

# LEGISLATIVE COUNCIL

Thursday 28 August 2008

[First Sitting]

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**The President (The Hon. Peter Thomas Primrose)** took the chair at 11.00 a.m.

**The President** read the Prayers.

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

## ASSENT TO BILLS

Assent to the following bills reported:

Election Funding Amendment (Political Donations and Expenditure) Bill 2008  
 Local Government and Planning Legislation Amendment (Political Donations) Bill 2008  
 Appropriation Bill 2008  
 Appropriation (Parliament) Bill 2008  
 Appropriation (Special Offices) Bill 2008  
 State Revenue and Other Legislation Amendment (Budget) Bill 2008  
 Shop Trading Bill 2008  
 Clean Coal Administration Bill 2008  
 Consumer, Trader and Tenancy Tribunal Amendment Bill 2008  
 Australian Jockey Club Bill 2008  
 Courts and Crimes Legislation Amendment Bill 2008  
 Children (Criminal Proceedings) Amendment Bill 2008  
 Children (Detention Centres) Amendment Bill 2008  
 Crimes (Forensic Procedures) Amendment Bill 2008  
 Crimes (Sentencing Procedure) Amendment (Life Sentences) Bill 2008  
 Hemp Industry Bill 2008  
 Marine Safety Amendment Bill 2008  
 Police Integrity Commission Amendment (Crime Commission) Bill 2008  
 Road Transport Legislation Amendment Bill 2008  
 Statute Law (Miscellaneous Provisions) Bill 2008  
 Thoroughbred Racing Amendment Bill 2008  
 Threatened Species Conservation Amendment (Special Provisions) Bill 2008  
 Sporting Venues Authorities Bill 2008  
 Firearms Amendment Bill 2008  
 State Revenue 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-Government 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, being absent from the State, he has this day assumed the administration of the Government of the State.

2 July 2008

## ADMINISTRATION OF THE GOVERNMENT OF THE STATE

**The PRESIDENT:** I report the receipt of the following message from Her Excellency the Governor:

Marie Bashir  
 GOVERNOR

Office of the Governor  
 Sydney 2000

Professor Marie Bashir, Governor of New South Wales, has the honour to inform the Legislative Council that she re-assumed the administration of the Government of the State on 6 July 2008.

6 July 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-Government 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.

30 July 2008

**ADMINISTRATION OF THE GOVERNMENT OF THE STATE**

**The PRESIDENT:** I report the receipt of the following message from the Honourable Justice James Allsop, Administrator of the State of New South Wales:

J Allsop  
ADMINISTRATOR

Office of the Governor  
Sydney 2000

The Honourable Justice James Allsop, Administrator of the State of New South Wales, has the honour to inform the Legislative Council that, consequent on the Lieutenant-Governor of New South Wales, the Honourable James Jacob Spigelman, being absent from the State, he has this day assumed the administration of the Government of the State.

31 July 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-Government of the State of New South Wales, has the honour to inform the Legislative Council that he re-assumed the administration of the Government of the State on 3 August 2008.

3 August 2008

**ADMINISTRATION OF THE GOVERNMENT OF THE STATE**

**The PRESIDENT:** I report the receipt of the following message from Her Excellency the Governor:

Marie Bashir  
GOVERNOR

Office of the Governor  
Sydney 2000

Professor Marie Bashir, Governor of New South Wales, has the honour to inform the Legislative Council that she re-assumed the administration of the Government of the State on 5 August 2008.

5 August 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, being absent from the State, he has this day assumed the administration of the Government of the State.

22 August 2008

**FIREARMS AMENDMENT BILL 2008**

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

**DEATH OF THE HONOURABLE GORDON RAYMOND IBBETT, A FORMER MEMBER OF THE LEGISLATIVE COUNCIL**

**The PRESIDENT:** I report to the House the death on 17 July 2008 of the Hon. Gordon Raymond Ibbett, aged 80 years, a member of this House from 1984 to 1991. On behalf of the House I have extended to his family the deep sympathy of the Legislative Council in the loss sustained.

*Members and officers of the House stood in their places as a mark of respect.*

**INSPECTOR OF THE POLICE INTEGRITY COMMISSION****Report**

**The President** announced the receipt, pursuant to the Police Integrity Commission Act 1996, of the annual report for the year ended 30 June 2008, received out of session and authorised to be made public on 16 July 2008.

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

**INSPECTOR OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION****Report**

**The President** tabled, pursuant to the Independent Commission Against Corruption Act 1998, a report entitled "Report of an Audit of the ICAC's Compliance with the Listening Devices Act 1984", dated 27 June 2008, received out of session and authorised to be made public on 29 July 2008.

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

**NEW SOUTH WALES CHILD DEATH REVIEW TEAM****Report**

**The President** announced the receipt, pursuant to the Commission for Children and Young People Act 1998, of a report entitled "Trends in Child Deaths in New South Wales: 1996-2005", Volumes I and II, received out of session and authorised to be made public on 29 July 2008.

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

**NEW SOUTH WALES OMBUDSMAN****Reports**

**The President** tabled the following reports:

1. Ombudsman Act 1974—Special report entitled "Supporting People with an Intellectual Disability in the Criminal Justice System: Progress Report", dated August 2008, received out of session and authorised to be made public on 6 August 2008.
2. Police Powers (Drug Detection Trial) Act 2003 and the Ombudsman Act 1974—Report entitled "Review of the Police Powers (Drug Detection Trial) Act 2003", dated June 2008, received out of session and authorised to be made public on 21 August 2008.

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

## INDEPENDENT COMMISSION AGAINST CORRUPTION

### Reports

**The President** tabled, pursuant to the Independent Commission Against Corruption Act 1988, the following reports:

1. Report entitled "Investigation into Bribery and Fraud at RailCorp—First Report", dated August 2008, received out of session and authorised to be made public on 13 August 2008.
2. Report entitled "Investigation into Bribery and Fraud at RailCorp—Second Report", dated August 2008, received out of session and authorised to be made public on 13 August 2008.

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

### TABLING OF PAPERS NOT ORDERED TO BE PRINTED

**The Hon. Eric Roozendaal** tabled, pursuant to Standing Order No. 59, a list of papers tabled since 3 June 2008 and not ordered to be printed.

### TABLING OF PAPERS

**The Hon. Eric Roozendaal** tabled the following papers:

1. Annual Reports (Statutory Bodies) Act 1984—Report of Technical Education Trust Funds for the year ended 30 June 2007.
2. Independent Pricing and Regulatory Tribunal Act 1992—Report of Independent Pricing and Regulatory Tribunal entitled "Price Review of Rating Valuation Services Provided by the Valuer General to Local Government: Other Industries—Final Determination and Final Report", dated July 2008.
3. Report of the Independent Transport Safety and Reliability Regulator entitled "Implementation of the NSW Government's response to the Final Report of the Special Commission of Inquiry into the Waterfall Accident—Reporting period April-June 2008", dated July 2008.

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

### STANDING COMMITTEE ON SOCIAL ISSUES

#### Report

**The Clerk** announced the receipt, pursuant to standing orders, of report No. 40, entitled "Overcoming Indigenous Disadvantage in New South Wales—Interim Report", dated June 2008, received out of session and authorised to be printed on 27 June 2008.

**The Hon. IAN WEST** [11.09 a.m.]: I move:

That the House take note of the report.

**Debate adjourned on motion by the Hon. Ian West and set down as an order of the day for a future day.**

### AUDITOR-GENERAL'S REPORT

**The Clerk** announced the receipt, pursuant to the Public Finance and Audit Act 1983, of a report of the Auditor-General entitled "Oversight of Electricity Industry Restructuring", dated August 2008, received out of session and authorised to be printed on 21 August 2008.

### AUSTRALIAN CAPITAL TERRITORY-NEW SOUTH WALES CROSS BORDER HEALTH AGREEMENT

#### Production of Documents: Return to Order

**The Clerk** tabled, pursuant to resolution of 24 June 2008, documents relating to an order for papers regarding the Australian Capital Territory-New South Wales Cross-Border Health Agreement, received on 8 July 2008 from the Director General of the Premier's Department and Cabinet, together with an indexed list of the documents.

### **Production of Documents: Claim of Privilege**

**The Clerk** tabled a return identifying those documents that are claimed to be privileged and should not be tabled or made public. The Clerk advised that pursuant to standing orders the documents are available for inspection by members of the Legislative Council only.

### **PETITIONS**

#### **Electricity Industry Privatisation**

Petition opposing electricity privatisation, received from **Dr John Kaye**.

### **STANDING COMMITTEE ON LAW AND JUSTICE**

#### **Reference**

**The Hon. CHRISTINE ROBERTSON:** I inform the House that in accordance with the resolution of the House relating to the establishment of standing committees, the Standing Committee on Law and Justice resolved on 4 August 2008 to adopt the following reference:

That the Standing Committee on Law and Justice inquire into and report on whether New South Wales legislation requires amendment to better deal with altruistic surrogacy and related matters and in particular:

- (a) the role, if any, that the Government should play in regulating altruistic surrogacy arrangements in New South Wales,
- (b) the criteria, if any, that the intended parent/s and/or birth parent/s should have to meet before entering into an altruistic surrogacy arrangement,
- (c) the legal rights and responsibilities that should be imposed upon the intended parent/s and/or birth parent/s,
- (d) the role that a genetic relationship between the child and the intended parent/s and/or birth parent/s should play in any altruistic surrogacy arrangement,
- (e) the legislative amendments that should be made to clarify the legal status of any child born of such an arrangement,
- (f) the rights that a child born through an altruistic surrogacy arrangement should have to access information relating to his or her genetic parentage, and who should hold this information,
- (g) the efficacy of surrogacy legislation in other jurisdictions and the possibility and desirability of working towards national consistency in legislation dealing with surrogacy,
- (h) the interplay between existing State and Federal legislation as it affects all individuals involved in, and affected by, surrogacy, and
- (i) any other relevant matter.

### **DEFERRED ANSWERS**

The following answers to questions without notice were received by the Clerk during the adjournment of the House:

#### **GARRAWARRA HOSPITAL CROWN LAND**

On 3 June 2008 Ms Sylvia Hale asked the Minister for Lands a question without notice regarding Garrawarra Hospital Crown land. The Minister for Lands provided the following response:

No. The land is proposed to be assessed in terms of Part 3 of the Crown Lands Act 1989 in order to identify suitable future uses for the site.

#### **GAMBLING**

On 3 June 2008 Reverend the Hon. Dr Gordon Moyes asked the Minister for Primary Industries, representing the Minister for Gaming and Racing, a question without notice regarding gambling. The Minister for Gaming and Racing provided the following response:

The Government recognises that many local communities have a higher than average number of gaming machines and that they do not want or need any more.

A range of reforms were announced by the Government on 7 December 2007.

As part of the reforms there will be a further reduction in poker machine numbers over time and gaming venues located in areas with a higher than average poker machine density and expenditure, and with lower than average socioeconomic data and a high number of problem gamblers, will find it extremely difficult to obtain approval for additional gaming machines.

It is expected that the suburbs which are listed in your question—Bankstown, Canterbury, Ashfield, Auburn, Fairfield, Marrickville, Burwood and Penrith—will be in this category.

These announced reforms, together with awareness campaigns such as the recently launched \$1.8 million "Gambling Hangover" campaign to target young men and the Problem Gambling Roundtable to be hosted by the Office of Liquor, Gaming and Racing on 17 July involving 35 representatives from the sector to develop a strategic partnership, show the Government's continuing commitment to reduce harm associated with problem gambling.

#### **FUEL SUBSIDY**

On 3 June 2008 the Hon. Catherine Cusack asked the Minister representing the Premier a question without notice regarding fuel subsidy. The Premier provided the following response:

New South Wales pays a subsidy for petrol and on-road diesel use in northern New South Wales. The New South Wales subsidy scheme ensures distributors in northern New South Wales are able to compete with Queensland distributors. The subsidy rate decreases in five zones from the Queensland—New South Wales border and is available to anyone purchasing fuel. The maximum subsidy of 8.35 cents per litre is payable in Tweed Heads.

The future operation of the New South Wales scheme will be considered in light of the proposed changes to the Queensland scheme.

#### **MR MARK STANDEN ARREST**

##### **NEW SOUTH WALES CRIME COMMISSION OPERATIONS**

On 3 June 2008 Reverend the Hon. Fred Nile asked the Attorney General, representing the Minister for Police, a question without notice regarding Mr Mark Standen's arrest and the New South Wales Crime Commission operations. The Minister for Police provided the following response:

I refer the honourable member to my extensive answers given in another place on 5 June 2008 addressing this subject.

#### **MR BASILIO REYES 457 VISA EMPLOYMENT**

##### **457 VISA TEMPORARY EMPLOYMENT SCHEME**

On 3 June 2008 Ms Lee Rhiannon asked the Minister for Industrial Relations a question without notice regarding Mr Basilio Reyes' 457 visa employment and the 457 visa temporary employment scheme. The Minister for Industrial Relations provided the following response:

The New South Wales Government understands that temporary skilled migration plays an important role in helping Australian employers to meet genuine skills shortages in the short term. In light of this, New South Wales has actively engaged with both the current and previous federal governments to improve the operation and integrity of the 457 visa program.

In relation to the case of Mr Reyes, the New South Wales Government strongly supports the Federal Government's focus on ensuring appropriate protections for overseas workers and a regime of sanctions for those who seek to exploit workers or avoid their responsibilities. Any allegations of breaches of 457 visa requirements in particular, are a matter for the Commonwealth Department of Immigration and Citizenship. It is understood that officers of that agency are aware of the allegations surrounding Sombreros Mexican Restaurant.

Further, New South Wales is committed to ensuring that workers brought in under the 457 visa program are treated fairly and equitably, have access to information about their rights and obligations, work in safe environments and have information on where to get help if needed. The New South Wales Government has advocated for these key protections for 457 workers when participating in various Commonwealth-State working parties and other committees relating to migration.

The New South Wales Government is aware that a number of Federal reviews of the 457 visa program are underway, in particular a review of the integrity of the program to be led by Australian Industrial Relations Commissioner, Barbara Deegan. It is the intention of the New South Wales Government to actively engage in the Deegan review to ensure that the program promotes industrial protection for all workers in Australia, investment in employment and training opportunities for Australians and an effective, efficient and enforceable skilled migration program.

The New South Wales Office of Industrial Relations recently conducted a workplace compliance campaign in the Cronulla area. As part of this campaign, Sombreros Mexican Restaurant was inspected and the employment records were examined. While various breaches of New South Wales industrial relations legislation were found, previous allegations about underpayment of wage entitlements had been addressed by the employer and rectified. This included the payment of wages and holiday entitlements owed to Mr Reyes.

The owners of the restaurant are currently working with the Office of Industrial Relations to rectify further record keeping breaches and to ensure compliance with their ongoing obligations as an employer. Failure by Sombreros Mexican Restaurant to rectify these matters will result in further action being taken by the Office of Industrial Relations.

### **CANNABIS DEPENDENCY**

On 4 June 2008 Reverend the Hon. Dr Gordon Moyes asked the Attorney General, representing the Minister for Health, a question without notice regarding cannabis dependency. The Minister for Health provided the following response:

According to the 2004 National Drug Strategy Household Survey, there were some 180,000 fewer recent cannabis users in 2004, compared to 2001, and, according to Australian secondary school children's surveys, cannabis use among school-based young people decreased over the past decade, dropping from 35% of 12-17 year olds ever having used in 1996 to 18 per cent in 2004.

Since 2003, NSW Health has established five dedicated cannabis clinics offering treatment specifically to cannabis users. The first opened in Parramatta in December 2003, with others following in the Central Coast in September 2004, the Greater West in October 2005 and Sutherland in June 2006. The latest opened in May this year in the North Coast Area Health Service. A further one will open in the Hunter-New England Area Health Service during the coming year.

Under the Third Drug Budget 2007/08-2011/12, the New South Wales Government has committed over \$6 million for the operation of these six specialist cannabis clinics. These cannabis clinics have young people as one of their main target groups.

In April 2007, NSW Health relaunched a previously successful NSW Cannabis Information Campaign in time to coincide with the 2007 Easter and winter school holidays. The campaign ran until the end of July 2007. The campaign consisted of six black and white poster advertisements displayed in New South Wales cinema bathrooms and youth magazines. It was also distributed to youth services and community groups through Community Drug Action Teams and used as an animated cinema slide across New South Wales. The campaign targeted early and potential users of cannabis and was designed to appeal to young people 13 to 19 years of age.

An independent evaluation of the campaign found that teenagers had high-levels of awareness of the campaign, that they had good recall of the messages and that the campaign had significant impact on attitudes.

### **MR MARK STANDEN ARREST**

#### **NEW SOUTH WALES CRIME COMMISSION OPERATIONAL OVERSIGHT**

On 4 June 2008 Reverend the Hon. Fred Nile asked the Minister for Education and Training, representing the Premier, a question without notice regarding Mr Mark Standen's arrest and the New South Wales Crime Commission operational oversight. The Premier provided the following response:

The Minister for Police, the Hon David Campbell MP, introduced the Police Integrity Commission Amendment (Crime Commission) Bill 2008, which outlines the Government's proposed approach to the oversight of the Crime Commission. The bill received assent on 1 July 2008.

The Act gives the Police Integrity Commission oversight of the operations of the Crime Commission. In particular, the Act gives the Police Integrity Commission the powers to detect, investigate and prevent not only corrupt conduct but also other misconduct by Crime Commission officers.

### **MOOREBANK INTERMODAL FACILITY**

On 5 June 2008 Reverend the Hon. Dr Gordon Moyes asked the Minister for Roads, representing the Minister for Transport, a question without notice regarding the Moorebank intermodal facility. The Minister for Transport provided the following response:

I am advised:

The Stocklands site cannot be used as a rail intermodal terminal as the East Hills line is passenger only.

Any proposal to build an intermodal terminal on the Stocklands site would be subject to environmental assessment and planning approvals requiring detailed study and community consultation.

### **JUVENILE OFFENDERS**

On 18 June 2008 Reverend the Hon. Dr Gordon Moyes asked the Minister for Lands, representing the Minister for Juvenile Justice, a question without notice regarding juvenile offenders. The Minister for Juvenile Justice provided the following response:

1. Yes, I am aware of the study to which the honourable member referred. I am advised that the "NSW Young People in Custody Health Survey" and "NSW Young People on Community Orders Survey" are wide ranging studies that were undertaken by the University of Sydney in collaboration with the Department of Juvenile Justice and NSW Justice Health.
2. Each young person receives a comprehensive assessment covering health status, individual needs and social circumstances. The Youth Level of Service/Case Management inventory is administered and is a tool which aids in assessing and planning activities with adolescent offenders. The assessment includes considering risk factors known to be associated with the risk of recidivism, as well as recognising strengths that can be built on with the young person.

The Department of Juvenile Justice has a number of programs that aim to address the principles of prevention, intervention and reducing re-offending of young offenders. These include:

- The Alcohol and Other Drug Program [AOD] is a specialist program that aims to address the needs of young offenders whose pattern of alcohol and other drug use is correlated to their offending behaviour patterns and risk of re-offending. AOD programs are offered both within the custodial and community settings and provide strategies and assistance to reduce harm associated with AOD use, thereby benefiting the young person and the community.

- The Sex Offender Program [SOP] provides comprehensive, individualised assessment for adolescents convicted of offences of a sexual nature.

The SOP provides interventions (involving families wherever possible) by a specialist trained counsellor, both in the community and custodial environment.

- The Violent Offender Program [VOP] is a specialist program that aims to address the needs of young offenders who have been convicted of serious violent offences.

VOP counsellors also provide therapeutic intervention to young offenders to address issues relating to anger management, self-regulation skills and changing thinking to more pro-social attitudes and behaviours.

- Targets for Effective Change is a comprehensive evidence-based program that is available to all young offenders being supervised in the community setting. This is now also being selectively delivered in custodial settings.

TARGETS is a structured cognitive behavioural approach to use with young offenders in groups or individually and addresses such issues as handling conflict, relationship skills, thinking and behaviour and employment skills.

- The Department is currently piloting the Aboriginal AOD Program, Dthinya Yuwali, in a number of juvenile justice centres. The program is designed to be used both within the community and custodial environments.

The Dthinya Yuwali Program has been developed by Aboriginal staff, and aims to address the links between alcohol and substance use and offending behaviour, through a three-staged approach. The program is based on cultural learning and includes the participation of Aboriginal elders.

- The Department has recently launched the internationally recognised Intensive Supervision Program [ISP], which works intensively with all members of an offender's family to address the factors that contribute to a young person offending.

The ISP family-based treatment model has been independently evaluated as one of the most successful and cost-effective treatment models in the world for serious, repeat young offenders across gender, age and social and cultural backgrounds. Evaluations over 10 years have consistently demonstrated significant reductions in the severity and frequency of juvenile offending over 1, 2 and 4-year follow ups.

- A recent study of the NSW Bureau of Crime and Statistics highlights the high level of success of Youth Justice Conferencing, reporting that 42 per cent of offenders who complete conferences do not go on to reoffend within a five year period.

- In addition to programs provided by the department, the Department of Education and Training delivers education and training programs at all detention centres. These include remedial, general and vocational education, literacy and numeracy, personal development, TAFE and both the school certificate and higher school certificate.

- Justice Health also delivers health education programs in centres. Areas covered by Justice Health programs include: adolescent health issues, including sexual development and sexually transmitted diseases, contraception, childbirth and parenting skills, food and nutrition and dental health.

- Upon release from Juvenile Justice Centres, support is provided to young people in the community to assist in their successful reintegration into the community. The department funds over 35 community-based programs and contributed over \$3.4 million in the 2007-08 financial year.

The Government also recently launched a pilot of Youth Conduct Orders [YCOs]. The scheme will target young people aged 14-18 who have been charged with or convicted of anti-social offences.

YCOs will impose restrictions on the behaviour and movement of juvenile offenders for up to 12 months while requiring them to participate in intensive case management to address the underlying causes of their anti-social behaviour. Case management will be undertaken by a specialised cross-agency group comprising key government justice and human service agencies.

The Department of Juvenile Justice constantly reviews policies, support strategies and local and international research and developments, to ensure that young people are provided with the best possible support to reduce recidivism.

### **PROGRAM OF APPLIANCES FOR DISABLED PEOPLE FUNDING**

On 18 June 2008 Mr Ian Cohen asked the Treasurer a question without notice regarding the program of appliances for disabled funding. The Treasurer provided the following response:

I am advised:

Funding for the PAPD Program itself has grown by over 39 per cent from 2003-04 to 2008-09.

Cabinet considered the PricewaterhouseCoopers Report on the Program of Appliances for Disabled People [PAPD] in late 2006.

The Government's response is available on the NSW Health website.

### **BIOSECURITY SAFEGUARDS**

On 18 June 2008 Ms Sylvia Hale asked the Minister for Primary Industries a question without notice regarding biosecurity safeguards. The Minister for Primary Industries provided the following response:

I have referred this question to the Hon. Tony Burke MP, the Federal Minister for Agriculture, Fisheries and Forestry, who is responsible for quarantine and national biosecurity issues. I have asked Mr Burke to reply directly to Ms Hale.

### **SEXUAL ASSAULT PRISONER PROGRAMS**

On 19 June 2008 Ms Sylvia Hale asked the Minister for Justice a question without notice regarding sexual assault prisoner programs. The Minister for Justice provided the following response:

I am advised:

The Department of Corrective Services has a number of programs aimed at reducing re-offending by sexual offenders.

These include educational, preparatory, therapeutic and maintenance programs in custody for offenders of a range of risk levels, as well as treatment for low risk offenders in the community and maintenance programs in the community for offenders who have undergone treatment in custody. Treatment programs are matched to offenders' risk levels.

It is important to note that program participation is voluntary—offenders are encouraged but cannot be compelled to participate.

I am advised that 156 sex offenders participated in programs in 2006-07. This figure reflects the number of sex offenders approaching the end of their sentence rather than the sex offender population as a whole.

The Department of Corrective Services focuses sex offender programs towards the end of the sentence, in order to maximise their benefit.

### **PUBLIC LIBRARY FUNDING**

On 19 June 2008 Reverend the Hon. Dr Gordon Moyes asked the Minister for Lands, representing the Minister for Local Government, a question without notice regarding public library funding. The Minister for the Arts provided the following response:

Local government is the principal funding body of public libraries in New South Wales. State Government funding to public libraries has increased by 40% since 1995 to \$23.5 million this financial year. Although State Government funding has increased, there have been even greater increases in local government funding of public libraries, from \$46.7 million in 1985 to \$271 million in 2006/07. This substantial increase is reflected in the relevant proportions of State and local government funding to public libraries.

Any comparisons to public library funding in other jurisdictions need to take account of the different funding models and arrangements in place.

The Government recognises the important service libraries provide in communities across the State. In the case of Auburn Council, State Government funding has increased by 66% since 1995/96.

As Minister for the Arts, I have sought the advice of the Library Council of New South Wales, working with the Director-General of the Department of the Arts, Sport and Recreation, on the full implementation of the review's recommendations.

### **HYDROPONIC DRUG CULTIVATION**

On 19 June 2008 Reverend the Hon. Fred Nile asked the Attorney General a question without notice regarding hydroponic drug cultivation. The Minister for Police provided the following response:

The NSW Police Force has advised me:

An analysis of statistics for the past 18 months shows there has been no dramatic increase in the number of hydroponic cannabis houses detected. Rather, this number remains stable. Police have not identified any recent

instances where such houses have been burnt in an effort to destroy evidence. Where a hydroponic cannabis house is discovered, a guard is maintained on the premises until all evidence has been removed and all police activity at the crime scene has concluded.

The use of hydroponic equipment to cultivate cannabis facilitates more robust growth by means of enhanced growing conditions. However, there is no reliable data currently available in relation to increased THC content in hydroponically grown plants.

There is currently no restriction or regulation on the sale of hydroponic equipment. The Government has already increased penalties for the cultivation of enhanced indoor cannabis and created a new offence for having children present in hydroponic cannabis houses.

#### **BATHURST HOSPITAL REMEDIATION**

On 19 June 2008 the Hon. Jennifer Gardiner asked the Treasurer a question without notice regarding the Bathurst Hospital remediation. The Treasurer provided the following response:

I'm advised by the Honourable Reba Meagher MP, Minister for Health, that the answer to the Honourable Member's question is:

Following a visit by the Minister for Health to Bathurst Hospital in February 2008 there has been an extensive consultation process conducted with clinicians and staff to establish solutions to issues raised about the hospital.

These works address functional issues within the Hospital's departments and there will be no change to the services approved to be provided by the hospital.

A program of minor works involving access, security and communications has already been completed.

Once the consultation is completed, estimates will be established for additional works and a program for implementation prepared. The program will be undertaken in consultation with staff to ensure that the works are coordinated around the operations of the hospital.

The clinicians involved are very supportive of the process of developing the solutions to ensure the right outcomes are achieved.

#### **ILLAWARRA REGION UNEMPLOYMENT**

On 24 June 2008 Reverend the Hon. Dr Gordon Moyes asked the Minister for Roads, representing the Minister for the Illawarra, a question without notice regarding the Illawarra region unemployment. The Minister for the Illawarra provided the following response:

I thank the Honourable Member for his question and his interest in the Illawarra region. As Minister for the Illawarra and a local resident I am well aware that the Illawarra region has a higher than state average youth unemployment rate. This is of course a concern to all local residents and elected representatives like myself. Public awareness of this issue has grown in recent weeks with the publication of the "Youth Unemployment in the Illawarra" report by the Illawarra Regional Information Service on 11 June which I'm sure the Hon Gordon Moyes has read.

The NSW Government recognises that the issue of youth unemployment is complex and stems from a range of factors both within and outside the government's control.

It is well proven that there is a direct link between education, training and employment. It is a key priority of the NSW Government's State Plan "A new direction for NSW", to increase the proportion of students completing Year 12 or recognised vocational training from 82.7% in 2005 to 90% in 2016.

For this reason, the NSW Government has focused on expanding options for young people to assist their retention at school and to increase their employability when they do leave school. There are a range of government programs, primarily run by the NSW Department of Education and Training, which aim to achieve these goals. These include:

- School-based apprenticeships. New Trade Schools
- A Taste of TAFE program
- School to Work program
- Links to Learning program
- Vocational Education and Training in Schools and other specific programs. TAFE and Community Education—special initiatives for youth
- Youth Training under the Strategic Skills Program
- Apprenticeship and Traineeship Training Program Funding for Youth
- Illawarra Industry Apprenticeship Project
- Illawarra State Training Services for unemployed youth.

The NSW Government is also committed to assisting businesses to take on young apprentices and trainees. The *Growing Our Skills* program allows employers to not pay workers compensation premiums on the wages of apprentices. Employers also receive payroll tax exemption for apprentices and new entrant trainees. The NSW Government provides small business owners with a rebate on the cost of registration of a vehicle for each apprentice employed.

Research shows that students who stay longer at school have higher wages, less unemployment throughout their lives and are likely to do further study. On 30 January 2008 the Premier announced a proposal to raise the NSW school

leaving age to either 16, 17 or 18. On 30 June I was fortunate enough to represent the Minister for Education at one of the many forums across the state to discuss this issue with Illawarra teachers, parents and youth workers.

The NSW Government is also committed to assisting youth, particularly disadvantaged youth, through a range of support programs in the Illawarra including:

- Better Futures Program
- Community Services Grants Program
- Getting It Together Scheme
- Youth Mental Health Model
- Drug and Alcohol Community Youth Team (DACYT)
- Southern Youth and Family Services (SYFS)
- Youth Outreach Worker Projects
- Youth and Family Counselling services
- Youth Adult Resource Information Project
- Youth Refugees and Housing
- Alcohol and Other Drugs Program
- Child and Adolescent Mental Health service (CAMHS)
- Adolescent Day Program
- Housing and Accommodation Support Initiative

Beyond this support, the NSW Government realises that the key provider of jobs for youth is the private sector. For this reason we continue to work with industry to encourage jobs growth in the region.

The lemma Government has a three-pronged approach to economic growth for the Illawarra region:

- Investment in infrastructure such as ports growth,
- Investment in research and innovation such as the Innovation Campus,
- Detailed planning such as the City Centre Plan and the Illawarra Regional strategy.

The NSW Government is committed to economic growth in the Illawarra Region and has supported a wide range of investments in the Illawarra region including:

- \$167 million to transform Port Kembla into Australia's leading car import centre, creating over 1000 jobs,
- \$24 million for the University of Wollongong's Innovation Campus project which continues to provide jobs in its construction phase and will generate up to 5000 knowledge-based jobs upon completion.

The NSW Government's Illawarra Advantage Fund has continued to attract new investment and create new jobs in the Illawarra region. More than 91 projects have now been supported, creating 2,300 full time jobs and representing over \$178 million in capital investment in the region.

The NSW Government has also committed in the 2008/09 Budget to progressively cutting payroll tax in NSW from 6 per cent to 5.5 per cent by 2011. This will provide \$1.9 billion in cuts to payroll tax over the next four years and will help lure businesses to shift their investment to the Illawarra region.

The Illawarra Regional Strategy and the recently announced Illawarra Regional Business Growth Plan also outline a great deal of work the NSW Government is committed to doing in our region. More information about these strategies is available from the Department of Planning and the Department of State and Regional Development respectively.

#### **TEENAGE SELF-HARM**

On 25 June 2008 Reverend the Hon. Dr Gordon Moyes asked the Minister for Lands, representing the Minister Assisting the Minister for Health (Mental Health), a question without notice regarding teenage self-harm. The Minister Assisting the Minister for Health (Mental Health) provided the following response:

The NSW Government has recognised self-harm as a major public health issue and identified mental health promotion, prevention and early intervention as key priority areas outlined in the NSW Interagency Action Plan for Better Mental Health (2005) and the NSW Mental Health Plan 2005-2010.

The State Plan: A New Direction for NSW 2006-2016 priority F4 commits to embedding the principles of prevention and early intervention into Government service delivery in NSW.

Specific measures to improve the understanding and detection of mental health problems in adolescents and enhance access to appropriate specialist support include the NSW School-Link Initiative and the Youth Mental Health Service Model.

The NSW School Link Initiative, an interagency collaborative partnership between NSW Health and the Department of Education and Training, was developed in 1999 to improve the understandings, recognition, treatment, support and prevention of mental health problems in young people.

School-Link is a comprehensive initiative that aims to link schools and TAFE colleges with their local child and adolescent mental health services.

The NSW Government strongly supports targeting those at greatest risk, including socioeconomic disadvantage, as well as a range of priority groups.

Current Child and Adolescent Mental Health Services (CAMHS) planning includes the following principles:

Priority access for children, adolescents and families at highest risk for current or future impairment and for those with greatest need. These groups include those who have been exposed to trauma, abuse, violence or neglect; children and young people in out-of-home care; those with developmental disabilities or chronic physical health problems; those in contact with the Department of Juvenile Justice; and families with children where a parent has mental health problems.

Funding of \$26.8 million has also been provided over 5 years for the development of a Youth Mental Health Services Model (YMHSM), aimed at providing youth mental health services for young people 14-24 years of age in youth-friendly settings, integrated with primary health, drug and alcohol, and other services.

The key focus of the model is on early intervention and prevention, with flexible approaches to service provision and access. Young people will be offered a range of services including comprehensive assessment, including risk assessment, as well as support to re-engage with education, training and employment.

#### **SAVANNAH CAT IMPORTATION**

On 25 June 2008 Mr Ian Cohen asked the Minister for Primary Industries a question without notice regarding savannah cat importation. The Minister for Primary Industries provided the following response:

I can advise members that I have written to the Hon Peter Garrett, Commonwealth Minister for the Environment, Heritage and the Arts indicating my strong support for the prohibition on the importation of the Savannah Cat. In my correspondence I conveyed my concern about the high risk of these cats establishing wild populations and becoming a pest after establishment, should they be imported.

I have also sought advice from the Minister for Local Government about the importation of Savannah cats. I am advised by the Minister that the Commonwealth Minister for the Environment, Heritage and the Arts has formulated a proposal under Part 13A of the (Commonwealth) Environment Protection and Biodiversity Conservation Act 1999 to amend the List of Specimens taken to be Suitable for Live Import (the live import list).

I am also advised that a draft assessment report has been prepared by the Department of Environment, Water, Heritage and the Arts against the terms of reference approved by the Commonwealth Minister. The draft report assesses the suitability for import of the Savannah Cat.

The draft report acknowledges that alternative controls over people keeping Savannah Cats would be difficult to apply uniformly across Australia, given the range of state, territory and local government legislation. I agree with this statement, and I am informed by the Minister for Local Government that using the NSW Companion Animals Act 1998 to prohibit this animal from being owned in NSW would not be effective in managing the threat from the introduction of this cat unless all States and Territories introduced similar prohibitions.

The most effective solution to the threat posed by the introduction of the Savannah Cat is for the Commonwealth Government to prohibit its import into Australia.

#### **BEECHWOOD HOMES**

On 25 June 2008 Reverend the Hon. Fred Nile asked the Attorney General, representing the Minister for Housing, a question without notice regarding Beechwood Homes. The Minister for Fair Trading provided the following response:

The Beechwood Homes group of companies entered into voluntary administration on 13 May 2008, affecting 380 customers with houses under construction in Sydney, the Hunter and the South Coast. A further 580 customers who have made pre-contract payments are also affected.

The Receivers and Managers of the Beechwood group of companies, Mr Chris Campbell and Mr David Lombe, Partners of Deloitte Corporate Reorganisation Group, are endeavouring to find a buyer to take over the building contracts and are currently assessing proposals from interested parties. Due to the greater than expected level of interest and the need for due diligence, however, a buyer for Beechwood may not be known as soon as had originally been expected.

The Office of Fair Trading wrote to all customers known to be affected by the collapse on 30 May 2008 to provide information and offer assistance, including those who have signed pre-contract agreements. Fair Trading officers have also personally been in contact with over 320 consumers about their dealings with Beechwood Homes. Some of these consumers are not covered by home warranty insurance but have signed a tender and paid between \$2,000 and \$3,000 to cover Beechwood's administration costs to survey the site, draw up plans and lodge them with council. This amount is non-refundable under the pre-contract agreement.

If the sale of the business occurs, then consumers who have paid monies under a pre-contract agreement would be well placed for the successful purchaser to pick up from where Beechwood let off.

There are legal considerations to be taken into account before Beechwood plans, which are subject to copyright, could be used by another builder. Nevertheless, Fair Trading is speaking with the Receivers and Managers to negotiate a reasonable fee to consumers should the sale of the business not proceed.

I have written to the Minister for Local Government and to the Local Government and Shires Association to seek their assistance to ensure that consumers who have been affected by the collapse of Beechwood Homes do not suffer further delay or unnecessary inconvenience.

The Office of Fair Trading is also working with the Department of Planning and local councils to determine if they will be prepared to waive their usual development application fees should new plans, or a new builder for the existing plans, be required.

While the Beechwood group of companies and its worksites are under the control of the Receivers, Fair Trading is continuing to work closely with the Receivers and other Government agencies to secure the best possible outcome for Beechwood customers.

I am pleased to advise that 15 to 20 homes that were near completion at the time of the company's collapse have had further work completed under the supervision of the Receiver and home warranty insurer Vero. As a result, some home owners have been able to move into their homes.

As I have said publicly, the best outcome for the consumers involved and the many employees and trade sub-contractors who worked for Beechwood is the successful sale of the business. I have met with the Receiver who has advised me that they are confident of affecting a sale in the very near future.

Notwithstanding, I wish to reiterate that those consumers who have contracts with Beechwood and are covered by home warranty insurance will receive protection under their policies should a sale not succeed.

#### **NEPEAN HOSPITAL MENTAL HEALTH STAFF SAFETY**

On 25 June 2008 the Hon. David Clarke asked the Acting Minister for Industrial Relations a question without notice regarding Nepean Hospital mental health staff safety. The Acting Minister for Industrial Relations provided the following response:

WorkCover initially visited Nepean Hospital on 8 April 2008, following an anonymous complaint about a number of workplace safety issues in its Pialla Unit.

I can advise that WorkCover did not find management's approach satisfactory, rather it found a number of issues identified by the complainant as partially substantiated. Nepean Hospital subsequently gave a commitment to address all the issues raised in the complaint.

WorkCover is continuing to work closely with the management and staff of Nepean Hospital to assist it to meet its workplace safety obligations. WorkCover will continue to monitor developments closely and will intervene should the consultation process break down or management fail to honour its commitment.

#### **BEECHWOOD HOMES**

On 26 June 2008 the Hon. Catherine Cusack asked the Minister for Roads, Minister for Commerce, and Acting Minister for Industrial Relations, a question without notice regarding Beechwood Homes. The Minister provided the following response:

The Office of Fair Trading advises me that:

The Beechwood group of companies consists of three companies, LED Builders Pty Ltd, LED South Coast Pty Ltd and LED (North Coast) Pty Ltd, and entered into voluntary administration on 13 May 2008. Armstrong Wily was appointed as the voluntary administrator and on 14 May 2008, Mr Chris Campbell and Mr David Lombe, Partners of Deloitte Corporate Reorganisation Group were appointed as Receivers and Managers.

On 29 July 2008 the Receivers announced that the companies had been sold to Resibuildco Pty Ltd. Fair Trading has provided as much information as possible to trade creditors and suppliers but does not have jurisdiction in this matter, nor the power to intercede. These matters are properly the responsibility of the administrator and are being overseen by the Australian Securities and Investments Commission (ASIC).

The ASIC has advised Fair Trading that it is monitoring the external administration process, including the conduct of creditors' meetings and reporting to creditors, to ensure compliance with the Corporations Act.

No licence has been issued to Mr King "by mistake". Mr Larry King, a former director of Beechwood, holds a "Qualified Supervisor Certificate". This Certificate is not a 'contractor licence' and it does not allow Mr King to enter into contracts with consumers.

Fair Trading will assess the reports of the administrator, Receivers and Managers and any investigation that may be undertaken by the ASIC to determine whether further disciplinary action under the Home Building Act should be commenced against Mr King and other former directors of Beechwood.

#### **DR ANOOP RASTOGI AND COSMETIC SURGERY REGULATION**

On 26 June 2008 Reverend the Hon. Dr Gordon Moyes asked the Attorney General, representing the Minister for Fair Trading, a question without notice regarding Dr Anoop Rastogi and cosmetic surgery regulation. The Minister for Health provided the following response:

I am advised that Dr Rastogi holds general and unconditional registration with the NSW Medical Board.

I am further advised that the introduction of stronger regulations on 1 July 2008 for the advertising of medical services will provide better protection for people contemplating cosmetic surgery.

The changes are included in the *Medical Practice Amendment (Advertising) Regulation 2008*. Key features of these changes are:

- A requirement that photographs used in advertising are not altered or manipulated in a misleading or deceptive manner;
- A requirement that 'before and after' photographs are of genuine patients;
- All 'before and after' photographs must include a prominent statement that they represent one person's experience and there is no guarantee that any other patient will experience similar results; and
- Any scientific or statistical information used in advertising must be presented in a manner that can be readily understood by people without scientific or medical training or experience.

The Maximum penalty for a breach of the advertising regulations is 250 penalty units (\$27,500). In addition, a medical practitioner who breaches the advertising regulation may be subject to a complaint of unsatisfactory professional conduct.

## CONDUCT OF BUSINESS OF THE HOUSE

### Ministerial Statement

**The Hon. TONY KELLY** (Minister for Lands, Minister for Rural Affairs, Minister for Regional Development, and Vice-President of the Executive Council) [11.13 a.m.]: It is a matter of public knowledge that Parliament has been recalled today to deal with a specific issue, namely the two electricity industry restructuring bills. There is no impediment to the bills of which notice has just been given by the Treasurer being introduced in this House. It is the Government's intention to deal with the bills in this House this calendar day. The Government believes that securing our future energy supplies is one of the most significant issues facing New South Wales. Although two bills on this subject were introduced in the other place in June, the Legislative Council takes no cognisance of the proceedings in that other place until they are communicated in the proper manner by way of message to this House. I have been advised in accordance with the rules, conventions and practices of this Chamber of the mechanism by which these bills can be dealt with this calendar day.

The House will be immediately adjourned to a stated time later today. There is precedence for the House to be so adjourned to allow two sittings to take place on one calendar day—I refer members to pages 247 and 248 of the *New South Wales Legislative Council Practice* under the heading "Unusual Session in 1982". When the House meets again at a later hour today that sitting will be sitting number 64 of the Fifty-fourth Parliament, this morning's sitting being sitting number 63 of the Fifty-fourth Parliament. As a new sitting, business of which notice has been given during this sitting—number 63—can be proceeded with. The adjournment of the House to a stated time later today is necessary, and the bills will be proceeded with later this calendar day.

As it is the Government's intention to move the adjournment of the House before 12.00 noon, question time therefore will not take place before 12.00 noon today. However, question time will take place later today. According to sessional orders, when the House commences the new sitting this afternoon, question time will commence within 30 minutes after the appointed time for the commencement of that sitting. However, I advise that it is my intention to seek the leave of the House for question time to commence upon resumption immediately after formal business has been dealt with.

## BUSINESS OF THE HOUSE

### Suspension of Standing and Sessional Orders: Precedence of Business

#### Motion by the Hon. Tony Kelly agreed to:

That standing and session orders be suspended to allow the moving of a motion forthwith relating to the conduct of the Business of the House.

#### Precedence of Business

#### Motion by the Hon. Tony Kelly agreed to:

That Government Business take precedence of all other business on the *Notice Paper* until the conclusion of proceedings of the Electricity Industry Restructuring Bill 2008 (No. 2) and the Electricity Industry Restructuring (Response to Auditor-General Report) Bill 2008.

## SPECIAL ADJOURNMENT

#### Motion by the Hon. Tony Kelly agreed to:

That this House at its rising today do adjourn until Thursday 28 August 2008 at 12.17 p.m.

## ADJOURNMENT

**The Hon. Tony KELLY** (Minister for Lands, Minister for Rural Affairs, Minister for Regional Development, Acting Minister for the Central Coast and Vice-President of the Executive Council) [11.20 a.m.]: I move:

That this House do now adjourn.

## COOMA BUSINESS ENTERPRISE CENTRE

**The Hon. MELINDA PAVEY** [11.20 a.m.]: The local business enterprise centre in Cooma is on the brink of closure as a result of the Labor Government's narrow-minded pursuit of centralisation of services. While this may be viewed as merely a blip on the Lemma radar, it is the individual small business people of Cooma and the regions beyond who will cop the brunt of the State Labor Government's continuing economic mismanagement. Business enterprise centres throughout all States and Territories in Australia endeavour to work with and on behalf of the micro and small business sectors. Business enterprise centres essentially source opportunities to benefit their members and clients and act as a voice for small business. However, the role stretches much further than at first may seem possible. As the local people of Cooma will tell you, the Snowy Business Enterprise Centre is a community asset to be protected and supported as its services funnel down to maintain the livelihoods of small business people, the bread and butter of our communities.

The Snowy Business Enterprise Centre has been embarking on a new era in assisting with the development of Cooma's local economy. However, the fact remains that due to the brutal effects of the drought in southern New South Wales there are currently eight empty shops in Cooma, with potentially another four on their way out. The enterprise centre stated recently in a media release:

After much lobbying and negotiation, both the State and Federal governments continue to fail the Snowy and Cooma Monaro Region by not providing any funding to our regional SEC.

Despite a number of attempts by the BEC to speak with the member for Eden-Monaro, Mike Kelly, about the issue, there has been no response from the member, with letters and emails remaining unanswered.

I cannot overstate the community's disappointment in the new Federal member for Eden-Monaro, Mike Kelly, and his failure to respond to the community of Cooma, coupled with the inaction of Steve Whan, the supposed local member. While the Snowy Business Enterprise Centre is frantically searching for ways in which it may avoid the harsh effects of Labor's centralisation, The Nationals recently decided to launch a "Save the Snowy Business Enterprise Centre" campaign—which might be this invaluable asset's last chance. Andrew Stoner, my State Leader, and I met with Mayor Roger Norton and the business enterprise centre executive to discuss the future prospects of the service, which the local member has continually failed to do.

**The Hon. Ian West:** Point of order: The honourable member has served in this House for a reasonable period and should be familiar with the standing orders. I draw her attention specifically to Standing Order 91 (3), which provides that "a member may not use offensive words against either House of the Legislature, or any member of either House, and all imputations of improper motives and all personal reflections on either House, members or officers will be considered disorderly". Her comments have directly attacked an honourable member, Steve Whan, and I ask that she be reminded that that is inappropriate.

**The PRESIDENT:** Order! I uphold the point of order. The comments of the member are inappropriate and contravene the standing orders and rulings of this House.

**The Hon. MELINDA PAVEY:** The Nationals petition is part of a joint effort to put pressure on this Government and the local member to take action to fight to save a treasured community asset. The contract is due for renewal in September, and that means that without any action the service may be closed in the next few weeks. While the service has become more self-sufficient in recent years, it should be proud of its achievements over the past 15 years. Without the injection of Government support, the longevity of the organisation may still be threatened. It will continue to offer business advice and utilise the expertise of staff to meet client needs. The Snowy Business Enterprise Centre will work with organisations such as chambers of commerce from around the region to identify needs and training opportunities.

The solution proposed by this Government is to have a Queanbeyan-based car service come to Cooma. That is not supported by the Cooma community or the Queanbeyan Business Enterprise Centre, which I understand is unhappy about having to take on the load and would prefer to concentrate on clients in its community. The fact that hardworking Cooma locals may be forced to travel more than an hour to Queanbeyan Business Enterprise Centre is a reflection of the mindset of the local member, whose inaction I have referred to.

**The Hon. Ian West:** Point of order: The honourable member has been directed by you, Mr President, not to contravene standing order 91(3). The member is flouting your ruling and I ask that you call her to order.

**The PRESIDENT:** Order! I remind the member of my earlier ruling, to which she should adhere.

**The Hon. MELINDA PAVEY:** I point out that between 1993 and 2008 the business enterprise centre has had an estimated investment of 300 start-up businesses at \$10,000 on average— [*Time expired.*]

### WAGGA WAGGA TAFE RIVERINA INSTITUTE

**The Hon. TONY CATANZARITI** [11.25 a.m.]: I recently had the great pleasure of attending the TAFE Riverina Institute at Wagga Wagga to inspect the completion of its latest upgrade. I have visited the institute a number of times now and have witnessed very important improvements there. This latest \$5 million upgrade has resulted in significant improvements. The upgrade I visited consists of the following new and refurbished facilities: plumbing workshop; plumbing drainage yard, amenities and general purpose classrooms; four new water storage tanks; nursing training area to extend nursing training; amenities and general purpose classrooms; staff and student facilities; car parking; and associated landscaping.

I am not sure that urban members would be aware of the importance of such upgrades to a rural facility such as the institute, but the provision of an extra 20 car spaces alone, one of which is a parking space for disabled people, has a marked and lasting impact on staff and students by significantly improving amenities. I am sure that I do not need to comment further on the utility of the four new water storage tanks for the facility. Clearly they will make a lasting improvement. I was impressed with the new plumbing workshop and drainage yards. This is state-of-the-art material. The facility has also been upgraded to include a gas laboratory so students are able to work with gas appliances.

Members will be aware of the report of the Standing Committee on State Development into skills shortages in rural and regional New South Wales. I believe I can safely inform members that the institute generally and the Wagga Wagga campus in particular have acted in the spirit of the report. They are doing a great job addressing this important need. Wagga Wagga's refurbishment of block A, the nurse training area, will assist in this valuable work. The training area, lecture rooms and office accommodation have all been significantly improved. For example, the lecture rooms are now enabled with videoconferencing and smart boards, which are electronic whiteboards attached to computers and digital projectors. These have been important improvements to the Riverina institute generally and I am pleased to see them, as the institute is an important part of the area of the State in which I live. It services a catchment of 155,000 square kilometres in the Murray Riverina and is our largest provider of post-secondary vocational education. Importantly, over half of all enrolments are in customised or commercial training. For example—time allows me to comment only on the Wagga Wagga campus—the campus comprises the Building and Construction Training Centre; Plumbing Technology Centre; National Aerospace Training Centre of Excellence at the RAAF Base Wagga Wagga; and the Primary Industries Centre, North Wagga Wagga.

Wagga Wagga TAFE also provides courses in fine arts, community services, children's services, welfare, health and aged care, information technology, tourism, hospitality, automotive and electrical engineering, cookery, hairdressing and beauty therapy, and business. If that were not enough, the campus works closely with Aboriginal communities, at-risk children and their families, and refugees to provide much-needed education opportunities to people who have historically slipped through the educational safety nets. All of this impressive work needs impressive educators and administrators and I want to make special mention of the institute's director, Rosemary Campbell, and her team for what I think is a remarkable education facility. It is very important not just to the Murray Riverina but to all of New South Wales. I suggest members should make themselves familiar with the institute and, given the opportunity, visit it and its campuses.

### GRIEF AND LOSS PROGRAM

**Reverend the Hon. Dr GORDON MOYES** [11.29 a.m.]: I inform the House of a worthwhile program that has been running in the northern beaches area for the past three years and addresses community grief and loss. Established first in early 2005, the Grief and Loss Program is dedicated to "helping people say *yes to life* again" after every kind of loss. The program enables, educates and empowers grieving people, at low cost and potentially makes assistance available to everybody who needs it.

More than 130,000 deaths per year occur across Australia, leaving behind in the community a vast number of grieving people who may need assistance dealing with a range of complex emotions they are simply

not prepared for and unanticipated life changes. Support is often needed for transition to a new life and social role perhaps as a widowed person or a childless parent. I have been interested in this proposition for more than 40 years, having lectured for more than 25 years on counselling people who suffer grief and loss and having written a book entitled *In Time of Death*, which has sold in excess of 800,000 copies.

The Grief and Loss Program's manager on the northern beaches, Helga Olsson, is an experienced facilitator who has been trained as both a grief and loss counsellor and as a hospital chaplain. She conducts sessions for two hours per week over eight weeks in which she leads participants to examine such topics as understanding grief, identifying loss, seasons of grief, coping with special days such as birthdays, anniversaries and holidays, keeping a simple perspective, dealing with anger, relaxation techniques, and the importance of affirming oneself. Individualised counselling is available, and so are special group sessions for women or men.

For the first three years of its existence, the Grief and Loss Program was funded by the Manly-Warringah Rugby League Club and operated out of the Northern Beaches Community Service. Wairere Australia stepped in to help temporarily, and additional funding was received from the Commonwealth Department of Health and Ageing. But now those financial arrangements have come to an end, and this worthy endeavour is having some trouble finding ongoing support for its outreach programs for the community of the northern beaches and north Sydney. The bereavement counselling service has been of great help to many people in the northern beaches community.

Many grateful participants have written testimonials in support of the organisation's search for funding to ensure continuation of the important work that is being accomplished in the interests of the community's mental health resilience. I commend the Grief and Loss Program and its manager, Helga Olsson, for the important work they do and wish them success as ongoing funding is sought to allow them to continue their work in the future.

#### **MR HAROLD EDWARD GILBERT AND SIR DONALD BRADMAN**

**The Hon. IAN WEST** [11.33 a.m.]: Yesterday, on 27 August 2008, events were held throughout Australia to celebrate the 100th birthday of the cricketer regarded as the best the world has ever seen, Donald Bradman. The prowess of the man cannot be denied. His figures were so far ahead of anyone else in his time to result in being perceived almost as not humanly possible. But while much coverage of Bradman's 100th birthday focused on the Invincibles tour and the famous duck that brought Bradman's career to a close, there was another duck in Bradman's career that is one of the most interesting stories, albeit not well known, in Australia's sporting history.

When Bradman travelled with the New South Wales side to Brisbane for the first Sheffield Shield interstate match of the 1931 season there was a great deal of excitement. The year before Bradman had returned from England a hero, having dominated in Australia's against-the-odds victory in reclaiming the Ashes. Although Queenslanders cheered Bradman's performance for Australia, memories were still fresh of Bradman's 452 not out against their State's side in January 1930. But in 1931, the Queenslanders had the secret weapon—a bowler whose deliveries were rumoured to blow dust off concrete like smoke from the tyres of a skidding car. One ball from his hand was said to have beaten his wicketkeeper, crashed through a fence and killed a passing dog. Despite some doubt over the accuracy of stories, the rumours fuelled anticipation of the day when Don Bradman would meet Eddie Gilbert.

While a young Bradman was hitting golf balls with a cricket stump, Gilbert was growing up on an Aboriginal reserve north of Brisbane. Gilbert's family had been moved there from their homelands in north Queensland as a result of Queensland Government policies. Before Eddie Gilbert was old enough to go to school, he was separated from his parents and put in a dormitory, as were other children from the reserve. They were actively discouraged from speaking their own language, even to their parents whom they were occasionally allowed to visit under the supervision of police, and were taught to speak English.

Described as a quiet, average student, Gilbert took to cricket. He gradually developed a bowling style unlike anything anyone had seen previously. Through the strength and flexibility of his wrist, which he used to crack like a whip, Gilbert could generate incredible speed from a short run-up. Though the unorthodox nature of the delivery became, for some, ammunition to accuse him of chucking—an accusation that sadly would haunt him for the rest of his life—his style was resurrected decades later in bowlers such as Jeff Thomson. Certainly Gilbert's style had caused quite a buzz throughout Queensland.

With Bradman's appearance at the Gabba in November 1931, it was time for that State to get square. Rain and the Queensland captain's decision to bat first delayed the showdown, but when it was finally time for New South Wales to take to the crease, the crowd of 4,000 did not have to wait very long. Gilbert claimed opener Wendell Bill's wicket for a duck with his first ball. The speed of the delivery and the bounce caused the right-handed batsmen to take cover under his bat, and wicketkeeper Len Waterman caught the deflection.

After that fearsome delivery, Bradman made his way to the crease. Gilbert's first ball to Bradman was blocked while the second ball caused the Don to fall to the ground. A few balls later, Bradman would face the delivery he would later describe as the fastest he had ever faced. The New South Welshman attempted a hook but the speed of the ball knocked the bat out of his hands. Then came the moment when the next ball came down the pitch, and Bradman again attempted a hook. This ball caught the edge of Bradman's bat and landed in Waterman's gloves—and the greatest cricketer the world had ever seen was dismissed for a duck!

Queensland had had its revenge. The Gabba crowd cheered. Bradman gave a smile as he left the pitch. Many thought he was relieved to be given out. There were also cheers back at the settlement where people were gathered around a schoolmaster's radio. I highly recommend to anyone who is interested in finding out more about the great Australian Aboriginal cricketer, Eddie Gilbert, a book entitled *Eddie Gilbert: The True Story of an Aboriginal Cricketing Legend* by Mike Colman and Ken Edwards. Eddie passed every test asked of him and went on to play a total of 23 matches for Queensland. He took 87 wickets with an average of 28.98 runs. Eddie Gilbert died in obscurity in 1978 after having spent almost 30 years in Wolston Park Hospital, Goodna.

### CAMDEN ISLAMIC SCHOOL

**Reverend the Hon. FRED NILE** [11.37 a.m.]: I draw to the attention of the House yesterday's announcement by the Quranic Society that it will appeal to the Land and Environment Court to override the unanimous decision of the democratically elected Camden Council to reject the society's development application for a new Islamic school in Camden. It is a pity that the Quranic Society intends to proceed with its appeal. If it succeeds—I trust it will not—and an Islamic school is established in Camden against the clear evidence of strong opposition from a majority of residents for a wide range of reasons, there will be ongoing tension and division in the community that will not help the Muslim religion but rather will generate a negative response to the Muslim religion from residents in the Camden area and other areas.

The Mayor of Camden, Mr Chris Patterson, stated that the "Council made its decision based on 100 per cent planning grounds" and that the "Council believes it's made the right decision on those grounds for the specific site." I understand that the appeal will be brought before the Land and Environment Court next month. I draw the attention of members to questions I raised in Parliament on 8 November regarding the school, when I asked the Minister for Education and Training:

Is it a fact that 2,000 Camden residents attended at very short notice a protest meeting at Camden ... on Monday 5 November in opposition to a proposed new Islamic school for 1,200 students and 200 teachers in rural Camden? Is it a fact that this Islamic school will be in the near vicinity of a large government school—Camden High School? Is it a fact that there are only 300 Muslims in the Camden local government area? Will the Government assess the necessity for such a large Islamic school near a government school, which will involve bussing Muslim children from the western suburbs [of Sydney] to Camden?

That would put a lot of pressure on transport and roads in that rural community. I note also that the Quranic Society has failed to fulfil its obligations as an association. In a letter dated 25 February 2008 the Commissioner for Fair Trading said that the Quranic Society has "failed to lodge the required (immediate six years from 2001 to present) annual statements" and, further, that "Fair Trading will review the financial position and in particular determine whether it is appropriate that the association continue to be incorporated under the Act". There are a number of questions about the society, its financial base and operation, and the ideology or philosophy that would be taught in the school, because there have been allegations of an association between the Quranic Society and radical Islamic groups. I urge the Land and Environment Court to reject this application in the interest of maintaining harmony in the Camden rural area.

### BUNDEENA-MAIANBAR AMBULANCE SERVICES

**The Hon. JOHN AJAKA** [11.41 a.m.]: Today I speak about the frustrations and hardships the local ambulance services and communities in the Bundeena and Maianbar areas are currently facing. The lack of proper ambulance services has tormented the residents of Bundeena and Maianbar for the past 15 years, and epitomises the shaky nature of the current New South Wales health system and the lack of medical support in regional areas. For the past 15 years Bundeena and Maianbar residents have been relying on the charity of three

local ambulance officers who, while working in ambulance services in other suburbs, volunteer to be on call when they are not attending their normal duties at their official place of work. Last year these officers answered 190 calls in addition to their regular shifts and overtime. It was not uncommon for them to work relentlessly for 20 hours straight on many occasions.

It came as little surprise that on 13 May this year these dedicated ambulance officers were compelled to withdraw their on-call services due to unsustainable work conditions and a lack of support from the Government. The 2,500 year-round residents of Bundeena and Maianbar have been denied a local full-time ambulance station due to the Government's assertion of a low number of callouts. This assertion that the callout rate justifies the deprivation of adequate medical facilities is absurd. Each and every person is entitled to adequate and immediate ambulance services. The official Bundeena ambulance is stationed at Engadine, which is a good one-hour round trip for an ambulance along a winding and dangerous road through the Royal National Park. As a result, it is not uncommon for those in urgent medical need to rely on a loved one or, worse still, to resort to driving themselves to the nearest ambulance station or hospital—a revelation I find completely unacceptable.

For more than a decade the Bundeena and Maianbar communities rightly demanded the development of a local full-time ambulance service and a better range of medical facilities in their home towns. Yet for the entire month of June and most of July these people found themselves without any local ambulance personnel on call. Their calls for help have been answered with the Government's usual ill-planned measures rather than implementing measures that will meet the needs of these residents. On 22 July the Minister for Health announced a "first response service" to administer first aid until an ambulance arrived in the area. This involved fire brigade officers acting as interim medical staff while an ambulance made its way from the Engadine or Caringbah ambulance station.

The Minister for Health announced that an agreement had been reached between the Health Services Union, the New South Wales Ambulance Service and the three local ambulance officers to reinstate the on-call roster. The Government is mistaken if it truly believes that turning fire officers into first responders solves the Bundeena-Maianbar question. The local Ambulance Action Group has proposed a number of reasons that it is not a workable solution in these regional areas: first, fire brigade officers are trained only in first aid, meaning that they can neither make a full diagnosis nor administer potentially life-saving drugs; secondly, patients need to be transported to a hospital in an ambulance, with the necessary equipment and drugs; and, lastly, fire brigade officers are not bound by the same medical ethics and protocols as ambulance officers.

In response to this initiative, which was headed by Dominic Morgan of the Ambulance Service of New South Wales, the Ambulance Action Group of Bundeena-Maianbar said that the first response solution is no solution. It also stated:

[Dominic] is wrong that the fire brigade first response scheme will add any benefit or deliver either of the main functions of an ambulance service—that is, patient intervention and speedy transport to hospital—to an isolated area.

Despite continuing fears among the local community that the implementation of the first response service and the reinstatement of the three officers clearly will not suffice, the Government has determined that it is a suitable solution. An article in the *St George and Sutherland Shire Leader* of 24 July, with the headline "Ambo crisis over", stated that the Bundeena and Maianbar communities had won the fight to retain on-call paramedics. The health Minister announced:

This is a good outcome for the communities of Bundeena and Maianbar and it will provide residents with access to a paramedic should they require clinical assistance.

I will now examine why this is not a good outcome. First, the new restrictions on local officers being on call between their normal shifts and the limit to one officer being on call effectively means that ambulance services to Bundeena, Maianbar and the Royal National Park are now reduced even further. Secondly, it was recently discovered that a patient at Maianbar had waited 2½ hours for emergency help to arrive. Lastly, and by far the most shocking—*[Time expired.]*

## LAND FOR WILDLIFE

**Mr IAN COHEN** [11.46 a.m.]: A growing group of dedicated private individuals in this State are picking up the baton of conservation on their own properties. Just as our environment sustains us over time, we need to move from fighting for small parcels of land to protecting our whole landscape. While governments are

moving too slowly towards this essential goal, Land for Wildlife in New South Wales and around the country is attempting to manage and protect natural assets on private land. This might be a melaleuca forest saved on Myall Lakes, a salt marsh saved next to an estuary and a national park on the Central Coast, or it could be a collection of landowners who together can form a wildlife corridor between two rivers or waterways. Linkages and community connectivity support the movement and survival of wildlife.

Individuals who join Land for Wildlife, arrange gazettal of their land as wildlife refuges or, even better, place a voluntary conservation agreement on their land go a long way towards protecting biodiversity in our State, which is integral to the survival of life on the planet. Only 8 per cent of New South Wales is protected in national parks and nature reserves. In 2005-06, 1,947,934 hectares or 2.4 per cent of private land in New South Wales was being managed for conservation. This is an increase of 286,166 hectares since 2002-03. Clearly there is a great will amongst many people in New South Wales to protect biodiversity and manage habitat through preserving vegetation that represents a wide range of ecosystems.

Good economics means looking after the resources on which we all depend—not destroying them by overexploitation, like the disaster of the Murray River. Planning agencies at the local and State levels need to work together with private individuals to find ways for people to preserve ecosystems while also receiving an economic benefit. For some, this may sometimes mean forgoing farming income while the Government provides compensation that acknowledges the work of people who protect and naturally enhance their land through programs involving revegetation, weed management and the exclusion of feral animals. Maintenance and support are much more effective than damage followed by repair.

Our society depends greatly on the values of altruism that private individuals bring to natural resource management, and I applaud those who work tirelessly to protect the natural environment. This Government must address the continuing loss of native forests through land clearing and private native forestry. If we are serious about addressing the challenges of climate change, we need to provide greater support for programs such as Land for Wildlife, working with individuals and local catchment management authorities to protect our incredibly important natural environmental assets.

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

**Motion agreed to.**

**The House adjourned at 11.48 a.m. until 12.17 p.m. on the same day.**

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**(For commencement of second sitting see page 9647.)**

# LEGISLATIVE COUNCIL

Thursday 28 August 2008

[Second Sitting]

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**The President (The Hon. Peter Thomas Primrose)** took the chair at 12.17 p.m.

**The President** read the Prayers.

## BUSINESS OF THE HOUSE

### Suspension of Standing and Sessional Orders: Order of Business

**Motion by the Hon. Tony Kelly agreed to:**

That standing and sessional orders be suspended to allow the moving of a motion forthwith relating to the conduct of the business of the House.

### Order of Business

**Motion by the Hon. Tony Kelly agreed to:**

That question time commence at 4.00 p.m. this day.

### ELECTRICITY INDUSTRY RESTRUCTURING BILL 2008 (NO. 2)

#### ELECTRICITY INDUSTRY RESTRUCTURING (RESPONSE TO AUDITOR-GENERAL REPORT) BILL 2008

**Bills introduced, and read a first time and ordered to be printed on motion by the Hon. Michael Costa.**

**Bills declared to be urgent bills by the Hon. Michael Costa.**

**Question—That these bills be considered urgent bills—put and resolved in the affirmative.**

**Declaration of urgency agreed to.**

### Second Reading

**The Hon. MICHAEL COSTA** (Treasurer, Minister for Infrastructure, and Minister for the Hunter) [12.23 p.m.]: I move:

That these bills be now read a second time.

These bills are the most important pieces of economic reform contemplated in this State in a generation. Without them we face a very stark and unavoidable choice: Either run unacceptable risks to the security of the power supply or divert taxpayer funds away from front-line services and vital infrastructure. Neither of those choices is desirable or necessary; and that is not political posturing but the advice of an independent expert inquiry headed by Professor Tony Owen that, 12 months ago, reported to the Government on the State energy needs. The warnings that the Owen report contained, in terms of a looming baseload shortage by 2013-14 and the \$15 billion cost pressure that would be placed on the State's budget, cannot be ignored by either a responsible Government or a responsible Opposition.

The Government has provided for an exhaustive scrutiny with no less than four independent inquiries: the Owen report, the Unsworth review, the Auditor-General's Report and the Rural Community Impact Statement. The advice from the Auditor-General was clear: if we are going to act, we need to act now—to delay would only create uncertainty amongst investors willing to invest billions of dollars into the New South Wales economy.

The Rural Community Impact Statement also found that the Government's reforms would provide a net benefit to rural and regional communities and there would be no adverse impacts on jobs, prices or service levels. Importantly, these reforms are not remarkable. The national electricity market is largely dominated by private sector players following similar reforms by Coalition governments in Victoria and South Australia and by a Labor Government in Queensland. With the introduction of a national emissions trading scheme, the energy landscape will be transformed, and now is no longer the time to cling to assets that reflect the status quo, particularly in the retail and generation sectors. An emissions trading system will demand massive new investment in lower carbon technology, where the private sector is better placed to manage the risk.

In spite of the current market conditions, there are many potential bidders interested in these assets. The Auditor-General stated that he understands that a wide range of bidders has expressed an interest in these particular assets. Indeed, the report pointed to the successful disposal of power assets currently being undertaken by the Singaporean Government. The first sale of a Singaporean generator has been successfully undertaken for \$A3.2 billion, which was more than 50 per cent debt funded. On the basis of strong investor interest, the Singapore Government is set to continue with its sale of retail and generation assets. Yes, current market conditions are challenging, but the Singapore experience shows that the world has not stopped. The Auditor-General's report found that the Government's sales strategy is flexible enough to accommodate current market conditions.

Honourable members will be aware that the Electricity Industry Restructuring Bill 2008 and the Community Infrastructure (Intergenerational) Fund Bill 2008 were introduced into the Legislative Assembly on 4 June 2008. The Community Infrastructure (Intergenerational) Fund Bill 2008 deals with the appropriation of transaction proceeds from a special-purpose infrastructure fund. As such, it is required to originate in the other place. Nevertheless, that bill and the bills currently before this House should be seen as a single package of legislation. The Government will bring the Community Infrastructure (Intergenerational) Fund Bill 2008 to this House immediately after it has been passed in the other place. However, the Government believes it is appropriate that the authorising legislation be voted on in this place first. There is a simple reason for this: the investment community requires certainty. The Auditor-General said that if we are going to act we should act now, and we need to know where everybody stands on the most important economic issue facing this State.

It is the vote in this place that will determine whether the electricity industry restructuring will occur. So it is desirable that this House is the first to vote on this package of bills. For this reason the Electricity Industry Restructuring Bill 2008 and the Electricity Industry Restructuring (Response to Auditor-General Report) Bill 2008 will be considered in this place first. Following their passage in this place, the Premier will introduce the two bills in the other place, where they will be considered simultaneously with the Community Infrastructure (Intergenerational) Fund Bill 2008, which was introduced on 4 June 2008, and associated amendments. Since June the Auditor-General (Supplementary Powers) Act has been passed and the Auditor-General's review has been laid before Parliament. His review found there was nothing that caused him to believe:

... that the Government's strategy for the transfer of assets to the private sector as set out in the Strategy Document supplied by the Treasurer is not appropriate for maximising financial value for taxpayers.

While the Auditor-General did not make any recommendations for amendments to the legislation, the Government has decided to introduce the Electricity Industry Restructuring (Response to Auditor-General Report) Bill 2008 in order to implement legislatively suggestions of the Auditor-General's review. It delivers exactly what has been sought by members opposite: to give effect to the results of the Auditor-General's review. The Electricity Industry Restructuring Bill 2008 will authorise the restructuring of the New South Wales electricity sector to secure our State's future electricity supplies. This will involve the sale of the State's retail electricity operations and the long-term lease of the State's generation assets.

It can be foreshadowed that following the passage of the Community Infrastructure (Intergenerational) Fund Bill in both Houses, the proceeds from these transactions will be paid into that fund. The bills that I am introducing today will enable the Government to implement its longer-term plan for securing the State's future energy supply. The proposals follow the investigation and report by Professor Owen. His report recognised the critical need to be prepared for additional investment in base-load capacity from 2013-2014. It identified the importance of ensuring that the appropriate commercial and policy signals are in place to encourage the private sector to invest in this generation capacity when it is needed.

Creating the right conditions for this investment is the most efficient way of ensuring that the State's future energy needs are met. The transactions authorised by the bills will avoid the need for New South Wales

taxpayers to provide additional expenditure of up to \$15 billion for necessary investment in the competitive retail and generation sectors of the industry so that the Government can concentrate on investing in roads, trains, hospitals, schools and other essential infrastructure including electricity transmission and distribution businesses, which we will continue to own and operate.

In response to Professor Owen's report we have developed a plan that will provide for private sector operation of the retail and generation businesses and promote further future private sector investment in generation capacity while at the same time ensuring that electricity infrastructure remains in public hands. The Electricity Industry Restructuring Bill will authorise and facilitate this plan. The bill will provide for the State's electricity distributors, Energy Australia, Country Energy and Integral Energy, to retain the network distribution businesses while transferring their retail operations to the private sector. The Government has consistently made it clear that the network distribution and transmission assets, the poles and wires, will remain in public ownership and the bill expressly provides that these assets must be owned by the public sector.

In relation to the State's energy generators, Macquarie Generation, Delta Electricity and Eraring Energy, the bill authorises the leases of their power stations. Clause 4 of the bill, and other provisions, will allow authorised transfers of the generation and retail assets to be combined in a single transaction, including by way of a public share offer or an initial public offering. It should be made clear that the bill does not authorise the transfer of any assets held by TransGrid. Indeed, the bill includes an express provision that requires that TransGrid's transmission assets must remain in public ownership. The bill provides that power stations may only be leased and cannot be transferred directly or indirectly. The only exception is if there is a public float of an electricity generator's business.

While the bill authorises a share offering, it does not require it. The decision on whether to proceed with an initial public offering will depend on prevailing market conditions and on advice from our expert financial advisers. If an initial public offering is undertaken, the bill will impose a shareholding restriction for between three to five years. This restriction limits any individual stake in the float company to no more than between 10 per cent and 15 per cent. The Auditor-General, in the normal course of the function of the Audit Office, will be able to perform an audit of the process. He will no doubt be in regular contact throughout the process with Government offices and the businesses involved and shall have full access to financial advisers and other experts who are assisting the Government on this reform. I expect that the Auditor-General will also form a view at the time as to whether the entire portfolio of transactions has met the Government's stated objectives. In conducting any such audit, the Auditor-General will be able to determine whether the transactions were carried out effectively, economically and efficiently in compliance with all relevant laws. Under the Public Finance and Audit Act the report of such an audit is required to be tabled in Parliament. However, the Auditor-General also has the discretion to report to Parliament on any matter at any time if he finds it necessary.

An imperative of the reform package is to ensure competition in the New South Wales electricity market. Our plans are designed to deliver competitive outcomes and encourage new investment in industry. The Australian Competition and Consumer Commission will play an important role in ensuring competitive outcomes in the market. In recognition of this, I have written to the chairman of the Australian Competition and Consumer Commission detailing the basis of the New South Wales Government's sale and lease strategy. The Electricity Industry Restructuring Bill contains important provisions ensuring that existing employees affected by these reforms will retain their accrued sick leave, annual leave, long service leave and superannuation entitlements. The Government has previously announced that it will provide certain guarantees in respect to jobs and conditions of public sector retail and generation electricity workers. The bill enables the Government to meet these commitments including by expressly allowing for the making of transfer payments to employees.

The bill also contains provisions to protect consumers. The bill will ensure that the State's independent pricing regulator, the Independent Pricing and Regulatory Tribunal, continues to set electricity retail prices for households and small businesses until at least 2013. The bill also allows for the date to be further extended by regulation. The Government will maintain electricity retail price regulation beyond 2013, if necessary. The Government is committed to ensuring that electricity retail price regulations remain in place until it is satisfied that there is sufficient competition in the retail energy market to keep prices as low as possible.

As part of our plans the Government will also be introducing a \$272 million electricity safety net package to help consumers, including increased electricity rebates for pensioners, funding support for a new no-disconnections policy, and other assistance for families facing severe financial hardship. The Government will shortly commence a consultation process to deliver these expanded social programs on energy. Key consumer stakeholders will be asked to contribute to ensure workable and responsive outcomes continue to be

delivered to those in need. Stakeholders that will be consulted include the Energy and Water Ombudsman of New South Wales, the energy and water consumer advocacy program, the Australian Council of Social Services, the Council of Social Services of New South Wales, electricity retailers and other community welfare organisations.

The Electricity Industry Restructuring Bill facilitates these programs by strengthening the Government's regulation making powers under the Electricity Supply Act. These amendments are designed to ensure that the Government has the power to implement the full package of consumer protection measures it has promised. The bill also expands the existing information gathering powers of the Independent Pricing and Regulatory Tribunal and the Minister for Energy. This will give them the tools that they need to carry out their regulatory functions in a privately owned retail environment.

I can foreshadow that following the passage through this Chamber of the Electricity Industry Restructuring Bill and the Electricity Industry Restructuring (Response to Auditor-General Report) Bill, the Premier will introduce them into the Legislative Assembly at the same time as he introduces the Community Infrastructure (Intergenerational Fund) Bill. He will do that to enable debate on those bills to take place and for any proposed amendments to them to be considered. I can foreshadow that subsequent to the passage of the bills all proceeds from the restructuring will be paid into a new Community Infrastructure (Intergenerational) Fund, which will be established under the Community Infrastructure (Intergenerational) Fund Bill. The income from the investment of this fund will replace the dividends and the equivalents currently being received by State-owned electricity retail and generation businesses.

The fund will also be used to provide significant additional infrastructure spending for future generations in metropolitan, regional and rural New South Wales. It will be used to provide additional funding in areas of transport, health, education and water. It will also provide support funding for the Government's priorities, including the development of clean energy such as cleaner coal technology and renewable energy technologies.

The Government has already announced funding of \$100 million to establish a Clean Coal Fund, an additional \$60 million to increase the Renewable Energy Development Fund to \$100 million. The Government acknowledges the appetite of the community for progress in these areas. To help monitor this progress, the Government will establish a parliamentary joint select committee comprising representatives of both Houses of Parliament to report on the delivery of the Government's commitment in regards to renewable energy and clean coal technology.

The Government has also agreed to establish a community infrastructure fund advisory committee with representatives of the business sector, community groups and trade unions. The committee's role will be to provide input to the development of the fund's charter. Secondly, it will receive reports from the Crown as to whether the fund is complying with its charter and governing legislation. The committee will provide reports twice a year to the Treasurer coincidentally with the half-yearly budget review and annual budget. The fund will be subject to audit by the Auditor-General under the Public Finance and Audit Act.

The Electricity Industry Restructuring (Response to Auditor-General Report) Bill 2008 addresses issues arising from the Auditor-General's review of the Government's transaction strategy. In response to the Auditor-General's review the Government is introducing new provisions. First, the bill provides that the Government is required to determine the retention value and reserve price of the State's electricity assets prior to any transfer to the private sector. Naturally, these amounts are market sensitive and will be kept confidential. In particular, they will not be disclosed to any prospective bidders. They will however be taken into account by the Government before undertaking any transactions. They will also provide a benchmark for the Auditor-General once the restructuring is complete to assess its effectiveness in meeting the Government's objectives.

The bill provides a prohibition on providing indemnities to lessees of New South Wales generators in relation to liabilities arising under a carbon emissions trading scheme; that is, it ensures that any risk that flows from the introduction of the Commonwealth's carbon pollution reduction scheme is borne by the private sector. The bill requires the Treasury to continuously evaluate the proposed transaction strategy against the impact of external factors, including financial market conditions, infrastructure capital demand and the carbon pollution reduction scheme, with the scope to delay generator transactions if the Commonwealth's white paper does not provide sufficient certainty. Further, as transactions are completed a review of the State's financial position and particularly the State's forward capital program will be undertaken. In response to the issues raised in the Rural Community Impact Statement the Electricity Industry Restructuring (Response to Auditor-General Report) Bill 2008 will also mandate for the continued operation of Country Energy's customer service centres in support of their distribution network businesses, which will remain in public ownership.

The bills I am introducing today provide for the implementation of the New South Wales Government's plans, which are necessary to ensure our future energy needs are met. As I have said before, we must act now to secure a continuing supply of electricity and to ensure continuing prosperity for the State. The plan the Government has developed will enable private sector investment in electricity retailing and generation while at the same time ensuring that the critical infrastructure remains in public hands. The solution will deliver extra electricity supply, retain public infrastructure in public hands and deliver necessary investment in research and development to obtain lower carbon energy outcomes. This solution will promote competition and keep maximum pressure on prices by keeping them as low as possible.

The bills will ensure that these objectives are met. The process has been subject to exhaustive independent analysis. No fewer than four reports have been commissioned to review and recommend improvements to the Government's proposals. In each and every case—the Owen report, the Unsworth review, the Rural Community Impact Statement and the Auditor-General's review—the Government has accepted the recommendations and acted. It is clearly time to put the public interest first. I commend these bills to the House.

*[Business interrupted.]*

### **DISTINGUISHED VISITORS**

**The PRESIDENT:** Order! I acknowledge the presence in my gallery of the Clerk of the Legislative Council of Victoria, Mr Wayne Tunnecliffe.

### **ELECTRICITY INDUSTRY RESTRUCTURING BILL 2008 (NO. 2)**

#### **ELECTRICITY INDUSTRY RESTRUCTURING (RESPONSE TO AUDITOR-GENERAL REPORT) BILL 2008**

#### **Second Reading**

*[Business resumed.]*

**The Hon. MICHAEL GALLACHER** (Leader of the Opposition) [12.44 p.m.]: The Government has had 13 years to get the important issue of this State's future power generation right and, as members will shortly hear, it has got it wrong. The New South Wales Liberal-Nationals Coalition will not support the Iemma Government's Electricity Industry Restructuring (Response to Auditor-General Report) Bill and the associated cognate bill. The Liberal-Nationals Coalition does not take this decision lightly. There are three key reasons for our dissatisfaction with this proposed electricity industry restructuring: the continued uncertainty surrounding the Commonwealth Government's emission trading scheme; the current state of capital markets is not conducive to the sale of such a valuable asset; and the Iemma Government's history of financial and infrastructure delivery mismanagement and incompetence. Underpinning all three reasons is the fundamental issue of trust. The community does not believe that the Government can be trusted to get this privatisation right. The community does not believe that the Iemma Government can be trusted to spend the proceeds of the sale in a transparent and honest manner. The community also does not believe that the Iemma Government can be trusted to put public interest ahead of the Labor Party's re-election plans.

The community's concerns are well founded. The 2007 State election did not deliver the Iemma Government a mandate to embark upon the sale of this State's electricity assets. In fact, the Iemma Government issued emphatic denials that any such sale would take place. The arrogant dismissal of concerns held by the Government's own members and its party, whilst contemptible, is not surprising. The Government's failure to put the question to the people of New South Wales demonstrates beyond any shadow of a doubt that this is a Government out of control, out of step and out of options. Mr Iemma betrayed the trust when he refused to reveal his true plan about the future of electricity prior to the 2007 State election. By opposing this legislation the New South Wales Liberal-Nationals Coalition will ensure that the people of the State are not betrayed.

The Treasurer's ever-shifting position on the privatisation of electricity portrays him as a political opportunist. As an executive member of the Labor Council he opposed the privatisation of electricity. On 12 February 1998 as acting secretary of the council he moved the following executive recommendation:

That ...the Labor Council reaffirms its opposition to the Egan Electricity Privatisation Proposal.

At a Labor Council meeting on 21 October 1999, in his position as Secretary of that council, he moved the following executive recommendation:

That ...the Labor Council continue its campaign against contracting out of Government employees' work and jobs.

As well as opposing electricity privatisation the Treasurer has also spoken of the need to put social concerns above market fundamentalism. In his inaugural speech to this House in September 2001 he spoke of what he imagined as a better world:

While it is true that I respect the power of the market mechanism, I reject market fundamentalism, which places all market outcomes above social concerns ... Societies structured on markets that do not deliver social outcomes supported by the majority of the community are doomed to failure.

Perhaps the Treasurer should have considered his own advice before bringing this legislation to the Parliament. In addition to those sentiments in his inaugural speech, he said:

Barrie Unsworth advised me that this inaugural speech was an important speech because it provides a public benchmark to judge one's contribution to public life. I hope that at the end of my time in this House I will be judged as having contributed to prosperity, opportunity and fairness.

As I said earlier, the Treasurer is a recent public convert to the "privatisation at all costs" agenda. As late as before the last State election—in this House on 23 November 2006—the Treasurer said:

There is no energy crisis in New South Wales ... In fact, New South Wales has surplus energy.

A month out from the State election, on 20 February 2007, he was reported in the *Australian Financial Review* as saying:

There are no plans to sell our retail electricity businesses.

Yet here we are in an extraordinary sitting of this Parliament, having been recalled at great expense to the taxpayer, to pass legislation to privatise the electricity assets. That I stand shoulder to shoulder with my Coalition colleagues, the Nationals, and accuse the Government of betrayal is not political rhetoric. The Government's Ministers pledged that they would not sell our State's power in any restructure, but not 12 months later, in a backflip, they announced that they would. That is a betrayal. The Treasurer does not have a monopoly on opportunism when it comes to electricity privatisation. In the other place on 9 May 2007 the Premier said, when referring to the Owen review:

The Government goes into this review with an open mind, and only two things will be ruled out. The first is nuclear power. As I have stated previously, there will be no consideration whatsoever of nuclear energy for New South Wales. Second, there will be no sale of electricity generation, transmission or distribution. On all other matters I am yet to be convinced and will await Professor Owen's expert advice.

The Premier even has been accused of lying to Unions NSW. In a *Sydney Morning Herald* article dated 25 May 2007 he was reported as stating in a letter to Unions NSW:

The privatisation of the State Government-owned energy companies is not on our agenda. In fact, the NSW Government's commitment to this sector is stronger than ever ... with record investment in new and upgraded electricity infrastructure.

I reiterate: This represents a betrayal of trust. It is a lack of trust that underpins the Coalition's opposition to these bills. While such significant uncertainty surrounds the creation of the proposed emissions trading scheme, New South Wales's taxpayers cannot be confident they are receiving full value for their assets. My colleague the Deputy Leader of the Opposition in this House, the Hon. Duncan Gay, will further outline our concerns regarding the Federal Government's emissions trading scheme.

The great disappointment in all of this is that rather than engage in a constructive conversation with the Rudd Government, Michael Costa has wasted time threatening Labor rank and file and berating the Opposition. When the bills are rejected by this House, responsibility will fall squarely at the feet of the Treasurer. From the outset he misled the community, isolated his colleagues and politicised the process. The Treasurer has failed to show leadership. Leadership is about engaging the community in open dialogue, leadership is about asking the hard questions, and leadership is about inspiration and bringing people along on a journey toward a desired outcome. At no point has the Government engaged the New South Wales public in anything resembling leadership consultation. Conversely, it has betrayed and engaged in spin, and in this House it will pay a hefty price for its hubris.

The proposal to privatise electricity does not meet the public interest test. In so many ways Australia's capital market conditions are not conducive to a positive outcome for the people of New South Wales. Since the release of the Owen report in 2007, Australian stock markets have fallen significantly. The Australian All Ordinaries fell almost 20 per cent, and the Australian utilities sector index fell almost 30 per cent. The impact of falling markets is clearly evident in the Hon. Michael Costa's consistent downward revision of the value of the assets. In December 2007 the Treasurer described a \$15 billion price tag as conservative. In June 2008, he estimated the price at "around \$10 billion". If a public company mysteriously lost \$5 billion off the value of an asset in the space of six months, the Australian Securities and Investment Commission would declare an immediate audit. I point out that \$5 billion is equivalent to the cost of 5,000 hospital beds or 130 new schools.

Importantly, the negative impact of capital markets will not be limited to initial public offerings; it will also affect trade sales. Market multiples will be used as a part of any basic valuation for a trade sale. Furthermore the global credit crunch makes it more difficult for companies to secure debt funding. My colleague in the other place the member for Manly estimates that the cost of underwriting \$10 billion in current market conditions is \$400 million more than at the same time last year.

The Iemma Government has spent the last week trying to make the future of its electricity plans all about the Opposition. The Treasurer has made numerous claims about why the Opposition should support the legislation—claims that simply do not stand up to scrutiny—and says that the Owen report found that \$15 billion needs to be spent on electricity infrastructure. However, he is yet to explain why spending on electricity assets has been so neglected and why allegedly we need to come up with \$15 billion by 2013. We reiterate that even as late as before the 2007 State election on 23 November 2006 the Treasurer stated in this House, "There is no energy crisis in New South Wales ... In fact, New South Wales has surplus energy."

Responsible government is about planning for the future and anticipating the need for the replacement and ongoing maintenance of assets, particularly major assets such as power stations, hospitals, schools and police stations. The Treasurer claims that the details of the Commonwealth's emissions trading scheme will be clear by the end of the year, but what he does not point out is that, just as the New South Wales Government does not control its upper House, the Rudd Labor Government does not have control of the Senate. There is no way the Treasurer can be assured that legislation for the emissions trading scheme will be in place by the end of the year or that that legislation, even if it is amended or passed, will operate as intended.

The Treasurer also believes that financial market conditions, now or indeed at the end of the year, will be conducive to the sale of our State's electricity assets. Nobody, not even the Treasurer, knows what the market conditions will be at the end of the year. What we know now is that since the release of the Owen report in September 2007, the Australian stock market has fallen significantly. As I have said, the Australian All Ordinaries fell by almost 20 per cent and the Australian utilities sector index fell by almost 30 per cent. International rating agency, Fitch Ratings, stated:

The final valuation of NSW's coal-fired generation assets will be affected by the details of (the) carbon pollution reduction scheme (CPRS) due to be introduced in 2010. Uncertainty over how the CPRS will affect the electricity generator's cashflows and of the present state of credit markets are likely to affect the value of proceeds.

It should never ever be forgotten that the only reason the Government faces defeat is that it has failed to secure the votes of its own caucus members. This predicament is entirely of the Government's own making. The Coalition's approach to electricity privatisation was never about ticking boxes or meeting deadlines. It has always been about what is in the best interests of the New South Wales community. Our approach to this legislation has not been about the father-knows-best politics of the Australian Labor Party. From the outset, it has been about doing what the people expect of us.

My colleagues in the other place each represent more than 40,000 voters in their respective electorates. The Leaders of the New South Wales Liberals-Nationals involved each and every one of those 40,000 voters in formulating the Coalition's final position. The Hon. Michael Costa and his leader cannot say the same. The Auditor-General's Report and the Rural Community Impact Statement have played an important role in our decision. We also considered a range of factors, including external economic conditions and the current state of flux in the energy sector. The process has involved wide consultation with groups ranging from business interests to energy sector employees and of course the general community.

Ultimately the Coalition decided that the Government cannot be trusted with the privatisation of electricity. Let me echo the words of the State's Leader of the Opposition, Barry O'Farrell, who confirmed this morning that the New South Wales Liberals-Nationals will have an energy policy to put to the people of New

South Wales before the next election. Our policy will include the principle of private sector involvement where it meets the public interest. It will consider the broadest range of methods that deliver to the public the best outcomes in electricity. What our electricity policy will not be is the singular agenda of an individual member of Parliament who is intent on rushing through a fire sale of the State's most valuable asset.

Much has been said in the press concerning the effect that this decision will have on the Coalition's relationship with the business community. Irrespective of what some business groups might think about the role of private enterprise in electricity generation, most members of the business community would agree that the Government cannot be trusted with even the most basic economic endeavours, let alone something as substantial as electricity privatisation. Ultimately, the key stakeholders in the proposed sale of the State's electricity assets do not sit in New South Wales boardrooms; they sit in lounge rooms. They open a power bill every three months. They will watch as market forces, both external and internal, affect the retail price of power generation. Some of them will be renters, some will pay mortgages, some will have children, and some will live on a pension.

While the Iemma Government decides how to divide the spoils of its sale across marginal constituencies, these people will decide what to cut from the family budget as the cost of living in New South Wales continues to increase. It should never be forgotten that if this legislation fails today it will be because the Labor Party has split. Two parties with conflicting agendas now run the New South Wales Government. I am proud to stand shoulder to shoulder with my Coalition colleagues The Nationals in condemnation of these bills and the manner in which they have been introduced. Today we oppose legislation that puts Morris Iemma and Michael Costa's interests and quick-fix financial gains above the interests of the people of New South Wales. The Opposition opposes this legislation.

**The Hon. TONY KELLY** (Minister for Lands, Minister for Rural Affairs, Minister for Regional Development, and Vice-President of the Executive Council) [1.00 p.m.]: I move:

That this debate be now adjourned until a later hour.

**Question put.**

**The House divided.**

**Ayes, 19**

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

**Noes, 18**

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

**Pairs**

Mr Costa	Ms Cusack
Mr Hatzistergos	Ms Ficarra

**Question resolved in the affirmative.**

**Motion for adjournment of debate agreed to.**

**Debate adjourned and set down as an order of the day for a later hour.**

**SPECIAL ADJOURNMENT**

**The Hon. TONY KELLY** (Minister for Lands, Minister for Rural Affairs, Minister for Regional Development, and Vice-President of the Executive Council) [1.08 p.m.]: I move:

That this House at its rising today do adjourn until Tuesday 23 September 2008 at 2.30 p.m. unless the President, or if the President is unable to act on account of illness or other cause the Chair of Committees, prior to that date, by communication addressed to each member of the House, fixes an alternative day or hour of meeting.

**Question put.**

**The House divided.**

[*In division*]

**The Hon. Amanda Fazio:** Point of order: Members are speaking to visitors in the public gallery, which is against Standing Order 197. I ask that you ask them to desist.

**The PRESIDENT:** Order! I remind members that the House is in division. Members must not converse with people in the public gallery. I am grateful for the respect that has been given thus far to the debate by the people in the public gallery, and I ask that that level of respect continue to be given.

**Ayes, 19**

Mr Brown	Reverend Nile	Ms Voltz
Mr Catanzariti	Mr Obeid	Mr West
Mr Della Bosca	Ms Robertson	Ms Westwood
Ms Fazio	Mr Roozendaal	
Ms Griffin	Ms Sharpe	<i>Tellers,</i>
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Mr Gay	Ms Parker	Mr Colless
Ms Hale	Mrs Pavey	Mr Harwin

**Pairs**

Mr Costa	Ms Cusack
Mr Hatzistergos	Ms Ficarra

**Question resolved in the affirmative.**

**Motion agreed to.**

**ADJOURNMENT**

**The Hon. TONY KELLY** (Minister for Lands, Minister for Rural Affairs, Minister for Regional Development, Acting Minister for the Central Coast, and Vice-President of the Executive Council) [1.16 p.m.]: I move:

That this House do now adjourn.

**ELECTRICITY INDUSTRY PRIVATISATION**

**The Hon. DUNCAN GAY** (Deputy Leader of the Opposition) [1.16 p.m.]: Today we have witnessed the contrast between two leaders: one leader who divided the party and another leader who brought two parties

together. Never before have we seen greater contrast in this State. We have a political party that wants to hide in the back rooms of this State and not take decisions to the people. Its members do not want to walk up the front path to the front door of a house, knock on that door and say to the constituents in that house, "This is what we want to do." That party has defied the people's house of New South Wales and has not gone into the Legislative Assembly where the elected members of this Parliament represent the electorates of New South Wales.

We have seen vicarious cowardice on the part of the Premier and his tyrant Treasurer, who is probably already out there with the failed Babcock and Brown hunting for a job. Never before in this Parliament have we seen a greater contrast between those who are willing to listen to the people of New South Wales and act in the community's interest and a group who refuses to do so. That particular group unwisely spent taxpayers' money to recall the Parliament to debate a flawed scheme. The Parliament was offered one option, a flawed option that does not add up with the trading schemes yet to go before the Australian senate.

The balance of power in the Senate will be held by a small group of Independents, including the newly elected South Australia Senator, Nick Xenophon, the Family First party and the Greens. Who knows what cost that will put on power generation in New South Wales? The Treasurer, in a rare bout of honesty in this House, indicated that cost could be as much as \$3 billion. No-one knows what that cost will be out of Canberra. No-one knows what the competing cost will be out of the current fire sale at Babcock and Brown, as it divulges similar interests into the markets in this country.

Yet, we were given one option: to support the sale, or nothing! Today in this House, questions must be asked: What has the Government been doing for the past 13 years? Why is it suddenly Barry O'Farrell's fault? For 13 years the Government has had a chance to fix this problem. For 13 years former Treasurer Michael Egan and Treasurer Michael Costa have told Parliament that the New South Wales taxpayers have had a surplus through the good financial management of the Labor Party. Treasurer Michael Costa told New South Wales taxpayers before the last election that they had nothing to worry about. One reason why the people of New South Wales and the Opposition cannot support this legislation is because the Government's Ministers cannot be trusted. Their word is not what they stand for.

The Government promised to fix the roads, it promised to lower hospital waiting lists and it promised to provide extra police, but it has not delivered on one of those promises. Not one Government promise has been fulfilled. The electricity legislation that was introduced today is dead in the water, because the Government did not consult with the people of New South Wales and it gave a flawed plan. The Government has reaped its own revenge. The Government has lost, and it deserved to lose. The contrast is stark—we will go to the people with a proper plan. [*Time expired.*]

### ELECTRICITY INDUSTRY PRIVATISATION

**Dr JOHN KAYE** [1.21 p.m.]: I join with the Deputy Leader of the Opposition in opposing the motion for adjournment. It is an act of total cowardice to avoid debate on a central plank. Treasurer Michael Costa and Premier Morris Iemma have said that the vote on the electricity industry privatisation legislation was the most important single vote to be taken in this Parliament. But what did the Labor Iemma Government do? It ran away from the vote, and it seeks to hide from the inevitable defeat that this bill would have inflicted. Why did the Government do that? It knows that 80 per cent of the New South Wales population is opposed to electricity privatisation. The Government knows that 80 per cent of its own party is opposed to electricity privatisation, and it knows that every sensible and independent observer of the electricity industry agrees.

Handing public assets into private hands would be a complete and total disaster. To adjourn the debate is simply an attempt to avoid inevitable humiliation. It must be accepted now that the Costa-Iemma electricity privatisation is dead in the water. And it is dead in the water without appropriate debate and vote, and they have inflicted a cowardly death on the legislation. I note that Minister Kelly is now leaving the Chamber; he is embarrassed by what he had to deliver for the Costa-Iemma Government, and embarrassed by his failure to allow the bills to be debated appropriately.

The underpinning of privatisation was the Owen inquiry. The Chamber has not had the opportunity to debate the Owen inquiry, or the opportunity to determine whether the State needs new baseload capacity. The Chamber has not had the opportunity to test the presumption that we cannot afford to buy new baseload capacity, or to test the assumption that the private sector will not invest in the New South Wales electricity industry as long as it is publicly owned. As long as those assumptions are not tested in this Chamber, the Owen inquiry remains a document of propaganda and ideology. The Government lacks the courage to allow that document to be subjected to the scrutiny of the New South Wales upper House. In doing so, the Government denies the people of New South Wales the debate that Michael Costa and Morris Iemma promised them.

For the past 12 months, Premier Iemma and Treasurer Costa said that there would be debate on the privatisation of the electricity industry, but that has now been denied us. If Premier Iemma and Treasurer Costa sneak away from this Chamber and try to privatise the industry behind closed doors, this Chamber will go after them as will the New South Wales union movement—the activists who have campaigned long and hard against privatisation—and 80 per cent of the New South Wales population who are opposed to it. We will find whatever rock they will hide under, and we will make sure that they pay the price for selling off assets.

It is time this Chamber had a debate about privatisation. We will make sure when the Chamber resumes that that debate is held; it has to happen. The Government cannot run the propaganda and lies in the media that have been heard from Michael Costa and Morris Iemma and not conduct that debate in this Chamber. Adjourning the Chamber now will not avoid debate at a future time. The Government has extended the agony for itself. The Government does not have the majority in this Chamber—the media and the people know that. People who have campaigned against privatisation know that, and Government members know that full well. Running away and hiding will not destroy the evidence that power privatisation was always going to be bad for the people, bad for households, bad for the economy and bad for the environment.

It remains absolutely true that the Government cannot continue down the path of spreading myths from Tony Owen that have been propagated by the Business Council of Australia, the Alliance for a Better New South Wales, the business lobby and the Premier and the Treasurer. The Government cannot keep relying on those myths unless it is prepared to hold debate in this Chamber; if it is not, it will have no public credibility. By hiding from this debate, all it has done is guaranteed that the people know what is really going on. The Government will not stand up to the scrutiny of this Chamber; and it cannot, because what it is doing is a complete and total tissue of lies. If debate on this matter is not listed for when the Chamber resumes on 23 September 2008, we will have to take matters into our own hands to ensure that it is held. The Greens oppose the adjournment.

#### **WORLD YOUTH DAY 2008**

**The Hon. KAYEE GRIFFIN** [1.26 p.m.]: I take this opportunity to say a few words about the success of World Youth Day 2008 celebrations held in Sydney from 15 to 20 July. During that period, 93 State schools in the Sydney metropolitan area were home to 10,000 World Youth Day pilgrims. In addition, Catholic schools in Sydney accommodated a further 70,000 people and 15,000 pilgrims were housed in Sydney Olympic Park. It was wonderful to see the Sydney and wider Australian communities welcome pilgrims into their homes and communities. It was a tremendous display of hospitality and tolerance for all religious beliefs.

In my local parish of Campsie I had the opportunity to visit some of the many pilgrims who stayed at St Mel's church hall and school. The pilgrims in Campsie were largely from Korea with smaller contingents from the United States of America and Paraguay, and all were warmly welcomed by the Campsie parish and local community. It was heartening to see the many volunteers who arrived throughout the days and evenings to assist in preparing meals and general duties as well as members of the broader community and the parish who made a special effort to help pilgrims feel more at home.

In Campsie, St Mel's Primary School was used as a catechist centre for Korean pilgrims with three different Korean bishops conducting lessons and saying Mass each day. The programs were conducted in Korean with other Korean pilgrims who were staying outside Campsie travelling to Campsie to attend. At the end of the sessions the bishop would say Mass in Korean and would welcome the local parishioners. I have been informed that the Korean influence on the music and singing for the Masses was a real eye-opener for local parishioners. I certainly understand that, having attended a Mass in a cathedral in Seoul and hearing those beautiful voices uplifted in song. It was wonderful. I envy Korean people their wonderful voices. Many local parishioners came to prepare hot meals for the pilgrims, some arriving at 5.30 each morning to prepare breakfast and assist in organising the pilgrims for the day ahead, and returning later at night when the visitors had returned from events in the city centre, giving many hours of their time.

Campsie's rich multicultural community was on show during the pilgrims' stay, with Korean parishioners preparing traditional Korean dishes in order to give Korean pilgrims the feeling of a home away from home. Other parishioners, including members of the Arabic, Italian and Filipino communities and others from a wide range of non-English speaking backgrounds, brought samples of their traditional cuisine. The local support was tremendous, with people turning up unannounced to donate food and blankets.

The United States visitors turned up much earlier than expected but I understand that, following a few telephone calls, the hall was full of volunteers donating food and making coffee. Many pilgrims who stayed at

St Mel's also visited the homes of a number of parishioners to have showers or a meal. I know of one Korean lady who in just one evening apparently took 14 pilgrims home for showers. I am sure that these sights in Campsie were no different from what was going on all over Sydney, and I have heard many similar accounts from others. What I witnessed in Campsie was a wonderful show of hospitality and a great example of what can be achieved when many people make contributions and work together for a common cause.

When the pilgrims left Campsie tears were shed with the goodbyes to new friends. Despite the language barriers between the international visitors and locals, the close confines meant that friendships were forged quickly in a short period. I am proud of the way in which the wider Sydney community welcomed the visitors. Regardless of one's personal religious views, I believe hosting World Youth Day 2008 was a great benefit to the international reputations of Sydney, New South Wales and Australia. The successful hosting of such a large variety of overseas visitors and one of the world's best-known public identities, Pope Benedict XVI, was a credit to all involved. It was a pleasure to see the excitement and happiness on the faces of the young visitors as they enjoyed all that Sydney had to offer. The atmosphere and general sense of optimism and goodwill that was present throughout the week was refreshing. I acknowledge the efforts of all those who participated in the organising and operation of World Youth Day events and members of the general public who were not involved but who encountered visitors from around the world and shared pleasant times with them. I thank everyone for their efforts in making World Youth Day such a memorable event for Sydney residents and for the wider Australian community.

### ELECTRICITY INDUSTRY PRIVATISATION

**Ms SYLVIA HALE** [1.31 p.m.]: Two years ago this Government attempted to privatise the Snowy Hydro scheme. That time it was saved from itself by a statewide campaign of opposition that made it clear that privatisation was unacceptable to the community. Protests and opposition started in the Snowy region and spread across the State, from village to town and into the cities. The State Government tried to tough it out, but ultimately the Federal Government's withdrawal from the process forced the hand of the State Government, which then withdrew from its attempted privatisation of Snowy Hydro. That decision was significant in saving the Government at the subsequent State election in March 2007.

Unfortunately, the State Labor Government has wilfully chosen not to learn from its mistaken attempt to sell Snowy Hydro. In 2008 the New South Wales Labor Government is determined not to save itself. It is so determined to thumb its nose at the people of New South Wales who overwhelmingly oppose privatisation that it took the extraordinary step of recalling Parliament to try to push through its bills. It has now taken the extraordinarily cowardly step of adjourning Parliament rather than face a defeat on the floor of the House. The Government has lost its commitment to the best interests of the residents of New South Wales, its ability to read the electorate, and its instincts for self-preservation. In the face once again of statewide community opposition, the Government appeared initially determined to push ahead with a privatisation proposal for which it has no mandate and to which the vast majority of the people of this State is opposed.

In the face of overwhelming opposition from the community, from the trade union movement and from its own rank and file members, why is the New South Wales Labor Government so keen to tread this self-destructive road? Many people in New South Wales will look at what has happened today and wonder what the Labor Party has become and whose interests it now serves. It appears that the leadership of the parliamentary Labor Party has determined that the future of the New South Wales Labor Party is as the party of big business. It has deliberately turned its back on its own members, on the trade unions and on the community generally in order to embrace the agenda of the State's large corporate interests.

It was instructive this week to see the pro-privatisation urgings of the corporate sector being led by the so-called Alliance for New South Wales' Future. This is the latest front group set up by the head of the Property Council, Ken Morrison, and his corporate lobby group mates. The last such group Mr Morrison fronted was the Coalition for Planning Reform. That was the group whose wish list formed the basis of the Government's deeply unpopular changes to the planning system—changes that, like the privatisation proposal before us, pretty well every Labor candidate in the upcoming local council elections is trying to disown. All these various coalitions and alliances that Mr Morrison fronts are supposedly motivated solely by the best interests of the residents of New South Wales, and their members become deeply offended by any suggestion that they are merely pursuing the financial interests of the corporations that make up their membership. They may claim public altruism, but there is no doubt that they are really lobbying in the financial interests of the big end of town. That is fair enough; it is what their corporate sponsors pay them to do.

What is disturbing, however, is the extent to which the so-called Labor Government has embraced the agenda of these corporate interests. One can hear the eager, servile capitulation of the Premier, the Treasurer,

and the Minister for Planning: "Rewrite the planning laws the way you want them? Certainly, Mr Morrison. Hand the State's electricity assets over to the corporate sector? Of course, Mr Morrison". I do not know why Labor does not simply appoint Ken Morrison as Premier and cut out the middleman! The policy outcomes would be the same. The relevant bills were introduced in the lower House on the same day that Frank Sartor introduced his developers' wish list of a planning bill. This demonstrates clearly and finally for all to see that Labor's parliamentary leadership has turned its back on its rank and file members and its trade union base in order to fall into the loving embrace of the corporate sector that now funds its election campaigns and sets its policy agenda. As with Snowy Hydro, from the outset the Greens have opposed the privatisation of the State's electricity assets. We are united in our condemnation of the Government's pro-privatisation agenda.

### NRMA BOARD ELECTIONS

**The Hon. AMANDA FAZIO** [1.36 p.m.]: I have been a member of the NRMA since 1976 and I recently received in the mail a new gold card. Included with the card was a letter from Dawn Fraser, telling me that she is the NRMA board member for the area in which I live. I thought, "Why is a letter from Dawn Fraser stuck in with my gold card; what is the point of this?" I then thought, "Well, it is the NRMA after all; it is probably election time". So I looked on the NRMA website and discovered that, sure enough, it is NRMA election time. Board incumbents are being challenged in every area of the State. That explains why I received a stupid letter from Dawn Fraser, who, apart from appearing on 2CH in radio advertisements for beds and over-the-counter medicines, we do not hear much from—except when she squawks about not being invited to attend the Olympic Games or veterans' swimming events for free.

So I decided to see what has been going on with the NRMA lately. One of the first things I discovered is that the NRMA proposes no longer to send copies of annual reports to members. The NRMA claims that it wants to be seen as "green" by saving paper. If the NRMA were serious about conserving paper it would not include gratuitous self-promoting letters from board incumbents when issuing new gold cards. The NRMA is attempting to cover up its annual expenditure by no longer sending reports to NRMA members. Why would the NRMA want to hide what it has been doing? An explanation was offered on 10 August this year when the Fairfax media broke the story that the NRMA had made political donations of \$225,000 across the board that it did not declare in returns either to the Australian Electoral Commission or to the State Electoral Office. The NRMA has since rectified that matter, but the simple fact is that it attempted to cover up \$225,000 in political donations, and its reports were not being sent out to people so they had less chance to find out about it.

What else has the NRMA done lately that shows it is a good organisation and how concerned it is about road safety? Earlier this year it opposed the introduction of more cycleways and increased funding for bicycle safety. I do not ride a pushbike, but members of my family do and they know how dangerous it is to ride them on main roads without bikeways. Australia has an obesity epidemic and there could be no better way to get kids to do more exercise than to have safe bikeways on which they could ride a bike rather than being driven by a parent, often in a four-wheel drive, or to be on buses and complain about being late for school because the buses are crowded or late. It is reasonable to think that if there were more cycleways it would be easier for motorists because they would not have to contend with bikes or look out for them. No, the NRMA is opposed to more cycleways and to an increase in funding for bicycle safety, something for which it should stand condemned.

The current regime changed the voting systems for the NRMA and introduced a gerrymander whereby for no logical reason the State was divided into about eight or nine geographical zones. The NRMA claims it has approximately 220,000 members in each zone. But the gerrymander stopped statewide tickets being run for the NRMA. The NRMA attempted to organise groups like the Motorist's Action Group and others from being able to run proper statewide tickets. That system has not been of any benefit to the membership of this system. In fact, it has resulted in a decrease in democracy within the NRMA. It is time for a change in the NRMA. It is time to get the current mob off the NRMA gravy train, which it certainly is, and it is time for people who generally care about a whole range of issues, including transparency, openness, road safety, improving activities for cyclists to be elected and to dump the current mob, in particular, Dawn Fraser. [*Time expired.*]

### CHAFFEY DAM

**The Hon. TREVOR KHAN** [12.41 p.m.]: I refer to a most important issue to the people of the Tamworth and Peel Valley regions, that is, the proposed augmentation project of Chaffey Dam. In January 2007 the State Water Corporation [State Water] produced a document titled "Chaffey Dam Upgrade: Upgrade Options Technical Fact Sheet" wherein the context and reasoning behind why a Chaffey Dam augmentation is required was outlined. In 2003 the State Water Corporation embarked on the Chaffey Dam upgrade program to bring the dam in line with modern practices of flood protection. Interim works were completed in 2004 that increased the protection of the dam and downstream communities from very large floods.

During the process it was identified that the dam needed augmenting due to the drop in reliability of irrigation allocations and an increase in the probability of town water restrictions. The current, pre-augmentation, average reliability of six in ten chances of irrigators receiving an 80 per cent irrigation allocation on 1 July each year is predicted to reduce to a two in ten average reliability over the next 10 years. Similarly, the present frequency of town water restrictions in Tamworth is one in nine years, and this will increase to one in seven years without an enlargement of the dam.

As my learned colleague in the other place the shadow Minister for Water and member for Murrumbidgee pointed out when the Chaffey Dam enhancement was raised on the 27 September last year, Chaffey Dam has been raised as an issue for a very long time and it has always been the responsibility of the State to upgrade and maintain dams. The member for Murrumbidgee was referring to a motion that amongst other things welcomed the State Government's commitment to the project and called on the Federal Government to expedite its financial commitment to the project. Members on the other side amended the motion to further call on the Federal Government to immediately clarify its funding so construction on this important upgrade can commence. Much posturing and gesticulating was done by members on the other side of this debate crowing about the action of the State Government and purported inaction of the Federal Government.

These events are important when seen in the context of our contemporary situation where it is right to voice concerns about a perceived lack of action by another vital organ of our government system in every State Parliament or the Commonwealth Parliament. Where is the similar action today? Where are the calls of State governments for the Commonwealth Government to make good on the commitment made by the former Liberal-Nationals Coalition Government? Unfortunately, it seems that the augmentation project has become a ball on the political pitch. The great injustice is the complete disregard that the Rudd Government has had for the augmentation project and the utter contempt that it has had for the people of the Tamworth region, as displayed by its initial funding freeze and now stone silence on its position. It is time for both the State and Federal governments to come good on this project. It is time for the augmentation project to be commenced.

#### **SUSTAINABLE ENERGY AND THE TREASURER, THE HONOURABLE MICHAEL COSTA**

**Mr IAN COHEN** [12.44 p.m.]: I draw attention to the issue of sustainable energy. Some 13 years ago this House debated the Sustainable Energy Development Bill at a time prior to the Kyoto Protocol when the political mainstream did not take anthropogenic climate change seriously, a time when my advocacy for a transition to renewable energy in this House was met with disdain. If only the House had taken note 13 years ago we would have already made significant inroads to insulating the State environment and economy from the challenges of energy security and climate change rather than witnessing the blunt and senseless push for privatisation. It is obvious and it has been well espoused that the Treasurer is a climate change sceptic, along with fellow sceptics who live in caves and indulge in grand conspiracies of the Intergovernmental Panel of Climate Change manipulation and fringe science, who suggest that he remains a principled individual.

Prosperity, opportunity and fairness are the three central principles the Hon. Michael Costa wants to deliver to the people of New South Wales. On 19 September 2001 the Treasurer drew to a close his inaugural speech to the New South Wales Parliament with an aspirational declaration, still relevant to this day. He said:

I hope at the end of my time in this House I will be judged as having contributed to prosperity, opportunity and fairness.

Today we certainly saw an example of that. We have not seen a stronger alliance between a Premier and a Treasurer. The Treasurer has provided the Premier an unbalanced alliance of domination only ever seen in history in my mind between the domination of Tsar Nicholas by Rasputin. Let us just hope that the political end of Treasurer Michael Costa is somewhat quicker.

#### **RECALL OF PARLIAMENT COSTS**

**Reverend the Hon. FRED NILE** [1.46 p.m.]: Will the Legislative Council send the account for the recall of Parliament to the Opposition for failing to announce its policy one week ago?

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

**Motion agreed to.**

**The House adjourned at 1.46 p.m. until Tuesday 23 September 2008 at 2.30 p.m.**

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