



Legislative Assembly Hansard (Extract)

Community Protection (Closure of Illegal Brothels) Bill

Extract from NSW Legislative Assembly Hansard and Papers Thursday 21 September 2006.

Second Reading

Ms PETA SEATON (Southern Highlands) [10.00 a.m.]: I move:

That this bill be now read a second time.

Concerns have been raised in the House on many occasions about the operation of illegal brothels. No-one on this side of the Chamber is in any doubt about the effect that illegal brothels have on the communities they infect. Illegal brothels are a scourge on many of our communities: they breed criminal behaviour, and behaviour that is completely inconsistent with decent law-abiding families and businesses. Again I have introduced legislation for the consideration of the Chamber to protect the community from illegal brothels by giving councils the powers to act quickly to shut down such alleged premises, with the onus on the alleged illegal brothel owner to prove otherwise.

Everyone knows that the majority of illegal brothels peddle their trade by abusing and taking advantage of disadvantaged women, women in vulnerable situations, sex-trade workers and, in the most abominable of cases, using under-aged girls as prostitutes. The objects of the Community Protection (Closure of Illegal Brothels) Bill are to protect the community from the operation of illegal brothels, to encourage the restriction and regulation of brothels under instruments and policies made or adopted by local councils, and, perhaps most importantly, to facilitate prompt closure of illegal brothels by local councils. Those in the Chamber who think they might have heard this before are right. This is the third time in approximately five years that we have considered this type of legislation because the Australian Labor Party has consistently refused to consider sensible legislation to give councils the powers they want and need to close down these premises and protect their communities.

In 2001 the Leader of the Opposition recognised these problems and introduced the Community Protection (Closure of Illegal Brothels) Bill 2001. The bill was debated and in June 2002 was voted down by the Labor Government. We had hoped that the legislation the Government had in place or claimed it was proposing might solve the problems, but nothing changed. In December 2003 I introduced the Community Protection (Closure of Illegal Brothels) Bill, which was along similar lines to the bill introduced by the Leader of the Opposition in 2001, which aimed to deal with all the problems caused by illegal brothels highlighted in this place. Many people on this side of the Chamber debated the bill in the face of complete and utter insolent opposition from the Australian Labor Party. I then started to wonder why the ALP was apparently soft on illegal brothels.

The Australian Labor Party said that we did not need the bill, and that we had nothing to worry about because the community was well looked after by existing State Government legislation. The honourable member for Tweed was the first one out of the blocks to criticise the Opposition's attempts to fix the problem. Then we heard from the honourable member for Coogee that everything was well in his area and why nothing needed to be done. The Community Protection (Closure of Illegal Brothels) Bill 2006 aims to give councils the powers they need.

This is a chance for the Labor Party to say, "Sorry, we got it wrong. We will do the right thing and back sensible legislation to enable councils and communities to crack down on illegal brothels." The contributions of the honourable member for Tweed and the honourable member for Coogee in 2003 would lead one to believe that all was well. But all the evidence is to the contrary. Anyone who read the article by Neil Mercer in the *Sunday Telegraph* of 17 September entitled "Bogus massage parlours upset residents: High-school boys cue up for sex" would be in no doubt that illegal brothels continue to be a problem in communities, including Maroubra. Neil Mercer reported:

An illegal brothel has been allowed to operate in a suburban unit block despite residents' complaints that it caters to local schoolboys.

The Sunday Telegraph was told teenage boys in uniform had been seen entering a "remedial massage" centre in Anzac Parade, Maroubra.

Angry locals say the brothel, one of two in the unit block, is operating without Randwick Council approval.

Residents have made representations to the Premier and the Minister for Police pleading for councils to be given the powers to close down such places. Community representatives have said that they believe the State Government should amend the law to make it easier for councils to act against illegal brothels. This is the third

time the Liberal-Nationals Coalition has introduced legislation to do exactly that: to give councils the powers they need to make it easier to act against illegal brothels. The best the State Labor Government could come up with, according to a reply from the Director General of the Cabinet Office, Roger Wilkins, was that the comments from the community would "receive close consideration". What an insult from the Government to the people who are living with the scourge of this activity on a daily basis!

If there was any doubt that such operations were in fact illegal brothels, rather than legally operating massage or other therapeutic organisations, the evidence from local people who are speaking out about this problem would certainly give any sensible person a reason to doubt that these operations are legitimate. Neil Mercer reported that when the *Sunday Telegraph* phoned the alleged premises the man who answered the phone made it clear that at least one sex service was available, along with a full body rub. The man said that two girls were working, including a 22-year-old woman who was "very sexy". Pressed on what else might be possible, he said, "If you want extra, talk to girl."

The Adult Business Association represents the operators of legal premises, who are also being disadvantaged. These people observe all the laws, do the right thing in terms of occupational health and safety, WorkCover, meeting all the proper licensing requirements and paying tax, whereas these fly-by-nighters and grubby illegal brothel operators are taking advantage of the women who work in these places and taking advantage of the communities on whom illegal brothels are foisted. The Adult Business Association said that there were close to 500 illegal operators around the city. We know because we have heard in this Chamber about many illegal operators. Yet the Labor Government is not prepared to act. The article by Neil Mercer further stated:

From *The Sunday Telegraph's* investigations, it appears more and more are offering unprotected sex.

I would be interested to hear what the honourable member for Maroubra has to say about this issue, because high school boys from his area are apparently making use of this facility. I do not know whether the honourable member would say that this is a legal massage parlour and that perhaps we are seeing a spate of sporting injuries, classroom injuries or something that requires some sort of therapeutic attention. Many people in the community are concerned about the situation. Indeed, I have received a lot of correspondence from people in the Maroubra area pleading with the Labor Government to do something about the problem and pleading with the Parliament to pass legislation to give councils the powers they need to close these illegal premises.

Since June 2006 the Owners Corporation of strata plan No. 4641 and others have been writing to people, including the Premier and the honourable member for Maroubra, saying, "Please give us the powers to fix these problems, particularly this alleged brothel in Anzac Parade in Maroubra." This correspondence outlines the community's concerns about criminal and illegal behaviour, as well as the impact on the amenity and the enjoyment of the area for families and businesses. Another point that people, including Mr Alex Alexandrou, JP, are making is that these illegal premises are robbing taxpayers, and therefore the people of New South Wales, of large amounts of money that should be available to the community for the delivery of services. Mr Alexandrou wrote a letter to the Premier stating:

Next time before you cry wolf on hospital funding think and remind yourself of what the Australian Tax office's investigators said, and I quote, "the amount of tax being avoided (by illegal brothels) is enough to build a new hospital each year—up to \$200 million".

Also, start acting like a Premier should, and come to grips that Sydney and New South Wales have an immense problem with illegal brothels—the investigations revealed there are at least 500 illegal brothels operating across the Sydney metropolitan area, and each week suburban newspapers carry up to 1,800 advertisements for illegal sex services.

... why [the Premier] does not want to table legislation in Parliament to protect the community from illegal brothels and immediately shut illegal brothels down.

That is the question: Why is the Labor Government unprepared to deal with this problem? Why is it unprepared to support the legislation introduced by the Liberal-Nationals Coalition, legislation that would shut down illegal brothels by giving councils the powers they need to act quickly and decisively? Mr Alexandrou again wrote to the Premier stating:

Start acting responsibly—ILLEGAL BROTHELS Premier is the subject, not legal brothels

Legal brothels operate lawfully and properly under all relevant legislation. The issue here is illegal brothels. Mr Alexandrou further said:

I recommend that you seek legal advice on what a legal brothel is and what an illegal brothel is because based on your responses to date, including the one dated 18 July 2006, you do not know the difference.

Mr Alexandrou then asked why the Minister for Planning was not involved. He said:

... because this is a state wide problem and requires the urgent attention of the head of government, the Premier, and in turn requires urgent legislation to enable local authorities and the NSW police service to shut down illegal brothels.

The bill before the House is an opportunity for the Labor Government to respond to the issue and to give councils the necessary powers. Mr Alexandrou then wrote to the Leader of the Opposition stating:

If someone wants to open a brothel, let them do it legally and get the right licences and development consents from the local council and the owner's corporation of the building that they intend to trade from.

It is easier to open an illegal brothel in this state than to apply for a credit card.

I therefore plead with you to protect the community by raising the matter in Parliament and tabling legislation that will give authority to local councils and the police service to immediately shut down illegal brothels.

I am pleased to tell Mr Alexandrou that that is exactly what we are doing today. It is exactly what we are now doing for the third time. This bill gives the Government the opportunity to get it right, to support the legislation that will give councils the powers they need. Mr Alexandrou further said:

Only legislation can protect the Community from illegal brothels and only legislation can shut down illegal brothels within 48 hours and prosecute the operators.

The concerns of Mr Alexandrou and many others in the Maroubra area have not gone unheard by Councillor Robert Belleli. It is important to make the point that the honourable member for Maroubra is not in the Chamber to listen to these concerns. However, the people of Maroubra can be pleased that Councillor Belleli is standing up for them. He contacted me some months ago and raised these issues. He knows that it is important to have legislation in place. He told me that he wants legislation brought to the Parliament that will enable councils to shut down illegal brothels within 48 hours. He wants councils to be given the powers they need. I congratulate Councillor Robert Belleli because he is standing up for something that is extremely important to families and businesses in his area and to residents who want to enjoy their premises lawfully without illegal and criminal activity in their immediate surroundings.

Tragically, despite having had two opportunities to support this legislation, on both occasions the Australian Labor Party has demonstrated that it is soft on illegal brothels. I will examine the evidence that has already been given to this Parliament on the extent to which this scourge is affecting communities across the Sydney Basin and regional areas. We have heard of problems in Baulkham Hills, where an illegal brothel was set up in a medium density development, right next door to residences, right next door to gardens where children play, and right next door to family homes. Residents in the Council of the Shire of Baulkham Hills have been fighting a losing battle against shady operators who use false names and rented units and, as soon as they encounter difficulties, move somewhere else and set up again.

The council's only recourse is to enter into lengthy investigations under the current Act, which may involve the expenditure of ratepayers money in hiring private investigators who have to play the role of a client to obtain evidence. If the ratepayers knew the details about the action that has to be taken on their behalf to shut down illegal brothels they would be very concerned. If a prosecution is undertaken, it can be 18 months or more before the Land and Environment Court shuts down the premises. Councils need to be able to act sooner than that. Shady operators need to know that if they move from place to place to avoid detection councils will be able to chase them every step of the way and shut them down. At the moment the operators are hiding behind loopholes. They know that even if a matter is brought before a court it will be at least 18 months before a resolution is achieved. Even so, they will be able to set up again and the council faces another 18 months of legal action and all of the costs to ratepayers associated with that.

Similar problems have been mentioned in this House relating to Newtown, Marrickville and the North Shore. Willoughby City Council was forced to hire a private investigator to obtain evidence in relation to an illegal parlour. I note that the honourable member for Willoughby is present in the Chamber. She knows how important this issue is in her electorate, as does the honourable member for North Shore. Strata titled property owners have made representations. Often they are the victims of illegal brothel activity because, in a large block of units, it is very difficult to take action against one or two unit owners or people who rent the units for the purposes of illegal brothel activities. Yet those illegal activities can completely change the whole nature of the building and the neighbourhood, and that is exactly why the Opposition has been arguing for some years for legislation to address problems associated with, for example, premises such as 29 Newland Street, Bondi Junction, which was the site of illegal brothels. That building was also the address of the electorate office of the honourable member for Coogee. The premises were directly opposite a public park, a children's playground, a children's play centre and diagonally opposite a church.

I commend Councillor Kerry Sloane and Councillor Sally Betts, who have courageously taken up the cudgels

time and time again in an attempt to have those premises closed down and who have supported this legislation on each occasion it has been introduced. Again and again the Labor Party has refused to heed the concerns of the local community and has refused to support legislation that would result in councils being able to shut down illegal brothels within 48 hours. The bill provides for orders for the cessation of the use of premises for the purposes of an illegal brothel in circumstances in which the use of the premises as a brothel is prohibited under environmental planning instruments, or where development consent is required but has not been obtained. The order may be given to the owner of the premises or the person by whom the premises are being used as a brothel. The bill defines the term brothel in the same manner as it is defined in the Restricted Premises Act 1943 to mean premises habitually used for the purposes of prostitution, or that have been used for that purpose and are likely to be used again for that purpose.

The bill excludes development for the purposes of a brothel from the operation of State Environmental Planning Policy No. 1—Development Standards, so SEPP 1 will no longer be a backdoor way of enabling illegal brothel activities to continue. If the bill is passed, it will no longer be necessary for a council to give advance notice of a proposed order or allow representations to be made concerning a proposed order. The bill provides that when a council gives a person an order to cease using premises as an illegal brothel the order must require compliance with its terms within 48 hours. By requiring compliance within 48 hours this bill will put an end to 18 months of legal debate and ratepayers' money being spent on lawyers. If a council is satisfied that an order is not being complied with it will be able to take action to prevent persons from entering the premises to which an order relates. The council will also be able to recover any reasonable costs incurred in taking action. Ratepayers will not have to pay for the costs involved in closing down sleazy premises.

A council also will be able to recover from the person who is required to comply with the order certain other costs incurred by the council in making the order. If the bill is passed, no longer will illegal brothel operators be burdening ratepayers who would otherwise have to pay for the costs of enforcing compliance—a burden that is simply not fair to ratepayers in any sense. This bill presents an opportunity for the honourable member for Maroubra to participate in the debate and stand up for his community. It is an opportunity for him to give the council in his area the powers it needs to shut down illegal brothels. I would like to hear what the honourable member for Maroubra has to say about an article by Neil Mercer in the *Sunday Telegraph*. If I were the local parliamentary representative of an area where illegal brothel activities occur I would not only be absolutely horrified but would be doing everything I could to shut down such a terrible trade. This bill presents an opportunity for all honourable members opposite, particularly the honourable member for Coogee, to reconsider their previous opposition to this bill.

This bill also presents an opportunity for the honourable member for Wollongong and the honourable member for Keira to stand up for people who live in the Illawarra region. They ought to know about the scourge of illegal brothels on the Illawarra area, particularly the infamous case involving under-aged girls whose vulnerability was exploited. They were victimised and manipulated by an unscrupulous illegal brothel operator who has since been convicted. This is an opportunity for the Labor Party to admit that it got it wrong in the past and to say it is sorry. Members of the Labor Party should vote with the Opposition to ensure that councils have the powers they need to act quickly against illegal brothel operators so that communities, families and businesses in their local areas are protected from the scourge of illegal brothels. I commend the bill to the House.