon. Rick Colless: Whose pocket was involved?

The Hon. DUNCAN GAY: It is called Eddie Obeid, but we will not go down that track.

The Hon. John Della Bosca: You are obsessed, Duncan.

The Hon. DUNCAN GAY: I am an obsessive man. I return to the bill, the detail about which we have some concerns. The Independent Pricing and Regulatory Tribunal recommended that the bill should be implemented with caution. It should involve an understanding of the problems that affect the various players within the industries associated with ports in New South Wales. We are concerned about the regulations that will underpin the bill, but once again we have a bill "sans" regulations—there are no regulations. I would have thought, given the importance of this bill, that an exposure draft of the regulations would have accompanied the bill so that we could be fully conversant with all the facts when voting on it. Given our concerns about the road transport regulation dealing with fatigue—a damnable instrument that has stricken large and small businesses in New South Wales and has succeeded only in making the process more complex rather than improving it—these regulations should be put on public exhibition before they are gazetted. The Opposition will move amendments in Committee to authorise the Independent Pricing and Regulatory Tribunal to do that expeditiously. Paragraph (d) of the overview states:

- (d) to authorise the making of regulations to promote productivity and competition at the ports of Port Corporations and in the port-related supply chain, including regulations relating to information sharing, mandatory performance standards and port-related supply chain services charges.

The Opposition has great concern about commercial-in-confidence. Only three major stevedores operate in this area and their commercial-in-confidence material is critical to their personal performance. Detailed information within the structure of their organisations is important to their commercial viability. The Coalition put those concerns to the Minister in the other place, and he addressed those concerns in his reply to debate on this bill in that Chamber. He said that the Government would not release commercial-in-confidence information. It is all very well for the Minister to make that statement in the other place—and I acknowledge he was honourable to do so—but the bill is silent on the issue. The Opposition has incorporated the words used by the Minister in his reply in an amendment we intend to move in Committee to have the Minister's undertaking not to release commercial-in-confidence material included in the bill.

Of concern also is the Minister's power to allow various people to enter and inspect any premises or facilities of a port or supply chain. Who will be given that authority? In the past members of the Transport Workers Union and others have had similar powers. The Minister stated in his reply to debate on the bill in the other place that employees of the authority, employees of the Port Corporations or a harbour master should be granted that authority. We have picked up the Minister's words—nothing more and nothing less—and incorporated them in an amendment, so that what the Minister said in the other place and what is in the bill is clear. The changes we have sought to make relate to an important aspect.

The three concerns I have referred to are major concerns, and we seek support for our amendments. We accept that the Minister addressed some of our other concerns, relating to maximum pricing and so on. Whilst

we are not entirely happy with the Minister's response, we are happy enough not to move amendments in relation to those aspects. However, I indicate to the Parliamentary Secretary and the Minister's representatives that unless our amendments are passed, we cannot support this legislation. We believe that our concerns on this bill, represented by the three Opposition amendments, are so important that we would find it difficult to support the legislation if the amendments are not passed. We have been very careful to take the Minister's words of assurance and incorporate them in our amendments, which we believe delineate our concerns and clarify the legislation so that the industry will not be in any doubt as to its ramifications. The Opposition believes this is an important bill and it is certainly a step forward—but not without the clarification provided by the three amendments.

Ms LEE RHIANNON [3.01 p.m.]: The Ports and Maritime Administration Amendment (Port Competition and Co-ordination) Bill 2008 seeks to give further powers to the Minister for Ports, and in turn to the port corporations, to improve the competition and efficiency of ports by making regulations with respect to port facilities and services and the port-related supply chain of ports in New South Wales, and by issuing ministerial directions to port corporations. The Greens have taken a keen interest in planning and development at Sydney ports, as well as Newcastle Harbour and Port Kembla. We have campaigned in respect of the following issues: the failure of the New South Wales Government to plan adequately for increasing the movement of freight on rail; the halting of the expansion of the coal loader at Newcastle Harbour to help rein in the dangerous contribution that the coal industry makes to climate change; better management of the impact of Port Botany operations on the local environment, local traffic and the community, with improved access to information about the ports; and finishing the Maldon to Dombarton rail line to improve the connection between Port Kembla and the main heavy rail line. All these issues are relevant to the development of New South Wales ports.

The Greens do not oppose the bill. However, we will seek to amend it to make the Minister for Ports more accountable for any directions he gives to port corporations, to ensure that the public can stay informed about changes to ports policy or operations that may affect their community, local traffic conditions or the environment. The Government has developed a habit of increasing the discretionary decision-making powers of its Ministers and departmental heads, while failing to increase proportionally the level of public accountability and public participation in the decision-making process. One of the key tenets of a strong democracy and open government should be to increase public participation in decision making. That participation needs to be real and meaningful—not the Mickey Mouse form of participation we see with many of the community consultation committees. Clearly this is an area where the Government needs to pull up its socks.

Recent amendments to the State's planning laws and terrorism laws are littered with expanded ministerial discretionary powers, which serve to decrease access to information for review and opportunities for public participation. This trend has also spread to other recent legislation before the House—the Home Building Amendment Bill 2008, the Courts and Crimes Legislation Amendment Bill 2008, the Children (Criminal Proceedings) Amendment Bill 2008, and the Children (Detention Centres) Amendment Bill 2008. The Legislation Review Committee in its reviews of these bills raised concerns about this trend, as have my colleagues and Greens members of Parliament, Mr Ian Cohen, Ms Sylvia Hale and Dr John Kaye. On many occasions when they have spoken on these bills they have warned of this problem.

The Government needs to ensure that whenever decision-making powers are given to a Minister, the Minister should be held accountable to the Parliament and the public about when, how and why the Minister uses those new powers. The Government must create public registers of information that allow communities to engage with decisions and changes in public policy, and to share information with groups and individuals who take an interest in those issues. We acknowledge that it could be beneficial to have greater government control in some cases, but this should always be balanced with greater public accountability and access to information. We do not accept commercial in confidence as a justification for limiting the Minister's accountability. So often when the level of public interest in an issue is high, commercial in confidence is used as an excuse to lock out the public. We have seen that happen time and again with the way governments operate in this country.

At this time, when the George Bush administration is winding down, it is interesting to remember that the period when George Bush was in power holds a number of lessons regarding the principles of public participation that one would hope the New South Wales Government would look at and learn from. Under the George Bush administration we saw expanded public access to information and engagement with decision makers. Clearly the New South Wales Labor Government has a lot of catching up to do. The Government has failed to provide the vital transport infrastructure needed to make Sydney grow into a healthy, liveable city under urban consolidation. We are faced with a sprawling city with congested roads and poor air quality.

Strategic planning of Sydney's ports to successfully integrate them with rail transport has been a failure, and the gains in competition and efficiency that this bill aims for will not address or resolve these fundamental transport problems.

Port Botany's expansion is about turning Sydney into a massive freight hub of warehouses, intermodal container terminals, freight trains and trucks. The expansion plans for Port Botany will see more trucks driving through residential suburbs to get onto the M4, M5 and M7. It will drive the Government to spend billions of dollars building more roads and tunnels through our suburbs that no-one wants. Sydney traffic is approaching deadlock, and planning decisions should be curtailing these incursions into our suburbs, not facilitating them. People want to see freight on rail; they want infrastructure spending on integrated passenger and freight rail transport.

Sydney cannot cope with a massive expansion of Port Botany—nor do we need it. The planning implications and the social and environmental impacts are enormous. When decision making becomes further centralised with a single Minister, the public have a right to know what is going on. More than 50 suburbs are directly affected by the expansion of Port Botany. What does Minister Tripodi plan to do with these new powers? If it is in the public interest, as we are told, why can those reasons not be revealed? While those reasons remain secretive the public will be left thinking that Minister Tripodi could well be about to do for ports what Frank Sartor, the former Minister for Planning, did for planning in New South Wales. Mr Tripodi may not like this comparison with his old foe, but he should be more open if he wants to ensure that that is not how he is remembered.

As with most recent legislation that deals with planning and infrastructure in New South Wales, not enough focus is given to the environmental impact of ports, or to the economic externalities created by their operations. Many of these environmental costs have been due to inefficiency. For example, 25 per cent of the container traffic at Port Botany is handling empty containers. Sydney exports a greater percentage of empty containers than any other port in Australia. That is not something to be proud of. At least now, under this bill, we will know where the buck stops for the State's ports performance. The Minister has a difficult balancing act to perform—directing stevedores to act in the public interest, while balancing commercial pressures with strategic transport planning and community concerns. There are big social costs to health, safety and amenity that currently are not factored into the efficiency equation.

For example, I know that at Port Botany many trucks enjoy free parking on local roads and around La Perouse and Matraville cemeteries. The big road transport operators have offloaded the cost of parking onto local communities. The impact of pollution on the health of residents near Port Botany and in the 50 suburbs affected by increased traffic congestion is simply unknown and unmeasured. We support the shorter lease periods because the Government needs to be free to respond to changes in world markets and to rethink the land use priorities at New South Wales ports. In a future constrained by peak oil and climate change, the volume of imports and exports in New South Wales could change considerably.

We also support the requirement for better record keeping to help improve the overall efficiency of ports. My office has received complaints over the years from people living near Port Botany that the ports corporation gives them inaccurate advice or information. Community groups and residents with legitimate concerns about the impact of port operations on their suburbs and the environment should also be able to access a wider range of information about their local port on the Internet, such as through a public register of road-related incidents near the port, and real-time monitoring of air, water, dust, light and noise pollution, as a matter of public interest.

In its submission to the Independent Pricing and Regulatory Tribunal review, the company ING Real Estate—the world's largest real estate organisation, which has a big commercial stake in Port Botany—described community consultation as "protracted periods of interaction with community groups with ill-defined outcomes". It went on to state, "council-resident consultative committees should be reconfigured so as to achieve an appropriate growth focus". When we read those words we realise that Mr Tripodi faces a big challenge—we are left wondering whether he can meet it, but he certainly needs to be aware of it and to work on it—in balancing this level of disdain for consultation on the part of big business with the overarching planning priorities for Sydney and with community concerns.

ING described the expansion of major intermodal hubs at Enfield, Moorebank, Ingleburn and Minto as critical to the predicted threefold growth of the container land transport movements in Sydney over the next 20 years. It also described the expansion of Port Botany as crucial. Its solution to creating a more competitive

port is to let everyone operate 24/7 in order to drive growth of the port and its profits. The demands of ING are the kind of pro-developer lobbying that the Minister for Ports has to balance with strategic planning for climate change, peak oil, pollution, integrated rail transport, traffic congestion, road safety, and protecting the local environment. We have seen time and again the Government sacrifice good planning and strict environmental controls to the demands of the big end of town, and it hides those decisions behind the claim of commercial in confidence. That is why the Greens will move to amend the bill in Committee. Let us say, for example, that the Minister for Ports decides to take ING's suggestion and creates a new State environmental planning policy for Port Botany, thereby creating a common consent authority for Port Botany and its related businesses, and suspends existing council orders or conditions of consent placed on port tenants. The Greens believe that by placing directions related to such a move on the public record, with the reasons for the decision and how it serves the public interest, the Minister will be compelled to make balanced decisions.

The bill will give the Government a stronger hand. The Greens hope that it will deliver outcomes such as limiting the number of big trucks on residential roads, improving safety, reducing sleep disturbance for local residents, conducting traffic studies, monitoring accidents caused by illegal truck driving, fixing parking problems, and the stricter monitoring and policing of pollution. The list goes on, but the issue needs to be addressed. At the top of the list of priorities for the Greens is moving to put more of the State's freight movements on rail, and integrating freight and passenger rail services in and out of Sydney. As such, any action taken by government to increase the efficiency of our ports should also meet the aims of limiting the growth of road traffic generated by the ports. The Government should be decentralising the strategic planning process for New South Wales ports and getting expert transport planners, councils and the community more involved in the long-term priorities of ensuring that more freight handling occurs outside Sydney and getting more freight on rail.

Reverend the Hon. FRED NILE [3.14 p.m.]: The Christian Democratic Party supports the Ports and Maritime Administration Amendment (Port Competition and Co-ordination) Bill 2008. There is definitely a need for greater efficiency in our ports. This is a very practical and important bill. We are all conscious of the many trucks that queue in our ports, particularly Port Botany, and the queue of ships waiting to be unloaded. The object of the bill is to broaden the principal objectives of port corporations to include:

- (d) to promote and facilitate a competitive commercial environment in port operations; and
- (e) to improve productivity and efficiency in its ports and the port-related supply chain.

Those provisions are to be added to the objectives of port corporations, and no-one could argue with them. New section 10A gives ministerial directions to port corporations regarding competition and productivity. The Minister may give a port corporation direction in relation to the exercise of any of the corporation's functions in connection with its principal objectives under section 9 (d) and (e), which I have quoted.

Hopefully the bill will remove the bottlenecks because the operations at our ports have become very complicated. For example, the port-related supply chain at Port Botany comprises two—soon to be three—stevedoring terminals, more than 200 road carriers, four rail operators, two rail track owners, six metropolitan intermodal terminals, and thousands of warehouses, importers and exporters. Similar complicated arrangements can be seen in the Hunter Valley coal supply chain, which transports coal from the mines to the port of Newcastle. It has 16 coal producers, more than 20 load points or coal intermodals, two rail track owners, two train operators with 26 trains, five dump stations and two coal terminals supplying approximately 1,000 vessels per year. Port Kembla is in a similar situation.

The amendments to the bill take into account two recent reviews: first, the PricewaterhouseCoopers review of port competition and regulation undertaken as part of the Council of Australian Governments Competition and Infrastructure Reform Agreement; and, second, the Independent Pricing and Regulatory Tribunal review of the interface between the land transport industries and stevedores at Port Botany. I understand that the bill and its amendments are a direct result of those recommendations. The Christian Democratic Party is pleased to support the bill.

Reverend the Hon. Dr GORDON MOYES [3.19 p.m.]: I want to add to the comments of my colleague Reverend the Hon. Fred Nile and to indicate some differing views on a number of points in this important legislation. I am pleased as a Christian Democrat to speak on the Ports and Maritime Administration Amendment (Port Competition and Co-ordination) Bill 2008 and to indicate some of the very real concerns that exist in the minds not only of people who live near the ports but also of those who have closely examined this legislation. The object of the bill is to amend the Ports and Maritime Administration Act 1995 to make further

provision for the objects and functions of port corporations, the power of the Minister and the making of regulations with respect to port facilities and services of the port-related supply chain. The bill amends the statutory objectives of the port corporations. Port corporations will be provided with additional objectives to promote and facilitate a competitive commercial environment in port operations and to improve productivity and efficiency in the port-related supply chain. These objectives will have equal status with the existing statutory objectives so that no one objective is more important than another. I agree with those objectives, which have been outlined in the bill and in the agreement in principle speech by the Minister for Ports and Waterways. However, there are important issues to be considered in this bill that Minister Tripodi did not mention. The Minister, in his agreement in principle speech, said:

As trade continues to grow, substantial pressure is being placed on New South Wales ports and the supply chains servicing them. The 2003 New South Wales ports growth plan outlined the strategy for increasing port and trade capacity in New South Wales. Projects under the ports growth plan include a new container terminal at Port Botany bringing port capacity to 3.2m 20-foot equivalent units [TEU] per annum; new container and coal terminals at Newcastle; and relocating the car import trade to Port Kembla with three times the storage capacity. However, increasing port capacity is only one part of the solution.

As the Deputy Leader of the Opposition said, enhancing the efficiency of port operations and the supply chains that transport goods to and from the ports is just as important. The extensive reforms proposed in this bill are guided by two public reviews that were conducted into the regulation and operations of ports in New South Wales. PricewaterhouseCoopers conducted a review on behalf of the Government of port competition and regulation in New South Wales. The review was conducted to fulfil a commitment under the Council of Australian Governments Competition and Infrastructure Reform Agreement [CIRA]. The review made a number of recommendations in relation to improving port services, price oversight and lease and access arrangements, including that port corporations work with stakeholders to identify capacity constraints and facilitate improvement of landslide infrastructure; that port charges be applied to balance cost recovery and facilitate trade; and that long-term lease conditions be subject to greater transparency and reviewed to ensure that they reflect current government policy.

As Greens member Ms Lee Rhiannon said, the review of Port Botany's links with inland transport, conducted by the Independent Pricing and Regulatory Tribunal [IPART], highlighted the need to reform the land-side interface at Port Botany and for the Sydney Ports Corporation to lead and facilitate the reform. This issue is a great deal more significant than the parking of trucks along streets or by the cemetery, as I have seen happen. The Independent Pricing and Regulatory Tribunal made 18 recommendations to improve the efficiency of Port Botany's containerised freight supply chain. Some of the recommendations are aimed at addressing inefficiencies in the short term. However, the Independent Pricing and Regulatory Tribunal's strong view is that if Port Botany is to cope efficiently with the forecast growth, more fundamental change is necessary. Such change is lacking in this legislation. The key recommendation of the review is that the stevedores establish VBSs. As a minister of religion, VBS stands universally for "vocation Bible school", but in this case VBS stands for "vehicle booking system". The key recommendation continues that guaranteed VBS slots should be allocated using a market-based price mechanism and that unguaranteed slots should be allocated as they are at present. According to IPART, the implementation of this proposal will create significant efficiency improvements at Port Botany and will encourage a significant shift in the timing of road access to the stevedores' terminals. That answers some of the issues raised by Ms Lee Rhiannon.

Other key themes of IPART's review include the need for greater transparency in performance reporting and access arrangements; performance standards and systems to drive improvements; and measures to drive a 24-hour, 7-day a week operation at the port to reduce peak-hour congestion. Previous speakers also raised that concern. One of the State's most important economic strengths and competitive assets is its port industry. New South Wales ports are an integral link in the freight logistics chain and are of significant strategic importance to the State. Our ports and their transport links are critically important to economic efficiency. They are the international gateway for New South Wales and Australian trade activity, with three major New South Wales port corporations handling about \$61 billion worth of trade per annum, or 147 million gross registered tonnes. Since the ports were corporatised in 1995, throughput at the ports of Newcastle, Port Kembla, Port Jackson and Port Botany has risen significantly, increasing by a combined 30 per cent over the past 10 years. Over this period the volume of trade to Sydney ports has increased by approximately 50 per cent.

Port Botany is the largest container port in New South Wales, handling 95 per cent of the State's container trade. That is almost one-third of the nation's container traffic. Port Botany generates \$1.5 billion a year in economic activity. It is the second-largest container port in Australia, handling more than 1.6 million 20-foot equivalent units [TEUs] in 2006-07, and is currently Australia's leading container import port. The Government's approval of a five-berth, 60-hectare expansion of Port Botany is the most significant decision for

Sydney's port since the 1969 resolution by the Askin Government to develop Port Botany. Further, this port development will create 9,000 new direct and indirect jobs and contribute to the New South Wales economy by \$16 billion over the next two years. Newcastle is the natural port for the resource-rich Hunter Valley and the north and north-west of New South Wales. In tonnage moved it is one of Australia's largest ports, with coal making up more than 90 per cent of the total throughput. Newcastle is one of the world's largest coal export ports. Other cargo handled at the port includes grains, vegetable oils, alumina, fertiliser and ore concentrates. A great concern about Newcastle—this is a subject for another day—is the number of large vessels anchored off the coast. On my last count, there were 40 such vessels waiting off the coast. It is absolutely essential to get those vessels going. Movements out of Newcastle of general cargo, such as aluminium, steel and machinery, are also increasing.

Port Kembla has two major commodity export terminals. The Port Kembla Coal Terminal exports 10 million to 11 million tonnes of coal and coke a year, with capacity for 15 million tonnes. The Port Kembla Gateway handles bulk and break-bulk cargo, such as copper concentrates, fertiliser, clinker, logs and steel products. The Port Kembla Grain Terminal in the inner harbour exports various grains from regional New South Wales. This year's export should be a record because of the excellent wheat harvest. Overall, the port handled almost 26 million tonnes of cargo in 2005-06. Of that total, a little less than 11 million tonnes consisted of coal and coke, 8 million tonnes of iron was imported and 3 million tonnes of steel was exported. Port Kembla is in a state of transition as a result of the New South Wales Ports Growth Plan of 2003. The port is preparing for new roles under that plan: the handling of general and break-bulk cargo and, in particular, the transfer of motor vehicle imports from Sydney. Throughput at Port Kembla will include up to a quarter of a million cars per annum, 250 additional ship calls, 40,000 to 50,000 containers and 125,000 tonnes of break-bulk cargo. However, the expansion of Port Kembla will increase substantially its capacity and the impact of increased throughput will place pressure on existing road and rail infrastructure on the Wollongong to Sydney transport corridor.

With that background I turn now to a closer examination of the bill. The bill proposes to introduce new statutory objectives for the port corporations to promote and facilitate a competitive commercial environment in port operations and to improve productivity and efficiency of the port and the port-related supply chain, including an additional principal function for the port corporations to facilitate and coordinate improvements in the efficiency of the port supply chain; to enable the Minister to direct a port corporation to exercise any of its functions in connection with its proposed new functions and objectives; and to include new regulation-making powers so that the Minister may, subject to regulation impact assessment requirements—and this is where the bill gets very murky—require information to monitor efficiency, performance and investment; may set standards for operation of land-based, port-related facilities and services; may require record keeping and provision of information to monitor compliance; may provide independent audits to ensure compliance with standards; may provide incentives and penalties to encourage compliance with performance standards; and may establish pricing mechanisms for key port and supply chain interfaces.

These amendments will enable the port corporations to move beyond the landlord role and actively foster competition and coordinate efficiency improvements among providers of land-based port facilities or services. The new regulatory provisions will allow the Government to act to resolve issues if industry is unable or unwilling to improve management of the supply chain. All regulations in New South Wales are subject to the Subordinate Legislation Act 1989. This requires rigorous assessment of both direct and indirect impacts on different sectors of industry and the public, public consultation and cost-benefit analysis. I have some concerns about the bill, which were mentioned in passing by the Deputy Leader of the Opposition. The Export Infrastructure Report to the Prime Minister by the Exports and Infrastructure Taskforce reported in 2005 that:

The greatest impediment to the development of infrastructure necessary for Australia to realise its export potential is the way in which the current economic regulatory framework is structured and administered. It is adversarial, cumbersome, complicated, time-consuming, inefficient, and subject to gaming by participants. There are too many regulators and regulatory issues that are slowing down investment in infrastructure used by export industries.

That is a terrible indictment of our port system. This bill is in stark contrast with the original objective of National Competition Policy and the main purpose of the Competition and Infrastructure Reform Agreement, which is to provide for a simpler and consistent national approach to the economic regulation of nationally significant infrastructure, including through regulation that, in the first instance, the terms and conditions of access to such infrastructure should be determined through commercial negotiation, and that economic regulation should be used only when it is warranted.

As other members have mentioned, the reforms will give the Minister for Ports and Waterways unprecedented powers. They will give the Minister the power to inspect any facility that stores, handles,

distributes or transports cargo; to fine businesses, which would have no avenue of appeal against the fine; and to intervene in commercial relationships and regulate each and every element of the port-related supply chain, including information sharing, mandatory performance standards and port-related supply chain service charges. According to an assessment policy prepared by Mallesons Stephen Jacques, the bill is "extraordinary and bad legislative policy". That is a damning indictment. The assessment stated:

Under the proposals, the Minister has almost unfettered power to step into the market and control its workings, coupled with the ability to provide compliance "incentives" which in truth are no more than penalties.

In effect the Minister can act as a "puppeteer" controlling the various market participants. The Minister can control access, price and all other terms relating to the provision of services etc associated with the operation of land-based facilities and the port-related supply chain.

The firm went on further in its criticisms of the bill by commenting:

The breadth and nature of the power proposed under the Bill stands in stark contrast to usual practice. In effect, they establish something akin to a potential access regime exercisable at the whim of the Minister, subject to ad-hoc political influences and unchecked by any checks and balances or clear and certain criteria.

I cannot understand how people can just say glibly that they will support this bill if they understand the ramifications I have just outlined. The reforms proposed in this bill have extended the powers of the Government. The scope for inconsistency in the exercise of those powers creates uncertainty for businesses investing in port infrastructure. The depth and scale of government intervention has the potential to undermine the commercial returns of the current operators, to interfere in or override existing commercial and contractual relationships, to delay business and capital investment plans, and to produce counter-productive inefficiency in the conduct and operation of the ports. How can anyone glibly vote for this legislation? It is no surprise that this bill has angered stevedoring and shipping companies, which claim that the reforms will impose the most arduous regulatory regime in the country. The Chief Executive of Shipping Australia, Llew Russell, commented:

The Bill is a long way from the light touch regulatory regime that industry had expected. The Bill is so broad and so wide, we have never seen the State Government attempt to assume so much power.

Delays in freight movement at Sydney's container terminals had previously led to widespread support for the Government's plans to ease congestion and to shift some responsibility for the port supply chain onto stevedores and terminal operators. However, this proposed legislation allows the Government to set standards and charges without any checks or balances. Furthermore, wide-ranging powers would create uncertainty that could lead to underinvestment and undermine the competitiveness of our ports. Efficient commercial investment will be delayed or even deterred by heavy-handed regulation and by inappropriate policy settings included in this bill.

If one looks at the current operating environment one sees that the port corporations are monopolies and, therefore, there is no equal bargaining power in the negotiation of terms. This bill further restricts the competing environment that is already dominated by monopolies. The bill allows the Government to levy fines of up to \$50,000, without appeal, and to set prices and service levels up and down the cargo supply chain. A penalty of \$50,000 is an impost on business and on operators. Penalties should be framed in such a way that someone who is deemed to be guilty of an offence can appeal against the decision, and the Government must introduce an appeals process in the legislation for companies that are fined. Fines of up to \$50,000 would deter businesses from operating in our ports. Surely, shipping and stevedoring companies would go to ports in other States and invest their resources there, and this would have a detrimental effect on growth and productivity for the New South Wales economy.

The report of the Independent Pricing and Regulatory Tribunal recommended to the Government that good regulation would require compliance with best practice principles—the need for government action should be established; the objective of the action should be made clear; the costs and benefits of a range of options should be considered, including non-regulatory options; government action should be effective and proportional; business and community consultation should inform regulatory decisions; the simplification, repeal, reform or consolidation of existing regulation should be considered; and regulation should be periodically reviewed and, if necessary, reformed to ensure its continued efficiency and effectiveness.

I look forward to the Cabinet Secretary answering some of the issues I have raised. Port competition and regulatory policy in New South Wales must be developed with full recognition of the national and global operational context of the maritime logistics chain and industry's need for clarity to support the long-term

investment that will maintain the ongoing development of New South Wales ports as a viable and competitive presence. Effective dialogue and consultation between industry and government is crucial for the future development of the State's ports and, hence, the future prosperity of our economy.

I do not oppose the main premise and substance of the legislation but I hope the Government will seriously consider the concerns I have raised. Given the economic contribution of the ports to our economy and that the contribution will only increase due to increased exports in Asia and our increased demand for cheap imports, the question that comes to my mind is: Can we solely rely on the authority of the Minister to have absolute power in the decision-making and future operation of our ports? Is this the best practice of good governance? I say no, and it is not in the best interests of public policy. I will therefore be looking at the proposed amendment very closely.

The Hon. PENNY SHARPE (Parliamentary Secretary) [3.39 p.m.], in reply: I thank members for their contributions and note the broad support for the bill. I will attempt to deal with the issues raised in the debate. The purpose of the Ports and Maritime Administration (Port Competition and Coordination) Bill is to introduce a new framework to encourage efficiency and productivity improvements in the port and port-related supply chain. It is expected that the proposed reforms will deliver considerable benefits to industry through more competition, improved services and greater efficiencies in New South Wales ports. The bill is the result of two recent reviews of New South Wales ports conducted by PricewaterhouseCoopers and the Independent Pricing and Regulatory Review Tribunal [IPART]. They highlighted the need to reconsider the role of port corporations in a climate of increasing pressure on the efficiency of the freight supply chain. The reviews demonstrate the need for new objectives and functions to ensure that New South Wales port corporations support a competitive environment that drives increased efficiency, productivity and investment.

There has been extensive discussion about the regulatory safeguards in the bill. Those provisions are the subject of amendments proposed by the Opposition. In response to IPART's recent investigation into the burden of regulation and improving regulatory efficiency the Government's 2008 "Guide to Better Regulation" builds on and enhances the protections embodied in the Subordinate Legislation Act 1989. The "Guide to Better Regulation" establishes systems and principles to ensure every regulatory proposal put forward in New South Wales is subject to the most rigorous justification and consultation process. There are now stricter rules for when a regulatory impact statement is required, longer consultation periods and an independent gatekeeper in the Better Regulation Office.

The Better Regulation Office vets all regulatory proposals to ensure that they meet the better regulation principles enunciated by Independent Pricing and Regulatory Tribunal—the same principles IPART set out in its Port Botany report to determine whether regulation would be required. The bill reflects clearly IPART's recommendations by establishing a framework for government action if voluntary efforts by industry do not succeed. It does so without actually imposing regulation at this stage, but it establishes a framework so that a regulation can be introduced if required. There is no assumption in this bill that a regulation will be made.

Members opposite also raised commercial-in-confidence information. A major theme of the two recent expert reviews into New South Wales ports related to the lack of transparency in supply chain arrangements. Efficiency can improve much more readily in a well-informed market. It is for this reason that the reforms proposed in the bill will see the voluntary introduction of a range of reporting and communications aimed at increasing transparency. These proposed arrangements are expected to improve transparency and trust in the land side logistics market and foster higher levels of cooperation and information sharing than currently prevail, thereby enhancing an open and competitive market.

If voluntary reporting and information sharing are not successfully implemented the bill enables a regulation to be made. Any regulation requiring information will be subject to the same justification, assessment and consultation as any other regulatory proposal. This will extend to the design of information collection systems and rules around the confidentiality of information. These rules would have regard to current practices such as freedom of information exemptions from disclosure that apply to commercial-in-confidence information. I draw the attention of the House to schedule 4, paragraph 7, which specifically provides that the regulations may authorise, prohibit and otherwise regulate the publication or disclosure of any information provided under the regulations. This will ensure the regulatory power includes the capacity to protect commercial-in-confidence information.

I understand that members of the Opposition in the other place made statements about audits and inspections and the Minister's ability to gain entry and to inspect premises. This bill does not allow the Minister

to gain entry to and inspect a premises or facility at a port or supply chain. Rather, the provisions under schedule 4, part 4 (b) simply allow regulations to be made regarding entry to and inspection of facilities to verify compliance with mandatory standards. A compliance strategy is integral to good regulatory practice and may be necessary to provide the ability to verify compliance with performance standards regulations for audit and inspection. The bill does not of itself give entry and inspection powers to the Minister. It allows a regulation to be made for a compliance strategy including audit, entry and inspection if mandated performance standards are in place.

The majority of powers under the Ports Administration Act 1995 are vested in the Minister and are delegated to the appropriate authority under section 27 of the Act. In the case of entry and inspection, it is most likely that the power would be delegated to the port corporations, which may engage independent auditors to verify company reports and ensure services are operated in a transparent and fair manner. This bill does not automatically assume powers of entry and inspection. They will need to be justified if a regulation is proposed. If such a regulation were proposed the assessment and consultation process would include consideration of who should have rights of entry and inspection.

Comments have also been made about the Port Botany expansion in general terms. The Port Botany expansion is essential for the future competitiveness and prosperity of New South Wales. Container trade growth is forecast to be between 5 per cent and 7 per cent per annum for the next 20 years. At that rate the port is estimated to reach optimum capacity by around 2010-11. The Port Botany expansion will ensure Sydney's reputation as a competitive and reliable port well into the future. It will also deliver 9,000 new jobs to New South Wales and will boost the State's economy by \$16 billion over the next 20 years.

Action has already been taken at Port Botany to improve the efficiency of freight movements. The measures in this bill further support the Government's response to the IPART review of Port Botany aiming to improve performance and to reduce the environmental and community impacts of port operations. As part of the Government response to the review the Port Botany rail logistic team has implemented measures to improve the performance of rail freight, helping to increase the proportion of freight on rail towards the Government's target of 40 per cent. This will help to reduce the proportion of freight carried by road.

The Hon. Dr Gordon Moyes referred to an article that the Government believes indicates an ignorance of the way in which the laws were made. The Minister's power is by no means unfettered. There are many checks and balances to ensure that no regulations are made unless industry has failed to address the problems and government action is justified. Two types of penalties will be associated with the proposed port reforms. The first is the standard offence penalty for non-compliance with any regulation that may be introduced to promote competition and productivity in the port and port-related supply chain. That would include a penalty for non-compliance with any mandatory standards that may be introduced. Such a penalty would be subject to assessment, analysis and consultation before it is made.

The second type of penalty could arise between participants in the port-related supply chain if they fail to provide the service required by mandatory performance standards. For example, a stevedore may be required to pay a truck operator if truck turnaround times are greater than those set by the mandatory standards. Again, regulations and their accompanying penalties will be considered only when all other efforts to facilitate business and efficient trade have failed. The New South Wales Government will initially empower port corporations as facilitators before considering any regulatory intervention to correct market failures in port land side interfaces. Members have foreshadowed a number of amendments. I have dealt with some of the issues of concern during this debate but we will deal with them more specifically in Committee. I commend the bill to the House.

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

Motion agreed to.

Bill read a second time.

In Committee

Clauses 1 to 4 agreed to.

Ms LEE RHIANNON [3.50 p.m.]: I move Greens amendment No. 1:

No. 1 Page 3, schedule 1 [4], line 32. Insert "in writing" after "directions".

This is quite a simple amendment. It will have more meaning in the context of the other two amendments I will be moving on behalf of the Greens. This amendment inserts the words "in writing" before the word "directions". If the amendment is accepted, the provision will read:

The Minister may give a Port Corporation directions in writing in relation to the exercise of any of the Corporation's functions in connection with its principal objectives under ...

The provision includes the word "may"—that the Minister may give a port corporation directions—so although the amendment is important in that if directions are given they would have to be given in writing, it is still not obligatory on the Minister to give directions. That is why we see our further amendments as critical and they will strengthen the amendment before us now. However, I move this amendment singularly and commend it to the Committee.

The Hon. PENNY SHARPE (Parliamentary Secretary) [3.51 p.m.]: The Government accepts this amendment. It adds a further safeguard to those already in the bill to give directions in writing to the port corporation and to the shareholding Ministers.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [3.51 p.m.]: The Opposition also accepts this amendment. I do not believe we have seen these amendments before.

Ms Lee Rhiannon: They were circulated.

The Hon. DUNCAN GAY: Right. We think this is a sensible amendment and it picks up a lot of the concerns in the sector, certainly those concerns that were set out so ably by Reverend the Hon. Dr Gordon Moyes.

Question—That Greens amendment No. 1 be agreed to—put and resolved in the affirmative.

Greens amendment No. 1 agreed to.

Ms LEE RHIANNON [3.52 p.m.]: I move Greens amendment No. 2:

No. 2 Page 3, schedule 1 [4], line 35. Insert at the end of the line:

The Minister must not give a direction under this section unless satisfied that the direction is in the public interest.

This amendment, if passed, will require the Minister to put public interest centre stage. We believe this is necessary. I hope members will see this as a direct and most important amendment that addresses the need to ensure the bill is working for the people of New South Wales. The Minister will be required to ensure that he gets the balance right in addressing public interest. I understand from the Minister's office that the Government does not support the amendment. I urge the Government to reassess that position because I put it to members that it would be a bad look to vote against an amendment that sets out the need for the Minister to be guided by what works best in the public interest in any direction the Minister may give.

Obviously, the term "public interest" is a broad expression that leaves great scope for ministerial interpretation. How can members vote against the amendment? It would be of considerable surprise if members voted in opposition to the amendment. It would be most unfortunate at a time when there is an urgent need for the New South Wales Government to get the balance right and ensure that legislation does not just represent sectional interests but takes in the whole gamut of public interest. It would be extraordinary for members to vote against such a measure.

When I first looked at the bill and picked out that the specific term "public interest" was not included I was left thinking whether this was another case in which the Government forgot to do something important in legislation. We saw a recent problem with the Public Health (Tobacco) Bill: the Government informed us that it forgot to delete a whole section. One can understand why I thought in this case perhaps the Government had forgotten to put in that all-important term "public interest". We are constantly told that Ministers work in the public interest, so surely it would be agreeable to put that most important point into the legislation. I urge members to think about this carefully. I hope the Government reassesses its position and does not put itself in the most unfortunate position of voting against this amendment, which would mean the all-important issue of public interest is not put centre stage in the legislation.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [3.56 p.m.]: The Opposition also supports this amendment. Ms Lee Rhiannon indicated that the Government might not support it. I ask the

Government: If it is not in the public interest, whose interest is it in? That is the key to this. One would love this section to be a bit tighter but it provides the opportunity for a Minister to be judged., given the amount of power the Minister is getting out of this section, or Ministers in the future will get out of it. And it may well be me. I assure the Hon. Tony Catanzariti there is more chance for me than him; Government members may not even get to the next election the way they are going at the moment. I suggest they move a vote of no confidence in themselves, go to the Governor and tidy up this State.

The CHAIR (The Hon. Amanda Fazio): Order! I suggest that the Deputy Leader of the Opposition speak to the amendment that is before the Committee.

The Hon. DUNCAN GAY: This amendment will provide that the Minister must ensure the direction is in the public interest. It is a proper amendment. It passes what many people call that public interest test, and that is a fair test that we should pass on every occasion we can. The Opposition will support this amendment.

The Hon. PENNY SHARPE (Parliamentary Secretary) [3.57 p.m.]: The Government will not support this amendment. Obviously, the Government supports the sentiment in the amendment; however, we have legitimate concerns about the practical effect of such an amendment. The requirement to prove public benefit is vague and difficult to measure. There is no clear means in the amendment by which this can be demonstrated. As there are no criteria for public interest the Government is worried that the amendment will generate more red tape without adding any substantial benefit. Specifically, it is important to remember that the Minister, like all Ministers of the Crown, is already required to act responsibly when balancing needs across government. In particular, the Minister has a responsibility to balance the needs of the port corporation, public policy and commercial objectives. We will not support this amendment.

The Hon. ROBERT BROWN [3.58 p.m.]: It is difficult to make a decision about the amendment. On the surface it appears to be pretty good but, reading the bill and the limitation of the Greens' amendment, one could argue that the objectives espoused in section (9) (d) and (e) must be in the public interest anyway. New subsection (d) states:

- (d) to promote and facilitate a competitive commercial environment in port operations, and

That is in the public interest. I accept the Greens' argument that it could also be a sectional interest. New subsection (e) states:

- (e) to improve productivity and efficiency in its ports and the port-related supply chain.

Is that not what the bill is all about? Is that not in the public interest? Although the Greens' amendment has some resonance in that it is nice to tie the Minister down, the Parliamentary Secretary is correct when she states that Ministers are required to act in the public interest anyway. If they do not, they will be sanctioned. I am not sure that the amendment adds anything to the bill. We will be guided by further comments, but we will not support the amendment as it stands.

Ms SYLVIA HALE [4.00 p.m.]: I support the amendment of my colleague Lee Rhiannon. I believe that Ministers should be above reproach and I agree with the remarks of Robert Brown that it is important to tie the Minister down. More so, when we look at the calibre of the Minister for Ports and Waterways whose behaviour to date has hardly been above reproach. If ever a Minister needed to be reminded of the need to act consistently—

The CHAIR (The Hon. Amanda Fazio): Order! Ms Sylvia Hale should continue her comments to the amendment that is before the Committee. The member is reminded that if she wishes to make an imputation against the Minister, she must do so by way of substantive motion.

Ms SYLVIA HALE: In the case of the Minister for Ports and Waterways, if ever a portfolio needed to be reminded of the importance of public interest, it is that portfolio. I do not think there is any need to labour the point further. The reputation of the Minister in question is well known and that is further reason for supporting my colleague's amendment.

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

QUESTIONS WITHOUT NOTICE

POLICE STATION UPGRADES

The Hon. MICHAEL GALLACHER: I direct my question to the Minister for Police. Has the Minister agreed to the 8 per cent cut to funding this financial year for the replacement and upgrading of our State's police stations? Given the already significant delays and budget blow-outs in urgently needed projects such as Port Stephens, Lake Illawarra, The Rocks, Camden and Orange, is not this budget outcome a clear indication that the Government has no commitment to improving facilities for our police and their ability to serve their community?

The Hon. TONY KELLY: I thank the honourable member for his once again misguided question. It is as misguided as the comments he has been making in the last few weeks about what the mini-budget was going to do, particularly in relation to the amalgamation of the local area commands. He was convinced that the mini-budget was going to produce a combination of all local area commands.

The Hon. Michael Gallacher: You just changed your mind at the last moment when you knew it was a basket case.

The Hon. TONY KELLY: He hasn't got a clue. He was also trying to convince the Police Association that we were going to close all the small country police stations.

The Hon. Duncan Gay: And sell them. Tell us you are not going to do it. It is in Eric's speech.

The Hon. TONY KELLY: He was trying to use these scare tactics in the last few days. It is not in Eric's speech. The Opposition has been caught out. The Treasurer and the Premier have guaranteed that all our election promises for police will be kept. They have asked me a question and they do not want the answer. The Premier has guaranteed and asked me specifically in all of our processes to deliver on our election commitments for police. All of our election commitments in relation to our capital works will be kept. Not only that, the Government is going to maintain its commitment to the New South Wales Police Force in relation to numbers.

We already have 15,000 police. From memory, the figure was about 12,000 when the Coalition was in power. We have 15,236 police in New South Wales. We will keep our commitment to having 720 new police and in case the Opposition is interested in numbers, that will give us 15,956 police by December 2011. That is our commitment and we will keep that commitment. The Police Association is very pleased with the outcome of the mini-budget. I will repeat because members opposite were yelling and screaming when I answered earlier: we are committed to maintaining the number of police and the capital works budget on which we went to the last election.

MINI-BUDGET

The Hon. HENRY TSANG: I address my question to the Treasurer. Will he outline to the House the measures the Government is taking to protect the State's finances?

The Hon. ERIC ROOZENDAAL: I thank the honourable member for his question and interest in this very important matter. Today in the other House I announced a mini-budget that is tough and decisive and addresses the challenges before the State. The Sydney Chamber of Commerce Executive Director, Mrs Patricia Forsythe, has today congratulated the Government on "delivering reforms in the most challenging economic environment for decades". The chamber said that the mini-budget "curtails public sector largesse yet at the same time provides essential economic stimulus".

We needed a mini-budget because we do indeed face challenging times—the most challenging times since the Depression of the 1930s. But the Government's plans will keep our financial position strong. The decisions I have announced today in the mini-budget show that the New South Wales budget can withstand a deficit for one year in this economic environment and return to surplus in the following years. The Government, through today's mini-budget, will save \$3.3 billion dollars over the next four years, raise \$3.6 billion, preserve business tax cuts of \$1.9 billion and spend \$850 million on targeted programs. With these measures we expect the budget to return to a surplus of \$138 million next year, rising to a surplus of \$573 million in 2010-11 and \$900 million in 2011-12.

Today I reaffirmed \$56.8 billion worth of infrastructure investment over the next four years—with an investment of \$13.8 billion in job-creating infrastructure this year, an investment of \$14.7 billion next year, and \$14.4 billion and \$13.7 billion respectively in 2010 and 2011. This is the largest infrastructure program of any government in Australia over the next four years. We are investing in a public transport partnership to get more cars off our roads and improve public transport. We are giving young families a better chance to realise the dream of home ownership, with \$3,000 for first homebuyers, and we have a way forward to secure the State's future power needs.

We have preserved the State's \$13.2 billion health budget and given community services a \$209 million boost. We have quarantined front-line workers from the cuts. The mini-budget process was a comprehensive examination of all portfolios incorporating a rigorous assessment of all proposals put forward. Hard decisions have been made, but the work does not end with the presentation of the mini-budget. This is the first step. The Government will demonstrate its solid commitment to implementing these reforms in the coming months and years. We are committed to doing whatever it takes to protect the State's finances and ensure a secure future for the people of New South Wales.

LOURDES HOSPITAL, DUBBO

The Hon. DUNCAN GAY: I direct my question to the Minister for Health. Does he recall that on 16 January this year his predecessor, Reba Meagher, confirmed that an in-principle agreement had been reached for joint funding of Lourdes Hospital? Does the Minister also recall that he previously indicated to the House that the mini-budget would clarify the future of the \$18.5 million project? I can tell the Minister: It has not. Can the Minister now provide a clear explanation about the future of this important project?

The Hon. Charlie Lynn: You remember Reba, don't you, John?

The Hon. JOHN DELLA BOSCA: I thank the Deputy Leader of the Opposition for his question, and I acknowledge the helpful interjection of the Hon. Charlie Lynn. It is important that the Deputy Leader of the Opposition be correct in phrasing the question—although I know that questions are sacrosanct under our standing orders. I said that the matters would be clarified in the mini-budget and that following the mini-budget we would be making statements about various issues. And we will do that. With regard to the redevelopment of Lourdes Hospital at Dubbo, the discussions that we have been having with Catholic Healthcare are continuing. I am advised that they are going very well. I am hopeful of an outcome very soon, and I will keep the honourable member and the House advised.

The Hon. DUNCAN GAY: I ask a supplementary question. Given the Minister's statement to the House today, will there be funding for Lourdes Hospital or not?

The Hon. JOHN DELLA BOSCA: I made it very clear to the honourable member in my answer. I draw his attention to the answer I gave him. I am assured that negotiations with Catholic Healthcare are continuing. The department is hopeful of an outcome by the end of this calendar year. I think that answers the honourable member's question.

PORT MACQUARIE FORESHORE BOAT STORAGE FACILITY

Ms SYLVIA HALE: I address my question to the Minister for Lands. Is the Minister aware of the public meeting on Sunday 2 November attended by 1,500 people in Port Macquarie protesting at the loss of open space at Westport Park as a result of Ariadne Australia's proposed construction of a five-storey, 240-boat storage facility and associated car park? Will the Minister continue to support Ariadne Australia's plan to exploit public lands for private profit?

The Hon. TONY KELLY: I am aware that our standing orders allow for questions about Ministers misleading the House and that it is difficult to argue against such questions, but I simply cannot contain myself with regard to the comments made by Ms Sylvia Hale in her question. Even the local newspaper, in its exaggeration, said there were 1,000 people at the meeting. I do not know where Ms Sylvia Hale got the figure of 1,500. Anyone who looked at the photograph on the front page of the local newspaper the next day—which said there were 1,000 people—would see that it was in the order of 200 to 300 people.

The Hon. Melinda Pavey: What did Peter Besseling tell you, Tony?

The Hon. TONY KELLY: You can ask me a question yourself, if you like.

Ms Sylvia Hale: Mr President, the Minister said that he could not contain himself. I believe that he is obliged to contain himself when it comes to debating the question—

The PRESIDENT: Order! No, he is not.

The Hon. TONY KELLY: It just so happens that 2 November was the Sunday of the weekend of the Country Labor conference in Port Macquarie. Many members on this side of the House witnessed the number of people at the public meeting, and the numbers that have been suggested are incorrect. Having said that, I acknowledge that there are community concerns about a number of issues. However, some of those concerns are misguided. There are concerns about the height of a boat stack, and there are misguided concerns about loss of open space. Project plans by the proposed developer and proposals by the council have been put forward. That development process closed, I think on 7 November, and is awaiting response. We certainly will not make any statements about which way the project might go, until we see the results of the proposed development process.

The plans put forward by the council showed an increase in the number of car spaces; from memory, it was 20 or 30. So misguided comments were made. However, as I said, I acknowledge the community concerns because of misguided comments, particularly in relation to the boat stack and whether there would be a loss of some of the open public space. Of course, we have to balance that against the fact that the developer would spend a lot of money improving the trailer and boat parking area. If the proposed development were to go ahead, the developer was going to double the width of the boat ramps. As well as the additional parking area, the developer was going to fund the construction of boardwalks, and improve the entire area. Obviously, that is all still in abeyance. We will have to wait and see what the council does and what the developer does. But, as I said, I acknowledge the community's concerns. I simply think they are due in part to the misguided information that people put forward to exaggerate the number of people who were at the public meeting. To suggest a number 50 per cent more than the newspaper suggested is just unbelievable. That is the worst case of spin I have ever seen. [*Time expired.*]

HEALTH SERVICE AWARDS

The Hon. CHRISTINE ROBERTSON: My question is addressed to the Minister for Health. Can the Minister inform the House what the Government is doing to maintain and support the delivery of front-line health services for New South Wales?

The Hon. JOHN DELLA BOSCA: I thank the Hon. Christine Robertson for her question and her ongoing interest in health issues. Our public health system faces increasing demand pressures due to an ageing and growing population, the high cost of new medical technology, and a worldwide workforce shortage. Despite those pressures, independent evaluations rank New South Wales as the best-performing public hospital system in the nation. One of the reasons for this is the professionalism and innovation that our doctors, nurses and other health staff apply to their work. They actively appraise the systems they use and develop better ways of doing things to enhance patient care.

To recognise and celebrate the excellence of our health professionals and the contribution they make to the wellbeing of the community on a daily basis, each year we hold the New South Wales Health Awards. This year marked the tenth anniversary of the awards and they attracted a record level of interest with 350 projects reviewed. Not only do the awards recognise hardworking health professionals, they also result in innovation and good practice being shared across the entire health system. Seven categories were contested, and this year the winners included Sydney West Area Health Service for its HealthCare for Older Persons Earlier [HOPE] Strategy at Westmead Hospital. The health service won the award in the Create Better Experiences for People Using Health Services category and the Health Minister's Award for Excellence.

The strategy aimed to provide older people, their families and carers with immediate access to skilled clinicians. It was developed in response to the increasing number of older patients presenting to the hospital, particularly via its emergency department. As a result, there have been great improvements in the hospital's performance, with triage to treatment waiting times for older people reduced from an average of 70 minutes to 21 minutes. Hunter New England Area Health Service received an award for its Tenterfield Health Service's From Little Things Big Things Grow—Promoting A Healthy Lifestyle In A Small Country Community project. The award was presented in the Build Regional and Other Partnerships for Health category. As part of the

project, the Tenterfield Health Service developed partnerships with local government, non-government and community organisations to plan health lifestyle programs with an emphasis on reducing obesity in the local community. Funding to install a walking track and fitness stations within a local park was secured through external sources, while physical activity classes were established through the health service.

The Tenterfield Trim-Taut-Terrific program had 259 participants registered, and after only three months they achieved their goal with a collective loss of weight of 1,000 kilograms. Other award winners were the Northern Sydney Central Coast Area Health Service for the northern beaches Alternatives to Acute Hospital—APAC/GP Shared Care model; the Greater Southern Area Health Service for its Wagga Wagga Mental Health Emergency Care Support Centre initiative; the Children's Hospital at Westmead for E-learning—Improving Multidisciplinary Paediatric CPR program; and the Sydney South West Area Health Service for Campbelltown hospital's Reducing Risk by Moving Clinical Handover to the Bedside Initiative. Individuals and teams worked tirelessly to develop initiatives that address the challenges faced within the health system and to improve patient care. We are very fortunate to have so many talented and dedicated nurses, doctors and allied health practitioners in our public hospital system, often dealing with very significant challenges in providing a fantastic service to our community and spreading that service across New South Wales so it accessible to all citizens.

POWER GENERATOR TRADING FUNCTIONS

Dr JOHN KAYE: I direct my question to the Treasurer. Will the Treasurer explain what has changed since 2001 and 2004 that would make a Treasury scheme to separate trading rights from power generators and transfer them to the private sector workable now, given it has been rejected on two previous occasions in the last seven years?

The Hon. ERIC ROOZENDAAL: As I outlined in my mini-budget speech, the Government has an electricity strategy that secures the State's future power needs. I can report to the House that our plan, brokered by the Premier, includes the continued public ownership of generators, the continued public ownership of transmission and distribution networks—that is the poles and the wires; the sale of generation development sites, the sale of the electricity retail businesses, and a transfer of energy trading functions to the private sector. Our actions will encourage private sector investment in generation and will reduce the need for future capital expenditure by the Government. We will also ensure price protection for our community and job protection for our workers. This electricity plan secures the State's future, strengthens the State's balance sheet, and provides certainty for investors.

MINI-BUDGET

The Hon. GREG PEARCE: I direct my question to the Treasurer. Is the Treasurer aware of the \$10.4 billion stimulus package announced by the Federal Government and the guarantee of bank deposits to cover in the order of \$600 billion to \$800 billion, designed to restore financial stability? How are the Treasurer's mini-budget measures increasing taxes and charges, deferring or cancelling infrastructure projects and increasing unemployment going to contribute to economic growth and stability in New South Wales?

The Hon. ERIC ROOZENDAAL: Clearly the honourable member was not listening to my speech in the other place or he is incapable of reading it. It is ironic that in his question the honourable member acknowledges that one of the decisions the Federal Government made was to undertake to guarantee the banking institutions as a way of ensuring confidence—in other words, to increase the credit rating of banking institutions to a triple-A credit rating. How ironic that the honourable member labours on that point as an initiative of the Federal Government but fails to understand the fundamental principle of the mini-budget, which is to protect the triple-A credit rating of New South Wales.

I know The Nationals do not believe that a triple-A credit rating counts. I know the Leader of The Nationals does not think it is important, but I know the Hon. Greg Pearce does. That is precisely one of the reasons why the mini-budget has been crafted—to protect the triple-A credit rating. We are in uncertain and unpredictable times. That is precisely why it is important that we have a triple-A credit rating and take appropriate action to ensure that we protect the triple-A credit rating as much as we can.

We have seen a substantial drop in land transfer duties of over \$1 billion originally projected this year. We have seen a drop of \$450 million in our GST take, thanks to shrinking consumption right around the country. These are real impacts on our budget. Today's mini-budget delivers \$3.3 billion worth of savings. We

have gone through government and we have found savings. It delivers \$3.6 billion in additional revenue. It delivers \$1.9 billion worth of tax cuts to the business community through payroll tax deductions and there is new expenditure of \$850 million. The Government is committed to ensuring that New South Wales stays strong as we go forward.

STATE EMERGENCY SERVICES

The Hon. HELEN WESTWOOD: My question is addressed to the Minister for Emergency Services. Will the Minister elaborate on changes to emergency services, as outlined in today's mini-budget?

The Hon. TONY KELLY: I thank the honourable member for her question and her continued interest in emergency services, particularly the State Emergency Service [SES]. I recall when the honourable member was mayor of her council we handed over two SES vehicles that were partially funded by the council and the Government. No government has ever had a stronger commitment to our emergency services than this Labor Government. With record funding of more than \$7 billion over the past 14 years, the Government has ensured that our emergency services personnel have the equipment, training and resources they need.

They are quiet on the other side because they know, for example, that the Rural Fire Service got only \$50 million last time the Opposition was in power, and the service gets over \$200 million now. This year's budget alone is an unprecedented \$872 million. The Rees Government has committed a record \$57.6 million for the State Emergency Service. I can assure the Chamber that the reforms to the emergency services, introduced as part of today's mini-budge initiatives, will not impact on the front-line services or the budgets of the New South Wales Fire Brigades, the Rural Fire Service or the SES. The key reform is that from 1 July 2009 the SES will be brought under the same funding structure as the New South Wales Fire Brigades and the Rural Fire Service, to which the insurance industry, local government and the State Government all contribute. The work of our SES volunteers is every bit as important as that done by our two other fire services, so it is appropriate that they should be funded in the same manner.

The Hon. Matthew Mason-Cox: How much is that going to cost local councils?

The Hon. TONY KELLY: That is a very good question and I will get to it. The longstanding contribution towards the annual costs of running the fire services recognises the significant savings to the industry from properties saved by our firefighters. It was originally instituted as a risk management strategy for the insurance companies to reduce their exposure to paying for an entire house burning down rather than one room because the fire brigade had put it out. Until now the SES has not been part of that system, even though they save the insurance industry an enormous amount of money by the work of its volunteers to help people suffering from storm and flood damage. The swift response of our SES volunteers, particularly after major storms, significantly reduces the extent of damage and subsequent insurance claims. The change will provide an estimated \$39 million in the first year of the new system.

In recognition of the continued support of our emergency services the Government has reduced the local government's contribution to emergency services funding to 11.7 per cent from the existing 12.3 per cent and 13.3 per cent to the New South Wales Fire Brigades and the Rural Fire Service respectively. Accordingly, the State Government's contribution has been increased to 14.6 per cent. This change will be accompanied by streamlining of back office administrative processes to produce efficiencies and further savings among the agencies. This will not impact on front-line services or operational capabilities.

This funding reform will be resisted by the insurance industry but it is surely clear that the rapid response by the SES must save the insurance industry significant amounts. The figures of the industry tell us that the insured damage bill for the storm-related events since July last year—one of the busiest years on record for the SES—was \$2 billion. Without the valiant efforts of the SES volunteers that bill would have been much higher. In the past decade SES volunteers have responded to almost 210,000 storm and flood tasks, involving more than 1.6 million volunteer hours. I congratulate the SES on the great work they have done.

ILLEGAL HANDGUNS

Reverend the Hon. Dr GORDON MOYES: My question without notice is directed to the Minister for Police. Is the Minister aware that illegal handguns are becoming the weapon of choice for firearm-related crime in Australia? Is the Minister aware of a recent study conducted by the Australian Institute of Criminology that found that the proportion of handgun use has increased? In particular, is the Minister aware of the disturbing

statistic that only 2 per cent of handgun crimes involved registered handguns and that a survey of police detainees interviewed in 2005-06 showed that most had obtained their handguns from family or friends, private sale or street sources such as drug contacts? Given the menacing evidence, can the Minister indicate the strategies that will be deployed to prevent illegally imported handguns coming into New South Wales and to reduce the black market trade of illegal handguns on the streets of Sydney?

The Hon. TONY KELLY: I thank Reverend the Hon. Dr Gordon Moyes for this very important question. Some of the concerns he has raised are fact. For example, very few crimes are committed by people with registered guns or by licensed shooters, and the fact is that guns are being imported into Australia. Various of these issues were discussed at a ministerial council of police Ministers that I attended recently. I will take the member's question on notice to ensure that I can release the information publicly before I give him an answer, which I will do as soon as I can.

GOODS AND SERVICES TAX

The Hon. ROBYN PARKER: My question without notice is directed to the Treasurer. Is the Treasurer aware of the Commonwealth Government's forecast in its mid-year review last week that growth in GST will slow by 4.1 per cent in 2009-10? Does he stand by his projections in the mini-budget today that GST payments to New South Wales will decline by 1.9 per cent in 2009-10?

The Hon. ERIC ROOZENDAAL: This matter is explained in the mini-budget papers. New South Wales is going to take a big hit in GST payments. We will not receive \$450 million this year and by the end of next year we will face a total deduction of about \$722 million in GST payments.

ATTORNEY GENERAL'S DEPARTMENT MINI-BUDGET INITIATIVES

The Hon. AMANDA FAZIO: My question without notice is addressed to the Attorney General. What is the latest information on mini-budget initiatives as they relate to the Attorney General's Department?

The Hon. JOHN HATZISTERGOS: As part of the mini-budget reforms for the Attorney General's Department the Government will double the victims compensation levy that must be paid by offenders; reduce red tape for victims who want to claim compensation; provide funding for an extra 14 lawyers for the Office of the Director of Public Prosecutions; increase the hearing fee for litigants, such as large commercial companies who use the New South Wales Supreme Court to resolve their civil disputes; and merge the Public Trustee and the Office of the Protective Commissioner to increase efficiency. These important reforms will enhance and protect front-line services, reduce red tape and bring New South Wales into line with other jurisdictions. The current levy of \$70 for offenders convicted of serious offences and \$30 for less serious offences has not increased for 11 years. It will be doubled and linked to the consumer price index.

We also will streamline the compensation claim process by reducing instances where legal fees are paid. Approximately 50 per cent of cases are straightforward and can be dealt with by Victims Services staff without additional resources. However, a small number of law firms are responsible for a large number of claims. For example, in 2007-08 one firm filed over 20 per cent of all claims for victims compensation and was paid \$862,683 in legal costs. The changes will simplify the application process for victims and reduce the amount of information they have to provide. An additional \$5 million per year will be raised by increasing offender levies and cutting red tape for victims lodging a claim.

The mini-budget is designed to protect other front-line services. In relation to the Office of the Director of Public Prosecutions we not only are protecting front-line services, we are enhancing them. The 14 additional lawyers provided for in the mini-budget will be located in the following locations to meet workload demands: 4 additional lawyers in Sydney; 4 additional lawyers in western Sydney at Campbelltown, Parramatta and Penrith; and 5 additional lawyers in country offices at Dubbo, Gosford, Lismore, Newcastle and Wagga Wagga. The Government will fund the positions for two years from 1 January 2009 at a cost of \$1.4 million per annum. In the meantime, the new Executive Director of the Office of the Director of Public Prosecutions, who commenced on 28 October 2008, will work to ensure resources are deployed more effectively and evenly so that the Office of the Director of Public Prosecutions will be in a position to fund the position itself. This position was created on the recommendation of the New South Wales Auditor-General to ensure wise spending.

In another important initiative the Government will increase the hearing fee for litigants, such as large commercial companies who use the New South Wales Supreme Court to resolve their civil disputes. The fee

will increase from \$255 to \$345 per half day of court time and from \$510 to \$690 per full day of court time. The Government recognises that Sydney is considered to be a centre of excellence for commercial law. However, the Government also recognises that taxpayers should not have to bear an excessive financial burden as a result of this excellent reputation. This change will mean that the costs imposed by New South Wales will be brought into line with those that apply to the Federal Court. Another mini-budget initiative is to merge the Public Trustee and the Office of the Protective Commissioner to improve services, increase efficiency and reduce bureaucracy. It is part of our commitment to eliminate duplication in departmental budgets. Every other Australian jurisdiction has a single entity dealing with the functions of the Public Trustee and the Protective Commissioner. Efficiency improvements from merged back-office functions will yield savings of over \$100,000 a year. These mini-budget initiatives relating to the Attorney General's Department are important reforms aimed at reducing red tape and bringing New South Wales into line with best practice in other jurisdictions whilst enhancing and protecting front-line services. [*Time expired.*]

NEW MARDI GRAS LTD FUNDING

Reverend the Hon. FRED NILE: I ask the Minister for Health, representing the Premier, a question without notice. Is it a fact that on 2 October 2008 the Chief Executive Officer of Events NSW, Geoff Parmenter, confirmed that the Government was going to donate thousands of dollars to the commercial entity known as New Mardi Gras Ltd to fund the 2009 Sydney Mardi Gras parade? Is it a fact that New Mardi Gras Ltd was reported earlier this year to have made a profit of almost half a million dollars? In light of the Government's projected \$1 billion deficit and cuts to public expenditure across the State, will the Government assure the people of New South Wales that all available funds will be invested wisely to deal with the significant challenges facing the State in health, transport, education and so on? Will the Government take immediate action to cut all funding to New Mardi Gras Ltd and the 2009 Sydney homosexual Mardi Gras parade and use this funding to pay for bus travel for children travelling to and from school?

The Hon. JOHN DELLA BOSCA: Firstly, I must challenge a premise in Reverend the Hon. Fred Nile's question that funding for the Mardi Gras parade is proportionate to funding for the services he referred to. Funding for New Mardi Gras, or the old Mardi Gras, is not in any way proportionate to such funding. The Mardi Gras is funded from the Government's events budget. Obviously, the Government continues to support important events even in tough times, but with a much more disciplined approach. Recently, as many members know, the Government made the significant decision, and I believe a very good decision, to support World Youth Day in Sydney. The Government also has made a decision to support a number of significant events, some of which may not be to an individual member's taste. We have supported a car race, a Catholic religious festival, sporting events such as the Rugby League World Cup and cultural events. I understand and respect the long-held and consistently strong view of Reverend the Hon. Fred Nile about the conduct of the Mardi Gras.

The PRESIDENT: Order! I call the Hon. Catherine Cusack to order for the first time.

[*Interruption*]

The PRESIDENT: Order! I call the Hon. Catherine Cusack to order for the second time.

The Hon. JOHN DELLA BOSCA: It is a little hard to concentrate. The member made the good point that the Mardi Gras has made a profit. It is not unusual for events to produce a surplus even when they are supported for a range of reasons. I am happy to go back and get the answers to the member's question about the basis on which the new Mardi Gras Ltd made a profit and what effect that would have on its operations.

The Hon. Duncan Gay: Why don't you run the Mardi Gras and the V8s together? It would save money.

The Hon. JOHN DELLA BOSCA: I think that is a very inane interjection, but I acknowledge it. I am trying to give a good answer to a very good question. The Deputy Leader of the Opposition wants to make a joke out of this, but many people think this question is very important, and obviously Reverend the Hon. Fred Nile thinks so too. I am happy to get the detail for him about the basis on which the new Mardi Gras was supported and why that would be so in the case of a reported profit. But I want to make the general point that even though these are tough times, the Government will not stop supporting cultural events. The Government will not stop promoting Sydney, regional New South Wales or relevant tourist and cultural events. And, where appropriate, we will introduce other events. The Mardi Gras is a cultural event. It is not necessarily a celebration that is to my taste—and, clearly, it is not to the taste of Reverend the Hon. Fred Nile—but, none the less, it has become an important part of Sydney's cultural life and it continues to be supported by many people in the community.

REGIONAL HOSPITALS REDEVELOPMENT

The Hon. TREVOR KHAN: My question is directed to the Minister for Health. When will the Minister confirm the time lines for the delivery of overdue hospital projects across New South Wales? When can the residents of the region served by hospitals at Dubbo, Port Macquarie, Grafton and Wagga Wagga expect long-awaited redevelopment and upgrade plans to be turned into bricks and mortar? When asked in this place about the future of the Tamworth Hospital redevelopment on 29 October the Minister said:

The Treasurer will go to the lower House on 11 November to deliver the mini-budget, and at that time all members will know the answers to these matters.

Given that there was no mention of the redevelopment in the mini-budget delivered this morning, will the Minister now confirm that the Tamworth Hospital redevelopment will be delivered on time and as promised?

The Hon. JOHN DELLA BOSCA: The member did not listen to the very excellent speech the Treasurer gave in the other place. In the mini-budget the Government has committed \$2.7 billion over the next four years to hospitals and other health infrastructure. This includes, and the Treasurer specified them in his speech, the \$950 million redevelopment of Royal North Shore Hospital; the \$390 million expansion of Liverpool Hospital; the \$212 million Newcastle Mater redevelopment; the \$145 million Auburn health services redevelopment; the \$250 million redevelopment of Orange hospital; and the \$27 million Lismore Cancer Centre.

We are facing squarely the challenges ahead of us to strengthen the New South Wales budget. Health, of course, remains our top priority. It is not about slashing services; on the contrary, a mini-budget has been drawn up so that core activities of government—the services that families need—can continue to be delivered. The New South Wales Government is investing in delivering better services and improving health infrastructure.

The Hon. Trevor Khan: What about Tamworth?

The Hon. JOHN DELLA BOSCA: I will get to it; I have four minutes in which to answer the question. Since 1995 this Government has delivered more than 50 major hospital projects—

The Hon. Duncan Gay: You had two months to get to Lourdes Hospital.

The Hon. JOHN DELLA BOSCA: It is what we have done in 10 years that is important. Since 1995 this Government has delivered more than 50 major hospital projects and invested \$5 billion in capital works for the New South Wales public health system. The Government has upgraded or rebuilt almost every major hospital and emergency department in New South Wales. In answer to the member's question, in regard to those matters we are also negotiating with the Commonwealth Government on projects to be delivered through the Health Infrastructure Fund. It is great to have a Commonwealth Government at last that is interested in funding hospital infrastructure. Subject to those discussions—

The Hon. Trevor Khan: Yes or no?

The Hon. JOHN DELLA BOSCA: I am answering the question. Some planned capital works may be brought forward and others deferred to ensure that the future capital program is realistic and affordable.

The Hon. Duncan Gay: So what has happened there?

The Hon. JOHN DELLA BOSCA: I just answered the question. We are negotiating with the Commonwealth Government on projects to be delivered through the Health Infrastructure Fund. Subject to those discussions, some planned capital works may be brought forward and others deferred to ensure that the future capital program is realistic and affordable. I will be providing further information to the House on these capital projects as soon as practicable and as those negotiations come to fruition. The Government is committed to delivering state-of-the-art medical facilities across the State in a responsible and effective way, and our negotiations with the Commonwealth around vital projects is an important part of delivering on that commitment.

The Hon. TREVOR KHAN: In light of the Minister's answer I ask a supplementary question. Was Tamworth Hospital part of an application to the Health Infrastructure Fund?

The Hon. Greg Donnelly: Point of order: In accordance with the standing orders, that is a completely new question and is, therefore, out of order.

The Hon. Don Harwin: To the point of order: The Minister's answer clearly canvassed the issue of the Commonwealth's Health Infrastructure Fund and the Hon. Trevor Khan is merely asking for elucidation of a part of the Minister's answer that dealt with that.

The PRESIDENT: Order! I can well understand the concerns raised by the Government Whip. However, the Minister gave a broad-ranging answer and the Hon. Trevor Khan is seeking elucidation. In that regard, the Minister may elucidate his answer.

The Hon. JOHN DELLA BOSCA: I am pleased to elucidate. I do not want to be repetitious in my elucidation but I make the point that I did say in the substantive answer to the question that these discussions were subject to negotiations currently being conducted by the State Government with the Commonwealth Government. Anyone who understands the process by which government-to-government negotiations take place knows that Ministers do not come into this place and elaborate on Executive Government matters until the appropriate time. As I said, the Government is committed to delivering state-of-the-art medical facilities across the State in a responsible and effective way. The mini-budget is a part of delivering on that commitment and so are our negotiations with the Commonwealth.

STATE ECONOMY

The Hon. PENNY SHARPE: My question without notice is directed to the Treasurer. Will the Treasurer advise the House on recent Treasury forecasts on the state of the New South Wales economy and how this is affecting the Government's financial position?

The Hon. ERIC ROOZENDAAL: As the House is aware, there have been a number of economic developments since the June budget. As a result, the Government has revised its forecasts as part of the mini-budget process. Over the course of the year the New South Wales economy has slowed considerably. Tighter credit conditions have affected household and business spending. For these and other reasons, I am advised that the New South Wales economic output, otherwise known as gross State product, is expected to slow from 2.5 per cent in 2007-08 to 1.5 per cent in 2009-10.

I am also advised that State final demand growth is expected to slow from 4.3 per cent in 2007-08 to 1.5 per cent in 2008-09 and recover slightly to 1.75 per cent in 2009-10. Household consumption and business investment growth will be more subdued. These conditions have obviously affected the Government's finances. The Government expects a fall in transfer duties. We have revised down transfer duty receipts this year by a further \$710 million. This follows the earlier downward revision of \$300 million. We also expect a fall in New South Wales's share of GST revenue of around \$450 million as a result of declining consumption.

I am advised that weaker economic conditions have reduced cyclical revenues by around \$3 billion over the forward estimates period. However, policy changes as part of the mini-budget process should increase structural revenues by roughly the same amount. I am advised that total expenses are projected to be \$48.8 billion in 2008-09, and that is \$1.1 billion higher than was estimated at the June budget. Expenses will also be higher over the forward estimates period. Some of the reasons for this increase in expenses include increased superannuation expenses, additional expenses in a range of core government activities such as health, immunisation and road maintenance, and higher expected expenses arising from the Commonwealth Government's First Home Owners Grant boost program.

However, the mini-budget projects growth in expenses over the forward estimates period to be 4.9 per cent per annum. This will bring it into line with the long-running average revenue growth of 5 per cent per annum. I am advised that the total State net debt in 2011-12 is now estimated to be \$1.1 billion lower than what was announced in the June budget. This reflects the impact of a reduction in the total State capital program and increased asset sales. I am also advised of an increase in net financial liabilities that are primarily the result of an increase in superannuation liabilities. Like most superannuation schemes, the Government's superannuation investments have been affected by the global financial crisis.

The Hon. Greg Pearce: Unfunded superannuation.

The Hon. ERIC ROOZENDAAL: This has resulted in an increase in unfunded superannuation liabilities.

The Hon. Michael Gallacher: The Hon. Greg Pearce is one step ahead of you again.

The Hon. ERIC ROOZENDAAL: He is always one step ahead of Michael Baird. Nevertheless, the Government remains committed and on target to meet superannuation liabilities fully by 2030 as outlined in the Fiscal Responsibility Act. As part of this mini-budget process, the Government has made difficult decisions and tough choices. However, in the times in which we live difficult decisions need to be made. With the decisions announced today in this House and in the other place the Government is confident in the state of our finances and the strength of our economy.

ELECTRIC BICYCLES

Ms LEE RHIANNON: I direct my question to the Minister for Police. Is the Minister aware that there is considerable inconsistency in the policing of electric bikes, motorised bikes, with officers in some regional areas threatening to charge people for riding motorised bikes and harassing riders and requiring that they dismount and wheel rather than ride their bikes? Are police officers given any directions on the use of electric bikes to ensure that riders are allowed to use them? Will the Minister ensure that Mr Michael French, a disabled pensioner with a degenerative spinal condition who lives in Cowra, is allowed to ride his electric bike without being ordered by police to dismount and wheel it around?

The Hon. TONY KELLY: I will get a detailed answer to the question, particularly in relation to that case. I will also ensure that I incorporate in it any information from the Roads and Traffic Authority, which obviously has some influence in this matter.

[Interruption]

I acknowledge the interjection of the Hon. Greg Pearce that the bikes should be charged before they are used.

STATE FINANCES

The Hon. MATTHEW MASON-COX: I direct my question to the Treasurer. I am pleased to see him back in this Chamber. Why has it taken the Government so long to address the fundamental structural fiscal weakness identified by Stokes and Burdekin in 2006 and at page 3.1 of the mini-budget, caused by expense growth exceeding revenue growth by 1 per cent per year for each of the past four years?

The Hon. ERIC ROOZENDAAL: The mini-budget addresses a number of issues. Obviously the first is maintaining the State's triple-A credit rating, which, of course, is of very real importance to the future of this State. It also addresses securing future generation for power needs in New South Wales and expenditure and income.

The Hon. Duncan Gay: No it does not.

The Hon. ERIC ROOZENDAAL: It does.

The Hon. Duncan Gay: It doesn't go near that.

The Hon. ERIC ROOZENDAAL: Members opposite have no idea about this. This has all come about because they would not support our power reforms. The mini-budget sets the way forward for the State. This Government is bringing into line both expenditure and income, which is one of the targets of the Fiscal Responsibility Act. We are living through extraordinary economic times. I know that members opposite believe that they have a crystal ball, but any reasonable person would understand that since the last budget was brought down in June there have been tremendous changes throughout world financial markets. World financial markets have been turned upside down. The mini-budget deals with the challenges moving forward.

MINI-BUDGET IMPACT ON POLICING

The Hon. MICHAEL VEITCH: I direct my question to the Minister for Police. What impact will the Government's mini-budget have on the delivery of policing in New South Wales?

The Hon. TONY KELLY: The Rees Government has quarantined front-line police resources from any savings measures outlined in today's mini-budget. On behalf of the community of New South Wales I thank the Treasurer for that. The Government went to the election with the promise of putting more police on the beat

across the State, and it is determined to deliver on that promise to the people of New South Wales. I am pleased to remind the House that this Government has already started delivering on its election commitment of an additional 750 police officers by increasing police numbers this year to a record 15,236.

The Hon. Michael Gallacher: Accelerated sales of police assets.

The Hon. TONY KELLY: If Opposition members listen, I will get to that point. This has been achieved with the early delivery of 30 officers to the Alcohol Licensing and Enforcement Command earlier this year. Today's mini-budget confirms that police numbers will be further increased over the next three years by a further 720 police officers joining the force. As I said earlier in response to the Leader of the Opposition—who was not listening then and is not listening now—we will increase the strength to an unprecedented 15,956 officers. He is not interested in police numbers; he keeps putting up furbies to the Police Association, but fortunately its members do not listen to him.

Our front-line police deliver an outstanding service and this Government will continue to provide them with the resources they need to do their job. The mini-budget also reaffirms the New South Wales Government's election commitment to provide 30 new police stations across the State. Since the election we have opened police stations at Campsie, St Marys, Corrimal and Yamba. In the past few months new stations have been built at Fairfield, Lismore, Orange and Dubbo. I had an opportunity to stop by the new police station in Dubbo only yesterday and I know the difference it is making to local police to have a modern, new station.

The Hon. Michael Gallacher: How many years did that take?

The Hon. TONY KELLY: How many police stations did the Opposition build? None. How many hospital beds did they close? They closed 5,000 hospital beds. Over the next three years the Rees Government is on track to have another nine new stations across New South Wales. It will commence planning work on new stations at Parramatta, Bowral, Coffs Harbour and Parkes. The New South Wales Police Force continually examines the efficiency of its administration and non-operational programs. It does this to ensure that funding is delivered to where it is needed most—the front line. Like many government agencies, the NSW Police Force has a longstanding program for the disposal of non-operational assets and property. Today's mini-budget confirms the continuation of this program over the next four years with the accelerated sale of properties no longer needed for police operations. This program is expected to deliver \$8 million over the next four years. That funding will be used for the maintenance of and improvements to operational assets. Being in government means making tough decisions and responsible choices—something that members opposite have no experience with.

Today's mini-budget includes a reduction in funding of \$15 million a year for information and communication technology. This will not impact on the delivery of any existing programs. The NSW Police Force will continue to spend \$35 million each year on providing front-line police with the information technology they need to do their job. Today's mini-budget is about ensuring that we deliver on our commitment to boosting police numbers, opening new police stations and supporting front-line police. [*Time expired.*]

CLIMATE CHANGE

Mr IAN COHEN: I direct my question to the Minister for Lands. I refer the Minister to the informative publication that the Minister for Primary Industries circulated to members entitled "Meeting the Climate Challenge". On page 7 the article states:

Not all biofuels are created equal. In fact, unless we go down the right track, some biofuel production could be self defeating in that it costs as much in greenhouse emissions to produce as current fossil-fuel sources.

What measures has the Government put in place to ensure that New South Wales is going down the right track? Have any ethanol producers in New South Wales who contribute to the E2 mandate undergone any greenhouse gas or sustainability assessment?

The Hon. TONY KELLY: I acknowledge the member's interest in the subject of his question. I acknowledge also that he is participating in "Movember", which is why he is growing a moustache. The member's question relates to the way that biofuels are produced, and there are a number of ways. They can be produced, as they are in some places overseas, from grain and crops that are grown specifically for the production of biofuels and by-products. In those cases the benefits to the environment are nowhere near as significant. In New South Wales and Australia biofuels are produced from waste products. That is what the

plants that are proposed to come on stream will use. For example, the Hon. Don Harwin will be aware that the Manildra plant at Nowra is producing significant amounts of ethanol from starch waste. Plants in Queensland are producing ethanol from waste from sugar products. The new plant at Coleambally will use by-products from a 10,000-head dairy feedlot. It wants to produce distillers grain to be able to feed the higher protein grain to the cattle. Ethanol is produced from a by-product of distillers grain.

BATHURST HOSPITAL FUNDING

The Hon. RICK COLLESS: My question is directed to the Minister for Health. As funding commitments for the redevelopment of Royal North Shore Hospital, Newcastle Mater hospital, Auburn hospital, Orange hospital, the expansion of the Liverpool Hospital and the development of a Lismore cancer centre have been outlined in the mini-budget, does this mean that funds previously promised for the continued remediation of Bathurst hospital will be suspended? Furthermore, will the failure to set aside funds to rehabilitate Bathurst hospital's heritage building mean that these vital works will be placed on the backburner? What is the estimated cost of completing these projects, and when can Bathurst residents and health professionals expect to have these funds identified?

The Hon. JOHN DELLA BOSCA: The member asks a very good question. The new Bathurst hospital is a \$100 million investment by the Government that provides an additional eight beds and five emergency department places; enhanced dental services, with two extra dental chairs; a state-of-the-art computerised tomography scanner, which allows for more accurate diagnosis and treatment; integrated community health and inpatient services; a rooftop helipad, directly linked to critical care; and operating theatres for patients needing urgent attention. Of course, there were some problems when the new hospital started operations. The hospital staff did a great job under difficult conditions, and I thank them for their help and patience as things were sorted out.

Health Infrastructure has developed a timetable to undertake improvements to the new hospital with minimum disruption to hospital services. These works will see improvements to the intensive care unit, a paediatric unit, a maternity unit, operating theatres and the emergency department. The first of these was commenced on 1 September 2008 and is expected to be completed by April next year. Senior management of the Greater Western Area Health Service continue to meet regularly with the medical staff council, the mayor of Bathurst, the Bathurst health council and the local member to advise on progress. Bathurst hospital will continue to deliver first-class health care to the people of Bathurst.

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

JUST ENOUGH FAITH FOUNDATION FUNDRAISING

The Hon. TONY KELLY: On Wednesday 29 October 2008 Ms Lee Rhiannon asked me a question without notice regarding the Just Enough Faith Foundation. I can provide the following answer. Recently the Minister for Gaming and Racing indicated that an investigation by the Office of Liquor, Gaming and Racing had identified at least 10 unlawful fundraising appeals by the homeless charity Just Enough Faith Foundation [JEFF]. This investigation has now been referred to the Commissioner of Police to identify whether offences under the Crimes Act and the Charitable Fundraising Act have been committed. I have been advised by the commissioner that the fraud squad in the State Crime Command will be forming a strike force to investigate the matter. This matter may take some time to be resolved and for charges to be laid, given that complex forensic accounting procedures will be a significant component of the investigation. As the matter remains under investigation, I cannot comment on the specific allegations or activities undertaken by JEFF.

AL AMANAH ISLAMIC COLLEGE DEVELOPMENT APPLICATION: BASS HILL HIGH SCHOOL SPORTS FIELDS

The Hon. TONY KELLY: On 23 October 2008 Reverend the Hon. Fred Nile asked me a question without notice concerning the Al Amanah Islamic College development application concerning the Bass Hill High School sports fields. I can advise the House that, according to the records of the Department of Lands, the Bass Hill High School sports fields site, being lot 2 in deposited plan 505662, was sold by the Minister for Education and Training to Al Amanah College Incorporated for a consideration of \$4.448 million. There is no record of Garden View Apartments having held this land.

DRUG DETECTION DOGS

The Hon. TONY KELLY: On 23 October 2008 Ms Sylvia Hale asked me a question without notice concerning legislation governing the use of drug detection dogs. I can advise the House that the Police Powers (Drug Detection Trial) Act 2003 had an 18-month sunset clause, which has expired, and the trial has ceased. The New South Wales Police Force relies on the Law Enforcement (Powers and Responsibilities) Act 2002 for the ongoing deployment of drug detection dogs.

DEFERRED ANSWERS

The following answer to a question without notice was received by the Clerk during the adjournment of the House:

TAFE CURRICULUM MANAGERS

On 25 September 2008 Dr John Kaye asked the Attorney General, representing the Minister for Education and Training, a question without notice regarding TAFE curriculum managers. The Minister for Education and Training provided the following response:

Changes to the organisation of training support services for TAFE NSW Institutes will enable them to deliver training in a simpler, more direct way.

TAFE NSW Institutes will now deliver directly from national Training Package qualifications. The previous approach of central development of all TAFE NSW courses is no longer required.

Institutes will have greater flexibility to design training products and services for their diverse markets and customers.

Support for Institutes will continue. It will be provided by three new Industry Skills Units aligned to national Industry Skills Councils. These Units will provide a point of contact for key industry stakeholders.

There are fewer Education Program Managers in the new structure than there were positions at the same grade in Curriculum Centres because the functions have changed. Development of accredited courses will only be required where there is no qualification in a national Training Package, or existing accredited course, and will be managed on a project basis in conjunction with Institutes. There will be no increase in total TAFE costs as a result of the realignment.

The structure of the new Industry Skills Units reflects developments at the national level to rationalise Training Packages and focus on qualifications aligned to national skills requirements across industries and occupations.

Questions without notice concluded.

PORTS AND MARITIME ADMINISTRATION AMENDMENT (PORT COMPETITION AND CO-ORDINATION) BILL 2008

In Committee

Consideration resumed from an earlier hour.

Ms LEE RHIANNON [5.06 p.m.]: As we have had an interruption, I remind members that we are considering Greens amendment No. 2. The line that would be inserted in the Ports and Maritime Administration Amendment (Port Competition and Co-ordination) Bill 2008 by the amendment reads:

The Minister must not give a direction under this section unless satisfied that the direction is in the public interest.

The key words we were discussing prior to question time were "in the public interest". I would have thought it was a given that legislation would include such words. I put it to members that too much is at stake not to include public interest. Look at what is happening in New South Wales and the numerous problems involving Ministers and parliamentary standards. It indicates clearly that this amendment is needed most urgently to ensure that this legislation operates not just for sectional interests but in the interests of the public. The interpretation is up to the Minister, but it would give the Minister some clear guidelines. As my colleague Ms Sylvia Hale said, that is something the current Minister obviously requires urgently. I am concerned that if members fail to vote for this amendment we will be on a slippery slope as to what direction Ministers follow with this type of legislation. The Greens believe this is a most vital amendment. It will reflect poorly on the House and Parliament if members fail to vote for an amendment that sets out the vital need to put public interest centrestage in the legislation.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [5.08 p.m.]: Some members have indicated that they are not persuaded by the amendment and need further encouragement. I cannot understand

why anyone would vote against an amendment that says a Minister must not give a direction under this section unless satisfied that the direction is in the public interest. It is a sensible amendment. The alternative is to allow a Minister to do exactly what he wants in someone else's interests. This is not a sneaky amendment; it is an obvious provision that puts further pressure on a Minister to do the right thing. This is a House of review. We should be trying to ensure not only that we do the right thing but also that the Minister, who under this bill has been given significant additional power, is seen to be doing the right thing. I cannot understand why anyone would not support the amendment.

Question—That Greens amendment No. 2 be agreed to—put.

The Committee divided.

Ayes, 19

Mr Ajaka	Ms Hale	Mrs Pavey
Mr Clarke	Dr Kaye	Mr Pearce
Mr Cohen	Mr Khan	Ms Rhiannon
Ms Ficarra	Mr Lynn	
Mr Gallacher	Mr Mason-Cox	<i>Tellers,</i>
Miss Gardiner	Reverend Dr Moyes	Mr Colless
Mr Gay	Ms Parker	Mr Harwin

Noes, 20

Mr Brown	Mr Obeid	Mr Tsang
Mr Catanzariti	Mr Primrose	Ms Voltz
Mr Della Bosca	Mr Robertson	Mr West
Ms Griffin	Ms Robertson	Ms Westwood
Mr Hatzistergos	Mr Roozendaal	<i>Tellers,</i>
Mr Kelly	Ms Sharpe	Mr Donnelly
Reverend Nile	Mr Smith	Mr Veitch

Pair

Ms Cusack

Mr Macdonald

Question resolved in the negative.

Greens amendment No. 2 negatived.

Ms LEE RHIANNON [5.18 p.m.]: I move Greens amendment No. 3:

No. 3 Page 4, schedule 1 [4]. Insert after line 24:

- (8) When the Minister gives a Port Corporation a direction under this section, the Minister must cause a notice to be published in the Gazette that sets out the direction and states the reasons why the direction was given and why the direction is in the public interest.

Greens amendment No. 3 inserts an additional sentence into the bill. My amendments Nos 1, 2 and 3—particularly amendments Nos 2 and 3—were intended to be moved in globo. I accept that this amendment, too, will be lost, but I wish to put on record why I believe my amendments are necessary. The Minister is to give a direction in writing and, if Greens amendment No. 3 is passed, the Minister will have to detail what the direction encompasses and why it is required. Clearly, this information is necessary and should be available publicly. If Greens amendment No. 2 had been passed, those public interest directions would have been set out clearly. It is most unfortunate that amendments dealing with public interest have not been agreed to.

The Government has voted against public interest and all that it entails in this bill. The Greens are concerned about this because the amendments sought merely to place on record ministerial directions with respect to corporations. We sought only to have a notice published in the Government Gazette setting out the reasons why the Minister gave a direction to a port corporation and why it is in the public interest, and stating

that the Minister must give notice of any direction, in writing, to the port corporation. By voting against the Greens amendment the Government is saying that it is not doing that and that public interest is not the driving force behind such a ministerial direction. Losing this amendment is a very serious setback.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [5.20 p.m.]: The Opposition supports Greens amendment No. 3. However, we understand that as the previous Greens amendment—which applied a gentler hand than this amendment—was not passed, the chances of Greens amendment No. 3 being passed are absolutely zilch. Greens amendment No. 3 is a much stronger amendment than the previous amendment. Indeed, the two of them go together. Had the previous amendment been passed, it would have been a very sensible approach to the bill. While the Opposition supports Greens amendment No. 3—and would have supported it on a vote in conjunction with the previous amendment—certainly we will not call a division on it.

The Hon. PENNY SHARPE (Parliamentary Secretary) [5.21 p.m.]: The Government does not support Greens amendment No. 3. It would be inappropriate to make a blanket rule to publish all potential ministerial directions under the proposed power. If a direction related to a sensitive commercial transaction, the former corporation is entitled to expect that the direction and the transaction will not be disclosed, just like any other business. The proposed amendment offers no provisions for protecting this commercially sensitive information, which may relate to items such as tenant leases. The direction-giving power is heavily qualified. It must relate to the functions of a port corporation in connection with the new principal objectives: first, to promote and facilitate the competitive commercial environment in port operations; and, second, to improve productivity and efficiency in its ports and the port-related supply chain.

There are also legislative safeguards, including the provision of the direction in writing; the shareholding Ministers must be notified; and a review of the direction if it affects the performance of the port corporation, in which case it must be approved by the Treasurer. These safeguards ensure that the portfolio Minister is accountable to the corporation and its shareholders for the consequences of any directions. The Freedom of Information Act is available to seek further details about individual directions subject to the assessment process included under the Act.

Question—That Greens amendment No. 3 be agreed to—put and resolved in the negative.

Greens amendment No. 3 negatived.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [5.23 p.m.]: I move The Nationals amendment No. 1:

No. 1 Page 5, schedule 1 [4]. Insert after line 5:

- (3) Before a regulation is made under this section, the Minister is to refer the proposed regulation to the Independent Pricing and Regulatory Tribunal under section 12A of the *Independent Pricing and Regulatory Tribunal Act 1992* for investigation and report as to the impact of the proposed regulation on competition and productivity at the port or ports concerned.
- (4) A regulation under this section cannot require a person to disclose information that is commercial-in-confidence (being information the disclosure of which would place the person at a substantial commercial disadvantage in relation to other participants in the market in which the person operates).

The Minister noted in the other place in replying to the debate:

If any regulations are introduced they will be subject to the Subordinate Legislation Act 1989, which requires rigorous assessment of both direct and indirect impacts on industry and the public. A regulatory impact statement [RIS] is required for any proposed regulation under the powers outlined in the bill, along with public consultation.

That is what happened with the regulations regarding the Road Transport Act. In fact, that same regulatory body conducted the review on those regulations, which are appalling. That is why many members in this place, both Government and Opposition, were concerned about those regulations. First, the regulations were out of touch with the bill that they related to and, second, they went against the theory of putting in place national regulations to make it easy for people to operate.

The Minister's speeches and the contributions of Reverend the Hon. Fred Nile and Reverend the Hon. Dr Gordon Moyes are an indication that this legislation was based on the recommendations of the Independent Pricing and Regulatory Tribunal [IPART], and that the Independent Pricing and Regulatory Tribunal said within its report that it is absolutely essential that we use a gentle hand. The reason we need these regulations to go

before the Independent Pricing and Regulatory Tribunal is to maintain that gentle hand. We do not need regulations that are overreactions and we do not need draconian regulations; we need regulations that use a gentle hand. I cannot understand the Government objecting to The Nationals amendment, given the comments of the Parliamentary Secretary and the fact that the Government probably does not even envisage regulations coming in soon, if at all.

I would have thought the only real objection one could have to a review by the Independent Pricing and Regulatory Tribunal is that such a review would take too much time. If the Government had expressed that concern, I would have accepted it as legitimate and would have suggested that my amendment include a deadline to ensure that such a review is conducted in a timely manner. But quite the opposite has occurred. The Minister's concerns, as expressed through the Parliamentary Secretary, had nothing to do with time. His concerns were that regulations would not really be put in place and that we had the format in place to address those concerns. I have to say that I have no confidence in that format. As we saw with the regulations for the trucking industry, that format has failed, and failed dramatically.

The last thing the people in this industry need is regulations that change the whole tenure of this agreement. In fact, there is goodwill on all sides at the moment because of the work that the Independent Pricing and Regulatory Tribunal has done and the Minister's initiative in this matter. For the life of me, I cannot understand why anyone would object to a review by IPART. After all, the bill is based on the report prepared by the Independent Pricing and Regulatory Tribunal after checking the regulations. The Independent Pricing and Regulatory Tribunal would take the regulations back to the people so they could point out any concerns, and that is all that is involved. It is about conducting the process through the Independent Pricing and Regulatory Tribunal, rather than via the flawed situation we have at the moment.

The second part of the amendment relates to commercial-in-confidence. Many members of this House who have come from the business sector or who operated their own businesses will understand the real concerns that the parameters of commercial-in-confidence involve. The Minister said that he needs transparency and that transparency should be limited. This aspect is important as it incorporates the Minister's assurance and codifies what is meant by "not to be released". I quote from what the Minister said in the lower House:

On the issue of confidential information, because that is one of the concerns that the Opposition has raised, the publishing of commercial information, like any other regulatory proposal, must undergo rigorous assessment and public consultation. If a regulation were to be proposed requiring information from supply chain participants, this assessment would need to have regard to current practices applying to commercial-in-confidence information. On the issue of confidential information, because that is one of the concerns that the Opposition has raised, the publishing of commercial information, like any other regulatory proposal, must undergo rigorous assessment and public consultation. If a regulation were to be proposed requiring information from supply chain participants, this assessment would need to have regard to current practices applying to commercial-in-confidence information.

Given those comments by the Minister, I frankly cannot understand why the Government is opposed to the Opposition including commercial-in-confidence. The Opposition understands that part of the genesis of the bill is to have transparency, but that transparency must be limited by our ability to protect certain areas of commercial-in-confidence. As I indicated in my second reading speech, the stevedoring area is very competitive with three major players—maybe four. Reverend the Hon. Dr Gordon Moyes and Reverend the Hon. Fred Nile indicated that there are hundreds of operators in the road transport and supply side that are in daily competition. Unless these protections are included there will be concern about this legislation. There will certainly be a concern given that we have not got other safeguards on what future Ministers or, dare I say, future bureaucrats may or may not do.

The Hon. LYNDIA VOLTZ [5.32 p.m.]: The proposed amendment is redundant and would generate more red tape with no added benefit. At a broader level, the Independent Pricing and Regulatory Tribunal [IPART] has done a thorough investigation into the burden of regulation.

The Hon. Don Harwin: Slower, Linda.

The Hon. LYNDIA VOLTZ: I can go slower.

The DEPUTY-PRESIDENT (The Hon. Amanda Fazio): Order! Interjections are disorderly at all times and the member should ignore them.

The Hon. LYNDIA VOLTZ: It provided detailed recommendations on improving regulatory efficiency. The Government accepted those recommendations and has put them into practice. The Subordinate Legislation Act 1989 had some requirements in place. The Government's 2008 Guide to Better Regulation builds on and enhances those protections.

The Guide to Better Regulation establishes the systems and principles recommended by the Independent Pricing and Regulatory Tribunal to ensure every single registry proposal put forward in New South Wales is subject to the most rigorous justification and consultation process. There are now stricter rules for when a regulatory impact statement is required, longer consultation periods, and an independent gatekeeper in the Better Regulation Office. The Better Regulation Office vets all regulatory proposals to see that they meet the better regulation principles enunciated by the Independent Pricing and Regulatory Tribunal, the same principles the Independent Pricing and Regulatory Tribunal set out in its Port Botany report to determine whether regulation would be required. The Better Regulation Guide explicitly requires impact analyses to address potential competition restrictions, as well as other cost benefit elements such as productivity and compliance impacts.

On a more specific level, this bill is consistent with the Independent Pricing and Regulatory Tribunal's Port Botany recommendations because it does not actually impose regulation at this stage. The Independent Pricing and Regulatory Tribunal's Port Botany report identified in detail many of the terms and conditions under which supply chain services should be provided. It is worth noting that the Independent Pricing and Regulatory Tribunal's central recommendation was for a pricing mechanism that was roundly rejected by industry. The Government has listened to industry. That is why, in keeping with the initially light-handed approach espoused by the Independent Pricing and Regulatory Tribunal, the Government is not proposing to impose this unpalatable solution on industry. Instead, industry will be given the opportunity to find its own solutions, assisted by the Sydney Ports Corporation.

The bill establishes a framework for government action if voluntary efforts by industry do not succeed. As I have outlined, the framework to ensure any future government action is consistent with Independent Pricing and Regulatory Tribunal principles is already in place. In the final analysis, an additional report from the Independent Pricing and Regulatory Tribunal will only amount to another piece of advice; it will not replace the responsibility of the Minister to recommend a regulation to the Governor.

The Hon. ROBERT BROWN [5.35 p.m.]: On the first part of the amendment, I understand the point that the Deputy Leader of the Opposition has made about the regulatory impact statement requirement not providing good scrutiny of the road transport regulations, which is correct. The new Minister also has conceded that was the case but that does not necessarily mean that the regulatory impact statement protocols included in the current legislation regularly do not work. I am concerned that it could become a regular thing that each time we amend an Act and talk about a new regulation we will require the Independent Pricing and Regulatory Tribunal or some other body to create yet another step in the regulatory process. I also concede the point of the Deputy Leader of the Opposition that the Minister has given an indication of not a great deal of urgency about all of this but that could change tomorrow.

The second part of the proposed amendment by The Nationals relates to commercial-in-confidence, particularly in relation to this industry. Given the comments that both Reverend the Hon. Dr Gordon Moyes and Reverend the Hon. Fred Nile have made about the complexity of the supply chain line, the stevedores, the road transport aspects and the marine transport aspects, it could become a bit of a legal minefield trying to determine what is and what is not commercial-in-confidence. The key performance indicators for people competing on the waterfront, and there are only three or four of them, can really only be related to time and turnaround and those sorts of issues that can be readily measured: time off ship, time to turn the boxes round, waiting times on trucks et cetera. They are the types of problems that need to be sorted out, particularly the waiting time on trucks and the subsequent bulking of huge numbers of movements together in a short time frame.

The Shooters Party does not support the first part of the amendment; it is based on the preposition that because one set of regulations has not worked the regulatory impact statement system has not worked. We also do not support the second part of the amendment because we can see a great deal of difficulty in assessing whether or not something is commercial-in-confidence. Therefore the Shooters Party does not support the first two parts of The Nationals amendment.

The Hon. MICHAEL VEITCH [5.39 p.m.]: I will address the second part of the proposed amendment, which states, "A regulation under this section cannot require a person to disclose information that is commercial-in-confidence". The proposed amendment is not acceptable because it would prevent even the confidential disclosure of information for the purpose of monitoring productivity and efficiency at critical supply chain nodes. The proposed amendment also could prevent official access to information required to verify compliance with mandated standards. I am having difficulty being heard because of the noise from the Greens. Commercial business information commonly is given to government professional bodies. The more

important question is: What safeguards prevent that information from being published in such a way as to identify and potentially disadvantage a particular business? In New South Wales any regulation requiring information will be subject to the same justification, assessment and consultation as any other regulatory proposal. This will extend to the design of information collection systems and rules around the confidentiality of information. These rules would be consistent with current practices such as freedom of information exemptions from disclosure, which apply to commercial-in-confidence information.

On the evidence of inefficiency, which the Hon. Robert Brown spoke about briefly, two expert reviews that were conducted recently into New South Wales ports have guided many of the port reforms proposed in the bill. The first of these reviews into port competition and regulation in New South Wales was conducted by PricewaterhouseCoopers. The second review was conducted by the Independent Pricing and Regulatory Tribunal, which the Deputy Leader of the Opposition spoke about at length in his speech. The Independent Pricing and Regulatory Tribunal review of Port Botany made specific recommendations to provide greater transparency as an important step towards improving performance at the port. The Government will not support the amendment.

Reverend the Hon. FRED NILE [5.41 p.m.]: I cannot support the proposed amendment. If the port authority or a ports corporation were required to make a decision on commercial-in-confidence information that information would not be made public, it would remain within the corporation.

The Hon. Duncan Gay: If that is the case, you should support the amendment.

Reverend the Hon. FRED NILE: The amendment is not needed. The proposed amendment will stop them from getting the information. I say that they should be able to get the information, but that the information remains confidential within the authority or the ports corporation. The amendment will stop the authorities from getting information on which they can make commercial decisions.

The Hon. Duncan Gay: Read the amendment. It stops them disclosing it.

Reverend the Hon. FRED NILE: It asks them to disclose information to the authority.

The Hon. Duncan Gay: It says not disclose.

Reverend the Hon. FRED NILE: That is what I am saying. But the authority and the corporation need that information to make assessments about the efficiency of the ports.

The Hon. TONY CATANZARITI [5.43 p.m.]: This bill will enable the introduction of various reforms that arose from the Independent Pricing and Regulatory Tribunal [IPART] review of the interface between the land transport industries and the stevedores at Port Botany. As part of this review the Independent Pricing and Regulatory Tribunal undertook comprehensive investigations and conducted exhaustive consultations with industry and the public. In its final report the Independent Pricing and Regulatory Tribunal made 18 recommendations to improve efficiency and port performance. These recommendations focused on greater transparency and reporting; performance standards for stevedores and road and rail operators; price-based allocation and truck slots at the terminals via a descending price or Dutch auction system—

The Hon. Duncan Gay: Point of order: My point of order is relevance. The proposed amendment is about commercial-in-confidence information. The Hon. Tony Catanzariti is talking about truck slots, which have absolutely nothing to do with the proposed amendment. The proposed amendment relates to commercial-in-confidence and the regulations being addressed by the Independent Pricing and Regulatory Tribunal. I request that the member be drawn back to the proposed amendment.

The Hon. Penny Sharpe: To the point of order: It is traditional in this Chamber that debate during the Committee stage is wide ranging. Members have raised a number of issues and it is appropriate that the Hon. Tony Catanzariti explores those issues further.

The CHAIR (The Hon. Amanda Fazio): Order! It would not be inconceivable that the allocation of truck slots at a port for loading and unloading goods could be construed as a matter of commercial-in-confidence. Therefore, there is no point of order.

The Hon. TONY CATANZARITI: These recommendations focused on greater transparency and reporting; performance standards for stevedores and road and rail operators; price-based allocation and truck

slots at the terminals via a descending price or Dutch auction system; and an industry-based rail logistics team to improve rail performance. After giving full consideration to the Independent Pricing and Regulatory Tribunal recommendations and the views expressed by industry the Government developed a two-phased approach to reducing land-side congestion at Port Botany. Phase one will provide industry with an opportunity to respond to the challenges associated with congested and inefficient port supply chains. For example, industry may develop performance standards for key indicators such as truck turnaround and waiting times for stevedores and on-time arrival for road and rail operators. Phase one also will see the introduction of an off-peak incentives scheme to encourage off-peak container pick-up and delivery. This will improve the efficiency and productivity of trucks, equipment and labour at the port.

The Sydney Ports Corporation will provide assistance and leadership to help industry achieve the best results. The legislative amendments proposed in this bill will enable the Sydney Ports Corporation to carry out this responsibility by providing the port corporations with additional statutory objectives and functions to work with participants in the port and supply chain. These will enable the ports to take a more active leadership role in coordinating port operators and supply chain service providers to improve productivity and efficiency. The bill also will give the Minister the ability to provide direction to the port corporations to take specific actions to fulfil their new objectives. The Government is confident that phase one will foster industry-led improvements in port efficiency. However, if phase one does not improve efficiencies and reduce congestion at the port, we will move on to the staged implementation of phase two. This phase will see the Sydney Ports Corporation taking a greater role in administering the system.

The bill will introduce a number of regulation-making powers that will enable the Government, if required, to regulate land-side activities to optimise the efficiency of the port logistics systems. This includes the ability to introduce mandatory performance standards such as truck turnaround times and on-time arrivals, as recommended by the Independent Pricing and Regulatory Tribunal. These mandatory performance standards could be introduced if voluntary actions by industry fail to improve the efficiency of the port supply chain. To ensure industry complies with these performance standards regulations may also require port supply chain participants to keep records and to provide information to Sydney Ports Corporation. This will enable Sydney Ports Corporation to monitor compliance with performance standards. Should industry participants not comply with performance standards, the bill will also enable the introduction of penalties. The normal appeals process applies to any penalties that may be introduced under the amended Act. Any person the subject of a penalty notice can elect to have the matter heard in court and avail himself or herself of the appeals system. It should be noted that these measures would be applied only as a last resort if industry fails to improve performance on its own.

This bill also will introduce powers to, if necessary, regulate any charges in connection with providing and operating the facilities and services in the port supply chain. This would enable Sydney Ports Corporation to manage the new vehicle booking system, including the off-peak incentive scheme, which encourages trucks to access the port out of peak hours. These powers will come into play under phase two only if the industry-led improvements fail to improve the efficiency of the port supply chain.

The bill provides the supporting framework for implementing the Independent Pricing and Regulatory Tribunal recommendations should industry efforts fail to yield improvements in port and supply chain performance. This two-phased approach will encourage industry-based innovation in the first instance and provide for phased implementation of regulation, if required. If any regulations are introduced they will be subject to the Subordinate Legislation Act 1989, which requires rigorous assessment of both direct and indirect impacts on industry and the public. The need for regulation must be demonstrated in the circumstances and the regulatory impact statement must show that all potential impacts have been considered and that the benefits outweigh the costs.

The bill does not circumvent the requirements of either the Subordinate Legislation Act 1989 or the Guide to Better Regulation. The amendments proposed in this bill will introduce a number of reforms to improve the competitiveness and efficiency of New South Wales ports to ensure these ports can accommodate future trade growth. These reforms are necessary to introduce the various initiatives arising from the Independent Pricing and Regulatory Tribunal review to reduce congestion and improve the efficiencies of the Port Botany landside interface. I commend the bill to the House.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [5.52 p.m.]: I speak on the amendment because the previous speaker did not get within a bull's roar of it: he just regurgitated the Minister's speech from

the lower House. If ever we needed an object lesson in why this Government is in trouble this is it. Government members do not have a clue what they are doing. The Hon. Tony Catanzariti read the Minister's speech given in the other place and he did not even change the final line, the dope.

The CHAIR (The Hon. Amanda Fazio): Order! I call the Hon. Duncan Gay to order for the first time.

The Hon. PENNY SHARPE (Parliamentary Secretary) [5.53 p.m.]: Members have detailed the substantial work that has been undertaken by this Government through the 2000 Guide to Better Regulation. That is why the Government will not support the amendment. The guide was a substantial piece of work and it involved discussions with many, many stakeholders as to how we get real about reducing red tape in this State. Significant improvements were a part of this review, including longer consultation periods, and provision was made for an independent gatekeeper. The Opposition's amendment throws this very sensible work out the window at one of its first tests. The Government cannot and will not accept the amendment. What the Opposition is trying to put forward in relation to commercial-in-confidence is unworkable and will cause more trouble. It is absolutely essential in the complex supply chain that our ports are dealing with that there is shared information. The Minister has given very clear undertakings about how commercial-in-confidence will be dealt with. The Opposition's amendment is simply too limiting and the Government will not support it.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [5.54 p.m.]: The amendments are sensible. They allow the regulations to be tested. The recently introduced road transport regulations were just hopeless. Those regulations went through the same process that these are about to go through. We are now asking the same body to check these regulations. It is very sensible and it has agreement from all the people involved in the industry.

At the moment there is no definition of commercial-in-confidence. I have heard some lame excuses as to why people will not support the amendment. I frankly do not understand the excuses because they do not add up. These are sensible amendments that reflect the assurances that the Minister gave us in the lower House and put them firmly in the legislation for proper interpretation. I commend this amendment to the Committee and I hope that the Christian Democrats and the Shooters Party, who claim to represent business in New South Wales, represent business on this occasion because this bill potentially will do a lot of good, but we could be left with the situation of Joe Tripodi having these unfettered powers, and Joe is not renowned for having a light hand: no-one calls Joe Tripodi "Light-handed Joe".

The CHAIR (The Hon. Amanda Fazio): Order! The comments are out of order. The Hon. Duncan Gay has moved The Nationals amendment—

The Hon. DUNCAN GAY: Madam Chair, I have not finished. My comments might have been out of order according to you but I have not finished. I commend the amendment to the Committee before any other Government members reread the Minister's speech.

[Interruption]

The CHAIR (The Hon. Amanda Fazio): Order! I call the Leader of the Opposition to order for the first time.

Question—That The Nationals amendment No. 1 be agreed to—put.

The Committee divided.

Ayes, 15

Mr Ajaka
Mr Clarke
Ms Ficarra
Mr Gallacher
Miss Gardiner
Mr Gay

Mr Khan
Mr Lynn
Mr Mason-Cox
Reverend Dr Moyes
Ms Parker
Mrs Pavey

Mr Pearce

Tellers,
Mr Colless
Mr Harwin

Noes, 24

Mr Brown	Reverend Nile	Mr Tsang
Mr Catanzariti	Mr Obeid	Ms Voltz
Mr Cohen	Mr Primrose	Mr West
Mr Della Bosca	Ms Rhiannon	Ms Westwood
Ms Griffin	Mr Robertson	
Ms Hale	Ms Robertson	
Mr Hatzistergos	Mr Roozendaal	<i>Tellers,</i>
Dr Kaye	Ms Sharpe	Mr Donnelly
Mr Kelly	Mr Smith	Mr Veitch

Pair

Ms Cusack

Mr Macdonald

Question resolved in the negative.**The Nationals amendment No. 1 negatived.**

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [6.03 p.m.]: I move The Nationals amendment No. 1:

No. 2 Page 6, schedule 1 [6]. Insert after line 26:

- (2) A regulation under this clause cannot authorise the entry onto or inspection of any premises or facilities at a port or supply chain facility by a person other than the following:
- (a) an officer or employee of the Authority,
 - (b) an officer or employee of a Port Corporation,
 - (c) a harbour master.

The bill contains reference to regulations allowing authorisation of inspection of any premises or facilities of a port or supply chain by an authorised person. The Opposition is concerned that the regulation will be too broad. It means that the Minister could authorise just about anyone to enter the premises belonging to people in the supply chain.

The CHAIR (The Hon. Amanda Fazio): Order! I remind members that they must not converse with visitors in the gallery.

The Hon. DUNCAN GAY: The Minister indicated in the other place in his agreement in principle speech that he felt that should relate to an officer or employee of the authority, an employee of the port corporation or the harbour master. In a spirit of goodwill, the Opposition incorporated the Minister's words in an amendment, which I will move in Committee, to ensure that the person who knocks on a door to check information is an officer or an employee of the authority, an officer or an employee of the port corporation or a harbour master. It will not be anyone like John Coombes coming in to check issues or documents. The Opposition believes that our amendment is appropriate. It reflects the Minister's view, it clarifies the bill and does not authorise anyone other than those who should be gathering such information. I commend the amendment.

The Hon. PENNY SHARPE (Parliamentary Secretary) [6.05 p.m.]: The Government opposes this amendment. It is not acceptable because it will unnecessarily limit the scope of regulations that may be made regarding entry into and inspection of facilities to verify compliance with mandatory standards. The majority of powers under the Ports and Maritime Administration Act 1995 are vested in the Minister and are delegated to authorised persons. Such persons are defined in section 27 of the Act. They include not only those proposed by the Opposition but also a public servant or any person of a class prescribed by the regulations. In practice, it is most likely that the power would be delegated to an employee of a port corporation.

[Interruption]

Are members of the Opposition interested in the Government's response? Do they want to know what the legislation will enable? The port corporation is also likely to engage the services of independent auditors to

verify company reports and to ensure that services are operated in a transparent and fair manner. It will therefore be necessary to delegate the entry and inspection authority to a class of persons prescribed by the regulations. This is as Parliament intended, and there is no reason to reduce the nature and extent of the authorised persons already included in the Act. This bill does not automatically assume powers of entry and inspection; they will need to be justified if a regulation is proposed. If such a regulation were proposed, the assessment and consultation process would include further consideration of who should have the right of entry and inspection. The Government opposes the amendment.

The Hon. DUNCAN GAY (Deputy Leader of the Opposition) [6.08 p.m.]: It is interesting that every time a Government representative speaks about this provision a different list of people is included. Surely the list the Minister referred to in the lower House is the definitive and proper list. He provided in good faith a list of people who should be included. The Opposition did not quibble with that; we accepted it and framed an amendment to reflect the Minister's point of view. Yet now, when we want the detail about who has access to this important information, a list of other people has been added. I find it hard to believe that this latest list—which is growing daily like Pinocchio's nose—is the definitive list. The Minister's original list of people is appropriate and the amendment clarifies that position.

Question—That The Nationals amendment No. 2 be agreed to—put.

The Committee divided.

Ayes, 18

Mr Ajaka	Mr Khan	Mr Pearce
Mr Brown	Mr Lynn	Mr Smith
Mr Clarke	Mr Mason-Cox	
Ms Ficarra	Reverend Dr Moyes	
Mr Gallacher	Reverend Nile	<i>Tellers,</i>
Miss Gardiner	Ms Parker	Mr Colless
Mr Gay	Mrs Pavey	Mr Harwin

Noes, 21

Mr Catanzariti	Mr Obeid	Ms Voltz
Mr Cohen	Mr Primrose	Mr West
Mr Della Bosca	Ms Rhiannon	Ms Westwood
Ms Griffin	Mr Robertson	
Ms Hale	Ms Robertson	
Mr Hatzistergos	Mr Roozendaal	<i>Tellers,</i>
Dr Kaye	Ms Sharpe	Mr Donnelly
Mr Kelly	Mr Tsang	Mr Veitch

Pair

Ms Cusack	Mr Macdonald
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Question resolved in the negative.

The Nationals amendment No. 2 negatived.

Schedule 1 as amended agreed to.

Bill reported from Committee with an amendment.

Adoption of Report

Motion by the Hon. Penny Sharpe agreed to:

That the report be adopted.

Report adopted.

Third Reading

The Hon. PENNY SHARPE (Parliamentary Secretary) [6.17 p.m.], on behalf of the Hon. Eric Roozendaal: I move:

That this bill be now read a third time.

Question put.

The House divided.

Ayes, 24

Mr Brown	Mr Kelly	Mr Tsang
Mr Catanzariti	Reverend Nile	Ms Voltz
Mr Cohen	Mr Obeid	Mr West
Mr Della Bosca	Ms Rhiannon	Ms Westwood
Ms Fazio	Mr Robertson	
Ms Griffin	Ms Robertson	
Ms Hale	Mr Roozendaal	<i>Tellers,</i>
Mr Hatzistergos	Ms Sharpe	Mr Donnelly
Dr Kaye	Mr Smith	Mr Veitch

Noes, 15

Mr Ajaka	Mr Khan	Mr Pearce
Mr Clarke	Mr Lynn	
Ms Ficarra	Mr Mason-Cox	
Mr Gallacher	Reverend Dr Moyes	<i>Tellers,</i>
Miss Gardiner	Ms Parker	Mr Colless
Mr Gay	Mrs Pavey	Mr Harwin

Pair

Mr Macdonald	Ms Cusack
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Question resolved in the affirmative.

Motion agreed to.

Bill read a third time and returned to the Legislative Assembly with a message requesting its concurrence in the amendment.

BUSINESS OF THE HOUSE

Postponement of Business

Government Business Orders of the Day Nos 6 to 9 postponed on motion by the Hon. Tony Kelly.

LOCAL GOVERNMENT AMENDMENT (LEGAL STATUS) BILL 2008

Second Reading

The Hon. TONY KELLY (Minister for Police, Minister for Lands, and Minister for Emergency Services) [6.23 p.m.]: I move:

That this bill be now read a second time.

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

Leave granted.

It gives me pleasure on behalf of the Government to introduce the Local Government Amendment (Legal Status) Bill 2008.

The bill implements two important reforms for local government workers in New South Wales.

The first of the reforms is designed to deal with the consequences of the Work Choices regime, the adverse impact of which is still being felt by workers across New South Wales.

Local councils and county councils are bodies corporate under the Local Government Act. This corporate status might, in some circumstances, still expose them to the Federal industrial relations system and its regulations.

Quite simply, the New South Wales industrial relations system is fundamentally fairer than WorkChoices.

Although the worst aspects of WorkChoices are now dead and buried, further legislation to repeal other unfair elements of WorkChoices will not be introduced until mid 2009, with the new system not fully operational until mid 2010.

The New South Wales Government believes that council employees should not have to wait any longer for certainty. We are determined to protect New South Wales local government employees and their hard earned rights and benefits.

Councils and local government unions have made it clear they would prefer to remain within the State industrial system, a system which has delivered fairness and certainty for everyone.

Councils in New South Wales have voted with their feet and made extensive use of the referral agreements provision inserted into the Industrial Relations Act in 2006.

Section 146A permits an employer and a union to agree to refer industrial matters for resolution and determination by the Industrial Relations Commission of New South Wales.

Welcome as that cooperation is, it cannot take away the basic uncertainty regarding which system local councils belong in, so the New South Wales Government has decided that something needs to be done now.

This bill will minimise the risk of New South Wales councils being caught up in the federal system by changing their corporate status.

Instead of being a body corporate, a council will be constituted as a body politic of the State and will have the legal capacity and powers of an individual.

This change in legal status is not intended to affect the day-to-day operations of a council. It will not expose councillors to greater risk of personal liability and will not affect the existing legal rights and obligations of councils or third parties who do business with them.

Its only impact will be to remove the possibility that a council might be characterised as a constitutional corporation and therefore an employer for the purposes of the Commonwealth's Workplace Relations Act. It will ensure that a council cannot be subject to the Federal industrial relations legislation.

New South Wales laws that apply to corporations, however, will continue to apply to councils as if they were bodies corporate. This means, for example, that section 50 of the Interpretation Act will continue to apply to a council. As a result, a council will continue to have a seal for the execution of documents and may sue and be sued in its council name. Councils will also continue to be subject to any statutory penalties or fees—such as filing fees—that may be imposed on bodies corporate, rather than being treated as natural persons.

Earlier this year, the Queensland Parliament enacted similar legislation to protect council employees in Queensland from WorkChoices. That legislation ensured that council workforces are covered by the Queensland industrial relations system.

Due to the different legislative schemes for local government in each jurisdiction, the reforms are not identical. This bill, however, will nonetheless achieve similar certainty for New South Wales council and county council employees.

The Government is aware of the recent Federal Court decision, which held that a local council in Queensland, before the Queensland reforms were enacted, was not a constitutional corporation. Although this decision was welcome, it did not resolve the issue finally and the New South Wales Government believes that council workers should not be left in legal limbo.

At this time, there are more than 50 New South Wales councils that have not entered into common law agreements with their employees and those employees remain exposed to the Federal system.

This bill removes the possibility of this happening. It will be welcomed by local government employees across the State.

The Government will continue to encourage the Commonwealth to toss out the sad remnants of WorkChoices and ensure clarity for the industrial regulation of local government around Australia.

The bill also introduces a further important improvement for the conditions of employees in local government. It will allow a council to appoint temporary employees for up to 2 years to fill positions where permanent council staff are on parental leave.

Currently, the Local Government Act provides that where a councillor general manager appoints a person to a position that is temporarily vacant because the holder of the position is sick, absent or suspended from duty, the temporary appointee may not continue in that position for more than 12 months.

However, when the Local Government (State) Award 2004 was made it allowed staff to be granted parental leave for a period of up to 24 months.

This means that if a staff member is on parental leave for 24 months, the General Manager can only appoint someone to fill that position for 12 months. At the end of that 12 month period the general manager would have to go through the process of appointing another person to that temporary vacancy.

The bill allows persons to be directly appointed to a position without advertisement for a period of up to 24 months, where the appointment is to fill a vacancy arising from the granting of parental leave.

The local government sector has been given the opportunity to comment on this proposal.

The department issued a circular to all councils advising them of the proposal to amend the Act and inviting them to comment.

Of the 65 councils and 1 county council that responded to the circular, 57 supported the proposal and only two opposed it. Five councils did not indicate a position.

This bill demonstrates this Government's continued determination to support the local government sector by enabling it to carry out its functions in a sustainable manner based on the principles of good governance.

I commend the bill to the House.

The PRESIDENT: Order! I inform people in the gallery that the Hon. John Robertson is about to make his first speech, and I ask all members to extend to him the customary courtesies.

The Hon. JOHN ROBERTSON [6.23 p.m.] (Inaugural Speech): I wish to acknowledge the traditional owners of the land on which we are gathered, the Gadigal people of the Eora nation, and pay my respects to them and their elders, past and present.

I want to commence by saying that there are two events that make this day historically significant. Today, of course, is Remembrance Day, and it marks 90 years since the end of World War I. So it is a solemn and respectful day, forever reminding us of the sacrifices made by our soldiers and of the horrors of war. My grandfather, Linden John Lance, was one of those who served in World War I, both at Gallipoli and in France.

It is also 33 years to the day since Australia saw a democratically elected government led by Gough Whitlam dismissed by the Queen's representative, Sir John Kerr. For this side of the Chamber it is remembered as a day that galvanised the Labor movement. It also preserves that enduring element of "the rebel" that comes with being a member of the greatest political party in Australia—the Australian Labor Party—and which was last in evidence when millions of rebels across Australia joined together to defeat Mr John Winston Howard in defence of their rights at work. I will resist the temptation to carry the analogy forward any further, but I will say this: It is good to be a rebel and it is good to win. Long may the rebel live on this side of the Chamber!

I rise to speak in support of the Local Government Amendment (Legal Status) Bill 2008 and also to make my inaugural speech. I am honoured and privileged to be given this opportunity. The bill before the Chamber seeks to provide protection for employees of local government in New South Wales. It provides these workers with certainty and access to the Industrial Relations Commission of New South Wales. The Industrial Relations Commission of New South Wales has been in existence in various forms since 1901, providing a balanced and fair system right to this current day.

The bill has been made necessary because the former Federal Government, under the leadership of the soon-to-be-forgotten John Howard, on an ideological jaunt to rip away the rights of working people, utilised the corporations provisions of the Australian Constitution to implement its anti-worker laws—the infamous WorkChoices, where the only choice was to work harder for less or get sacked! In doing so, the former Federal Government created uncertainty for employees in local government regarding the jurisdiction they were in. This bill remedies that uncertainty.

The unfortunate reality for many other workers in New South Wales, such as those in the community and social welfare sector, hospitality workers, workers in the textile, clothing and footwear industry, and workers in the security industry, is that they may still find themselves with fewer rights and conditions under the new industrial regime developed by the Federal Rudd Labor Government. That system will only provide a minimalist safety net that will, in all likelihood, still be inadequate.

The outcomes of both the last State and Federal elections were heavily influenced by industrial relations and the positions adopted by the Labor Party and the Coalition. That influence was largely the result of

a campaign that is commonly referred to as the Rights At Work campaign. It commenced in 2004 and continued through until the defeat of the Howard Government on 24 November 2007. It was a campaign that made history and changed forever the face of politics and campaigning in this country.

Contrary to the views of those on the other side of the Chamber and some media commentators, the Rights At Work campaign was much more than simply a union campaign. It was a campaign that went to the grassroots of our society; it engaged the broader community, from individuals to organisations. It involved many people who had never before been politically active—people from a range of different political parties and perspectives. It engaged people because it was about the values of fairness and decency.

The reason so many people stood up and made their voices heard was a high level of concern for the future. They did not want an industrial relations system based on the law of the jungle, where the strong reign and the weak are trampled. During those three years of the Rights At Work campaign, I had the privilege of travelling the length and breadth of New South Wales, talking and listening to people who were concerned about the WorkChoices laws going too far, concerned about how their children or grandchildren would be affected by laws that tipped the balance in favour of unscrupulous employers.

I heard many stories during my time on the Rights At Work bus. One was from two women I met in Forster, on the State's mid North Coast, who worked picking mushrooms and were forced to sign an Australian workplace agreement [AWA] to ensure their ongoing employment. They were not given the opportunity to negotiate the terms of the AWA, as the former Federal Government tried to have all Australians believe would be their entitlement. The AWAs given to them were identical, and in them they were classified as "flexible permanents". That could not have been further from the truth, but it was an interesting title. Under the terms of their AWA they were paid piece rates, which is payment for the number of mushrooms they picked rather than an hourly rate. One of them told me how she was paid \$7.60 for 4½ hours work. The other woman told me that when she asked questions in writing about the AWA, as directed by the employer, she was never called to work again. Stories like theirs were repeated over and over as we travelled from town to town across New South Wales. Can you imagine the way working people would have been treated under WorkChoices had the full impact of the global financial crisis hit? I shudder to think.

It was also during the Howard years that it became fashionable to beat up on unions under the guise of the need for reform—that somehow unions were an impediment to a more efficient economy, when nothing could be further from the truth. Even some within the Labor Party, to their great shame, have taken it upon themselves to question the legitimacy of unions in a modern economy. Those who have argued this point, and continue to do so, are disingenuous and merely seek to remove any voice of opposition to the rampant ideology of the free market. Unions are, and always will be, a voice for those who would otherwise not be heard.

Modern unions are not what John Howard and others of his ilk have sought to portray. The union movement in this State has been constantly evolving. In more recent years that evolution has occurred under the leadership of people like Michael Easson, Peter Sams, Michael Costa, and me, and will continue to do so under the leadership of Mark Lennon. It is a vibrant and inclusive movement that reflects what is necessary in a twenty-first century relationship between the industrial and political wings of the Labor movement.

As we now see change caused by the global financial crisis and the collapse of the financial markets, I am hopeful that we are moving into a new era of politics—an era where Milton Friedman's pure free market and ultra small government ideology is collapsing, in the same way the Communist bloc collapsed in the 1990s. It is inevitable that systems based around an ideology that has few moral values will fail. Ideology with no reference to the reality of society is guaranteed to fail. Mikhail Gorbachev, a Nobel laureate and a leader who has seen firsthand the impacts of significant change, said—more eloquently than I could—in a *New York Times* article reproduced in the *Australian Financial Review* on 31 October 2008:

In the coming months, the greed and irresponsibility of the few will affect all of us. No country, no sector of the economy, will escape the crisis. The economic model rooted in the early 1980's is falling apart. It was based on maximising profit by abolishing regulation aimed at protecting the interests of society as a whole. For decades we have been told that this benefits everyone: "a rising tide lifts all boats". Yet the statistics say that it didn't.

He went on to say:

Now that this pernicious and immoral pyramid is collapsing, we must think about a model that will replace the current one. A new model will have to emerge, and it cannot be based entirely on profit and consumerism.

Mikhail Gorbachev concluded by saying:

But there is one thing policymakers who bear the ultimate responsibility for overcoming the current crisis must understand: Without a moral component any system is doomed to fail.

The unfortunate reality is that the period ahead is likely to be extremely painful, particularly for the hardworking men and women, small business proprietors, and the less well-off in our community. It is our responsibility to do our utmost to minimise the effects of the global financial crisis and use this opportunity to shift to a new model. I believe that any new model needs to ensure people are seen as human beings with family responsibilities and a contribution to make to our society, not as mere inputs of production; that when we measure the performance of the economy it is not measured just by the profits made by business, or the ASX or Nikkei index, but also by how well we as a society, and as a government, are meeting the needs of the most vulnerable in our communities. A new model needs to place greater value on the caring roles in our community—those of teachers, early educators, childcare workers, nurses and other health workers, and, importantly, stay-at-home parents.

I am not talking about tax-and-spend economics; I am talking about cultural norms and policy settings that define success differently than the size of your bank balance—that we measure achievement in terms of someone's contribution, that we define a successful person as someone who has given more than they have taken, and that we equalise health and welfare indicators between black and white Australia. This will challenge both sides of politics. When the things you believed in are exposed as flawed, many will question their beliefs—when you can no longer put people in a box of Left or Right, progressive or conservative, because their arguments are about a new set of values. This challenge also presents enormous opportunities.

As a new politician I recognise another challenge: to change the community's attitude towards politics and politicians—a change where people are engaged in, rather than cynical towards, the motivations of politicians. I have always been vocal in my opinions on issues that matter, whether it was the war in Iraq, the treatment of refugees, or WorkChoices. I stand here today and make a commitment that I will continue to be an advocate on issues that are important, even where there is an inclination to say nothing because it goes against the grain. I hope to contribute to the change required as we head into difficult times, always with an eye to the needs of those less fortunate or those struggling to make a go of it in our society.

When I arrived in this place I was told by members on both sides of the Chamber to read the inaugural speeches of other members, past and present, as a guide in preparing my own. What struck me when doing so is that this is not only an opportunity to outline the values system you bring, but also to place on record and acknowledge the life experiences and people that have had an impact on your life thus far. I do not intend to say a lot about myself because a wiser person than me once said, "Anyone who gets up and talks too much about themselves obviously hasn't got much of a contribution to make." So I will be as brief as possible.

I was born at Ryde hospital to Don and Rowena Robertson, and I am the eldest of two boys. My mother passed away just over 18 years ago but I know she would be very proud. My father, Don, and his wife, Theresa, are here today in the gallery, as well as my brother Andrew, his wife, Rebecca, and their three children. My father is the one responsible for politicising me at an early age. In 1972, at the age of 10, I handed out my first how-to-votes in the election that saw Labor back in office federally after 23 years. I was educated at Denistone East Primary School and then Ryde High School.

My first real job was part time packing paper shopping bags behind a checkout at Woolworths at Top Ryde, at the age of 15. I joined my first union at that time, the Shop Distributive and Allied Employees Association. I was lucky enough to progress to operating a checkout register—the first male to do so in Woolworths at Top Ryde. At the age of 16 I left school, and in January 1979 I started an apprenticeship as an electrical fitter mechanic. It was then that I joined the union that I am proud to say I am a life member of, the Electrical Trades Union of Australia, New South Wales Branch.

I worked on many building sites around Sydney, including this place when it was being extended and refurbished in 1981-82. From what I have been able to ascertain, I am the only person to have worked on the construction of this Parliament and returned to sit in this Chamber or the other place. One of the tradesmen I worked with on this place is in the gallery today, Mennios Giatris. When I first started in the building industry there was no Occupational Health and Safety Act, and no site sheds. You were lucky to have a besser block to sit on while you ate your lunch!

Working in the building and construction industry is an experience that opens your eyes to the world. It is an industry where you meet people from just about every nation around the world. I learned of the life

experiences of my workmates from Croatia, Iraq, Poland, Greece and Italy, to name just a few. They told me about the politics in the countries they had come from, and about the culture and the food. In 1986 I was given the opportunity to fill in as an organiser with the Electrical Trades Union [ETU] when an organiser went on leave for six weeks. He left while on leave, and I subsequently stayed with the ETU for just under five years, organising electricians in the building and construction industry. In 1991 Secretary Michael Easson offered me an opportunity to start at the Labor Council of New South Wales, as it then was, as an industrial officer. My time with Unions New South Wales, as it is now known, is the longest I have spent working in one place so far in my life. I have left the organisation in the capable hands of Mark Lennon and Chris Christodoulou, who I know will ensure that the organisation goes from strength to strength.

I would like to express my appreciation and thanks to the parliamentary staff and officers, and honourable members for the assistance, guidance and courtesies that have been given to me since my arrival in this place. I would like to thank my father, Don, for his guidance and advice over the years—advice always welcomed but not always taken. You have been, and remain, a good sounding board and a great mate. I would also like to thank all the officers and staff I worked with at Unions New South Wales—Sam Moait, Mark Lennon, Chris Christodoulou, Amanda Tattersall, Adam Kerslake, Mary Yaager, Neale Towart, Alisha Wilde, Stephen Damf and Alison Rudman. I want to especially thank Kelly Hutchison, who was my personal assistant for nine years.

My thanks also go to the support staff at Unions New South Wales. Without the support of all those wonderful individuals, and the affiliates of Unions New South Wales, we would not have achieved the things we did in my seven years as secretary. I also want to thank two Daniels: Daniel Walton, who organised the first group of trips on the Your Rights At Work bus in 2005; and Daniel Kildea, who organised the trips in 2006 and 2007 and was the only person, apart from me, to have made every trip on the bus for three years.

There have been many people along the way whom I also want to thank: a former President of this Chamber—and who I acknowledge is present tonight—Johnno Johnson, Senator Mark Arbib, Australian Labor Party National Secretary Karl Bitar, New South Wales Australian Labor Party General Secretary Matt Thistlethwaite, and a very good friend to me over the years, John Whelan, one of life's true gentlemen. My thanks also go to five friends and great supporters from the union movement: Secretary of the Electrical Trades Union Bernie Riordan, Secretary of the Rail, Tram and Bus Union Nick Lewocki, Secretary of the Australian Workers Union Russ Collision, Secretary of the National Union of Workers Derek Belan, and Secretary of the Australian Manufacturing Workers Union Paul Bastian.

A special thanks to my wife, partner and friend Julie McLeod, the grounding influence in my life. To our three children Brianna, Aidan and Kass, thank you for all the support you have given me. I love all four of you very much and I hope I make you proud while I am in this place. There are too many other people to thank and there are those who know it is pertinent not to mention them. If you were not thanked and are offended I apologise. Finally, thanks to all honourable members who have shown me the courtesy of listening quietly without interjection, a courtesy I expect is most unlikely to be given to me in the future. I commend the bill to the House.

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

ADJOURNMENT

The Hon. TONY KELLY (Minister for Police, Minister for Lands, and Minister for Emergency Services) [6.41 p.m.]: I move:

That this House do now adjourn.

NURSES IN WARTIME

The Hon. KAYEE GRIFFIN [6.41 p.m.]: Today, on the ninetieth anniversary of the armistice of World War I, I would like to mention the role of nurses, their contribution and dedication. Nurses have made a crucial contribution to Australia's war effort over the past century in conflicts since the Boer War of 1898, caring for and comforting the sick, the wounded and the dying. The role of nurses in wartime is sometimes overlooked but is one of heroism and courage. Australian nurses have served in Australia, in war zones all over the world, and on hospital ships and transports for the past century. The Royal Australian Army Nursing Corps

[RAANC] has given more than 100 years of service, dedicated to caring for Australian servicemen in times of war and its aftermath. The history of the corps dates back to 1898 when a small nursing service was formed in Sydney consisting of one lady superintendent and 24 nurses.

During World War I, 2,139 Australian nurses travelled abroad to serve in army hospitals and clearing stations, just behind the front line. When war broke out in 1914 the Australian Government raised the 1st Australian Imperial Force for overseas service. The nurses charged with staffing the medical units were recruited from the Australian Army Nursing Service Reserve and from the civil nursing profession. These nurses formed an integral part of the 1st Australian Imperial Force. Nursing sisters left Australia in September 1914 and served wherever Australian troops were deployed. Australian nurses served in places such as Burma, India, the Persian Gulf, Egypt, Greece, Italy, France and England. Some Australian nurses were also sent to British medical units around the world.

Their record of service set a very high standard for all who were to follow: 2,139 nurses served overseas, 423 served in Australia, 25 died, 388 were decorated, and seven military medals were awarded to Australian nurses for their courage under fire. In a war that killed 20 million, the service and dedication of these nurses to the soldiers they served with was outstanding. While soldiers suffered terribly on the battlefields, nurses worked behind the front lines in appalling conditions, showing inspirational bravery and saving countless lives. During the Dardanelles Campaign Australian nurses served on hospital ships anchored off Anzac Cove, in hospitals in Egypt, and in field hospitals including the Australian General Hospital on Lemnos, a small island about 100 kilometres from the battle zone.

Within twelve hours of the slaughter at Anzac Cove there were hundreds of horrifically injured soldiers to tend to on crammed hospital ships. Scores of deaths continued in the harrowing days that followed as the wounded and dying were transported from the battlefield for treatment. The strength and humanity of the nurses was remarkable in the carnage of what was the first modern war. The heavy workload and consequent stresses that the nurses of World War I endured were intense by any standards. Nurses speaking about their experiences upon returning home from the war described a 1,000-bed hospital in Cairo staffed by just one matron, 15 sisters and 30 staff nurses. Patients were treated in tents with no floor coverings. Such hospitals were unhygienic and lacking basic necessities such as running water. In 1917 in France such hospitals had to be quickly extended to 2,000 beds during a heavy rush of casualties. The dedication and commitment of nurses working on the front line under such difficult conditions was widely appreciated by troops and their efforts saw Australian nurses earn the well-deserved nickname of "front-line angels".

In World War II Australian women fulfilled similar roles. For most of the war nurses were the only females to serve outside of Australia in any capacity, except for the Australian Women's Army Service [AWAS]. Their losses were much higher too. Between 1939 and 1945, 3,477 Australian Army Nursing Service nurses served and 71 Australian women lost their lives during active service overseas. During World War II some women serving as Australian Army Nursing Service nurses were taken prisoner of war by the Japanese forces: 32 on Banka Island and Sumatra and six in Rabaul and Japan. Trauma, deprivation, and illness marked this awful wartime experience and not all of the women survived.

After World War II members of the Australian Nursing Service served as part of the British Commonwealth Occupation Force in Japan. In July 1949 the Royal Australian Army Nursing Service became part of the Australian Regular Army. In February 1951 the service became a corps and is known as the Royal Australian Army Nursing Corps. An excerpt from the Royal Australian Army Nursing Corps Pledge of Service exemplifies their commitment to caring for the sick and wounded stated:

I will do all in my power to alleviate the suffering of the sick and wounded, sparing no effort to bring them comfort of body and peace of mind.

Remembrance Day, the anniversary of hostilities ceasing on the Western Front, is a day when we typically pause to honour the sacrifices made by men and women in wars and conflicts all over the world. Today I am pleased to acknowledge the role that nurses played in World War I and other conflicts where Australians have fought. I commend their service to their country and the proud legacy they have left for the nursing service of today.

MINI-BUDGET

The Hon. CATHERINE CUSACK [6.46 p.m.]: The notorious 2004 mini-budget to plug the Carr Government's budget black hole introduced a number of disastrous measures for New South Wales, including

the vendor tax and increased taxes for clubs, that provoked a huge community backlash. It also had a special kick in the guts for the far North Coast with the axing of our historic much-loved Casino to Murwillumbah rail line. Many of the mini-budget measures such as the vendor tax and the greedy grab on clubs were reversed but, sadly, the closure of our rail line remains an enduring icon of the stupidity and pig-headedness of the State Labor Government's 2004 mini-budget.

Today's mini-budget is a replica of 2004's, with diabolical news for all citizens of New South Wales. Yet again we have increased property taxes in a stupefying effort to keep flogging the New South Wales housing market, which is already a dead horse. Yet again motorists are being hit with an extra \$10 slug for green slips, on top of the \$20 hike in 2006. This, of course, is a slug that Labor directs at low-income families—rich families driving new cars do not need green slips. By axing free student travel the budget brings to an end one of the proudest symbols of our democracy and the value we place on educational choice.

Labor is again targeting hardworking families who rely on buses and trains to get their kids to school. When term one commences next year the average family ordinarily would have received a letter from the Premier with a \$100 cheque to assist with the cost of children going back to school. But next year instead of a cheque the envelope will contain a bill capped at \$180, leaving the average family \$280 worse off. I challenge the new Premier to put his name and photograph in the letter that will accompany the invoice sent to families at the beginning of the new school year.

Families in my North Coast region who average two cars will take a direct hit of at least \$300 per annum to plug Labor's budget black hole. On top of this Labor has again delivered a special kick in the guts for the far North Coast. This time it is the Pacific Highway and our vital fuel-shading program. The news on the Pacific Highway is worse because it is a decision that will tragically cost lives. The mini-budget slashes \$145 million from our hard fought for and desperately needed Pacific Highway upgrades, including the Tintenbar to Ewingsdale section, which addresses the horrific Mount St Helena black spot.

It is a bitter irony that these projects were announced by Eric Roozendaal during his term as roads Minister. He came up to our area, put on a hard hat, put on his best smirk, posed for the media and announced the long-awaited news that the worst black spots in Australia finally would be eliminated. Now as Treasurer the same Eric Roozendaal has taken the funding away. On behalf of my community, on behalf of the families whose loved ones have died and those whose loved ones will die because of his decision, I say this to him: You have toyed with the families of our region, you have smashed their hard work and their hopes of a solution. You have slapped the faces and ignored the tears and pleas of those whose lives have been destroyed by this vicious strip of bitumen and whom you tricked into believing was going to be fixed. You are a two-faced, backstabbing, double-dealing bastard. You have no business being in politics—

The Hon. Greg Donnelly: Point of order: The Hon. Catherine Cusack knows full well, because she is reading from a prepared speech, that the language she has used is unparliamentary. The honourable member is getting very emotional. I understand that it is an emotional issue. But I insist that she withdraw that statement in regard to the Treasurer.

The Hon. CATHERINE CUSACK: Which statement in regard to the Treasurer?

The PRESIDENT: Order! The Hon. Catherine Cusack knows precisely what the member has asked for. Is the member prepared to withdraw the statement?

The Hon. CATHERINE CUSACK: I withdraw the words that offended the member. The Treasurer also has axed our petrol-shading scheme. It was the one program we had to cushion our businesses, which are trying to operate in competition with Queensland businesses in a type of economic war zone. The Queensland Government has proposed changes to its scheme, but the changes have not been confirmed and there is no commencement date. So the unilateral axing of the New South Wales petrol-shading scheme, without consultation and without regard to timing or the detail of the Queensland reforms, is a king hit on local jobs. Instead of sticking up for us— *[Time expired.]*

SHOOTING SPORTS

The Hon. ROY SMITH [6.51 p.m.]: Tonight I speak about the future of the shooting sports, particularly in New South Wales. Like all sports, we rely on juniors coming through the ranks and ultimately competing at events such as the Commonwealth Games and Olympic Games. For some reason, however—with

the possible exception of our successes at the Commonwealth Games and Olympic Games—the successes of our athletes in the shooting sports rarely get any media coverage. Therefore, tonight I bring to the attention of the House the recent success of a couple of youngsters who performed outstandingly in international events but who received very little media coverage. I refer first to 15-year-old Sophie Henderson from Port Macquarie. Sophie took up shooting less than two years ago, but earlier this year found herself competing in Milan, Italy, with the Australian team, where she won the world junior sporter class 50 metres rimfire bench rest title.

The Shooters Party is proud to have helped Sophie get to Milan for the titles. We are confident that she can continue her rise through the ranks and ultimately reach her goal to compete for and represent Australia. While sporter class rimfire bench rest is not an Olympic category, Sophie is looking to upgrading to Olympic events. At the age of just 15 she has plenty of time, and undoubtedly plenty of talent, to adapt to other classes of shooting. Sophie shoots at the Hastings Regional Shooting Complex at Port Macquarie, which is home to the Hastings Valley Hunting Club, the Port Macquarie Small Bore Club and the Port Macquarie branch of the Sporting Shooters Association. I hope that when the redevelopment of the Hill Top complex is finally completed and opened we can produce similar talented young shooters.

The second youngster I bring to the attention of the House tonight is young trap shooter Michael McNabb of Castle Cove. Michael, who shoots with the New South Wales Gun Club at Terrey Hills, recently won a bronze medal at the Commonwealth Youth Games in India. Michael recovered from a self-professed poor first day of shooting to take third place, with a total of 125 targets—just three targets behind the gold medallist. Michael has now set his sights on representing Australia at the Commonwealth Games in two years.

I congratulate both young shooters and wish them well, as I do all young shooters. After all, they are the future of the shooting sports. While we have youngsters of this talent, our future medal hopes at the Commonwealth and Olympic levels and other international shooting events can only be bright. Of course, successes such as these do not just happen. It would be remiss of me not to mention the parents, the clubs and the volunteers whose time and effort ensure that young people are given a safe and enjoyable introduction to the shooting sports. Clubs and volunteers are the backbone of all sports, including the shooting sports, throughout Australia. I congratulate and thank all of them for their tremendous efforts over the years and I urge them to keep up the good work.

COUNTRY RUGBY LEAGUE

The Hon. MICHAEL VEITCH [6.55 p.m.]: I draw to the attention of the House an aspect of rural life that is under serious threat—country rugby league. Rugby league has played a very important role in most rural communities for decades, indeed for almost a century. It has enabled people to escape from life's dramas such as drought, depression and high unemployment. It has allowed people to develop a pride in their local community, to develop a sense of community and to meet members of their community. It even has allowed some players to rise above their lot and obtain a degree of wealth and long-term security.

I recall as a young lad being hauled all over southern New South Wales by my parents to compete in junior rugby league competitions and the weight and age carnivals at Junee, Wagga Wagga and Tumbarumba. Indeed, I broke my collarbone as a 10-year-old playing hooker for Adelong Juniors at the Tumbarumba Rugby League carnival. These carnivals bring much-needed funds to rural communities, and if you win you get bragging rights over neighbouring towns until the next carnival. Rivalry was always intense. Adelong just had to beat Tumut, Harden just had to beat Young and everyone just had to beat Wagga Wagga.

The natural progression for any junior rugby league player is to play for the local town team. In towns such as Gundagai players would move from playing with the Cubs to playing with the Tigers. My father did just that and spoke proudly of the greats he played with or watched stepping out in the Gundagai Tigers colours. I recall his many stories of Bronc Jones with the boot and the games won by Bronc because he could kick goals from such great distance. Of course, I would not dare reflect upon the accuracy of my father's rugby league stories because, as every member knows, rugby league stories are just as accurate as fishing stories.

My concern is that many of these smaller country towns are now no longer able to field a team in their local group competition because of a lack of players and volunteers. No longer do we see the Harden Hawks, the Adelong Herefords, the Coolac Goannas or the Lockhart Bulldogs. The House may wish to know that I was also a ball boy for the Adelong Herefords back in the 1970s. We have seen the end of competitions such as Group 13 and the Roddy Shield in Tumut that allowed the not-so-great players still to play the game of rugby league against other locals.

This year in Group 9 the grand final was played for the first time for many years not at the famous Eric Weissel Oval in Wagga Wagga but at Cootamundra. The sad loss of Eric Weissel Oval as the home ground of Group 9 continues to reflect the decline of rugby league in country New South Wales. It would be remiss of me not to mention the Tumut Blues' success in winning the Group 9 competition this year for the second successive year. There are many reasons for this sad decline of country rugby league. People are moving toward the larger urban centres, people do not have the money to pay for travel, clubs cannot raise the funds needed to pay senior players and coaches, and clubs cannot muster the numbers at their annual general meetings to form an executive or the volunteers to help out as officials, canteen helpers or referees. People have given years to their local country rugby league team. Len Tozer gave 20 consecutive years as secretary of his beloved Gundagai Tigers and worked tirelessly with the council to maintain Anzac Park. Every country rugby league club has a Len Tozer—the stalwart who ensures there is going to be a team every weekend representing their town.

One of the great aspects of country rugby league is the supporter group. I think of the wonderfully named Young Old Boys who raise money for the Young Cherrypickers. I just love getting down to Alfred Oval to watch my local team, the Young Cherrypickers, run around. It has been a few years since we have seen the first-grade team bring home the Group 9 premiership, but my joy has been in witnessing the players and their supporters working together to bring enjoyment to the locals.

I am greatly concerned about the future of country rugby league. It plays a wonderful and entertaining role in the community fabric that is rural life. It is unfortunate that because of financial stresses players or potential players are moving from their local communities to larger urban centres. Towns like Young have provided a number of players for the National Rugby League [NRL] competition. In one game in 2006 the Canberra Raiders first-grade pack all came from the town of Young. It is a shame that teams from wonderful towns such as Harden, Jugiong and Coolac are now unable to provide the training base for players to move forward to become potential first-grade rugby players in the National Rugby League.

JINDABYNE HEALTHONE

The Hon. MELINDA PAVEY [7.00 p.m.]: It is with great despair that I discuss tonight the Labor Government's failing the people of Jindabyne in the wake of its admission that HealthOne was nothing but a "campaign promise". The general practitioner at the centre of the Jindabyne HealthOne controversy claims that throughout the entire negotiation process the Government and the local member have been misleading and have made the process unnecessarily cumbersome. After two years of planning and talks Jindabyne general practitioner Dr Cath Newman resigned from the Jindabyne HealthOne committee late last month, along with other community members, on the grounds that NSW Health is pushing the project in a direction that will not improve health services in Jindabyne. Dr Newman said:

It is very disappointing, to say the least. I want the community to know that we applied for funding for infrastructure—to construct a multipurpose health facility to house GPs, community health and allied health professionals that would be owned by the Jindabyne community.

In the two years since the \$3 million in funding was approved, that plan has changed considerably whether they (NSW Health) admit it or not.

What HealthOne was offering the community to great fanfare two years ago is no longer recognisable. The five options they presented in September are quite different from the original concept and my feeling is they could potentially degrade health services in Jindabyne. That is why I've made the decision to withdraw my support for the HealthOne proposal.

Since Dr Newman was forced to stand down the project has been brought to a standstill because of the requirement of HealthOne to have a general practitioner central to the funding arrangement. However, the deputy chief executive officer of the Southern General Practice Network, Kathryn Stonestreet, says the network is reluctant to encourage another general practitioner to join HealthOne. Ms Stonestreet stated:

Based on our experience with HealthOne so far and the direction the project has taken, we won't be lobbying other GPs to sign up.

Ms Stonestreet herself explained that none of the five options presented involved significant expenditure by NSW Health. She stated:

The original submission, which was accepted prior to the last State election, had requested \$3 million to build a new facility. If NSW Health was of the view that its current premises in Jindabyne were adequate it should not have accepted the original proposal.

This, of course, comes in the context of the Premier's recent decision to commit \$30 million for a V8 racetrack at Homebush Bay, funding for the Gay and Lesbian Mardi Gras and the search for the black panther in Penrith. The fact that Mr Rees was quoted as saying that the V8 Supercars racetrack was "for the greater good of Sydney and New South Wales" reflects just how completely distorted his priorities are. Let us get this very clear: The State Labor Government is willing to spend millions of dollars on other projects but not simple community projects that it committed to during the State election. The Hon. John Hatzistergos admitted in the upper House on 28 October that construction of the HealthOne facility at Jindabyne was a "campaign promise", but I note he has changed the *Hansard* proof to say it was a "campaign question", although I do not understand the context of such a campaign question. It raises serious questions and is in stark contrast to his commitment in March 2007—the month of the election—when he and the member for Monaro, Mr Whan, announced that they would support the HealthOne State initiative as a health fund facility under the now \$53 million program. Mr Hatzistergos was quoted as saying:

We will eventually have a site which the model will operate from and we'll have the HealthOne centre established.

Mr Whan and Mr Hatzistergos must be condemned for making a commitment that they do not have the strength of character to see fulfilled. Concerned locals have spent the past 18 months dedicating their time in trying to work with the Greater Southern Area Health Service on plans for HealthOne. Mr Whan has stated that he has been very disappointed with the development and that "I am worried this may compromise the process of extending Jindabyne's health services". However, Mr Whan must ask himself why other HealthOne infrastructure is rolling out across other parts of New South Wales, including Mount Druitt, Molong, Rylstone, Manilla, Corowa and Cootamundra, and why the local members in those areas—one Labor, one Independent and the others members of The Nationals—are able to bring their projects forward. It is a shame that in 2007 Mr Whan attacked the local process, saying:

A Jindabyne HealthOne centre would focus on health promotion, early intervention and illness prevention, as well as continuing care for those with chronic and complex conditions.

But now in 2008 he states:

I have made it crystal clear from the beginning that HealthOne would not be about constructing a brand new building in the town centre or having taxpayers subsidise a commercial business.

It is unfortunate, but I think the people of Jindabyne will continue to work with what they have to see this process moved forward and we will certainly help them in that process. [*Time expired.*]

ELECTRIC BICYCLES

Ms LEE RHIANNON [7.05 p.m.]: Recently my office received a call from Mr Michael French, who lives in the Cowra district of New South Wales. He raised with me concerns about problems he is encountering with his use of an electric bicycle. Mr French is a disabled pensioner with a degenerative spinal condition and a hip problem. Mr French cannot afford to purchase a car nor can he afford to run one due to rising petrol prices and insurance costs. It is hard for him to get around day by day and to stay physically active. To maintain a healthy lifestyle he decided to purchase an electric bike.

An electric bike is a motorised bicycle that gives the best of both worlds: the rider can use pedal power on flat stretches of road or bikeway and then use the engine to get up hills when he or she gets tired. His electric bicycle allows Mr French to be independent as it takes him to places he would not otherwise be able to get to. His ebicycle is an electric pedal assisted Gia Carlo with a 200-watt motor. Typically, it travels at a comfortable speed of about 25 kilometres per hour—the same speed at which a healthy person would pedal a regular bicycle on a flat stretch of road.

Like many users of ebicycles, Mr French always rides on the side of the road and abides by the road rules. The other day he was riding over the Cowra Bridge when he was told by police to get off his bicycle and wheel it. He was told he was not allowed to ride it because it has a footrest and looks like a moped. Mr French told me that he receives such differing accounts about how he can use his ebicycle that he is confused about the rules that apply to them and that he feels as though the police are making them up. A representative of the Electric Bicycle Company advised Mr French that charges and prosecution seemed to depend on the police and on the town.

The Roads and Traffic Authority has been inconsistent with its ebicycle guidelines. While many other jurisdictions around the world allow ebicycles with much larger motors to be ridden by commuters without a

licence or registration, the New South Wales Government has made it difficult for ebicycle users. More than 10,000 people have purchased these ebicycles in good faith and now find that they are given conflicting advice about whether they need to register and insure them and whether they have to obtain a licence. This uncertainty is hurting the ebicycle industry.

At a time when we should be encouraging people to use cheap, clean personal transport an ebicycle should seem like the ideal solution to the New South Wales Government's problems with traffic congestion in the city and the lack of transport options in regional and rural New South Wales. These bicycles can help to reduce traffic congestion, pollution and greenhouse gas emissions. I understand that no other State in Australia makes it this hard for young people, people on low-incomes, students or disabled people to use this cheap, convenient, healthy, clean and enjoyable form of transport.

Mr French takes good safety precautions on his bike by placing many lights on so it is always seen, and he regularly checks his brakes. As a disabled person it would be very hard for him to get around on a normal pushbike and he feels he is being discriminated against. His ebicycle allows him to go to the pool for physical therapy, which is helpful for his degenerative spinal condition. Now when he rides his ebicycle he worries that the threat of being charged is imminent, but he needs the bicycle to travel and has no other form of transport. I am concerned that recent critical remarks about bike users by prominent public figures creates a culture that is not supportive of bike riders and makes it particularly hard for ebicycle users.

In May this year the then Minister for Roads Mr Eric Roozendaal said that cyclists should avoid riding during peak hour. In January the NRMA claimed that bicycle paths are a waste of money. These comments from leading figures in New South Wales create a culture not supportive of bike users. Elliot Fishman, policy adviser at the Cycling Promotion Fund, has pointed out that, contrary to the NRMA's claims, bicycle paths actually improve traffic congestion because a cyclist uses only a fraction of the road space taken up by a car. It is time that the New South Wales Government showed a real commitment to bike facilities. The Government should allocate more money. The Greens urge the New South Wales Government to allocate at least 5 per cent, or about \$150 million, of the Roads and Traffic Authority budget to bicycle programs, to establish a special budget initiative for \$300 million over four years to build an extensive network of bicycle lanes in metropolitan areas, to abolish public transport fares for bicycles and to require that new buses and trains have storage units for bicycles.

These are just some of the basic measures that would ensure there are more facilities for bike users. The present track record of the New South Wales Government is appalling. The Government continues to break its policy commitments to expand cycle facilities: BikePlan2010 was downgraded, the M2 bike lane closed in February 2007 and the Government paid Connector Motorways not to construct the associated Lane Cove Tunnel cycle facilities. *[Time expired.]*

PARLIAMENTARY LIBRARY E-BRIEFS

The Hon. GREG DONNELLY [7.10 p.m.]: I draw to the attention of the House the valuable work done by the Parliamentary Library to assist members of Parliament. As honourable members know, staff in the Parliamentary Library work away quietly and diligently to provide members with information, often at very short notice, that enables us to present our speeches in this Chamber and the other place with appropriate facts and figures. That information ensures that debates are cogent, relevant and up to date.

I thank the staff of the library for the production of a new source of information entitled the "e-brief". The first e-brief was published on 28 October and the Parliamentary Librarian, Greig Tillotson, explained in that edition that e-briefs would be produced from time to time and would contain updates on important issues and matters of significance for members. I have read the second edition, which was published a few days ago, and found it very useful. I acknowledge the work done by the Parliamentary Librarian and his staff and express my appreciation to them for their efforts in producing publications such as this. I encourage them to continue to produce them for the use of members of the Parliament.

[Time for debate expired.]

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

Motion agreed to.

The House adjourned at 7.11 p.m. until Wednesday 12 November 2008 at 11.00 a.m.
