

GENERAL PURPOSE STANDING COMMITTEE No. 2

Friday 23 September 2005

Examination of proposed expenditure for the portfolio areas

GAMING AND RACING, CENTRAL COAST

The Committee met at 9.00 a.m.

MEMBERS

Reverend the Hon. F. J. Nile (Chair)

The Hon. A. Chesterfield-Evans
The Hon. C. J. S. Lynn
The Hon. E. M. Obeid

The Hon. M. J. Pavey
The Hon. C. M. Robertson
The Hon. H. S. Tsang

PRESENT

The Hon. The Hon. G. A. McBride, *Minister for Gaming and Racing, and Minister for the Central Coast*

Gaming and Racing

Mr K. M. Brown, *Director-General*

Revenue and Resource Management

Mr M. Foggo, *Director*

Mr J. Gregor, *Assistant Director*

Ms J. Hennessy, *former Director, Policy and Development*

Casino Control Authority

Mr B. Farrell, *Chief Executive Officer*

Policy and Research

Mr K. Browne, *Acting Director*

Compliance

Mr A. Gardner, *Assitant Director*

Office of Charities
Mr D. Herschel, *Assistant Director*

Casino Community Benefit Fund
Ms S. Sturevska, *Acting Manager*

Office of Racing
Mr P. de Veaux, *Acting Assistant Director*

Revenue and Resource Management
Mr J. Gregor, *Assistant Director*

CHAIR: I declare this meeting open to the public. I welcome you to this public hearing of General Purpose Standing Committee No. 2. I thank the Hon. Grant McBride and his departmental officers for attending today. At this meeting the Committee will examine the proposed expenditure for the portfolio areas of Gaming and Racing, and the Central Coast. Before questions commence some procedural matters need to be dealt with. In accordance with the Legislative Council guidelines, the guidelines for the broadcast of proceedings are available from the Chamber support officers and the Clerks. Only members of the Committee or witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photos.

When recording the proceedings of this Committee you must take responsibility for what you publish and what interpretation you place on anything that is said before the Committee. There is no provision for members to refer directly to their own staff while at the table. Members and their staff are advised that any messages should be delivered through the Chamber support officers on duty or the Committee Clerks. The Committee has agreed to the following format for the hearing: 20 minutes allocated to Opposition representatives, 20 minutes to Government representatives and 20 minutes to crossbench members. Is there any problem if we deal with Gaming and Racing first and then have questions on the Central Coast?

Mr GRANT McBRIDE: No, that is fine.

CHAIR: Will it worry you if someone wants to ask a question about the Central Coast in the middle of that?

Mr GRANT McBRIDE: That is fine.

CHAIR: I declare the proposed expenditure open for examination. Do you wish to make an opening statement?

Mr GRANT McBRIDE: I am happy to take questions.

The Hon. MELINDA PAVEY: The budget papers state that there has been a reduction in operating expenses to the Department of Gaming and Racing of around 4 per cent. They state that there was an estimated expenditure of \$38.7 million, a reduction of 4 per cent. They also state that that is mainly due to the transfer of your ministerial office to the Premier's Department. Does that mean that the cost of running your ministerial office is around \$1 million?

Mr GRANT McBRIDE: Good question.

Mr BROWN: Up until 30 June the Department of Gaming and Racing was the host agency for the Minister's office. The budget for 2004-05, which is the only one I can relate to—has now been transferred to the Premier's Department for the current year—but for the year ended 30 June 2005 the Consolidated Fund allocation, or the budget for the Minister's office, totalled \$1,233,675. That was made up of employee-related cash payments of \$626,831, accommodation \$352,677 and operating expenses totalling \$254,167. The actual expenditure against that for the year, I am pleased to say, was less than budget: it was \$1,187,848. Employee-related expenses totalled \$656,857, accommodation \$327,203 and operating expenses \$203,788. The variance, or the underexpenditure on the budget, was a total of \$45,827.

The Hon. MELINDA PAVEY: You must be happy not to have that expenditure coming out of your department?

Mr BROWN: It is not a question of being happy; it is a matter of that being an allocation that is provided each year. We are notified of the amount that has been allocated to the Minister's office. It is then a requirement for us to maintain those accounts and, as I say, support the Minister's office.

The Hon. MELINDA PAVEY: But you do not have to do that any more, so what are you going to do with the money you are saving?

Mr BROWN: We do not get that money. The situation on that is that in lieu of it coming to us it goes to the Premier's Department and they are now doing it at a central agency level.

The Hon. MELINDA PAVEY: How many personal staff does the Minister have?

Mr GRANT McBRIDE: At the moment we have a chief of staff, a senior policy officer gaming, senior policy officer racing and charities, and assistant policy advising, policy officer, parliamentary liaison, media officer, private secretary, executive assistant, assistant private secretary and receptionist, and we have two policy officers on the Central Coast.

The Hon. MELINDA PAVEY: How many is that in total? I could not quite catch up with you.

The Hon. EDDIE OBEID: We could add it up for you.

The Hon. MELINDA PAVEY: You could. You are good at numbers.

Mr GRANT McBRIDE: There are 11 in the ministerial office and two in the Central Coast office.

The Hon. MELINDA PAVEY: What is the salary of your chief of staff?

Mr GRANT McBRIDE: Chief of staff is \$110,272.

The Hon. MELINDA PAVEY: Are you a junior Minister or a senior Minister?

Mr GRANT McBRIDE: I am not sure of what the terminology was. I think it was outer Cabinet and inner Cabinet.

The Hon. MELINDA PAVEY: Do you get \$15,000 dollars more than junior Ministers or \$15,000 less than senior Ministers?

Mr GRANT McBRIDE: I am in the category of less than the other Ministers. The actual amount of money I am not aware of.

The Hon. MELINDA PAVEY: What expenditure has your department directed to public relations governing public affairs consultancies in the past financial year?

Mr BROWN: None.

The Hon. MELINDA PAVEY: There was quite a bit for the previous year with the Panthers inquiry, but none this year?

Mr BROWN: No. The expenditure that was made in relation to the section 41X inquiry was under its own particular line item within the budget. There was an amount of \$1 million, from my recollection, provided for section 41X inquiries. Any costs associated with that inquiry—Mr Temby sought to have a media officer as part of that particular project—were paid from there. As a department we do not have such a thing.

The Hon. MELINDA PAVEY: What was the total cost of that media adviser to Mr Temby during this financial year?

Mr BROWN: I do not have an exact line item. I can give you the total cost of the inquiry, and I will break it down from there. The actual cost of the inquiry was \$1,080,487. The major cost items for the inquiry were as follows: professional fees, including those of the presiding officer, Mr Ian Temby, \$345,895; professional fees of counsel assisting the inquiry, accountants and media relations—it is grouped into a number—\$349,417; staff salary costs \$153,332; and office accommodation \$152,350.

The Hon. MELINDA PAVEY: Has there been any expenditure from the department in relation to the Government's continuing campaign against registered clubs in New South Wales?

Mr BROWN: No, there is to be no expenditure in 2004-05 for that purpose.

The Hon. MELINDA PAVEY: There was some in 2003-04?

Mr BROWN: Yes, there was. That was provided by the Treasury.

The Hon. MELINDA PAVEY: Are you familiar with that figure?

Mr GRANT McBRIDE: It was reported in the hearings last year.

The Hon. MELINDA PAVEY: Do you remember what it was, because I do not? We get so many of these hearings. You are the Minister.

Mr GRANT McBRIDE: I read the transcript last night, but I cannot remember exactly what line item it was. But it was in the transcript.

Mr BROWN: Ms Pavey, I do have that number. It was in the transcript of last year's estimates committee. On 16 September 2004 the Minister responded:

I note that the Treasurer was asked this question during estimates on Monday evening. The Treasurer advised that he believed the campaign cost \$543,000.

The Hon. MELINDA PAVEY: Where did that money come from—your department?

Mr LOEWENTHAL: The department paid \$453,000 of that amount.

The Hon. MELINDA PAVEY: Compared to budget forecasts, what taxation revenue from gaming machines has been generated in the current financial year?

Mr BROWN: Gaming machine revenue, or the revenue obtained from gaming machines by the Government, is not collected by the Department of Gaming and Racing. It is collected by the Office of State Revenue through the Treasury. I do not have that number. I can relate it to what is projected.

The Hon. MELINDA PAVEY: Thank you. That would be good.

Mr BROWN: In regard to the budget papers, this is identified in 2005-06 Budget Paper No. 2 at table 35, "Taxation Revenue". It is identified under the heading of "Gambling and Betting". The revenue identified for the budget for 2005-06 from club gaming devices is \$562 million, and hotel gaming devices \$438 million.

The Hon. MELINDA PAVEY: Do you do any revision of your estimates when you check with the Office of State Revenue in case that projection is wrong? If the first quarter does not match up with your projections do you revise it at all?

Mr BROWN: The projections are not ours. The projections are Treasury's Office of State Revenue. I am assured they would have done as we used to do: you do keep a very close eye on your revenues, as you do on your expenditure.

The Hon. MELINDA PAVEY: What was the percentage of growth in projected revenues, even though it was not done by you, this year as opposed to last year?

Mr BROWN: The budget papers would indicate that the budget for 2004-05 for club gaming devices was \$483 million. The revised figure for 2004-05 was \$500 million. That is a difference of \$17 million. In the case of hotel gaming devices—

The Hon. MELINDA PAVEY: What is that as a percentage?

Mr FOGGO: It is 8.5.

The Hon. EDDIE OBEID: It could not be 8.5. It is less than 1 per cent.

The Hon. CHRISTINE ROBERTSON: Can we not do the sum when we get the transcript?

Mr BROWN: The hotel gaming devices was an identified figure of \$384 million. The revised figure was \$405 million. That is an increase of \$21 million, so it is \$21 million divided by 384, which is 5.46 per cent.

The Hon. CHARLIE LYNN: Minister, what was the final cost of the Temby inquiry into the Panthers club, including payments to Temby administration and other salaries of external lawyers and consultants?

The Hon. HENRY TSANG: Once again, the question has just been answered.

The Hon. CHARLIE LYNN: I just want the final total. I have some figures.

Mr GRANT McBRIDE: We will go through it systematically for you now.

The Hon. HENRY TSANG: You are repeating it.

Mr GRANT McBRIDE: The director will go through it again.

The Hon. HENRY TSANG: The question has been asked.

The Hon. CHARLIE LYNN: You said \$1.4 million and then you gave me four figures: \$345,000 for Temby, \$349,000 for professional fees, \$153,000 for staff, and \$152,000 for offices, but that does not add up to \$1.4 million.

Mr BROWN: My figure, Mr Lynn, which I gave for the actual cost of the inquiry, was not \$1.4 million. I think you will find I indicated that the cost of the inquiry was \$1,080,487.

The Hon. CHARLIE LYNN: Who initiated that inquiry? Did that come from Treasury, or was it your department?

Mr BROWN: I initiated that inquiry, sir.

The Hon. CHARLIE LYNN: What was the result or the outcome of the inquiry?

Mr BROWN: Mr Temby issued a report in December. That report has been given very close scrutiny by my delegates, the director of liquor and gaming, and his staff. As late as August of this year I referred a number of matters, including identified findings, to the Crown Solicitor's Office for advice in regard to what further action I might or might not take. I have not had a response on that advice at this stage, Mr Lynn.

The Hon. CHARLIE LYNN: Are you telling us that the witch-hunt into Panthers has not yet concluded?

Mr BROWN: They are your words, sir, not mine, "the witch-hunt". I can assure you from Ken Brown's point of view it was not. I am an independent person and I institute those inquiries. I operate in my statutory capacity as the director of liquor and gaming. In regard to what future action will be taken, it will be very much reliant on the advice I receive from the Crown.

The Hon. CHARLIE LYNN: Currently there is no action in regard to any further investigations or audits that are going on?

Mr BROWN: No, sir. Not to my awareness at this stage, no.

The Hon. CHARLIE LYNN: What was your view on the outcome of the inquiry? Was the inquiry justified?

Mr BROWN: I believe so, sir, yes.

The Hon. CHARLIE LYNN: Minister, could you please give the Committee a report on the current status of the TVN-Sky Channel impasse?

Mr GRANT McBRIDE: Yes. There is a report in today's newspaper that will bring you up to the current situation. But I will just say that this started a year ago. It actually started in the Autumn Carnival in New South Wales where TVN, which is a group made up of the race clubs, that is, the Victorian race clubs at all three levels—metropolitan, provincial and also country—and the two primary clubs in Sydney, which are the Sydney Turf Club [STC] and the Australian Jockey Club [AJC]. At that particular time there was a proposal that they wanted to control the picture; that is, the broadcast of the actual races themselves.

They went into a lengthy battle, I think you would most probably call it, and that particular battle is unresolved and the parties basically have retreated to reposition themselves into the future. This year, again in our Autumn Carnival, the issue came to a head, and we actually had the battle going on again. Actions were taken by both parties. There is legal action in the courts at the moment that is still unresolved. I might point out that through the whole of these phases, my office and the department and the director-general of the department in the racing area were constantly apprised of what was going on in terms of the positions of the relevant parties. All along the view from Sky and the TVN group and their representatives was that they did not want intervention.

We do not really have the power to intervene at this point. If we were to intervene it would require legislation. Back in the mid-1990s the New South Wales Government passed the management of commercial matters relating to racing to the codes themselves. We are, in effect, the regulator but we are not the owner and we do not run the commercial side of racing at any level in New South Wales in either code. Anyway, it came back together again and we held a meeting in my office about a month ago, I think. At the meeting we proposed to engage in mediation and set up mediation between the parties to try to resolve the matter.

Subsequent to the announcement of that, the Victorian Racing Minister indicated that he wanted to participate and agreed to jointly fund the cost associated with the mediation. The Victorian Minister and I attended the first meeting, at which it was agreed that we would have a follow-up meeting to set up terms of reference. That meeting was to be chaired by the director-general of the department. Subsequently that occurred and we are working down that track parallel to TVN and Sky negotiating concurrently. At the moment Sky has put up an initial proposal to try to resolve the matter. That was considered by TVN representatives, and they rejected it. Both parties have come back with counter proposals. While all that is going on, the mediation side of things is continuing, trying to resolve it outside the courts. They are running concurrently in the courts.

I suggest that as a result of the fact that by convening the meeting between the Victorian Government, through its Minister, and the New South Wales Government, through me as Minister, we have accelerated the negotiation process. However, it is still unresolved and they have ownership of it. Our Government does not have ownership of the issue.

The Hon. CHARLIE LYNN: Following the loss of the court action undertaken by Racing NSW, could you advise the total cost of the proceedings to Racing NSW?

Mr BROWN: Mr Lynn, I cannot give you that figure. Racing NSW is an independent authority, and we have no control over it as such. While it is, of course, recognised by way of legislation, it is an autonomous body. I do not know that number, sir.

The Hon. CHARLIE LYNN: Minister, were you displeased to learn that the chairman of Racing NSW refused to appear during the court hearing, leaving all court appearances to the chief executive?

Mr GRANT McBRIDE: Could you repeat the question?

The Hon. CHARLIE LYNN: Were you displeased to learn that the chairman of Racing NSW refused to appear in the court hearing and he left all the court appearances to his chief executive?

Mr GRANT McBRIDE: We were not involved at any stage in those proceedings. As I pointed out to you in my earlier comment, and as repeated by the director-general, we are no longer involved in this. The management of the commercial side of Racing NSW, in all three codes, is managed by the industry itself; that is what the industry wanted, and that is the current circumstance. We are interested from the point of view of the Government in terms of the industry. We are an interested party but not participants.

DEPUTY CHAIR: The time for Opposition questions has expired. Do Government members have any questions?

The Hon. EDDIE OBEID: What is the Government doing to stop hotels and clubs lending money to gamblers to play gaming machines?

Mr GRANT McBRIDE: I make the point that hotels and clubs are not to act as banks. The Government has taken action on this front in the past year. First, I point out that the vast majority of hotels and clubs are doing the right thing; there is no doubt about that. They are following the terms of the legislation laid down by the Government. However, over the past year action has been taken against several operators who allegedly had done the wrong thing. Last November the Department of Gaming and Racing investigated a club in the Moorebank area for possible breaches of the harm minimisation measures.

A departmental investigation allegedly found that staff were instructed not to issue \$2 coins when handing out change, because they do not fit into a poker machine. That is all about using tactics to basically increase gambling—tactics we do not approve of because they increase gambling in the facility. Also there were allegations that staffers were told that their jobs were on the line if they did not encourage patrons to play poker machines. That kind of thing is not in line with the Government's harm minimisation measures and action will be taken in the Licensing Court.

In January the Department of Gaming and Racing investigated a hotel in south-west Sydney that had allegedly given out about 800 cash advances to patrons. It was alleged that the money was loaned out to about 15 people twice a week over a sustained period. For any licensed premises to lend money is a clear breach of the Liquor Act and the department took immediate action. As I said in Parliament earlier this week, the Department of Gaming and Racing recently conducted an investigation into a hotel at Flemington. That hotel allegedly provided cash loans and credit advances to a patron for almost a year. Departmental officers have visited the hotel, conducted an audit and served notice of a licensee requiring records and information.

An on-site inspection of the premises last month found that the hotel's EFTPOS facility was illegally located in the gaming room. As a result of those actions, the director of liquor and gaming is considering disciplinary proceedings before the New South Wales Licensing Court in the next few months. I understand that it will be alleged that since April 2004 a patron was loaned about \$30,000 cash by hotel staff to play gaming machines. I am told that a patron was also allowed to put \$23,000 on his credit card from an EFTPOS facility illegally located in the hotel's gaming room. The Government has made it absolutely clear that it will not tolerate hotels or clubs lending money to patrons to play gaming machines.

The Government takes this issue extremely seriously. Anyone who breaches the law on this front will be caught and will face the full force of the law in the New South Wales Licensing Court. Anyone who breaches the law on this front and lends money to patrons to gamble faces possible fines of up to \$22,000 as well as the loss of their licence. You can see that in this particular issue we have made that clear. I point out that we are moving to making a culture change in how these things are managed. We are moving to a culture of responsibility; that is, that licensees who have these entitlements know that those entitlements are a gift within the Government, and sure they pay for them. But licensees have a responsibility that goes with that, and they have a responsibility to make sure that it is done in a responsible way.

The IPART inquiry made a number of recommendations and we agreed to 109 of those recommendations and are implementing them. It is about changing the culture. We are moving away from a culture in both the liquor and gambling, or the gamekeeper/poacher, mentality. That is, the Government makes the laws and people who hold licences or entitlements must do their best to find their way around them. These are serious social community issues that require serious response across the whole of the community.

The Hon. HENRY TSANG: Last Wednesday the Consul General of Indonesia visited Parliament to thank Australia for its help following the Boxing Day tsunami. Minister, can you explain what NSW Gaming and Racing is doing to ensure charities properly handle donations received towards the relief of hardship in the community following the Boxing Day tsunami?

Mr GRANT McBRIDE: That is a good question. Following the bombing in Bali there was a major outpouring of genuine concern from the whole community towards the victims. Out of that came the question of making sure that the objectives of the appeals, the money raised, were met by the money that was collected for those appeals. In regard to the tsunami approximately \$270 million was raised nationwide for Indonesia. Large amounts of money were raised, and those amounts were managed by charities within Australia. Specifically in reply to the question, it is now nine months since the earthquake caused the tsunami in the Indian Ocean on 26 December 2004, destroying lives, homes, communities and assets in many neighbouring countries to the immediate north of Australia.

The sheer scale of that natural disaster was unimaginable. Almost every family living or working on the coastal fringes of the affected nations was touched in some way, most tragically through the loss of loved ones. Our immediate action was to find a way to help our neighbours to recover and rebuild. Our responses were extraordinarily unprecedented in the history of Australia.

We realise that one of the best ways to help is to donate money to Australian aid agencies with a presence or an interest in affected nations. Fortunately, Australians have a high level of confidence in the ability of charities to administer the funds that are raised. Charities know that such a stand is hard won. They know it is precious and that it must be safeguarded. Charities know that their ability to provide great services and facilities depends not only on the willingness of Australians to donate but also on maintaining public confidence in how donated funds are spent. All charities should expect and welcome public scrutiny about how donations and sponsorships are applied.

Recently the Australian Council for International Development, which represents most aid agencies with an Australian base, reported that Australians donated—I said earlier \$270 million—\$340 million towards tsunami relief efforts under way by their members. All aid agencies recognise that donors will want some assurance of where and how their donations are spent. A number of charities routinely publish updates on their web sites to advise how donations have been applied. Other charities mail regular report cards to their donors and other supporters. Throughout 2005 the Department of Gaming and Racing has been monitoring developments to ensure that New South Wales based charities are meeting their fund-raising obligations. For example, under New South Wales law any money received in the course of a fund-raising appeal must be applied to the purpose indicated by those conducting the appeal.

I made those introductory comments earlier because of what came out of the Bali incident. There was a dispute as to what was in the documents, what the money was to be used for and how it was used later. That was a major issue to which the department responded. We responded within a timeline that enabled us to put in place protocols to deal with the issue that occurred in December last year. In April this year the department approached more than 30 identified charities involved in appealing for funds for tsunami relief efforts. Each charity was requested to indicate the quantum of funds that the organisation received under the tsunami appeal from donations made in New South Wales. The charities were also asked to explain how they had applied or intended to apply funds raised through their tsunami appeals.

The department has closely reviewed all responses and so far I am pleased to say that no concerns have been found. Departmental inspectors will soon visit a number of these charities, examine donation and expenditure records, and check to ensure that their obligations have been properly discharged. If they have concerns I can assure the people of New South Wales that

appropriate action will be taken. From past experience I think we will find that all those charities will have behaved appropriately.

The Hon. CHRISTINE ROBERTSON: I refer to the comments that were made earlier by the Hon. Charlie Lynn, which were unfortunate. Would you advise us on the Government's initiatives to ensure a strong, viable registered clubs industry in New South Wales?

The Hon. CHARLIE LYNN: Obviously get rid of it and rebuild it.

The Hon. CHRISTINE ROBERTSON: The inference was obvious. The Minister needs a chance to answer it.

The Hon. CHARLIE LYNN: So is the outcome.

The Hon. CHRISTINE ROBERTSON: We are not supposed to debate the question.

Mr GRANT McBRIDE: The Government is committed to ensuring a strong and viable registered clubs industry in New South Wales. On 22 August 2003, in my first year as Minister, I announced the formation of a club industry task force, which includes representatives of major club industry and employee associations. The key aim of the task force is to develop, through consultation, detailed plans that will ensure the growth of a relevant and viable club industry. Stage one of the task force process has been completed and a number of enhancements have been made to the corporate governance provisions of the Registered Clubs Act, including associated regulations.

Stage two of the task force deliberations are continuing. That involves further consultation with key stakeholders and club industry participants regarding club amalgamation, election of club directors, governance issues, codes of conduct and industry benchmarking. The task force continues to play a co-ordinating role in reviewing the new regulations that have been developed to support club accountability and corporate governance reforms. This process will help to ensure that regulations are of ultimate benefit to the club industry and its members and local communities. I established that club task force in the knowledge that if we were to get good policy in this area we needed to engage industry itself. It needed to be a participant in the development of the policy.

Notwithstanding other issues that are occurring in the industry relating to Treasury, in relation to the management of governance and the regulation of the industry we have had strong co-operation between the Government and industry and all its representatives. Subsequent to establishing the task force I also established in June 2004 the special ministerial advisory group comprising 10 club chief executive officers [CEOs] to assist the club industry task force. The reason for that was to get the expert knowledge that is available only to those who work in the industry. If we are to come up with meaningful reforms, good governance and good policy the industry has to have direct input into the development of those issues. These club CEOs come from across the State.

We wanted metropolitan, regional and country club representation from small clubs, community clubs, RSL clubs and football clubs. So we have representatives from across industry. The people who are giving advice represent the whole of industry and not just sections of it. The special ministerial advisory group is a consultative forum between the Government and the registered club industry. Establishing the special ministerial advisory group helped to ensure that the Government is provided with a wide range of detailed advice on policy and management issues by those experienced in the long-term management of clubs. All the managers involved bring many years of financial, personal, technical and regulatory experience to the table. They are providing a substantial in-kind contribution to the overall consultative process.

I point out that these CEOs volunteered their time in the best interests of industry and they enjoy the support of the industry. As I said, they represent a wide cross-section of industry. When the club industry task force next meets it will commence consideration of the special ministry advisory group discussion papers on club governance and management issues. These discussion papers include club election, directors' elections and education, and disposal of assets. The disposal of assets in the club industry is an important issue. Let me put this scenario to the Committee. If clubs are not being managed well, their demographics change, their situation changes for whatever reason and they are

not commercially viable, unfortunately, in the majority of cases those assets are diminished to the point of a nil return to the community.

We must remember that most of these clubs were first legalised either in 1953 or in 1954—you might be able to help me out there, Fred. They existed well prior to that. So we have clubs that are over 50 years old. They existed over that period and they have had different people running and managing them and being directors of them. They then wind down their assets, which might have been worth millions of dollars but because no structure, guidelines or policies are in place to deal with the loss of those assets, generally they just disappear. So something that could have been returned to the community and that was created by the community is lost forever. Club assets and the disposal of them is an ongoing issue. The discussion papers also included female representation on club boards, capital works, assistance programs, annual reporting requirements and club amalgamations, which is another contentious issue. There are a number of views as to how that should occur.

We are looking to the club industry to recommend to us how that should occur. It is occurring but it is ad hoc. There are guidelines in place but we need a more definitive policy in that area. The discussion papers included industry benchmarking and key performance indicators, which is standard throughout most industries. The club industry is a very large industry. The discussion papers also included standard financial reporting, provision of contract listing, a regional assistance program and directors' remuneration. The papers referred to the issue of compliance associated with small clubs. Small clubs do not have the depth of management to cover professionally all the different areas associated with managing these businesses. The papers referred also to management contracts, to clubs in the community and to new club sites.

I point out that there are 43 clubs on the Central Coast for a population of 300,000. In Charlie Lynn's area and the north-west sector few, if any, clubs have been created in the last 50 years. The issue arises of how to establish new clubs in growing areas. Something like 50,000 people come to Sydney each year. Over a six-year period that is 300,000 people. There are 43 clubs on the Central Coast for 300,000 people but in Western Sydney there are 300,000 new people with no new clubs. The growth of clubs in our society is a major issue. Other matters include new club sites and retail leases in registered clubs. There is a whole range of issues. There is a debate in the media about tax, and I acknowledge that. The clubs also recognise the reforms are needed on a raft of issues, and policy and guidelines for the industry must be established to enhance its future in this State. I have been committed to that from day one in this job. The clubs industry task force and the special ministerial advisory group demonstrate both my commitment and the Government's commitment to a strong, viable registered clubs industry in NSW.

The Hon. EDDIE OBEID: What has the Government done to stop alcohol being marketed to underage drinkers?

Mr GRANT McBRIDE: This is an important issue and one that the community has indicated it is concerned about. It came up in the summit on alcohol abuse in 2004. The community's concern about young people and alcohol came out loud and clear. Action has been taken in a number of cases in relation to alcohol targeted at underage drinkers. In November last year I stopped a record store promotion that gave out free alcohol vouchers with CD sales over \$20. I told the Parliament that the promotion, which saw people being handed three Smirnoff Ice Double Black vouchers whenever they bought a CD in some stores, was totally inappropriate. I ordered a departmental investigation in Sydney's northern and eastern suburbs and it found that in three out of four cases teenagers as young as 15 were given these alcohol vouchers when they purchased a CD. The company responsible stopped the promotion after a ban was threatened in Parliament. We are changing the culture. The matter was brought to the company's attention and I give it credit for the fact that it stopped the promotion within 12 hours. The question is: Who designed the promotion in the first place and what changes needed to be made in the company response to that?

A few weeks later I ordered a crackdown on alcohol sales by either phone or Internet. That move followed a departmental investigation that found that five out of seven licensees failed to ask age details when conducting sales over the telephone—that is, they never checked whether younger people were eligible to make the purchase. The Government introduced new laws in July 2002 making it compulsory for licensees to ask for age details at the time of phone or Internet sales. The delivery driver must also check identification on delivery. Failure to check age details carries a penalty of up to

\$2,200 in the Licensing Court. In March I stopped a magazine promotion that offered free bourbon and colas and six-packs of beer to anyone of any age who had a letter published in their publication. This magazine was aimed at young men and the promotion obviously did not have adequate checks and balances in place, and did not comply with the Liquor Act. That company agreed to stop the campaign immediately. If a matter comes to our attention we let the company know we are after them. That is our role. I point out again that it is about changing the culture. All these licensees must be responsible in promoting their products.

I refer also to the young people drinking report. The Government is looking at introducing a number of initiatives, including a community hotline and support for improved labelling of alcoholic drinks. I commissioned a review of alcohol beverages that may target young people. Last year the commission chaired by former MP Faye Lo Po' conducted a series of community forums, speaking directly to young people. I attended three of those forums and they were incredibly enlightening. I have a number of young people in my family and the forums were quite revealing. The honesty of the young people at those forums who talked about alcohol consumption by underage people was breathtaking.

At a function on Wednesday I had a discussion with a major alcohol retailer's wife, who was amazed about binge drinking by young people. It happens not just in Sydney or NSW; it is occurring in all developed countries. Binge drinking by young and underage people is an issue in America, Europe and Great Britain. The commission made a number of recommendations, including a standard labelling regime and a nationwide labelling approach. The aim is to show that ready-to-drink products—those that normally include some sweet-tasting soft drink—are not soft drinks but alcohol products. It is important for people to know the standard number of drinks they contain. Clearer labelling is the best way to do this. The young people themselves made these recommendations. I am pleased to report that many in the liquor industry backed this finding, particularly the Distilled Liquors Industry Council of Australia. Again, the culture is changing, because the industry indicated its support for these changes when the problems were pointed out.

The Government's position is it will not tolerate marketing that is targeted to young people. I point out that these products have had mammoth growth over a short period of time. It seems the biggest consumers of these products are young girls. That is a real concern to the whole community. Faye Lo Po' made the point very strongly that national research shows that the suppliers to underage drinkers tend to be the immediate members of their family, siblings, friends, et cetera.

The Hon. MELINDA PAVEY: Mum and dad.

Mr GRANT McBRIDE: That is a major issue. I am glad I made this extra point. It is an issue that cannot be dealt with by government or regulation. It is about parents, family and friends accepting responsibility for the consumption of alcohol. You might think it will not happen, but it has already happened in another area. I refer to designated drivers. You will find—I know this from experience in my own family—the concept of a designated driver who does not drink when young people go out and drives them home is widespread through the community. We are highlighting the fact that young people are being targeted, particularly young girls, and the family, extended family and community have to accept the responsibility that goes with this issue.

CHAIR: Following up on that question, it seems all the cigarette advertising that newspapers used to receive has been replaced with liquor advertising. We see pages and pages of liquor advertising and some of it is aimed at young people. Do you have any plans to examine the impact of that advertising and whether it can be phased out as we have done with tobacco advertising?

Mr GRANT McBRIDE: The State is limited because, in general, advertising is regulated by the Federal Government. I understand that last year the Commonwealth Government had a number of meetings in all jurisdictions at a ministerial council level to deal with that and to put some policies in place, which are to be reviewed after 12 months of operation to determine the appropriateness of alcohol advertising in the media. At the State level we see it as a marketing ploy, for example, CDs, exchanged for coupons, et cetera. Under the current legislation we have the power to target those specifically. Advertising is a Federal responsibility. The issue you raised has been recognised by all States and has been dealt with at that level.

CHAIR: Is there a legal reason why the State Government could not prohibit alcohol advertising in New South Wales as it did with tobacco advertising?

Mr GRANT McBRIDE: I am not sure of the details of tobacco advertising, but I know that alcohol advertising is a Federal responsibility. Under our legislation we can use the tools for marketing, but as for general advertising I am clear that is a Federal responsibility.

CHAIR: You mentioned the club industry task force and the advisory committee. Can you provide the names of the 10 large and small clubs that are represented?

Mr GRANT McBRIDE: I can provide a list but not off the top of my head.

CHAIR: Will you take that question on notice?

Mr GRANT McBRIDE: Yes. For example, they include Eastern Suburbs Leagues Club, Illawarra Sailing Club and Parramatta Leagues Club.

CHAIR: The representation is not dominated by the big clubs?

Mr GRANT McBRIDE: No. We have been very careful to make sure that country regional and Sydney metropolitan were represented with small through to large clubs.

CHAIR: For a lot of reasons there seems to be an increasing number of club closures, particularly small bowling clubs. Do you monitor the success of clubs? How many clubs have closed in the past 12 months? Do you investigate why they closed? Were they closed because of the poker machine tax, the new smoking regulations or bad management?

Mr GRANT McBRIDE: I will make some comments and the director can give you the detail. There is a range of factors. The issue with bowling clubs is the change of mix of population in Sydney. For example, there are a lot of bowling clubs in the Eastwood-Epping area, but the population mix has changed. We now find a larger Asian Australian population in that area, who are not interested in bowling clubs. The mix has also changed in the inner west and the eastern suburbs. However, in the Tweed and the Central Coast, where I live, bowling clubs are thriving. Demographic changes have significantly affected bowling clubs.

The issue is how do we relocate that community asset? Do we allow the club to slowly diminish, as happens, where it uses its savings and resources to keep paying its day-to-day costs and at the end of the day the bank account is empty and the club has to close? We want a club industry policy to deal with those issues and to protect those assets so that they can be transferred back into the community by the amalgamation of a club or the establishment of a new club somewhere else. All of those things are options, but at the moment there is no capacity for government to intervene to make those sorts of things happen. We talk to the clubs and they recognise the issue.

In country areas it is a lack of population because people migrate to the now great inland western country cities such as Dubbo and Wagga Wagga. I remember talking to the honourable member for Lachlan about issues in the small country towns. How do we provide the management experience to run those little clubs? We cannot, and the model is to provide all the administrative backup for each of the five clubs in the Lachlan electorate. The five clubs or entities would have their individual boards and their services would be provided by a service centre that is owned by all of those five clubs. It is a major issue throughout our community because of the demographic changes that are occurring.

Mr BROWN: In the context of your question, these figures may assist you. From 1 July 1995 to 30 June 2005 some 141 clubs have been subjected to some form of administration—that is, a temporary administrator, a liquidator or a receiver/manager having been appointed to administer the affairs of the club because it has come into financial difficulties. The numbers for each of the years show an interesting trend. In 1995-96 there were 16; 1996-97, 10; 1997-98, 8; 1998-99, 9; 1999-2000, 12; 2000-01, 14; 2001-02, 21; 2002-03, 18; 2003-04, 24; and 2004-05, 9. During that same period 64 of those clubs were amalgamated with other clubs following the successful application to the Licensing Court. So, in effect, they could continue to operate in some form or other. A further 17

clubs amalgamated without first being subjected to some form of administration—one might say they took the business decision to do that on their own volition.

Mr GRANT McBRIDE: We are trying to not allow it to get to that point. In other businesses, in government and elsewhere they have key performance indicators. We want to have agreement on key performance indicators in their reporting processes so that we can pick them up quickly and there can be early intervention. We have looked at mechanisms to do that with the club industry so that clubs can get in expert advice before they get to the point where they are in real financial trouble. We are providing intervention to look at whether the club can be saved, whether something needs to be changed about the club, whether it needs to be relocated or whatever. That is part of what I am trying to do. It does not get reported but in club land they know it is a major issue and we are working on it.

CHAIR: Even though I am totally opposed to poker machines as a social evil, when you talk about starting new clubs in those regions because of the way our society is organised a club cannot survive without poker machines. How do you launch new clubs? I support the cap and do not want the number of poker machines increased. Is there a way new clubs can be assisted to be financially viable? How does a new club start today?

Mr GRANT McBRIDE: You raise a very good point. We do have the cap and if a new club is established it will need poker machines in the current model. However, they have to acquire those entitlements and in that process we have a two for three—that is, if a club purchases three entitlements, one entitlement is retired. By starting a new club—it might seem a mind bender—the number of poker machines in New South Wales will be reduced.

CHAIR: Can those new clubs get access to poker machines?

Mr GRANT McBRIDE: Yes, they can purchase them from other clubs.

CHAIR: Will other clubs sell them?

Mr GRANT McBRIDE: Yes.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: In the Government's 2005 response to the IPART report entitled "Gambling—Promoting a Culture of Responsibility" it said that it supports the recommendation that pop-up messages appear advising players when they have been playing continuously for 60 minutes. When and how will the Government move to put this recommendation in place?

Mr GRANT McBRIDE: Jill Hennessy, the former Director of Policy and Development, can reply to that question in detail.

Ms HENNESSY: We have established a detailed implementation plan for the recommendations that came out of the IPART report that have been accepted by government. As the Minister said previously, there were some 113 recommendations, of which the Government has accepted 109. Quite a few of those recommendations related to gaming machine design features. Some of them required further research as to whether or not additional measures might be effective. At this stage it is proposed to undertake research first into those other functionality design changes to gaming machines, with a view to implementing them all at the one time rather than having a series of requirements for different machine changes because that would take a long time to roll out.

There is currently a review under way, which I believe has already commenced, into some of those design changes. One of the issues, in particular, that came through in quite a few recommendations in the IPART report related to the substance of a whole range of different messages that are in place at the moment. There are health warning messages—that is what we call them—on gaming machines and brochures that all gaming machine venues are required to carry. There has never been any proper evaluation undertaken into the effectiveness of those messages. So one of the key recommendations of the IPART report was to undertake detailed research into all the gaming messages that are currently in place and any potential ones that might be considered in the future.

Pop-up messages certainly fall into that category. Rather than just going ahead and requiring what we might think reasonable with pop-up messages, first, as part of the approach to evidence-based policy in the future and before imposing that, we are going to undertake research to make sure that the effectiveness of those messages is maximised. Submissions are in the process of being called for that research at the moment. Once that research is undertaken we will be better placed to know what is appropriate.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: What is the time frame of this review and its implementation?

Ms HENNESSY: As I said, the review is under way at the moment. There is a general recommendation in IPART that all of the recommendations that could be undertaken easily should be done within a six-month period. For the ones that require more work, I think the broad time frame is somewhere between three and five years.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It is now 15 months since that report came out and you have just started your review. That is a pretty glacial pace, is it not?

Ms HENNESSY: I think it is important to get the messages right in the first place rather than race in—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It has taken 15 months to start.

Ms HENNESSY: It was a very extensive report, as you will understand. It took a while—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The concepts are not difficult.

Mr BROWN: Mr Chairman, may I add to this discussion, please? I think the progress that has been reached has been very sound and I believe criticism in relation to lack of progress is out of order. The total number of recommendations that came out of that report was 113. These comprised 108 in the original report and a further five in a consequential report on governance structures provided in February 2005. The Government's response to those recommendations can be summarised as follows: 109 of those recommendations were supported, one was rejected and but three were not supported. Having had that report and the Government's recommendations, I put in place as part of my performance agreement with the Minister a development plan, which I report on three times a year.

The total number of recommendations within the report that required no action was but 11. The remainder of those recommendations, 98 in total, have been distilled into 69 individual action items arising from the Government's response. In relation to the 69 separate action items—and keep in mind that the Government's response was released in May 2005, so I do not know where your 18 months come from—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It is only 14 months.

Mr BROWN: May 2005.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The Government took 10 months to respond.

Mr BROWN: I am in a position where I cannot put anything in place until the Government gives me an indication of its response. Seven of the 69 separate action items have been implemented, seven relate to legislation that is currently before Parliament and 55 are in the process of being implemented. I think that is a pretty fair effort.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is the Government also considering displaying information at regular intervals during individual gambling sessions showing the player how much money he or she has lost? If not, why not?

Ms HENNESSY: I am sorry, out of the 113 recommendations that IPART made I am having a little trouble finding that particular one. It certainly was something that—

CHAIR: Do you have the number of that recommendation, Dr Arthur Chesterfield-Evans?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It is recommendation No. 30.

Ms HENNESSY: I am sorry but I cannot find it easily. I will have to take that question on notice.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is the Government investigating the possibility of displaying the payout ratio on all gaming machines? If not, why not? That is recommendation No. 29.

Ms HENNESSY: I am sorry but the recommendations are not in the same order in the document I have here.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The IPART report does not make the last two recommendations. It made the recommendation with regard to pop-up messages.

Ms HENNESSY: Did you say that they were not recommended by IPART?

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The recommendations about information on individual sessions and the payout ratios were not recommended by IPART.

Ms HENNESSY: If they were not recommended by IPART then we are certainly not looking at introducing anything other than those recommendations that were made by IPART. The whole purpose of the IPART review was to go through an evidence-based policy approach to establish a strategy that was supported by evidence. If IPART saw fit not to make those two recommendations there would be no obvious reason for implementing them.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: But you have not followed all the IPART recommendations. Therefore, might you not follow these recommendations?

Ms HENNESSY: There were reasons for not following the four or five recommendations that were not followed. For example, one of the recommendations was that, if there was a prohibition on smoking in licensed venues, research should be undertaken to see its effects—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: On health?

Ms HENNESSY: On gaming activities. Since IPART made that recommendation the Government has made a decision to ban smoking in licensed venues. There is no point in researching it. The recommendations that were rejected were rejected for very good reasons—not because the Government just disagreed with them but because things have changed or because they were being undertaken by some other means. Every single one of the 109 of 113 recommendations was adopted. There were quite valid reasons for not adopting the four recommendations that were not adopted.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Are you saying that there are no valid reasons for not rejecting these two recommendations?

Ms HENNESSY: I do not understand the point in going through a major review to look at evidence that supports particular recommendations and then rejecting those recommendations.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The centralised monitoring system [CMS] is a public asset in terms of its ability to broadcast those sorts of messages, is it not?

Mr FOGGO: The centralised monitoring system that monitors the output of gaming machines has limited ability to provide the functionality in relation to pop-up messages. In fact, the present standards for gaming machines require a protocol, which is actually a one-way protocol in terms of communication. That means that the gaming machines can communicate externally, that they cannot receive internal messages from afar. It is not a two-way communication. There are other protocols in Australia that have two-way communications, but the standard in New South Wales is

one-way communication, that is gaming machines communicate outwards and they cannot readily receive messages. The other issue in relation to pop-up messages is that there are not quite 100,000 gaming machines in New South Wales. For every \$10 you spend on a gaming machine to change its functionality or change its approach it costs \$1 million. It is very expensive for gaming machine operators to change existing infrastructure when they have put in some considerable investment. If there were a policy adopted in relation to use it would have to be implemented over a period of time because the present standards in relation to gaming machines would not easily allow this to occur.

The Hon. MELINDA PAVEY: What do you intend to do to ensure AJC, STC and Victorian racing television programs are televised to regional viewers through Austar television? As you know, country people cannot see any city racing at the moment.

Mr GRANT McBRIDE: Again, in today's papers, in terms of the negotiations by these private entities they are at a stage where they are indicating that capability is on the table for discussion at the moment. Hopefully there will be an outcome that proves to that end that that service will be available. But understand that these are private companies.

The Hon. MELINDA PAVEY: What is the loss of revenue through totalisation turnovers for greyhound, trotting and thoroughbred racing industries caused by the TVN Sky Channel impasse?

Mr DE VEAUX: Certainly there has been a drop in TAB turnover since the cessation of racing broadcasts in May. Unfortunately both parties have separate views on whether it is fully attributable to the TVN dispute. Up until the end of March 2005 TAB turnover was up around 4 per cent. As at the end of August 2005 TAB turnover is minus 3 per cent.

The Hon. MELINDA PAVEY: Why has the \$800,000 savings per annum that, according to the parliamentary debate at the time of the legislation Labor was promoting, would be saved administratively by the merger of the Greyhound and Harness Racing Regulatory Authority not materialised? You are free to take it on notice, if you wish.

Mr GRANT McBRIDE: No, we have an answer.

Mr BROWN: I apologise for taking a little time to get a response, but it was an expected question and a reasonable one. On 1 October 2004 the Greyhound Racing Authority merged with the Harness Racing Authority to form the Greyhound and Harness Racing Regulatory Authority. One of the benefits identified in merging those two bodies was the potential for significant savings in administration costs associated with regulating the two industries to be brought to the fore. Expected savings anticipated following the savings of one of two buildings currently occupied and the relocation of staff included savings from reduced telephones, cleaning, repairs, maintenance, electricity, audit duplicity, insurance, payroll administration, property expenses and further staff redundancies.

To date the authority—and this is in contradiction to your suggestion that there have been no savings—has already realised annualised savings of some \$443,000 between its harness operations, \$292,000, and its greyhound operations, \$151,000, largely from a staffing strategy implemented. This has been achieved through the net abolition of six positions with a direct salary cost of \$393,000, being for harness staff, \$242,000, and greyhound staff, \$151,000, without any need for voluntary redundancy payments; cost savings from insurance, \$10,000; provisions for recreation leave, \$18,000; sustenance and travel costs payable to stewards, \$7,000; and a reduction of \$15,000 service level agreement charges. Indirect salary cost savings from the staff redundancies might be assessed at 30 per cent of the salary figure, which was equated to further probable savings of \$117,000 allocated between the two operations.

The Hon. MELINDA PAVEY: Why has the success in improving the administration, promotion and commercialisation achieved in the greyhound industry not been achieved also in the harness racing industry? Do you wish to take it on notice?

Mr BROWN: I will take that on notice for you, but you must understand that that is an observation. In so far as the Minister pointed out a littler earlier, they are both commercial bodies. One might do a comparison and one might see that one has done better than the other, or vice versa.

The Hon. MELINDA PAVEY: What measures have been, or will be, taken to reduce administration and improve prize money in the racing industry?

Mr BROWN: As the Minister has indicated quite clearly, they are not questions that either he or I can answer. We can only oversee such issues and be observers. There are three commercial bodies in each of our codes, and they are responsible to the industries. I have no doubt that each of those bodies is doing its darndest to ensure that costs are kept to an absolute minimum so as to be able to return a prize money to prospective codes and to encourage people to participate in the sport. However, I will give you the numbers that we have at the moment, the comparison between the 2003-04 and 2004-05 in three codes for prizemoney levels. In 2003-04 thoroughbred prize money was \$96,080,750. In 2004-05 it increased by \$3,817,710 to \$99,898,460, a percentage increase of 3.97 per cent. In the harness racing industry in 2003-04 prize money levels totalled \$19.6 million, and in 2004-05 they were \$21,421,081, an increase of \$1,821,081.

The Hon. MELINDA PAVEY: What is your vision for the racing industry, Minister?

Mr GRANT McBRIDE: You asked me this question last year.

The Hon. MELINDA PAVEY: Did you think of one in the past year?

Mr GRANT McBRIDE: I gave you an answer then.

The Hon. MELINDA PAVEY: What allocations have been made—by recipient name, purpose and amount—from the Casino Benefit Fund over the past 12 months?

Mr GRANT McBRIDE: You do not want me to answer the earlier question?

Mr BROWN: I could give you those details.

The Hon. MELINDA PAVEY: You can take that on notice.

Mr BROWN: I will take it on notice.

The Hon. MELINDA PAVEY: What proportion of the Casino Benefit Fund has been expended or approved for the current financial year for problem gambling, counselling and rehabilitation services?

Mr BROWN: I will defer to Ms Sturevska, who is the Acting Manager of the Casino Community Benefit Fund.

CHAIR: Did you get the question clearly?

Ms STUREVSKA: Could you please repeat the question?

The Hon. MELINDA PAVEY: What proportion of the Casino Community Benefit Fund has been expended or approved for the current financial year for problem gambling, counselling and rehabilitation services? You are quite welcome to take that question on notice.

The Hon. CHRISTINE ROBERTSON: Perhaps the technical questions could be taken on notice.

CHAIR: Give them a choice.

Ms STUREVSKA: Specifically for gambling and treatment services, more than \$1.8 million was directed to 16 services for problem gamblers and their families in a number of regions in New South Wales. That included the Central Coast, the south-east—

The Hon. MELINDA PAVEY: Would you be able to table that for the Committee or provide those amounts for the regions in writing?

Mr BROWN: Mr Chairman, we will take the question on notice and will certainly provide those details.

The Hon. MELINDA PAVEY: Thank you very much. What is the total, expended or approved, for the current financial year, from the Casino Community Benefit Fund for other New South Wales government departments, agencies or instrumentalities? Is any of the money from the casino control fund going to New South Wales government agencies?

Ms STUREVSKA: A portion of the Casino Community Benefit Fund is going to other government agencies that provide treatment and support services in New South Wales. We do have that information available.

The Hon. MELINDA PAVEY: Could you please table that?

Ms STUREVSKA: Certainly.

Document tabled.

The Hon. MELINDA PAVEY: Minister, do you think this is appropriate—expenditure of the Casino Community Benefit Fund being used to bolster the State Government's funding budget?

Mr GRANT McBRIDE: I think the answer just given indicated—

The Hon. MELINDA PAVEY: No. This is a political question to the Minister.

Mr GRANT McBRIDE: I am answering it. I have just said that in the reply you have just been given it was pointed out that there are government agencies that provide these services as well.

The Hon. MELINDA PAVEY: So it is appropriate. Minister, do you think it is appropriate for public servants to utilise taxpayer-funded resources to make political commentary to contribute to party-political campaigns? I have an email that was sent to a member of Parliament from the senior project officer of gambling treatment services, Casino Community Benefit Fund, from the Department of Gaming and Racing in Castlereagh Street. The email states, "Dear Mr Hartcher, I am writing to voice my objection regarding industrial relations changes proposed", blah, blah, blah. This is from a Department of Gaming and Racing email address, so it was obviously done at work, irrespective of whether it was done on work time. Do you think this is appropriate?

Mr GRANT McBRIDE: I would have to look at the documents. If you table the documents, I will have the matter reviewed.

The Hon. CHRISTINE ROBERTSON: Public servants are not allowed to have views on industrial issues.

The Hon. MELINDA PAVEY: If you like, I will show you the documents and you will be able to see for yourself that they are very credible indeed. What action will you take to ensure that the New South Wales Department of Gaming and Racing does not use their Internet facilities to contribute to political campaigns?

Mr GRANT McBRIDE: That is hypothetical. You table the documents and we will have the matter reviewed.

The Hon. MELINDA PAVEY: How many jobs do you expect to be lost in the registered clubs and hotel industry as a result of your Government's increased gaming machine taxation?

Mr GRANT McBRIDE: I think that is a question best answered by the clubs industry itself. There are a number of estimates in regard to that and they are supplied by the clubs industry. We do not do an analysis in my department of the impact in that regard, but could I say that issues like that would be best answered by Treasury.

The Hon. MELINDA PAVEY: So you do not want to say anything about it. How many jobs do you expect to be lost in the registered clubs and hotels industry as a result of smoking restrictions introduced into the industry on 4 July 2005?

Mr GRANT McBRIDE: Again, we do not have estimates for that.

The Hon. CHRISTINE ROBERTSON: That question was asked.

The Hon. MELINDA PAVEY: It is legislation.

The Hon. CHRISTINE ROBERTSON: Excuse me, Chair—

Mr GRANT McBRIDE: We do not have estimates for the loss of jobs. As to whether there will be job losses associated with the introduction of the smoking bans in New South Wales, there is a lot of debate about whether smoking will be a plus or a minus in regard to the hospitality industry across the board and, as I said, that is a matter for debate.

The Hon. MELINDA PAVEY: So you do not have any estimates for changes made on 4 July?

Mr GRANT McBRIDE: I am saying that there are estimates that say it will be good the industry and will increase employment, and there are estimates—

The Hon. MELINDA PAVEY: There are no official statistics held within your department?

Mr GRANT McBRIDE: Not in my department.

The Hon. CHRISTINE ROBERTSON: The question was answered before.

The Hon. MELINDA PAVEY: Does the Government maintain a one-casino policy for New South Wales?

Mr GRANT McBRIDE: Yes.

The Hon. MELINDA PAVEY: Will this one-casino policy be maintained in the future?

Mr GRANT McBRIDE: It is our policy.

The Hon. MELINDA PAVEY: Minister, are you proposing legislation that will abolish the Liquor Administration Board?

Mr GRANT McBRIDE: We have draft legislation that has not been introduced into the Parliament and has not yet been approved by Cabinet in regard to the whole Liquor Act, so I cannot comment on it at this time.

CHAIR: The time for Opposition questions has expired. I will ask one or two questions and then the Hon. Dr Arthur Chesterfield-Evans will ask questions. In regard to the grants approved by the Casino Community Benefit Fund, I am curious about why the number of recipients has decreased so dramatically from 2002-03, when it was 120, down to 43. Is there any reason for that?

Ms STUREVSKA: Under the last framework, the most recent framework that was conducted to provide services for treatment services in New South Wales, a more strategic approach was actually adopted to ensure that there was an equitable spread of funds throughout New South Wales. In the last year we have had a look at the largest provider of services in Sydney and greater Sydney. Historically, most of the services providing gambling counselling were based in Sydney or greater Sydney. In order to ensure that there was either the maintenance of counselling hours or an increase where it was needed in some regions in the provision of counselling hours, the number of services has actually reduced in order to keep the number of counselling hours available.

CHAIR: So you are still getting applications from, say, 120 organisations and you knock back 80 of them?

Ms STUREVSKA: In the latest round of funding for treatment services, 116 applications were received, and out of those applications 40 services were actually funded. That was specifically for the provision of treatment services. The reason fewer organisations have actually been funded over the last number of years is also linked to the amount of money that is spent on treatment services. Approximately three-quarters of the funding is spent on the provision of treatment services. What we found with the data that we have got is that it would be unreasonable and inappropriate to reduce the number of counselling hours that we have available in New South Wales.

CHAIR: So the treatment services are the more in-depth treatment of the problem gambler rather than, say, some organisation that is just doing counselling or telephone counselling?

Ms STUREVSKA: That is right. We also found, for example, what we call other support services for problem gamblers, such as financial services. There are a number of financial services that exist in Sydney and in greater Sydney, but that is under another portfolio. Those services are also provided free to the gambler. However, one of the criteria under the latest funding round was direct provision of counselling to problem gamblers, and financial services comes under other support services.

CHAIR: Is there any explanation for the expenditure dropping by \$3 million last year? It was \$13.2 million in 2003-04 and dropped to \$9.3 million in 2004-05. In 2005-06 it has been increased back to \$12 million. What is the explanation for the \$9.3 million in 2004-05? Did you have fewer funds, or were the funds held in reserve?

Mr BROWN: No, the funds were not reduced. We had a standard of \$12.2 million, I think, that has been provided to the fund each year. As you would appreciate, a great deal of our funding is not provided on a one-year basis. It is committed and spent over two to three years. Therefore, at any given time, while you may well be approving actual grants or assistance of sometimes more than \$12 million, the actual flow of expenditure may not flow in accordance with those approvals. For example, I think at the present time—and this is off the top of my head—you will find that we have a cash balance within the Casino Community Benefit Fund. All but \$3 million of it is committed to approved projects, with the result that you do not necessarily have an equal amount of expenditure in each year against those approvals. If I could go back and add to the earlier answer in regard to the reduction in the number of projects, et cetera. You might recall that in the years 2002 and 2003 some 50 community projects were provided assistance. The fund does not provide community projects.

CHAIR: They were a one-off?

Mr BROWN: They were a one-off, and it was as a result of a lot of consultation, and a lot of representation that the decision was taken that that sort of assistance would not be made available in future. Rather, the moneys would be directed towards research projects and counselling projects. For example, in 2002-03 we had some 120 projects of which 50 were community projects. That brings it back to the reasons extended by my colleague, about why we have 43 projects in 2005-06.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: In the 2003 report "Vanishing Acts", a report on the live music scene by Associate Professor Bruce Johnson and Dr Shane Homan, a number of recommendations were made. These include the legislative structure of the New South Wales Casino Community Benefit Fund [CCBF] be amended to devote a portion of the fund to live music infrastructure, that there be investigations of factors prohibiting greater provision of all-age entertainment, and discouraging youth from attending club performances. What has the department done towards this?

Mr BROWN: I cannot answer that specifically. I will take that on notice, but I make the point that I just mentioned: it may well have been one of those projects that would have fallen into the community class and, therefore, that may not be available. Funding from that source is no longer available from the CCBF. I will need to check, sir.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You are aware that poker machines have replaced live music in pubs and clubs?

Mr BROWN: Yes, you have raised that issue in the past.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Has anything been done about that, more generically?

Mr BROWN: Not that I am aware of, sir.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Mr Foggo, you would be aware of the difficulties in sending messages through the centralised monitoring system [CMS]. I would like to explore that a little. Is it a problem that the department or the Government does not have access to the communication lines of the CMS?

Mr FOGGO: The communication lines are simply normal Telstra lines; nothing specific—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The network is available for those messages as well, it is not a legal problem?

Mr FOGGO: No, it is a problem with the gaming machines; it is not—

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It is not a problem with the hardware?

Mr FOGGO: No.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It is the software?

Mr FOGGO: A bit of both in terms of gaming machines. Gaming machines are part of the standard, and that standard does not enable two-way communication.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The object of the CMS, apart from collecting revenue, is to distribute jackpots?

Mr FOGGO: No, not the CMS. There is a statewide jackpot system and that system can be utilised to distribute jackpots.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Separate from the CMS?

Mr FOGGO: Absolutely.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Presumably, the wires are neutral in the sense that a message can be sent either way?

Mr FOGGO: The CMS can download software all the way from the host system to the interface card that connects with the particular gaming machine. The CMS licensee can download software changes to the site controller, which collects information and can download software changes right to the interface card, but it cannot go beyond the interface card. It can go up and down to the gaming machine, but it cannot go further than the gaming machine.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: It cannot go from the interface card to the screen?

Mr FOGGO: Exactly right.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: That could be a change in the future.

Mr FOGGO: You would have to change the technical standards in relation to the gaming machines. If we had two-way communication, as there are in other States, that would be a possibility.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: One can only reflect that it was supposedly very difficult to change cigarette packs and put warnings on them, but they managed to make special ones just for Qantas passengers. Mr Brown, has much independent academic research has been done on gaming since your release of the figures on gaming, which we have spoken about before?

Mr BROWN: I will take that on notice.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: If there has not been much academic research, does that suggest to you that the figures you have released are not much use to independent researchers?

Mr BROWN: I will need to answer your first question before I go to the next question.

CHAIR: You can take both questions on notice.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: The report "Vanishing Acts" by Associate Professor Johnson, which I mentioned earlier, suggests that existing rights legislation—that is, the strengthening of existing non-conforming use rights—be explored where the extent of music activity clearly precedes changing retail and residential environments. Has the Minister considered this?

Mr BROWN: That report has not been handled by the Department of Gaming and Racing; it is handled by the Premier's Department.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Perhaps, but—

Mr BROWN: Perhaps you should ask that body that question. I am not in a position to answer it.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Has the department made representations to the Premier's Department in that that department is obviously intimately connected in the sense that poker machines would be affected by any change to the use in favour of live music?

Mr BROWN: We are represented on that working party.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: There is a working party?

Mr BROWN: Yes, I understand so.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: On this issue?

Mr BROWN: On this issue, I believe.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Has it produced any public information?

Mr BROWN: Not at this stage.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Is it likely to?

Mr BROWN: As I said, you should refer those questions to the other department. I am not the convener of that working party.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: Has the Minister considered that the public benefit criteria employed in assessing new premises or the extension of existing premises could include provision of live music as an important criterion of community benefit?

Mr GRANT McBRIDE: It is a matter for individual licensees.

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You do not approve any of that?

Mr GRANT McBRIDE: No. They are private businesses.

CHAIR: We will move on to Opposition questions.

The Hon. MELINDA PAVEY: Minister, the Kincumber police station was built in 1996, your Government spent \$1.6 million building the facility and you have had nine years to make a decision. When will the Kincumber police station be fully manned in line with Government promises made when it was first built?

Mr GRANT McBRIDE: I do not know the details of the question. I will take it on notice.

The Hon. MELINDA PAVEY: As Minister for the Central Coast, have you made any representation to the Minister for Police on this issue?

Mr GRANT McBRIDE: To my knowledge there has been no representation to me from the Kincumber community or, I point out, from the honourable member for Gosford in regard to that issue.

The Hon. MELINDA PAVEY: Considering Wyong and The Entrance stations date back to World War II, when will funding be allocated to rebuild those police stations? Why do police officers have to endure—

The Hon. CHRISTINE ROBERTSON: He is not the Minister for Police.

The Hon. MELINDA PAVEY: He is the Minister for the Central Coast. These are issues that he should represent.

The Hon. CHRISTINE ROBERTSON: Yes, but this is just wasting time.

Mr GRANT McBRIDE: In regard to The Entrance and Wyong police stations and other related matters, I will take them on notice because I do not have the answers.

The Hon. MELINDA PAVEY: On Wednesday night the Opposition asked your colleague the Minister for Planning about the status of the Gosford City Link project. One Minister, five senior planners, four ministerial staff and three Labor members of Parliament, and not one representing the Government in the committee meeting had ever heard of the Gosford City Link project. What is the status of the project?

Mr GRANT McBRIDE: That is under the Minister for Planning.

The Hon. MELINDA PAVEY: It is a strategic issue for the Central Coast. Do you have an understanding of where it is at?

Mr GRANT McBRIDE: I understand that it has been on the agenda for some time. It is managed by a unit in the Department of Planning. At this time it has been before council on a number of occasions, which has debated it in detail. The mayor has a particular view about that and councillors have a view about that.

The Hon. MELINDA PAVEY: What sort of view?

Mr GRANT McBRIDE: My job is to assist where I am asked to assist.

The Hon. MELINDA PAVEY: So you have made representations?

Mr GRANT McBRIDE: My job is also to ensure that recommendations from the community are properly processed through the system.

The Hon. MELINDA PAVEY: Are you able to table those representations?

Mr GRANT McBRIDE: I have not made any representations on this.

The Hon. MELINDA PAVEY: A series of high-rise buildings that are 10 to 12 storeys high are packed in around the Gosford hospital site and house 3,000 extra people. The buildings, which are down the road from your Gosford office, are being built by the Governor. Do you think it is appropriate that your staff have not properly briefed you on this matter, especially as the Minister for Planning was specifically asked about this issue two days ago?

Mr GRANT McBRIDE: That is the city link project you are talking about. As I said, it has been backwards and forwards before council. Council has not rejected the project. There has been constant debate and I am aware of the debate that has been going on.

The Hon. MELINDA PAVEY: So you believe you have been properly briefed on this issue?

Mr GRANT McBRIDE: I am not saying that I have been properly briefed; I am saying that I am aware of the issue. It has been before council and with the department, and it has been bouncing backwards and forwards for some time.

The Hon. MELINDA PAVEY: Minister, I am sure you are aware of the problems that nurses and doctors at Wyong hospital have been facing. To the best of your recollection, has the maternity ward been reopened?

Mr GRANT McBRIDE: I would have to take that question on notice.

The Hon. MELINDA PAVEY: Will you now guarantee to the Parliament and to the people of Wyong that the maternity ward at Wyong hospital will not be closed again?

The Hon. CHRISTINE ROBERTSON: That question needs to be asked of the health Minister.

The Hon. MELINDA PAVEY: Can you confirm that the Australian Labor Party sent teenagers out before the last election to wave signs at passing motorists promising to fix Avoca Drive? What is the current status of the Avoca Drive project? Has planning been completed? When will proper works funding be allocated?

Mr GRANT McBRIDE: Who sent out these people?

CHAIR: The Australian Labor Party.

Mr GRANT McBRIDE: To Avoca Drive in a Liberal seat?

The Hon. CHRISTINE ROBERTSON: Did you get them to show their cards?

The Hon. MELINDA PAVEY: There was a big campaign.

Mr GRANT McBRIDE: Is this an allegation? Do you have some evidence to support the allegation?

The Hon. MELINDA PAVEY: I have asked you a question. You do not know, do you?

Mr GRANT McBRIDE: I am asking you whether you just made an allegation. Do you have any evidence to support that allegation?

The Hon. MELINDA PAVEY: It is information that I have been given.

CHAIR: Let us just take the last part of the honourable member's question.

Mr GRANT McBRIDE: Does that mean you have no evidence to support the allegation that you just made?

The Hon. CHARLIE LYNN: We would not be asking it if it did not have substance.

Mr GRANT McBRIDE: Charlie, I recently read about your efforts. I would not go there.

The Hon. MELINDA PAVEY: Minister, what is the current status of the Avoca Drive project? Has planning been completed? When will proper works funding be allocated to fix Avoca Drive?

Mr GRANT McBRIDE: That is a question for the Minister for Roads.

The Hon. CHARLIE LYNN: Minister, are you aware of an incident that occurred on 30 June this year at a WorkCover building? The building was shot at. Are you aware that that happened?

Mr GRANT McBRIDE: This is a police matter.

The Hon. CHARLIE LYNN: Your Gosford office is right down the road from the WorkCover building, is that not correct?

Mr GRANT McBRIDE: How many metres is my Gosford office right down the road?

The Hon. MELINDA PAVEY: We do not know; we do not live there.

Mr GRANT McBRIDE: It pretty obvious that you do not live there.

The Hon. CHARLIE LYNN: Did Minister Della Bosca not give you a call to let you know?

Mr GRANT McBRIDE: I read about the matter in the media. It is a matter for the police. I am sure it is being managed.

The Hon. CHARLIE LYNN: Surely Minister Della Bosca would have called you about this matter? Did anybody advise you that State government buildings were at risk, presumably because of anti-Labor sentiment within the community?

Mr GRANT McBRIDE: I am not sure.

CHAIR: Order! That question is out order. Do members have serious questions?

The Hon. MELINDA PAVEY: Minister, how many offices do you have?

Mr GRANT McBRIDE: More than any other Minister, I have one on the Central Coast.

The Hon. MELINDA PAVEY: How many is that in total?

Mr GRANT McBRIDE: Ministers who have a Minister representing regions of New South Wales have a ministerial office in that region. I point out that the office to which you keep referring is not just down the road from the incident to which you referred earlier.

The Hon. MELINDA PAVEY: So how many offices do you have in total?

Mr GRANT McBRIDE: I have an office in Sydney, in Hunter Street, and as Minister I have an office in Gosford. Those are my two offices.

The Hon. MELINDA PAVEY: You have another two offices, do you not?

Mr GRANT McBRIDE: In what sense?

The Hon. MELINDA PAVEY: You have an electorate office and an office in Parliament House?

Mr GRANT McBRIDE: Every member of Parliament in the lower House—I am not sure about members in the upper House—

CHAIR: Members in the upper House do not have offices.

The Hon. CHRISTINE ROBERTSON: We have lounge rooms.

Mr GRANT McBRIDE: Yes, we do have an electorate office. Not only that we have electorate staff, telephones, fax machines and photocopiers in that office, as does every other MP. So, yes, I enjoy the entitlements of an MP and a Minister in the New South Wales Parliament.

The Hon. MELINDA PAVEY: Are your other Central Coast based ministerial colleagues afforded the same benefits? Does your ministerial colleague Milton Orkopoulos not have an office on the Central Coast?

Mr GRANT McBRIDE: He does not have a portfolio as Minister for a region. You would have to ask him those questions.

The Hon. MELINDA PAVEY: What are the wages of your two Central Coast ministerial staffers?

Mr BROWN: I do not have details of those numbers. As I indicated earlier in relation to ministerial staff, the host agency is the Premier's Department.

CHAIR: The Minister can take that question on notice.

The Hon. MELINDA PAVEY: Minister, are you intending to legislate the voluntary liquor accords? Do you believe that the success of those liquor accords lay in their voluntary nature, or will you legislate to make them compulsory?

Mr GRANT McBRIDE: There is draft legislation that has not yet gone before Cabinet. In that regard I cannot comment it. There is no policy. You are asking about policy. There is no policy.

The Hon. MELINDA PAVEY: If you are introducing legislation you obviously believe there is a need to legislate the liquor accords. You will have to have that fight with your Cabinet colleagues.

Mr GRANT McBRIDE: This is all hypothetical as it has not been through Cabinet. I hope it will be available soon.

The Hon. MELINDA PAVEY: Are you concerned about the voluntary nature of those liquor accords? They are important to the success of local hoteliers in the Monaro community and, in particular, the Jindabyne area, which you visited last Friday. Did you get that message from the local community?

The Hon. HENRY TSANG: This is a Dorothy Dix question. You must have an answer for it.

Mr GRANT McBRIDE: A lengthy answer about liquor accords? We have 128 liquor accords across the whole of New South Wales.

The Hon. MELINDA PAVEY: And are they voluntary?

Mr GRANT McBRIDE: They are mandatory and non-compulsory.

The Hon. MELINDA PAVEY: They are mandatory and non-compulsory?

Mr GRANT McBRIDE: I can give you a lengthy answer to that question.

The Hon. MELINDA PAVEY: But it is working well?

Mr GRANT McBRIDE: Obviously this is an important question.

CHAIR: The Minister can take that question on notice.

The Hon. MELINDA PAVEY: What is your view of the formation of the Australian Punters Association?

Mr GRANT McBRIDE: The Australian Punters Association?

The Hon. MELINDA PAVEY: You do not know about it? The Minister can take that question on notice.

Mr GRANT McBRIDE: I think I need to give the member more detail. There could be 4,000 Australian punter associations. We need to know their addresses, their contact points, et cetera.

The Hon. MELINDA PAVEY: The question from the shadow Minister—who obviously knows a lot more about this issue than the Minister—is: What is your view of the Australian Punters Association? What is your understanding of the reasons behind the creation of the association? If you do not yet know about it someone from your department can take the question on notice.

CHAIR: The Minister can take that question on notice.

Mr GRANT McBRIDE: I think we can see a trend here.

The Hon. MELINDA PAVEY: Do you believe the composition of the Racing Industry Participants Advisory Committee [RIPAC] has been filled adequately, and has it produced a truly representative body and source of advice?

Mr GRANT McBRIDE: I will refer that question to the director of racing.

Mr De VEAUX: RIPAC was established under legislation. There is an owner's representative, a breeder's representative, a licensed trainer's representative, a licensed jockey's and apprentice jockey's representative, a licensed bookmaker's and bookmaker's clerk representative, a member nominated by the Labor Council, and a member nominated by other members of RIPAC to represent consumers of racing and betting services, being a person selected from a panel of three nominated by the Public Interest Advocacy Centre.

The Hon. MELINDA PAVEY: So the Public Interest Advocacy Centre has control over who is the consumer representative?

Mr De VEAUX: It can nominate three people. The remaining members of RIPAC select that person from the three nominees.

The Hon. MELINDA PAVEY: So the consumer lobby does not get someone that RIPAC does not want?

Mr De VEAUX: It nominates three people and RIPAC selects them.

The Hon. MELINDA PAVEY: Do you think the legislative changes introduced last year have proven effective in producing a genuinely representative body?

Mr De VEAUX: I think so. It was passed by the Parliament and both sides of Parliament supported it.

Mr GRANT McBRIDE: Both sides of Parliament supported it.

The Hon. CHRISTINE ROBERTSON: Opposition members must have forgotten.

The Hon. MELINDA PAVEY: I was just asking you about the outcomes of the legislation. You referred it to the department, so that is great.

Mr GRANT McBRIDE: The point that was made in answer to your question was that both sides of Parliament supported the legislation.

The Hon. MELINDA PAVEY: I know. I spoke to the legislation. I am asking about the outcome of the legislation. Have you reviewed it? Are you looking at it? Are you happy with the way it is working?

Mr BROWN: The legislation was reviewed, as is most legislation. It provided for a review of policy objectives after five years. The full process of that review was undertaken, and the amendments and variations were put in place. The answer from the department is we think it is a fair body.

The Hon. MELINDA PAVEY: Thank you. Minister, what have you done to assure yourself that the additional tax raised from club gaming is being genuinely hypothecated to additional health funding in a way that has increased the Health budget beyond what otherwise would have been provided by the budget process?

Mr GRANT McBRIDE: That is a question for the Premier and Treasurer.

The Hon. MELINDA PAVEY: I see. You do not have any paper trails showing that the extra money you are getting is going to Health?

Mr GRANT McBRIDE: I am the Minister for Gaming and Racing.

The Hon. HENRY TSANG: The Minister is not the Premier of New South Wales yet!

The Hon. Dr ARTHUR CHESTERFIELD-EVANS: You know everything else about what is written in his dorothy dixers, don't you?

The Hon. CHARLIE LYNN: What does Eddie say about that?

Mr GRANT McBRIDE: Charlie, don't go there! What does Charlie think about things in the Liberal Party?

The Hon. CHARLIE LYNN: They are in very good shape!

Mr GRANT McBRIDE: I understand what you think is very important: People have to walk the Kokoda Trail to get a tick from you!

Reverend the Hon. FRED NILE: The Committee has resolved to seek the return of answers to questions taken on notice at the hearing within 35 calendar days. Does the Minister agree?

Mr GRANT McBRIDE: Yes.

Reverend the Hon. FRED NILE: I thank the Minister and his departmental officers for their attendance and co-operation.

The committee proceeded to deliberate.
