

LEGISLATIVE ASSEMBLY

Thursday 5 May 2011

The Speaker (The Hon. Shelley Elizabeth Hancock) took the chair at 10.00 a.m.

The Speaker read the Prayer and acknowledgement of country.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Bills

Mr BRAD HAZZARD (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [10.00 a.m.]: I move:

That standing and sessional orders be suspended to permit the passage through all remaining stages at this sitting of the Health Services Amendment (Local Health Districts and Boards) Bill 2011.

As I indicated yesterday, in this first week of the parliamentary sittings, reluctantly and regrettably it will be necessary for me to move suspension of standing orders on a number of occasions in order to provide appropriate work for this House and to make sure that bills that have been dealt with by this House are available to be dealt with by the Legislative Council. I notified the Opposition last evening and this morning of this situation.

By way of confirmation, I indicate to the Opposition formally that, all things being equal—and at the moment it is a moving feast—for the appropriate management of the House at approximately 11.30 a.m. debate on the Health Services Amendment (Local Health Districts and Boards) Bill will be interrupted and the House will deal with the Work Health and Safety Bill and the Occupational Health and Safety Amendment Bill, which are cognate bills. Depending on the number of Government and Opposition speakers, the House should be able to conclude those bills and send them to the upper House. The House will then return to the Health Services Amendment (Local Health Districts and Boards) Bill, on which I am sure many members will want to speak. I give that background for the benefit of all members of the House, but particularly the members of the Opposition.

Question—That the motion be agreed to—put and resolved in the affirmative.

Motion agreed to.

HEALTH SERVICES AMENDMENT (LOCAL HEALTH DISTRICTS AND BOARDS) BILL 2011

Bill introduced on motion by Mrs Jillian Skinner.

Agreement in Principle

Mrs JILLIAN SKINNER (North Shore—Minister for Health, and Minister for Medical Research) [10.03 a.m.]: I move:

That this bill be now agreed to in principle.

I am pleased to bring before the House the Health Services Amendment (Local Health Districts and Boards) Bill 2011 as the first piece of health-related legislation by the O'Farrell Government. The bill paves the way for giving effect to one of our key election promises, that is, devolution of responsibility and accountability in the health system and a return of decision-making closer to our patients. A key problem of the former New South Wales Labor Government's management of the health system was its policy of overcentralisation, added layers of bureaucracy and red tape and remote decision-making. When Peter Garling, SC released his report on the review of acute hospital care he warned that the New South Wales health system was on the brink. The Garling report focused on the disconnect between clinicians and local communities and the administrators who made decisions about hospitals and health services.

The New South Wales Liberals and Nationals believe that those closest to the patient are best equipped to make best decisions about improving health care. We need to ensure that local clinicians and the local community have a real say in decision-making at their local hospital or health service and that they have access to transparent information to make those decisions. That is why we committed to removing the huge, inefficient area health services and creating a flatter administrative structure based on districts that cover hospitals and other health services in a particular region. We said in our policy that health districts would facilitate the development of partnerships to provide seamless health care to people, whether that involved hospital treatment or community-based health care services provided by general practitioners, pharmacists or other allied health professionals. We announced that board members would be appointed on merit to include people who have medical expertise, financial and risk management skills and good standing in local communities. We committed to further develop clinical networks that link medical experts across the system. We pointed out that certain back-office corporate support functions would continue to be provided as a centralised service.

Our 2009 policy titled "Making It Work" was about devolution. I emphasise the date of that policy—March 2009. It proposed a flatter management structure with devolution of responsibility to health district boards and hospital general managers, doctors and nurses in charge of units and wards having a say in running their services. The requirement to wait for approvals from distant administrators should be reduced. As I said, our policy was released in March 2009. In response, the former New South Wales Labor Government took every opportunity in Parliament, through the media and in speeches to criticise our policy. It did so relentlessly until former Prime Minister Kevin Rudd announced before the National Press Club the Council of Australian Governments [COAG] reforms, which were based on giving greater control of health care to local communities. New South Wales Labor had to eat its words, get rid of the dysfunctional area health services and create local health networks. The problem is that it did not go far enough. It did not give proper control to the networks and governing councils that were established. That is the basis for this bill, which I introduce to Parliament today as my first piece of legislation as Minister for Health. I am proud that in the first sitting week of the new Liberals-Nationals Government I am introducing legislation that we promised.

The key changes in this bill are to provide for local health districts and district health boards in lieu of the 15 geographic-based local health networks and their governing councils. I trust that the Parliament will support this legislation so that local clinicians and local communities will have a greater say in how their local health services are run and another election commitment is kept. The revised structures will allow us in an orderly process and fashion to transfer greater degrees of responsibility and accountability to locally based decision-makers where the interests and involvement of patients and community can find a more immediate expression and response. As I previously indicated, changes were made to the structure of the New South Wales public health system in 2010, including the abolition of the area health services. The focus of these changes was to bring the New South Wales governance structures in line with the April 2010 Council of Australian Governments agreement on health reform, to which I previously referred.

A revised emphasis on local responsibility and accountability in part will be built upon two changes that will be made by this bill. First, item [1] of schedule 1.1 replaces the geographic local health networks with local health districts. The districts will retain the primary purpose of public health and hospital services, which is to provide relief to sick and injured persons through the provision of care and treatment. There will be a clear identification of each local health district with a particular geographically defined region, reflecting the broad remit of local health districts for the overall health of their communities. The districts will be responsible for the delivery of safe, high-quality and appropriate clinical services to their local communities as well as facilitating access to clinical services outside their districts where necessary and appropriate. At this stage I am not planning any revision of the existing geographic boundaries. However, I have indicated to the chairs of the current local health districts—or networks, as they are presently referred to—that minor variations may be contemplated at some time in the future, although none of these would be undertaken without a detailed process of local consultation and discussion. That includes discussions with local clinicians, communities and members of Parliament.

The second change set out in item [2] of schedule 1.1 to the bill concerns the governance of the local health districts and specialty health networks. The term "governing council" directly reflected the provisions of the National Hospitals and Health Network Agreement. I intend to adhere to the localism provisions dictated by that agreement. However, the policy of this Government is to ensure that the governing bodies function as the core accountable bodies and undertake the core accountabilities of boards of statutory corporations, with significant public responsibilities and accountability. It is proposed to reflect that through greater statutory recognition by replacing governing councils with district health boards and specialty network boards. The latter

are non-geographic health providers such as the forensic mental health network, which provides mental health services to people in custodial care, and the Children's Hospital network. The St Vincent's speciality network already has its own board.

The role of the boards will be focused on leading, directing and monitoring the activities of their services in a way that is responsive to their local patients, clinicians and communities. The functions are set out in the legislation and include: ensuring effective clinical and corporate governance frameworks are established, and approving those frameworks; approving systems that support the efficient and economic operation of the district, to ensure that the network manages its budget to ensure performance targets are met and to ensure that resources are applied equitably to meet the needs of the local community; ensuring strategic plans to ensure the delivery of services is developed and approving those plans; conferring with the chief executive in connection with the operational performance targets and performance measures to be negotiated in the service agreement for the network and approving the service agreement; providing strategic oversight of financial and operational performance in accordance with the statewide performance framework; seeking the views of providers and consumers of health services and the local community on policies, plans and initiatives; providing information on the district's policies, plans and initiatives to the community; liaising with other districts and speciality networks on both local and statewide initiatives for the provision of health services; and approving the annual report.

The chief executive of each health organisation will be responsible for controlling and managing day-to-day operations and performance of his or her district or specialty network in line with the Government's policies and local needs or priorities identified by the board. The chief executive is accountable to his or her board for the way in which he or she undertakes these functions. The board has the power to recommend the appointment or the removal of the chief executive. No board can be effective unless this central responsibility lies clearly with it. Devolving this responsibility to the boards is the clearest possible indication of how serious this Government is about enhancing local responsibility and accountability.

The boards will comprise 6 to 13 members who will be appointed by the Minister for Health and who have an appropriate mix of skills and expertise to oversee and provide the guidance necessary for a complex health organisation as well as ensuring local community and clinician representation. The current selection criteria for membership will be retained. It is critical that the boards and members of the boards have the necessary skills in health management, business and financial management and expertise as well as experience in the provision of clinical and other health services, research activities and indigenous health. The devolution of new responsibilities and accountabilities to boards in some instances will require that those boards have greater expertise around the board table in matters such as financial planning and strategic asset management or legal services. I identified those skills in my policy entitled "Making it Work", which was released in March 2009, so the expertise required should come as absolutely no surprise to anyone who works in the health system.

At the same time I draw attention to the specific retained requirement that boards also have members with special knowledge of Indigenous health as this Government is determined to work to close the gap in terms of the continuing and unacceptable lower level of health outcomes for our Indigenous people. In my other capacity as Minister for Medical Research I am also determined that board membership will include people who are qualified to provide guidance and leadership in this field, which is a priority area for the O'Farrell Government. As the Minister I also will be responsible for the appointment of board chairs, although I have already indicated that when a particular board wishes to appoint a deputy chair, I will be pleased to leave that decision and choice of such a person up to the board. Most importantly, knowledge and understanding of the community served by a local health district is essential to ensure that local health districts are responsive to their local patient and communities' needs. It is also my intention to ensure that different communities and health service providers at hospitals within a district are fairly represented on boards.

The bill also makes amendments in relation to certain statutory health corporations. Items [3] and [4] of schedule 1.1 amend the Health Services Act to provide for specialty health networks and specialty network boards in lieu of the current non-geographic local health networks and their governing councils. Currently there are two non-geographic based local health networks that will be affected by this legislation—the Sydney Children's Hospitals network and the forensic mental health network. They now will be established as specialty health networks to better recognise the specialist nature of the services they provide. Item [5] of schedule 1.1 completes the changes by applying the local health district board governance structure to these bodies. For the sake of completeness I should note that at this stage changes are not being made in arrangements that cover the operations of Justice Health, nor to the four so-called pillars established as a result of the Garling review of 2008—the Agency for Clinical Innovation, the Bureau of Health Information, the Clinical Education and Training Institute or the Clinical Excellence Commission.

Schedule 2 of the current Act identifies three health reform transitional organisations or cluster services. I have announced already that the Government intends to abolish the clusters as they are an unnecessary level of bureaucracy within the health system and are incompatible with our commitment to devolution. I am currently in discussion with the Director-General of the Department of Health to determine where the existing responsibilities of these clusters should be located and which of those responsibilities is appropriate for delegation to the new districts. I anticipate that the new arrangements will be in place, subject to parliamentary approval of this legislation, by 1 July 2011. I emphasise that in the meantime, until the formal changes are made, all existing arrangements, appointments and responsibilities remain in place exactly as they are at present.

By-laws and instruments of delegation will continue to progress the devolution of accountability for decision-making and performance to the districts and specialty networks. It is my hope that over time as the expertise and experience of boards increases so too will the pace of devolution. The primary instrument of accountability will be the annual service and performance agreement between the State and the district or specialty network. The boards and their chief executives will be accountable for meeting a clear set of financial and service key performance indicators set out in the agreements.

I emphasise that these amendments mark merely the beginning of a process for change. We are nowhere near the end. We are sending a clear message to the community about the Government's commitment to increasing local decision-making and local accountability and to honouring its election commitments in health. More work will need to be done. I have met a number of the clinicians in the workforce in rural New South Wales—in Dubbo, yesterday in Tamworth, and in western Sydney during my visits to Penrith and the Nepean Hospital and to Westmead—and this has been warmly welcomed by all. Clinicians very much want to have the opportunity to influence decision-making at their local level.

There will be incremental devolution of decision-making to the front line as the boards and their executive teams settle into their roles and develop their own expertise and capabilities. At the same time we need to ensure that all local health districts and specialty networks receive equitable access to expert support. In an address I gave to the chairs of existing governing councils in the week I became Minister I assured them of this support. I also advised them that they could call upon the expertise of the department in managing this challenging transitional phase. As I said in my policy "Making it Work", there are functions that will need to continue to operate at a statewide level or to be coordinated between districts. We need to maintain a robust performance management framework for our system.

We also need to support and retain clinical networks that link medical experts across the health system. These and other similar functions will need to operate through statewide structures such as the various statutory health corporations and the Health Administration Corporation shared services program. I have therefore asked the Director General of the Department of Health to undertake a more general governance review of the health system. The outcome of this review will involve further administrative changes to redefine how different functions will be undertaken, all with the aim of supporting a system that has the patient at the front and centre of everything we do.

Furthermore, I am well aware that the transition to the 15 existing networks, soon to be districts, has not yet itself been completed. While I am determined that we move swiftly on the necessary changes, I recognise that there is a need for stability in the delivery of health services as we move forward. The work of the transition will continue and, as I have already indicated, the health reform transition organisations that were established to support that transition will continue this role but only until the necessary administrative changes have been achieved.

Policy and administrative changes such as those proposed in this bill do not occur in a vacuum or without an underlying rationale. In this first piece of health-related legislation to come before this Parliament it is appropriate that I speak in more detail about the policy environment in which the New South Wales health system will be nurtured and developed by the O'Farrell Government. In the first instance this Government requires that everything done and everyone employed in the New South Wales health system has as a principal focus the welfare of patients. Every outcome must have a patient focus and every proposal must include a patient-centred justification. Patient access to timely, quality health care must be improved, and this Government is determined to enhance that at all levels.

Secondly, both best medical practice and simple common sense indicated that our primary activity focus should be upon preventive health measures. Indeed, keeping people out of hospital in a way consistent

with their best medical interests is vital. I acknowledge the very important work that my colleague the Minister for Healthy Lifestyles and the Minister for Mental Health will be doing in this regard. Thirdly, in order to allow patients to make better informed decisions about their own health care and that of their families there needs to be greater transparency and access to information across the system. The Bureau of Health Information will have a vital role to play in relation to that and I have already met with the bureau to encourage it to undertake more research and publication of health data and information upon which both governments and individuals can rely to make better decisions and choices. No-one should fear the truth; no-one should fear transparency. The era in which both were actively discouraged and notoriously absent from the New South Wales health system is over.

Fourthly, the entire tenor of this bill is to encourage and promote devolution in decision-making and accountability. New South Wales has some of the best and most qualified health professionals available. But under Labor policy the system has become too centralised and too unresponsive, especially to the needs of patients and the advice of clinicians. Devolution and discussion will be the hallmarks of the new O'Farrell Government. Fifthly, I say quite clearly that no health system can be truly effective if there is not a real culture of service about it. I have already had discussions with the Director General of the Department of Health about the need to eliminate bullying and harassment from any part of the health system and to move towards the development of a new code of conduct based on what I have called the core values of collaboration, openness, respect and empowerment. Culture change is an absolutely necessary precursor to enhanced outcomes for both the patients and all the people working in the health system at whatever level they may be.

Once it is clear that those of us placed at the leadership level of the health system—the Minister, the director general, senior executive staff, all chairs and chief executive officers—are utterly committed to these principles then I have no doubt that we will find willing and indeed enthusiastic supporters of our reform agenda through every nook and cranny of the New South Wales health system. There are wonderful employees in the health system and they have been busting to have the shackles of the policy of the former Labor Government in central control removed, which took no action in relation to bullying and harassment. A commitment to major reform in the health system of this State was at the very front and centre of the last election campaign which resulted in the New South Wales Liberals and Nationals Government, led by Premier O'Farrell, being entrusted with one of the greatest and most comprehensive electoral mandates in the history of not only the State but also of Australia. The damning verdict pronounced upon 16 years of Labor failure and incompetence speaks for itself. Those days are well and truly over.

The SPEAKER: Order! The member for Canterbury will come to order. The member for Wollongong will come to order.

Mrs JILLIAN SKINNER: This bill represents a first step in honouring our commitment to the people of this State to work to make it great once again. I commend the bill to the House.

Dr ANDREW McDONALD (Macquarie Fields) [10.28 a.m.]: The Opposition will not oppose the Health Services Amendment (Local Health Districts and Boards) Bill 2011 but I have some significant concerns about it. As the Minister said, no-one need fear the truth. Yet, the most complex thing the human race has ever undertaken is modern health care. This proposed legislation represents significant change to the way health care is conducted in this State, yet it is being done in one morning. I received no notification prior to 10 o'clock this morning that this bill would be debated today in all stages. The usual protocol for the passage of legislation is that the Minister in charge of a bill will give an agreement in principle speech and then debate on the bill is adjourned for five days in order that stakeholders may be consulted. This major change will not happen on this occasion. If they have nothing to fear from the truth they would have no concerns about consulting stakeholders.

As Garling said, we have one of the world's better health services. In fact, the current health services which the Minister spent considerable time talking down are rated by international agencies as being among the best in the world. Today 90 per cent of patients in the current health system rate their care as good, very good or excellent. We run one of the world's better health systems, but that does not mean there is not substantial room for improvement in some areas, especially in Aboriginal health, to which the Minister alluded. Why is this significant change being rushed through without obtaining a considered response by the many health stakeholders?

This proposal really is a battle between centralisation and decentralisation of health, a battle that exists in all health services across the world. This proposal is a return to the past. In 1990 at a meeting with then director general Dr Bernie Amos I, as a junior consultant in south-west Sydney, was informed in no uncertain

terms that the health pie was only so big and the only way I would get more of that health pie was effectively to remove it from another area health service. This was not his job; it was my job. The rest, as they say, is history. The rapid population growth was not catered for under the then Liberal Government. Eventually the demand on health care exceeded the supply of clinicians able to deliver it.

This proposed return to the past should cause concerns to all members who live in growth or rural areas because, despite the best efforts over many years of many people from both sides of government, there remain significant inequities in health care in the peripheral areas of Sydney and rural areas. This bill locks in every health service to a catch-and-kill-your-own mentality. Under this system there will be no mechanism for redistribution of funds. Despite what the Government says, casemix funding has its own flaws, which is why its introduction raises significant concerns worldwide. Removing clusters is regarded by many stakeholders as a retrograde step. It would have been good if supporters of clusters had a chance to advocate for their retention in some way.

Modern health care trends are towards networking care. Clinical networks already cross area health service boundaries. This proposal will mean more boundaries will have to be crossed. Health costs increase by 9 per cent per year; funding cannot possibly keep in line. What will happen through this proposal is that every area health service will become a silo with no mechanism for redistribution to growth or rural areas. This system is a return to the past; it is a system that did not work. I have significant reservations that again it will not work. All stakeholders should have had a chance to discuss the proposal after the Minister's initial speech.

The science on how to run health systems is clear. It matters less how they are run than whether they are funded or staffed properly. That is what it all comes down to. This proposal contains no mechanism for identifying how to properly fund and staff each area health service. What will happen when an area health service proves to be unable to meet its population need? I look forward to hearing the Minister's reply on how she will address the problem of an area health service being clearly unable to meet the needs of the population it serves. An enormous amount of time and discussion has been spent on the makeup of each local area health network. What will happen to them? The Minister needs to tell every member of those local health networks whether they still have a job. I understand and accept the need to possibly increase expertise in some areas, especially as part of financial management. The enormous amount of consultation that was undertaken regarding personnel for each local health network is being undone by this proposal. I want the Minister to indicate clearly that there will be no political appointees of any sort to any of these boards.

We need to hear also from the Minister whether this legislation will put at risk the Commonwealth funding of \$75 million in 2011 and the 488 extra beds. This bill also will re-create a new bureaucracy. It is well known that the amalgamation of the 17 area health services saved \$70 million and 1,100 positions. The Minister needs to identify in dollars and cents how much this re-creation of past infrastructure will cost and whether that money will come out of the clinical budget or is part of an enhancement. As I said before, the future of health care is networking. The Minister needs to identify how clinical networks which cross the boundaries of area health services will be maintained and enhanced. For example, trauma, cardiology, complex ophthalmic surgery or neurosurgery networks need to be encouraged and enhanced as they now will cross numerous health service boundaries. How will the Minister support these clinical networks as distinct from area health services?

I am pleased the Minister said that the four pillars will remain: they are vital to the future of health care. As Professor Michael Marmot, one of the world's great demographers, said, "If you are serious about health care you correctly measure what you are doing." The Bureau of Health Information and the Clinical Excellence Commission are vital for this proposal. For that reason I am encouraged by the Minister's firm statements that these services will continue to be encouraged and enhanced. However, as with everything, the proof will be when it happens. Words are one thing; we will need to see proof. As I said earlier, health costs increase by 9 per cent per year and true funding cannot possibly keep pace. The future of health care with changing technology and demand is networking. This bill flies in the face of that and does nothing to address the projection that by 2040 health will take up 100 per cent of the State budget. We need to know the Minister's plans to rein in health costs under area health services. What will happen to area health services that have difficulty meeting their budget or that do not spend their budget? Will any of those budget surpluses be returned to consolidated revenue or will area health services be able to retain the money for future needs? As I said, growth areas and rural areas are my main concern. I cannot see that these changes will help to provide the expanded services that these areas need.

The proof of the effectiveness of these changes will be what occurs. This system has previously been found wanting in growth areas. We need to know whether the system, which has failed in the past, will now

work. The Opposition will be watching closely to ensure that the areas that most need enhanced services—that is, the rural areas and the growth areas—receive them. It worries me that the Minister has said there is more change to come. I can only hope that when these changes are implemented they are foreshadowed and that this is the last time that any Minister for Health treats health workers with contempt by saying that we do not get out of bed every morning with the aim of improving patient care.

Mrs Jillian Skinner: Who said that?

Dr ANDREW McDONALD: You did. I am one of the 90,000 health care workers to whom the Minister referred. As she said, every healthcare worker must focus on patient care. I can assure her that having spent 30 years in the system—

Mrs Jillian Skinner: Point of order: I ask the shadow Minister to withdraw that remark about my suggesting that healthcare workers do not get out of bed every morning with the aim of helping to improve patient care. I said no such thing and he knows that. That comment is offensive and it should be withdrawn.

Dr ANDREW McDONALD: I will check *Hansard* to see what the Minister said about the culture of the health system. There is more change to come. This should be the last time that any Minister for Health makes a fundamental change to the way in which we deliver health care with no notification to either the Opposition or the stakeholders and without any opportunity to consider the agreement in principle speech or the legislation in detail. There was no urgency; this debate could have been conducted in five days time. It certainly could have been delayed until those who oppose it had the chance to be heard. This is sausage-factory legislation and this process should not happen again. However, the Minister will be judged by her actions rather than her words.

Mr KEVIN HUMPHRIES (Barwon—Minister for Mental Health, Minister for Healthy Lifestyles, and Minister for Western New South Wales) [10.43 a.m.]: I support the Health Services Amendment (Local Health Districts and Boards) Bill 2011. As the Minister for Health stated this morning, the objects of this bill are to amend the Health Services Act 1997 to establish local health districts and boards for such districts and to provide for certain statutory health corporations to be speciality networks with boards, to make related amendments, to enact provisions of a savings or transitional nature and to make consequential amendments to certain other Acts and statutory rules.

What a fantastic day this is. I congratulate the Minister for Health not only on the work she has done to introduce this bill but also on its framework and context. This bill has been at least 10 years in the making; this is not something that has evolved over the past six months or 12 months, or even over the past two years or four years. This bill is the culmination of 10 years of hard work undertaken by the Minister. The network that she has developed over the years largely involves health professionals, clinicians and community leaders and members who were sick and tired of the centralisation and mismanagement of health services and a lack of leadership in this area. In fact, they have been witness to a revolving door at the leadership level of health services in New South Wales. Members opposite should not have said that they needed five more days to examine the bill. They have had 16 years to consider the Coalition's proposals in this area.

The Minister for Health has more knowledge of the New South Wales health network than the combined rump of the Opposition has. Health officials who have worked with the Minister were working under the former Government's management. They approached the Minister in her role as shadow Minister expressing concern, fear and angst about the centralisation of services and mismanagement. Members of the Opposition should not say that this is new news; it is not. This Government has a clear mandate from the people—although it is not quite unanimous—given that the Coalition has 69 members in this place. This Government will make a difference and health was clearly highlighted as a major Coalition priority during the election campaign.

The Minister for Health and the Premier have stated on many occasions that a Coalition Government will serve the people of New South Wales; that is, it does not expect the people to serve the Government. The best way to serve the people of New South Wales, particularly in the health sector, is to give them more say in the provision of services. They should have a say in where those services are delivered and by whom, and how they are managed. If members were to canvass the people of this State they would find that the issue of most concern is the mismanagement and lack of leadership demonstrated by the former Government with regard to health service delivery. The Coalition has committed to changing that culture, not only in the health sector but across the board. If a government disengages from the community, particularly in respect of health services, if it abandons the professional advice of the clinicians in particular and if it sidelines them it invites disaster. That is what has happened in New South Wales.

Why is the health budget growing by 9 per cent a year? It is because the former Government continued to move health services to a centralised bureaucracy, to reduce frontline services and to increase backroom services to the point at which hospital beds have been closed in many of the areas that I represent. More money was being spent on vehicles to put people on the road to deliver a minimal outcome. Members opposite should not oppose devolution or decentralisation of health services—that is, putting knowledgeable local clinicians, front-line staff and community leaders in the driver's seat. They traditionally provided those services in our communities until the Labor Government deconstructed that system. As the Minister for Health said, the Coalition will reconstruct that system from the ground up.

The member for Macquarie Fields, for whom I have respect on a number of fronts, said that the health budget has grown by 9 per cent a year. He has probably been expecting me to refer to a rural doctors' meeting held at Bondi a couple of years ago. However, before doing so I will respond to his statement about the increasing health budget. Given the size of this State and its extensive rural and regional areas we cannot continue to centralise health services. The former Government's mantra was that it would bring care closer to home. That cannot happen if local services, particularly in remote areas, are dismantled and people are encouraged to move to major centres for treatment.

The New South Wales Labor Government had no cancer action plan or diabetes plan for western New South Wales. Members opposite should be ashamed about the disparity between Aboriginal health outcomes and the rest of the community's health outcomes and the fact that the gap is widening. The former Government forced people to travel to major centres for treatment by dismantling local services. Diabetes is out of control in many Aboriginal communities but members opposite failed to provide a service delivery plan. That was despite the numerous attempts made by local people in the regions to restore the balance. How could they target a community with an identifiable problem when the Government would not listen? People in rural and remote areas cannot relate to services provided by metropolitan hospitals. Of course we need clinical networks, and we had them until, to their shame, members opposite dismantled them.

Our philosophy as a conservative-based Government, with the partnership between the Liberals and The Nationals, is very clear. There is a distinct point of difference between being in government at this point and what those opposite were providing previously. We do not want to go back to centralised command and control. We will devolve services. We will devolve responsibility back to communities. Why could the former Government not get recruitment in some of the harder to recruit places when the agencies could, when other non-government services could? I am not sure the previous health Minister understood that people on the ground who were working for NSW Health said they were sick and tired of the lack of flexibility, the bullying and manipulation that was going on and the lack of continuity in front-line services. No wonder the previous Minister could not get people to work in those hard-to-staff places. Why could she not get people to work at the forensic mental hospital if it was going to be staffed under a NSW Health system? She had to form a partnership with another agency because no-one wanted to work for NSW Health. People were sick of the culture. Why are a third of our nurses sitting in New South Wales, not working—sitting, not working—

The DEPUTY-SPEAKER (Mr Thomas George): Order! The member for Marrickville will have her opportunity to contribute to the debate.

Mr KEVIN HUMPHRIES: The member for Marrickville needs a reality check. Those opposite had long enough. They are a disgrace. They failed the people of New South Wales. The nurses supported us in the last election because of the good work the present health Minister was doing but also because they were not going to come back and work for that lousy lot. Because of the inflexibility of the work practices a third of our nurses are sitting outside the system. Why were hospitals such as Lightning Ridge being run by agency staff and locums for years and years? I ask the member for Macquarie Fields: Why should the taxpayers of New South Wales, because of lack of management, be paying top dollar for agency staff coming out of Queensland, not even New South Wales, to run some of our hospitals? It is not because other groups could not recruit to some of those remote places; they could and they were. The police were able to recruit and teachers were able to recruit. People in community services were able to recruit to those places that the former Government could not because the system failed and the locals lost control of how they wanted to deliver that service and have some say. Opposition member should not say that they will be watching; I hope members opposite do watch, because people in our communities want a change.

Why was the 9 per cent annual growth figure—this is the important figure—growing out of control? Because those opposite were relying more on agency staff, on locums and on centralised services. They dismantled services out of many regional hospitals and smaller hospitals. I suspect the health Minister has a pile

she cannot jump over of people who transferred from our smaller hospitals where basic procedures used to be undertaken to major hospitals such as Dubbo for procedures such as the taking out of stitches. This is ridiculous. We have costings on all that. Instead of a basic \$75 procedure that could have been undertaken in Coonabarabran hospital people were transported to Dubbo—in the case of one lady, twice—to have a feeding tube inserted at a cost of about \$4,000 to \$5,000. People were paying not only for the procedure but also for the ambulance transfer and the bed being taken up in a major regional hospital—which was blocking someone else who really needed that service—when that procedure should have been undertaken at the local hospital. The former Government systematically deconstructed services that should have been maintained in those hospitals. Labor went to war with those doctors who knew and should have had more say in how those services should have been delivered.

When the member for Macquarie Fields attended the Rural Doctors Conference two years ago or two and a half years ago this question came from the floor: What do we have to do to fix health in New South Wales? The reply of the member for Macquarie Fields was, "Join the National Party." He might well have told them to join The Nationals and Liberals, because most of them did. My good friend and a friend of the health Minister, Tony Joseph, head of emergency services at Royal North Shore Hospital, who used to be a supporter of a party that represented working-class people and working families, said, "These people have walked away from all the good advice we have given them. I will not support them anymore." That started a wave of clinicians wanting to have more say in how those services were delivered.

Take heart that the 69 people on this side of the House took the advice of the member for Macquarie Fields, the shadow Minister for Health. Many people did join the Coalition parties. That is, many members on this side of the House are from the west, led by our good friend the member for Murray-Darling, who won every booth in Broken Hill. Congratulations on that. People wanted change. Members opposite knew that change needed to happen, and we will deliver.

I commend the bill introduced by the Minister for Health and the fantastic work that she has undertaken. District networks will work. As the Minister said, we will reserve the right to adjust some boundaries. There may need to be some tweaking. Are people looking forward to being involved at the local and regional level? Yes, they are. Are they looking forward to taking on the responsibility? Yes, they are. It is what they want. We need to reinstate order and we need to reinstate a legitimate corporate governance system. That is what we will do. The only way we will get this State back to number one is to be totally committed, and the Premier has given the undertaking to restore community engagement.

Those opposite disconnected from the people of New South Wales. If 26 March did not send that message strongly enough they have problems. They will be on that side of the House for a long time and they will occupy only one bench after the next election instead of two. They have to reconnect. We will do that: we have been given that mandate. We will not be compromising clinical care, as the health Minister outlined. We will maintain those specialty services, and the vast majority of people will be looking forward to it. I look forward to working with the health Minister over this term of government. We will help to provide the support needed in the community, to have those step-down facilities that will take the pressure off our whole system, not just in mental health care but also when we start to target some of those chronic diseases in the community. I commend the bill to the House. I commend the health Minister. I commend the Government. Most of all, we look forward to working with the community.

Ms CARMEL TEBBUTT (Marrickville) [10.57 a.m.]: I speak today to the Health Services Amendment (Local Health Districts and Boards) Bill 2011. As the shadow Minister has indicated, the Opposition will not oppose this legislation, although I also echo his comments about the short time we have had to examine the detail of the bill not being repeated with future legislation. There are good reasons why legislation lies on the table for five days: to allow the examination of the legislation in detail. There is a certain similarity and familiarity in comments put forward by oppositions.

I take this opportunity to congratulate the Minister for Health on her appointment. As a former Minister for Health I have had the honour and privilege of working with the men and women who make up our health system. It is an honour and privilege: they are inspirational people. I know the Minister the Health has long coveted this role. She now has it, and I wish her all the best in making the right decisions on behalf of the patients of New South Wales. As the Minister indicated in her comments on this bill, the bill seeks to replace networks with districts. The Minister has indicated that at this stage no changes are proposed to the boundaries of the health networks, which will become districts, and that the governing councils will be renamed boards and will take on the functions and key accountabilities of boards.

I am pleased that no significant changes are being made to the boundaries of the existing health networks. There is no doubt that extensive consultation was undertaken by this side of the Chamber when we were in government to develop the local health networks and to establish the boundaries for those health networks. We released a discussion paper that resulted in extensive consultation with clinicians and communities across the State. We received some 400 submissions that culminated in the announcement by the Government of the day of the 18 local health networks in New South Wales.

Those health networks, now to be known as districts, have really been in operation for only a few months. While the Minister has indicated that she may propose some changes down the track and that there would be extensive consultation if there were changes—and I welcome that—the reality is that change for the sake of change is not usually a good thing, particularly in a system as complex and as large as the New South Wales health system. It is important that the health districts have the opportunity to bed down their operations and to go ahead with their important role without the added pressure that a subsequent change in boundaries would bring, so I think this is a good decision.

I am concerned, and I would seek the Minister's commitment, that there will not be changes to both the chairs of the governing councils, now to be known as district boards, and their membership because again there was an extensive process of consultation in the appointment of those chairs and also members of the governing councils. Advertisements were placed in metropolitan and regional papers and a rigorous application process was undertaken. Various stakeholders in the health system were involved in putting together a process to appoint the chairs and the governing councils. There is no doubt that it had to be done in a timely way because we were seeking to put those in place to meet the requirements of the National Health Reform Agreement. The Australian Medical Association and other stakeholders were involved in putting together a process that everyone agreed was a very good process. It resulted in chairs and members from a range of different backgrounds such as community leaders, leading clinicians, academics and businesspeople.

I seek a commitment from the Minister that those chairs and governing council members will continue because those people are just coming to terms with their role; they are just gaining understanding and experience. I have heard that the governing councils, now to be known as boards, are starting to work together effectively and it would be a shame if the membership were to be changed. The Minister may wish to appoint additional people—that would make sense because the boards will take on some new responsibilities, but I would like a commitment that there will not be a dismantling of the current membership of the chairs and the boards.

I appreciate that these are early days and that the Minister today is focusing particularly on governance changes. However, there is no doubt that if the Minister and the Government are to address the many challenges confronting the delivery of health services in New South Wales, delivering the right care in the right place at the right time, it will take substantially more than simply governance changes. We need to know—and I will be interested to hear from the Minister—whether the Government will sign the National Healthcare Agreement. We indicated during the election campaign that we were committed to signing that agreement. The Coalition did not make any such commitment. Since the election I know the Government has indicated that it is looking very seriously at signing the agreement. The agreement brings major benefits to New South Wales—some \$1.2 billion over the next four years. That is money for more beds, more surgery and more equipment for our hospitals. Some 488 new beds are being opened across hospitals in New South Wales as we speak and over the next four years it will contribute to a total of 840 new beds and about 800 additional nurses to support those new beds, as well as extra surgical procedures.

If the health system is successful in receiving the reward funding, that funding will go towards our emergency departments and hospitals. I seek an indication from the Minister that the Government will commit to signing the National Healthcare Agreement because if it does not, it will place our health services in New South Wales at major risk. Similarly, we have not heard much about how the Government intends to address the pressure on our hospitals and emergency departments from a growing and ageing population, what it intends to do about the workforce challenges of the future or the rising incidence of chronic disease that is impacting on our hospitals. Both government and the community must embrace lifestyle changes in order to reduce the risks and incidence of chronic disease. We will be closely watching these matters into the future to see how the Government will address these key challenges.

Before I conclude I must address some of the issues that the Minister for Mental Health, Minister for Healthy Lifestyles, and Minister for Western New South Wales raised. It is somewhat unfortunate that the Minister does not seem to have made as yet the transition from Opposition to Government. I am sure he will

manage to do that over time but it will take more than rhetoric and mudslinging to address the substantial challenge confronting the delivery of health services, not just in New South Wales but across the country and internationally. These are not New South Wales-specific issues. The delivery of health services is an international challenge with a growing and ageing population and the rising cost of health services. Some of the comments from the Minister demonstrate his failure to make that transition to being a Government member who needs to have a substantial debate about these issues.

The Minister does not seem to appreciate that New South Wales has the lowest diabetes mortality rate of any State in Australia. When Labor was in government it implemented a chronic disease management program to address precisely the issues that the Minister raised. We established renal dialysis services across New South Wales. Of course there is more to do, there always is, but we have seen a dramatic reduction in the rate of death from cardiovascular disease and from cancer. I urge the Minister to examine these issues and to recognise that if he is to fulfil the responsibilities that the people of New South Wales have now placed in him, we will want to see more than the kind of muckraking that he exhibited in the House today. In the future we want to see clear indications from the Coalition Government on how it will address the very important issues that confront the delivery of health services in New South Wales. For the sake of the patients of New South Wales and the people who work in the health system we will look very closely at these issues into the future.

Mr ANDREW CONSTANCE (Bega—Minister for Ageing, and Minister for Disability Services) [11.08 a.m.]: I speak strongly in support of the Health Services Amendment (Local Health Districts and Boards) Bill 2011. First, I congratulate the Minister for Health, and Minister for Medical Research not only on her appointment but also on the years of service that she gave as shadow Minister. She spent days and months travelling around the State talking to local clinicians, hospital action groups, mayors, councils, chambers, medical staff councils, nurses and allied health professionals about this exciting new arrangement for the New South Wales health system.

The Minister and I had an opportunity to meet with the Pambula Hospital Action Group and local medical staff council in the southern part of the State. When the Minister spelt out our intentions, the doctors in particular lit up with excitement about the cultural change that this legislation would bring about. The cultural change is the exciting aspect of this reform. A month into the job we now have what is substantive and major reform that will change the culture. It will devolve decision-making back to local communities. It will empower them to make the right decisions in the interests of patient safety and that is what excites me about this legislation. I believe this reform will now stand the New South Wales health system in good stead for many years to come. I believe that in itself is worthy of reflecting on in the introduction of this bill today. Congratulations to our new health Minister in that regard.

First I want to respond to a point made by the shadow Minister for Health when he spoke about this legislation. One aspect the member for Macquarie Fields tried to reflect on but did so badly was that establishing local health districts would mean that no networking would take place across district boundaries. The health Minister made it clear in the Making it Work policy that there will be functions that will need to continue to operate at a statewide level and, for that matter, potentially at a regional level, to be coordinated between districts. The health Minister also cited the fact that there is a need to support and retain the clinical networks that link medical experts across the health system. That point did not seem to register with the member for Macquarie Fields. It is important that that be addressed. We will not allow scare campaigns or fear campaigns to emanate from the Opposition when we have clearly made that point and done so strongly.

One of the key features of the O'Farrell-Stoner Government is the fact that we want to devolve decision-making back to communities as best we can, regardless of whether it is in regard to health, disability services, planning, or the like. This legislation is about that change. It is about putting local people back in charge of their local health system. I do not need to reflect on the history of the area health services regarding the way in which they grew and then were dismantled, and then grew again, and everything else that occurred over the past couple of decades. But the point that needs to be made is that we have to trust people in this State to do the right things at a local level. Certainly the breakdown in trust between medical staff councils and the bureaucracy has been a key problem with regard to health in this State.

One of the exciting things about this legislation is that it is designed to reassert trust into the health system, and it is designed to get the bureaucracy and allied health professionals, nurses and clinicians back making decisions together, in the interests of patients. As the Minister for Health said, we are committed to ensuring that every decision and every person working in the health system is focused on patient outcomes. One

of the key features of this Government is that we want to be open, consultative and transparent in our approach. Therefore we will be looking for ways to improve access to timely, quality health care across the State, and that means ensuring that the doors are open.

As the member for Bega I can say that in the past 24 hours alone I have started to have constructive dialogue with the chief executive officer of the former local health network. I will now work to make sure that those relationships broaden to the medical staff councils that exist throughout the south-east region. As the Minister for Ageing I can indicate that in the next 20 years we will see a 50 per cent increase in the ageing community over the age of 65. The very clear instruction from the Minister for Health across the board is that we want to avoid unnecessary hospitalisation through a greater emphasis on preventative health and better management of people with chronic disease. That drive needs to happen at a local level, and that is where the board structure becomes incredibly important because of the varying demographics across the State.

One of the things that worries me also—and this is something that the incoming Government has now inherited following Labor's mismanagement of the health system—is that we do not have a true feel for the extent of the deficits that exist within the current structures. The local health network deficit in my region is unknown, but everyone knows that there is a deficit. This is the type of thing that will continue to present problems as we move on, in relation to what we are inheriting in that regard, the availability of funding, and the pressure the bureaucrats are currently under because of that availability of funding. In our region we also have a unique situation because we have the interface between the Australian Capital Territory health system and what was the local health network, now to be a district health board. That in itself presents some significant challenges, particularly in light of the fact that potentially upwards of \$90 million is being sent to the Canberra health system to treat New South Wales patients, and yet New South Wales patients comprise 25 per cent of the waiting lists in Canberra.

We are dedicated to improving facilities and access to appropriate and timely health services on the ground within local communities. That is the pleasing aspect in relation to seeing new health infrastructure, particularly in the south-east area of the State. I am incredibly grateful for the commitment the health Minister has given of providing \$10 million towards the new regional facility to be located in Bega. The Federal budget will be handed down next week, so we will wait to see what happens through that process. However, it was the New South Wales Liberals and Nationals who got the ball rolling in that regard. That new infrastructure development will be well supported, as I said, by the local health district, which will be directly involved in local decision-making and in driving the changes to health that we need at a grassroots level.

The New South Wales Liberals and Nationals are about giving real control at a local level. It is terrific that the Minister for Health introduced this bill as her first piece of legislation. I am particularly grateful to the health Minister, who has indicated that some minor changes may be made with regard to demographic aspects because of concerns that might exist given vast distances, particularly for rural areas. Country people, in particular, have been extremely passionate about what this proposal means for their local communities.

As I said at the commencement of my contribution, and I will conclude on this note, the health Minister has travelled the width and breadth of this State consulting for many years. This reform is not something that has just popped up in the last five minutes for those opposite. For many years Labor members have commented in this Chamber about the "Making it Work" policy. In fact, both the member for Macquarie Fields and the member for Marrickville have for many years commented on the policy. Although Labor members feign, "We haven't seen this", the fact that *Hansard* proves that Labor members have been providing comment on the policy for many years puts that issue to bed. It is very exciting and I congratulate the Minister for Health on this. More work is to be done and this is but the first step of many in driving change.

The member for Marrickville touched on the healthcare agreement. When the former Labor Government was in power it signed up to an agreement, which was reversed. It then was willing to rush into the next agreement. The former Labor Government was willing to hand over the GST funding willy-nilly, without any thought as to what that would mean to the State's finances. We then had another agreement once Gillard tore up Rudd's agreement, which again the former Labor Government was immediately willing to sign up to. Thank goodness New South Wales now has a responsible government that is prepared to act in the interests of the State and take time to work through the fine print. The Liberal-National Government was not prepared to rush into it. That is a healthy sign for the future of this State. Without doubt this is probably one of the most important pieces of legislation we will see in terms of driving reform in the health system of this State.

Ms NOREEN HAY (Wollongong) [11.20 a.m.]: I speak on the Health Services Amendment (Local Health Districts and Boards) Bill 2011. Firstly, I congratulate the Minister for Health on her achievement of that

position and I also congratulate the Deputy-Speaker on his elevation. As early speakers from this side of the house have said, the Opposition does not oppose this bill. Following the Council of Australian Governments [COAG] agreement in April 2010 to a \$3.4 billion national funding package to improve access to public hospital services, New South Wales immediately began to see the great benefits of those reforms through the opening of additional new beds in our hospitals. These included enhancements at the following sites that have been announced since May 2010: 12 beds, Prince of Wales Hospital; 20 beds, Campbelltown Hospital; 21 beds, Wollongong Hospital, 26 beds, Nepean Hospital, 27 beds, Sydney Children's Hospitals network; 17 beds, Sutherland Hospital; 22 beds, Royal North Shore Hospital; 16 beds, Maitland Hospital; 16 beds, John Hunter Hospital; 19 beds, St George Hospital plus four special care cots; 10 beds, Mount Druitt Hospital—

Mrs Jillian Skinner: Point of order: My point of order relates to relevance. Whilst it is very interesting to hear about the number of beds that have been opened under the Council of Australian Governments reforms, this bill is not about the Council of Australian Governments, COAG. The legislation is about the establishment of local health districts, and the member's contribution is not relevant to it.

The DEPUTY-SPEAKER (Mr Thomas George): Order! The bill is about health districts and boards. The member for Wollongong will return to the leave of the bill.

Ms NOREEN HAY: The COAG agreement was discussed early and this is part of my address on the bill.

The DEPUTY-SPEAKER (Mr Thomas George): Order! A previous speaker referred to the COAG agreement, but it is not part of the bill. The member for Wollongong will return to the leave of the bill.

Ms NOREEN HAY: An extra 455 beds to date for our public health system will be at risk—

The DEPUTY-SPEAKER (Mr Thomas George): Order! Is the member for Wollongong disputing my ruling?

Ms NOREEN HAY: No.

The DEPUTY-SPEAKER (Mr Thomas George): Order! The member for Wollongong will return to the leave of the bill.

Ms NOREEN HAY: I have stopped reading out the list of hospitals. These are my comments in relation to the Health Services Amendment (Local Health Districts and Boards) Bill 2011, how it affects the health system and how it previously affected the health system. There has been ample discussion here about that this morning.

The DEPUTY-SPEAKER (Mr Thomas George): Order! The member for Wollongong will return to the leave of the bill, which deals specifically with local health districts and boards.

Ms NOREEN HAY: Mr Deputy-Speaker, part of my contribution is that it is a far more important task than introducing a bill to change the names of governing councils to district boards. Our public system could be at risk if the Liberal-National Government does not sign up to the COAG agreement and that will affect the implementation—

Mrs Jillian Skinner: Point of order: My point of order is relevance. I do not believe that the member for Wollongong has got it. This is not a COAG bill. It is about governance of the Health system, introducing local health districts and boards. It is not about COAG or individual hospitals. I ask that the member for Wollongong be directed to return to the leave of the bill.

The DEPUTY-SPEAKER (Mr Thomas George): Order! The member for Wollongong will return to the leave of the bill. This is her final warning. The bill has nothing to do with COAG.

Ms NOREEN HAY: The Opposition considers the move to introduce a bill such as this, which the Opposition does not oppose, is simply to change the names. If I can refer to the former Government's position in relation to health boards, in November 2010 the former Minister for Health, Carmel Tebbutt, announced there would be 15 chairs to lead the governing councils of the New South Wales local health networks. In December

2010 the former Minister for Health announced the membership of those governing councils, and that as at 1 January 2011 the new local health networks would replace the existing health services with their own budgets, management and accountabilities.

Those governing councils reflect the former Government's commitment to strengthen local decision-making and clinician engagement. As to the establishment of the proposed new local health networks, the former Government had conducted an extensive consultation process with health professionals and community members across the State to seek their input into the new local health networks; issued a discussion paper and a further round of public consultations to inform the configuration of the new health system and what was proposed; passed an Act of Parliament that established local health networks, the Health Services Amendment (Local Health Networks) Act; appointed a chairperson and members of 15 governing councils, the body responsible for ensuring that the local health networks were accountable and the body that delivered effective and efficient health services and performed against targets; and established 18 local health networks, which were made up of eight geographically based local health networks to cover the Sydney metropolitan region, seven geographically based local health networks to cover rural and regional New South Wales, and three specialty networks for children's health, forensic mental health, and services delivered by St Vincent's Health.

Governing council members were appointed by Cabinet following a selection process convened by the chairs, which included independent advice. The final round of recruitment for local health network chief executives was underway at the time of the election. The chief executives were then to report to the governing councils. I place that on the record to illustrate the suggestion that this is merely changing the name of what was the intention as part of the Health Services Amendment (Local Health Districts and Boards) Bill 2011. I am on record several times as saying health service delivery in New South Wales, and indeed, Australia, is the best in the world. Speaking from my own experience, particularly at Wollongong and St Vincent's hospitals, our health service delivery is second to none throughout the world. Without question my youngest son and my grandson, as was recently reported and as I referred to in my inaugural speech, would not be alive today but for the public health service in New South Wales.

But the cost of health service delivery increases every year and the demand on our health system is ever increasing. Without stipulating how we will deal with these increases demands and how that growth in need and costs will be met, it makes it very difficult to see the impact of these kinds of changes. I look forward to the Government providing greater detail. As the Minister has indicated, there will be tweaks and changes. In the future we will have to look closely at the agreement with the Commonwealth in relation to the delivery of health services. I understand that the proposed agreement, which will give additional funds to New South Wales, is required to be signed in July.

Very little has been said about the announcements that have been made about the changes. I look forward to increased investment in health infrastructure—particularly for Wollongong Hospital, the main regional hospital in the Illawarra—as has been indicated. The Minister for Mental Health spoke about increased recruitment—how it will be achieved and delivered. I will be interested to see the proposed changes to recruitment processes in regional New South Wales that will achieve the outcomes that have been outlined. I echo the comments of a previous speaker on this side of the House regarding the speech of the Minister for Mental Health. I refer not to what he said but how he said it, which was disappointing. In that regard I hope we see a change in the future.

Debate adjourned on motion by Mr Ray Williams and set down as an order of the day for a later hour.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Bills

Mr BRAD HAZZARD (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [11.32 a.m.]: I move:

That standing and sessional orders be suspended to permit the passage through all remaining stages at this sitting of the Work Health and Safety Bill 2011 and the Occupational Health and Safety Amendment Bill 2011.

Earlier today I mentioned that, as manager of business of the House, I would move a motion to bring on the Work Health and Safety Bill and Occupational Health and Safety Amendment Bill. I gave notice of this motion this morning and I discussed it with the Opposition leader of business last night and this morning. The Opposition understands the need to move this legislation.

Question—That the motion be agreed to—put and resolved in the affirmative.

Motion agreed to.

WORK HEALTH AND SAFETY BILL 2011**OCCUPATIONAL HEALTH AND SAFETY AMENDMENT BILL 2011**

Bills introduced on motion by Mr Andrew Stoner.

Agreement in Principle

Mr ANDREW STONER (Oxley—Deputy Premier, Minister for Trade and Investment, and Minister for Regional Infrastructure and Services) [11.34 a.m.]: I move:

That these bills be now agreed to in principle.

I am pleased to introduce the Health and Safety Bill 2011 and the Occupational Health and Safety Amendment Bill 2011. The Work Health and Safety Bill 2011 represents the commitment of the Government of New South Wales to full participation in a nationally harmonised system of occupational health and safety. The bill enacts the nationally agreed model, the Work Health and Safety Act, with appropriate jurisdictional modifications. The Work Health and Safety Bill will be supplemented by model regulations and model codes of practice that are currently the subject of public consultation. It is proposed that this work health and safety legislation will be commenced by all Australian jurisdictions on 1 January 2012.

The Occupational Health and Safety Amendment Bill 2011 implements three key reforms that are contained in the Work Health and Safety Bill 2011 so that the important aspects of the law of New South Wales are consistent with the nationally agreed position on work health and safety with immediate effect. These aspects are: removing the reverse onus of proof in work health and safety prosecutions by requiring the prosecution to prove the "reasonably practicable" steps a defendant could have taken to avoid breaching the general duties to maintain a safe and healthy workplace and requiring duty holders in complying with the proposed Act to ensure health and safety "so far as is reasonably practicable"; replacing the existing provision that deems directors and managers of a corporation to be guilty of offences committed by the corporation with a positive duty that officers of the corporation should exercise due diligence to ensure compliance by the corporation with health, safety and welfare duties; and removing the right of unions to bring proceedings for an offence under the Occupational Health and Safety Act.

The DEPUTY-SPEAKER (Mr Thomas George): Order! There is too much audible conversation in the Chamber.

Mr ANDREW STONER: It is proposed that the reforms contained in the Occupational Health and Safety Amendment Bill 2011 will operate from the date of assent, although the removal of the union right to prosecute will date effectively from the introduction of the bill. On 3 July 2008 New South Wales and the other States and Territories entered into the Intergovernmental Agreement for Regulatory Reform in Occupational Health and Safety. The development of the model laws followed a comprehensive review of Australia's occupational health and safety laws by a review panel of independent occupational health and safety experts. The panel was chaired by Mr Robin Stewart-Compton, former Chief Executive Officer of the National Health and Safety Commission, and included Mr Barry Sheriff, then a partner of national law firm Freehills, and Ms Stephanie Mayman, Commissioner of the Western Australian Industrial Relations Commission and Chairperson of the Occupational Health and Safety Tribunal of Western Australia.

The national review into occupational health and safety laws consulted widely with business, employer and union groups. It took submissions from the public and made a number of detailed recommendations. Following this review and its endorsement by Ministers, Safe Work Australia commenced the development of the model Work Health and Safety Act. The resulting national consultation process concluded with the finalisation of the national model Work Health and Safety Act, which was endorsed by the Workplace Relations Ministerial Council. The Work Health and Safety Bill will enact the national model Work Health and Safety Act—developed by Safe Work Australia and agreed to by the Workplace Relations Ministerial Council—in New South Wales well ahead of the agreed national start date of 1 January 2012.

The national review into model occupational health and safety laws noted that while all Australian governments have taken a broadly similar approach to regulating for safer workplaces, substantial differences existed between jurisdictions. These differences were particularly noticeable in relation to duty holders and their duties, defence mechanisms and compliance regimes, including penalties. These differences generate compliance costs to business, which cannot be justified in a modern national economy.

Harmonisation of work health and safety laws will bring many benefits to businesses, employers, workers and unions through the creation of a nationally consistent and modernised legislative regime. In reporting on the costs and benefits of proposed model laws, Access Economics noted that the most significant cost to business from the existing occupational health and safety system arises from the duplication required to comply with regulatory differences across multiple jurisdictions. With the implementation of a nationally harmonised system this duplication will be removed and there will be consistent regulation across the country.

Business will benefit from a national system through reduced complexity and red tape. Employers will also benefit from greater certainty and a simplified system of legislation. Workers will benefit from the enhanced protection provided by modernised laws and rights that are easier to understand and apply. For example, the bill recognises the changing face of the workplace and does not rely on the traditional concepts of employer and employee. This means greater fairness, as all workers will have access to the same rigorous system of workplace health and safety regulation wherever they are in Australia and irrespective of whether they are employees, labour hire workers or contractors. The new system will improve transferability of permits, licences and training qualifications across State and territory borders.

Mr John Williams: Hear, hear!

Mr ANDREW STONER: "Hear, hear!" says the member for Murray-Darling—one of the cross-border electorates that we have right around regional New South Wales. This is an important issue. Provisions in the bill mean that workers' safety-related qualifications and training will be recognised wherever they work in Australia.

Mr John Williams: About time.

Mr ANDREW STONER: About time indeed. These provisions will assist in the mobility of individual workers and the Australian workforce as a whole. I have already mentioned that the Work Health and Safety Bill will make three key changes to work health and safety laws in New South Wales. The Occupational Health and Safety Amendment Bill 2011 brings forward these three key planks of the national model Work Health and Safety Bill for immediate implementation in New South Wales.

The first key change is the duty to ensure health and safety only insofar as is reasonably practicable. In New South Wales the onus under the Occupational Health and Safety Act has been on a defendant to demonstrate that it was not reasonably practicable to comply with an occupational health and safety duty. This has long been a concern for stakeholders, who believed it was unfair for a defendant to have to bear such an onus in a prosecution, and that the onus of proving it was not reasonably practicable to comply with a duty should be on the prosecution, in line with mainstream criminal laws.

The report of the review panel that conducted the national review of occupational health and safety laws did not support the current position in New South Wales. The review panel recommended that the general work health and safety duties apply only insofar as is reasonably practicable. Accordingly, the Work Health and Safety Bill provides for a person conducting a business or undertaking to ensure health and safety only insofar as is reasonably practicable. The Work Health and Safety Bill explains what is reasonably practicable, to provide guidance to duty holders. The bill provides that reasonably practicable means that which was reasonably able to be done, taking into account and weighing up relevant matters, including the likelihood of the risk of hazard occurring and the degree of harm it might cause; what the person with the duty knows, or should know, about the risk and how to eliminate or minimise the availability and suitability of ways to eliminate the risk; and the costs of eliminating or minimising the risk, including whether the cost is disproportionate to the risk.

The Occupational Health and Safety Bill makes amendments to the provisions of the Occupational Health and Safety Act dealing with the general duties of employers; controllers of premises, plant or substances; and designers, manufacturers and suppliers of plant, to provide that the duty is to ensure health and safety only insofar as is reasonably practicable. These changes are consistent with the approach of the Work Health and Safety Bill and have the effect of moving the onus from the defendant to the prosecution to demonstrate whether it is reasonably practicable in a particular case to ensure health and safety. This change brings New South Wales into line with every other Australian jurisdiction except Queensland and it implements a key recommendation of the report of the review panel.

The second change from the current law in New South Wales recommended by the review panel and to be implemented by the Work Health and Safety Bill concerns the duties of directors of corporations. The

Occupational Health and Safety Act currently provides for a director of a corporation to be liable for breaches of the Occupational Health and Safety Act committed by the corporation. This provision has long been of concern to stakeholders. Again, the inclusion of such a provision was not supported by the review panel which conducted the national review of occupational health and safety laws. Instead, the review panel recommended a new duty of due diligence for directors and other officers of corporations. This provision has been included in the Work Health and Safety Bill and the Occupational Health and Safety Amendment Bill and will ensure a consistent approach through the insertion of a corresponding provision in the Occupational Health and Safety Act.

The new approach in the Work Health and Safety Bill requires officers or a person conducting a business or undertaking to exercise due diligence to ensure that the person with the duty complies with the duty or obligation. The new provision provides guidance for officers by providing that "due diligence" includes taking reasonable steps to acquire and keep up-to-date knowledge of work health and safety matters; to gain an understanding of the business and of the hazards and risks of the business; to ensure that the person conducting the business or undertaking has resources and processes to eliminate or minimise risks to health and safety; to ensure that the person conducting the business or undertaking has information systems for incident reporting and response; and to ensure that the person conducting the business or undertaking has and implements processes for complying with any duty or obligation of the person. That is not an exhaustive list. The Work Health and Safety Bill and the Occupational Health and Safety Amendment Bill make that clear. But this list will assist officers of corporations and other entities that have work health and safety duties to comply with their obligations to ensure health and safety so far as is reasonably practicable, and it will assist the courts to interpret their new duties.

Volunteer officers are immune from prosecution for offences committed in their capacity as an officer. This is an important protection for those performing socially valuable work in the community: it enables them to undertake that work in good faith, without fear of prosecution. The third key change to be implemented by the Work Health and Safety Bill is the removal of the automatic right of unions to prosecute for breaches of the work health and safety law. The Occupational Health and Safety Amendment Bill removes this right from the law of New South Wales, effective from the date of introduction of the bill into Parliament. The ability as of right of industrial organisations to bring proceedings for an offence under the work health and safety laws is not permitted in the majority of other Australian jurisdictions. Removal of this right to prosecute is consistent with harmonisation of these laws across all jurisdictions. In addition, I am satisfied that removal of this right will not result in any weakening of enforcement. In the five years from 2005 to 2011, fewer than 50 prosecutions were made by employee representatives. By way of comparison, WorkCover NSW undertook 693 successful prosecutions in the four-year period between 2006-07 and 2009-10.

Mr Michael Daley: What are you talking about?

Mr ANDREW STONER: This has come from Federal Labor. Why the member complaining about it? Does he want New South Wales to remain the dinosaur State with that lot over there in the pocket of the unions? He should talk to the Prime Minister. These are nationally consistent laws; he should stop his bleating. The Government believes that WorkCover—a well-resourced and experienced enforcement agency—is best placed to enforce safety standards, including, where necessary, by prosecution. Transitional provisions in the Occupational Health and Safety Amendment Bill provide that the repeal of the right of unions to bring a prosecution will not affect any current proceedings. In addition, any proceedings that may be instituted by a union after the date of the introduction of the bill will be terminated.

Commencement of the three fundamental reforms in the Occupational Health and Safety Amendment Bill ahead of the national reforms to take effect on 1 January 2012 demonstrates the O'Farrell-Stoner Government's commitment to rectify at the beginning of its term long-held criticisms of particular elements of the occupational health and safety laws in this State. The changes in the Occupational Health and Safety Amendment Bill are also consistent with the procedural changes that have been required in New South Wales as a result of the High Court's decision in *Kirk v WorkCover NSW & Ors*. In *Kirk*, the High Court overturned previously established law that it was not necessary for the prosecutor to tell defendants what they should have done to prevent an offence in pleadings filed in court.

The High Court ruled that it is necessary for the prosecutor of offences under the Occupational Health and Safety Act to identify the risk to health and safety and the measures that should have been taken to prevent the risk. This was in order that the defendant should be able to conduct a defence of what is reasonably practicable. Changing the nature of the duties owed in the Occupational Health and Safety Amendment Bill to

require the prosecutor to prove what is reasonably practicable simply supports and gives effect to the practical outcomes of the Kirk decision and moves New South Wales to a harmonised position in relation to major duty holders under the legislation.

I now turn to other key reforms to be made by the Work Health and Safety Bill. The Work Health and Safety Bill defines a worker widely to provide protection to people who may be engaged on a site under the direction of a duty holder but who is not directly engaged by that duty holder. The bill also imposes duties on persons who manage or control workplaces; persons who manage or control fixtures, fittings or plant at workplaces; persons who design, manufacture, import or supply plant, substances or structures; and persons who install, construct or commission plant of structures. The Work Health and Safety Bill defines the primary duty holder as a person conducting a business or undertaking.

Under this more comprehensive definition, a person holding a duty includes a body corporate, an unincorporated body or a partnership. The definition applies to activities whether they are conducted alone or together with others for profit or not for profit and with or without the engagement of workers. This provision will cover a broad range of work relationships and business structures. It does not extend to a person's private or domestic activities or to volunteer associations as they are defined in the bill. The concept of a person conducting a business or undertaking will provide greater certainty about workplace duties by removing the ambiguity that may arise, for example, between a principal contractor and subcontractors.

The Government is committed to harmonious workplaces built on good communication and consultation. There is no doubt that when workers and employers cooperate they can achieve safer and more productive workplaces. The bill requires a person conducting a business or undertaking to consult with workers as far as is reasonably practicable. Guidance is provided to businesses, workers and employers through a definition of what consultation is as well as how and when it should be undertaken. The Work Health and Safety Bill provides for the election of health and safety representatives who will replace occupational health and safety representatives under the Occupational Health and Safety Act. Health and safety representatives will represent workers in work groups on work health and safety matters. When appropriately trained, health and safety representatives will be able to take action for the health and safety of those around them by issuing provisional improvement notices.

The bill provides for issue resolution by inspectors of WorkCover or the Department of Primary Industries and for provisional improvement notices to be reviewed by inspectors at the request of a person conducting a business or undertaking or the person to whom the notice was issued. The bill provides for a limited right of entry by union officials for the purposes of investigating a suspected contravention similar to existing provisions in New South Wales and to provisions under the Federal Fair Work Act 2009. Union officials must hold permits to exercise right of entry issued by the Industrial Relations Commission, and in most cases Fair Work Australia under the Fair Work Act, and must be a fit and proper person to hold a permit.

The Industrial Relations Commission will be empowered as the authorising authority to issue entry permits under the Work Health and Safety Bill. The commission will ensure that only those officials entitled to a permit are issued with one, and it will be empowered to suspend or revoke such a permit in the case of abuse by a work health and safety entry permit holder. The commission will also have power to disqualify a health and safety representative who misuses their powers under the proposed Act. The bill also introduces new and innovative approaches to enforcement and tougher penalties to allow Government to enforce compliance and punish those who threaten the health and safety of others at work.

The concept of enforceable undertakings or work health and safety undertakings is one such innovation. Enforceable undertakings offer flexibility to the regulator to deal with breaches of the provisions of the bill without compromising the health and safety of our workplaces. Enforceable undertakings enable a person conducting a business or undertaking to enter into a work health and safety undertaking with the agreement of the regulator in connection with a contravention or alleged contravention of the Work Health and Safety Act. A work health and safety undertaking will comprise an agreement between a regulator and the person who is alleged to have contravened the Act to address a specific work health and safety issue within an agreed timeframe. I assure members that a work health and safety undertaking is not a soft option. A work health and safety undertaking will not simply provide that the duty holder will comply with the work health and safety laws.

An undertaking will require the duty holder to do something more to demonstrate their commitment to work health and safety and to remedy the systems or circumstances that contributed to the alleged contravention.

A work health and safety undertaking is capable of enforcement in court and a breach of an undertaking attracts severe penalties. This innovation provides a regulator and a duty holder with an additional tool to remedy a contravention of the work health and safety law in a productive manner without the need for costly and time-consuming litigation. Enforceable undertakings have been used with positive effect in other jurisdictions, such as Queensland. A recent study by a Griffith University research team confirmed the effectiveness of this innovative measure and their introduction gives WorkCover the option of using them here. However, work health and safety undertakings will not be available for the most serious category of offences. Serious breaches of the Act involving reckless conduct that risks health and safety will continue to be prosecuted and punished.

The bill imposes strong penalties for a breach or contravention of the work health and safety law. Three categories of penalty are introduced based on the degree of culpability, risk and harm. Category 1 offences, involving proven recklessness, attract a maximum fine of \$3 million for bodies corporate and for individuals a maximum fine of \$300,000 or a maximum of five years' imprisonment or both. Many of the penalties contained in the bill are higher than those currently in place in New South Wales and demonstrate the Government's commitment to promote compliance. The severity of the penalties reflects the strength of this legislation as a deterrent to conduct that endangers health and safety.

Another significant change to be brought in to New South Wales by the Work Health and Safety Bill is a shift to the mainstream criminal courts for the enforcement of breaches of work health and safety laws. Currently, the more serious breaches of the Occupational Health and Safety Act are dealt with by the Industrial Court. Under the bill, offences for the most serious offences, category 1 offences, will be dealt with on indictment in the Supreme Court. Other offences will be dealt with by summary proceedings in either the District Court or Local Court. These changes will better integrate breaches of work health and safety legislation with the general criminal law and provide clear avenues of appeal.

The Work Health and Safety Bill contains a number of provisions relating to mines and coalmines which are also regulated by the Mine Health and Safety Act 2004 and the Coal Mine Health and Safety Act 2002. These replicate as far as possible the current mine work health and safety framework existing under the Occupational Health and Safety Act, which is administered by two regulators, WorkCover in relation to workplaces generally and the Department of Primary Industries in relation to mining workplaces. However, due to work progressing under the national mine safety framework there may be a need for amendments to be made to the bill before its commencement. Similarly, because of ongoing amendments to the model Work Health and Safety Act and to the need to consult more fully with other segments of government on consequential amendments, it is contemplated that schedule 5 to the bill will be substantially amended by a further bill before it commences. Nevertheless, it is appropriate for the bill to be brought forward in its current form to ensure that all stakeholders have a clear idea of the work health and safety laws that will apply from 1 January 2012, and can take steps to prepare for their implementation from that date.

The heads of workplace safety authorities comprising the leaders of each State and Territory workplace safety regulator, including WorkCover, have established a number of national project groups to coordinate a nationally consistent approach to the implementation of the new national laws. To complement this WorkCover will also deliver an externally focused implementation and communication strategy to inform key parties in New South Wales of the impact of the new, nationally harmonised system of laws, regulations and codes of practice.

The bill will ensure less complexity and red tape for business, more certainty for employers and those who engage workers and, through this, provide enhanced protection for workers wherever they work. The bill will ensure greater mobility of the Australian workforce and less duplication of regulation between States and Territories. Through the inclusion of many policy innovations, the bill strengthens the capacity of regulators to work with businesses and workers to improve health and safety and reduce the tragedy of workplace death and injury. The Work Health and Safety Bill, complemented by the Occupational Health and Safety Amendment Bill, will firmly establish New South Wales participation in a nationally consistent system of work health and safety regulation.

In conclusion, the Work Health and Safety bill, coupled with the amendments to the Occupational Health and Safety Act, will maintain our strong work health and safety framework, keep businesses accountable, reduce red tape for employers and will mean that no matter where you work or do business in Australia the same laws will apply. I commend the bills to the House.

Debate adjourned on motion by Mr Michael Daley and set down as an order of the day for a future day.

HEALTH SERVICES AMENDMENT (LOCAL HEALTH DISTRICTS AND BOARDS) BILL 2011**Agreement in Principle****Debate resumed from an earlier hour.**

Mr STUART AYRES (Penrith) [12.03 p.m.]: I congratulate you, Mr Assistant-Speaker (Mr Andrew Fraser), on your appointment. I am sure members from the North Coast of New South Wales are happy to see you in the chair.

Today I speak on the Health Services Amendment (Local Health Districts and Boards) Bill 2011. As member for Penrith it gives me great enjoyment to talk about this bill given that the issues of health were a primary concern to the constituents of Penrith right from the time I put my hand up to represent them in the by-election and again in the election earlier this year. Health was a recurring theme. I door knocked literally every house in the area—whether it be in Leonay, Emu Plains, Cranebrook, South Penrith, Jamisontown—and Nepean Hospital and health care were the prime concerns of residents I spoke to. One of the things that kept coming up was that they were receiving quality health service from their dedicated health professionals and the Nepean Hospital but felt they were continually being left out of the opportunity to be part of the decision-making process. The line that I often heard was that the decisions were too far removed from where the rubber was hitting the road, where the health care engaged with local residents.

I am glad to see the Minister for Health, Jillian Skinner, has taken this on board. When the Liberals and The Nationals were in opposition she was a strong advocate for improving the decision-making process in health and moving to a smaller district health process. This decision-making process is something I heard a lot about when walking around Penrith, talking with local doctors and nurses, people engaged in the process. The measures in this bill are important for the residents of Penrith, not just from a health perspective; it is also a clear sign that we are delivering on one of our key election promises, restoring local decision-making and giving clinicians and local health practitioners and communities a real say in what is taking place in their local health service. The core of this is putting people back at the centre of the health system. For too long we have had administrations and government bureaucracies running our health service and for too long we have been ignoring the people the system is designed to support—the patients themselves.

Every person working in the health system must be focused on the patient. That is the key focus of health. That is what has been neglected in this State for far too long—probably about 16 years. There is a particular focus on making sure that we avoid unnecessary hospitalisation. We want a greater emphasis on preventative health. The combination of sport and recreation and healthy lifestyles—which have been acknowledged by this Government with key ministries—will also go a long way to putting preventative health further up the list, where it should be. If we can keep people out of hospitals not only do we save money but we also make everyone's lives that little bit better.

We also give significant priority to the strengthening of the public health system so we can improve patient access. I do not think I would go a week in my electorate office without hearing about people's inability to access services in my area—whether that involved extended stays in emergency wards because of access block or the simple frustration that exists at Nepean Hospital in being unable to find somewhere to park a car. Only this morning I received a message from an old friend of mine, someone I went to school with. I do not think he had sent me a message for 15 years but he felt compelled to tell me that last night when he was at the hospital for the birth of his first child he was unable to find a car park within kilometres of the hospital. This story is all too familiar.

We have seen growth in wards and an excellent investment in the hospital is taking place, but at no stage through the decision-making process did anyone bother to ask what the biggest frustration was for local residents engaging with Nepean Hospital—their inability to park their cars. They have to pay a set fee to see their relatives who are patients, and staff are required to pay for parking. This gentleman pointed out to me that most of the time the car parking at Nepean Hospital is full by 8.00 a.m. and then people have to park on the streets, kilometres away from the hospital. That frustrates not only people trying to access services but also residents surrounding the hospital who can no longer access their own homes because cars are parked across driveways.

We hope that the move towards these smaller district health boards that the Minister has so passionately advocated in western Sydney will see not only a fast-tracking of a missing piece of infrastructure in our region, a car park at Nepean Hospital, but also the opportunity for the community to really engage with local health practitioners and the hospital itself, and provide better targeted health care in our region.

I take this opportunity to acknowledge members of the current board: Professor Patrick Cregan, who chairs the board, Gregory Allchin, Dr James Branley, Graham Danaher, Winsome Matthews, Councillor Karen McKeown, Professor Michael Peek and Professor Jennifer Reath. There has been considerable engagement with local practitioners and the strong engagement with members of the Nurses Association at Nepean Hospital is also worth noting. They have been forthright in their views but they have been always available to come to us with solutions. It is always refreshing to engage with the Nurses Association in an open and transparent way and to work together to provide better working conditions for nurses at Nepean Hospital as well as other members of the senior medical council at the hospital.

I take this opportunity also to talk about Professor Mohamed Khadra, who has done fantastic work in providing innovative ways to engage with health professionals in the region. He has been a driving force behind the Telehealth commitment that the Coalition made during the election. Telehealth enables easier engagement with Health by the community, particularly those who have a disability and who find it difficult to get to a hospital or medical practitioner. They can use the Internet to engage with their local practitioner. When we met with Professor Khadra in his rooms he gave the example of a patient who owned a bottle shop in Bathurst. He had a heart condition and was required to visit Professor Khadra for updates on his latest blood test. This patient's story could be repeated in countless electorates across the State. Nepean Hospital is the major teaching hospital for the regional districts of New South Wales and this small business owner had to close his bottle shop, forfeit his income for that day, get in the car and drive over the mountains to see Professor Khadra for half an hour to receive the results of this blood test, just to be told that everything was all right. He then had to drive back over the mountains and then reopen his shop.

The work done by Professor Khadra, in conjunction with the Minister, has allowed patients to use Telehealth and the Internet for things such as the results of blood tests. Patients can watch the screen, engage with their health professional using voice protocols and avoid the need to travel long distances. These smaller health boards will allow for more engagement with communities. They will lead to more innovative ideas and improve the way people access health, whether it is the BWS liquor store gentleman in Bathurst or someone in Glenmore Park who cannot leave their house to travel to Nepean Hospital.

I note the work of the member for Mulgoa, who has done a fantastic job in raising issues facing her residents with respect to access to Nepean Hospital. I am sure that the move towards smaller and localised health decision-making will have a great impact on the residents of Mulgoa, as it will on the residents of Penrith. We did not just reach this decision by thinking it was a great idea; we listened to experienced people such as Peter Garling. We can no longer ignore messages such as those in the Garling report. We have taken the health system in New South Wales to the brink. On 26 March 2011 the people of New South Wales acknowledged that: they made the decision to give a new government the opportunity to bring the health system back from that space, to stop it falling off the cliff and to involve the community in the decision-making process. This bill does that: we are delivering on the commitment to make it work.

The former Government accused the Coalition of having no policies and opposed this type of legislation. Kevin Rudd made his Council of Australian Governments reforms and all of a sudden we had the change. They were a bit late. The Minister had been advocating this and every time we sat in this Chamber Labor kept saying, "Come up with a policy". This is our policy and we are making it work by providing local health district boards and bringing communities back to the centre of decision-making and, what is most important, finally putting patients at the centre of health in New South Wales.

Mr JOHN WILLIAMS (Murray-Darling) [12.15 p.m.]: I support the Health Services Amendment (Local Health Districts and Boards) Bill 2011. There is no doubt that what we see here today is a work in progress. It has been a work in progress during my time in Parliament, certainly for four years, acknowledging that we need to listen to local communities. The previous Labor Government stopped listening, which was demonstrated on 26 March 2011 when the people of New South Wales realised that they needed to make a change and elect people who are prepared to listen to their communities.

For a long time people were saying that the removal of local area health boards was a big negative for health services, particularly in regional and remote communities. The contribution made by those individuals who served on those boards allowed people in those communities to feel they had ownership of their health facilities, giving them a say in the process of administering health in their community. It allowed them to identify shortfalls in services and gave them the opportunity to improve the level of services that they received. The Minister was prepared to listen. In this House in opposition we spoke about district area health boards and every time the then shadow Minister stood up in this House she was abused by the then Government for talking about an issue that it thought it had resolved.

The Federal Government, when it started to listen to communities, found out the exact same thing that the Minister had been hearing for so long—that we needed to return to the status quo that had existed in the past and give the communities the opportunity to participate, to have a say, and to improve their health services by direct communication. The former Labor Government approach was a return to the centralised management of the State of New South Wales and the Department of Health was only one aspect of it. The unfortunate fact is that it was the old case of father knows best and the former Government had its own grandiose ideas on how it could run a health system. We had seen constant and continual failures in the health system that could have been avoided if local communities were allowed to solve their own problems.

This is a great move and I look forward to much improvement and better involvement from local communities because they will be able to have a say in how their health services are managed. I compliment the Minister. I know the work she has done over the years in putting together this legislation. It is a great day to see this legislation passed in this House.

Ms ROBYN PARKER (Maitland—Minister for the Environment, and Minister for Heritage) [12.19 p.m.]: I support the Health Services Amendment (Local Health District and Boards) Bill 2011. As the member for Murray-Darling said, this is a great day and it is a great credit to our Minister for Health, the Hon. Jillian Skinner, that she has driven this reform and has been passionate about and committed to it for so long because it is the right thing to do. For so long it has been absolutely clear that the way in which the former Government reorganised and centralised area health services was a failure. The former Government took local management, the health care professionals and the clinicians out of the picture, and patient care was lost. This reform is about restoring local decision-making and giving local clinicians and local communities a real say in their local hospital and health service. That is what the Liberal-Nationals Government is all about. We are about ensuring that decision-making takes place at a local level, and that local people have a choice. This reform is about delivering real change for New South Wales. I say to the health Minister: It is a great day to see this legislation introduced as the first health legislation introduced in this House.

Labor had 16 years to improve the health system but failed to do so. Labor was focused on decision-making being driven by what was best for Labor rather than what was best for patients. The Liberal-Nationals Government wants to ensure that the resources are used more efficiently and more effectively, to promote good health and to ensure better management of the early detection of disease and the treatment of chronic illness and that our ageing community is planned for and cared for. One of the ways in which we can do that is by ensuring our hospitals are managed by people who know their local communities, that they understand the role and responsibilities of the clinicians that are providing the care, and that the front-line health services understand the key issues in relation to their hospitals. Every hospital is different and every area is different, and therefore making decisions from a centralised body is absolutely the wrong way to go.

The key problem with overcentralisation was that there were layers and layers of red tape and remote decision-making and as a result patients' interests got lost. That trend proved to be particularly inappropriate for decisions concerning patient services and clinical treatment. All of us in our local electorates talk to health care providers. We talk to the doctors, nurses and front-line staff. We also talk to people who are managing and involved in the health care system. They tell us—they have been telling us for a long time and the Hon. Julian Skinner has been listening—that they need to get back to being more involved in that decision-making so that their hospitals are run without the red tape. Of course, they are best placed to ensure that their local hospital management is responsible and accountable.

This reform is about being accountable and responsive. It is about making sure decisions are made that provide a seamless range of healthcare services and that those healthcare services are provided for the people who need them. Regardless of whether it is hospital treatment, community-based health care services or the services provided by general practitioners, pharmacists or other allied professionals, our system will ensure that those people are linked together and working efficiently to provide the best health services for New South Wales. Our health policy is about putting patients first. It is about getting rid of a huge, inefficient area health service. It is about creating a flatter administrative structure and ensuring that particular regions have a focus.

After all, it is our doctors, nurses and the allied health professionals who work in our hospitals who are the key. They are the ones who have kept the hospital system afloat. The health professionals who work in my electorate of Maitland are no different from the health professionals who work in other electorates. They do an incredible job, in spite of the problems that were dealt to them over the 16 years for which Labor was in office. After 16 years of the former Government creating an us-and-them mentality between the health professionals and the administrators our policy will work towards breaking down those barriers and fostering greater

cooperation. This is part of seeing our election policy delivered in practical terms. The only way to make our election policy work is to ensure that healthcare professionals, nurses and doctors have every opportunity to excel, to make sure their patients are best cared for. Our health policy is about empowering local communities and making sure that information is exchanged in the way we know it needs to be exchanged. It is also about making sure there are transparent and accountable outcomes. This is how we plan to approach health care generally. Our health policy is about community ownership and making sure that medical experts are involved in the decision-making process.

This reform is also just the beginning, as the Hon. Jillian Skinner said. It sends a clear message to the community that we are committed to increasing local decision-making and that we are honouring our election commitments. We know there is more work to be done, and this reform is about starting that work. It is about addressing the disconnect between clinicians and local communities that the Hon. Jillian Skinner has spoken about over and over again. As Peter Garling, SC, said in his report on the review of acute hospital care, NSW Health was "on the brink". In his report he cited the "disconnect" between clinicians, local communities and the administrators who make decisions about hospitals and health services. We believe that those who are closest to the patient are best equipped to make decisions about improving health care. In regional and rural New South Wales it is also critical to ensure that local health districts and specialty networks have equitable access to expert support.

This is a great day for New South Wales. Our reform will support doctors, nurses and health professionals throughout New South Wales. It will benefit every healthcare provider. It will ensure that our commitments are honoured, it will empower local communities, and it will ensure that decision-making is at the heart of those communities and at the heart of the provision of health care. This reform is a great start, and it is only the beginning. I support the bill.

Mr RICHARD AMERY (Mount Druitt) [12.27 p.m.]: The objects of the Health Services Amendment (Local Health Districts and Boards) Bill 2011 are:

- (a) to amend the *Health Services Act 1997*:
 - (i) to constitute local health districts and establish boards for such districts, and
 - (ii) to provide for certain statutory health corporations to be specialty networks with boards, and
 - (iii) to make related amendments and other minor amendments, and
 - (iv) to enact provisions of a savings or transitional nature, and
- (b) to make consequential amendments to certain other Acts and statutory rules.

I am aware of the debate that was initiated by the now Minister for Health some years ago in relation to, I think in her words, empowering local communities to be involved with their local hospitals, and so on. As the member for the Mount Druitt area I have been approached by a number of constituents who have had a long history with Mount Druitt Hospital, in particular, and who are great supporters of the previous hospital board. Indeed, I can indicate to the House that prior to my becoming a member of this House, and also during the first few years of my being a member of this place, I was a director of the Mount Druitt Hospital board. When the board was done away with sometime during the 1980s the archdiocese council was formed—obviously run by Catholic Health Care Services—and I remained on that council until the election of a Coalition Government. Out of respect for the health Minister at the time, who I think was Peter Collins, I withdrew from that council because I felt that as the local member my involvement on the archdiocese council would in some way distract the work of the archdiocese council and its cooperation with the then Government.

Since this public debate arose in the past couple of years I have been interested in it. A lot of local people felt it was about re-establishing hospital boards but, as this legislation indicates, that is not the case. Even in recent times people felt this debate was about bringing back the 1980s, 1970s and prior policy of having a board at each hospital—and there were some great advantages to that old system.

When I first joined my board I was a serving member of the police force and I worked with other members of the community such as Steve Parry, who was the president of the Rooty Hill Senior Citizens Association—he is now deceased but he was a good friend of mine—as well as nurses from the local community. We participated with the Catholic Health Service and government officials so there was direct access from the community to the board. It would be cheeky to suggest that that local representation actually improved health services. It was not a clinical board although members of the medical health service council were obviously involved with it. There has been an expectation, fuelled by the current Federal Leader of the

Opposition, that changes were coming and that we were reintroducing hospital boards. It should be indicated very clearly, as the Minister has also indicated across the table, that that is not the case. The public should be aware that the passage of this legislation will not mean a return to the policy of every hospital having its own board. We need to make it clear that irrespective of what Tony Abbott is saying, and whatever impression is given by this legislation, it is not going to happen.

The next question is: What are locally constituted hospital districts and boards of those districts? As a local member and a person interested in health services I will be interested to see what the difference is between a board for a district and the current arrangement of changes to boards that have occurred as a result of the changes to the health system over the last couple of years. Perhaps the Minister for Health might comment on that in reply. For example, will there be more of these district boards than the current boards? Will they have a larger catchment area or a smaller catchment area? Will there be more local people, residents and non-medical people involved in these? Will there be actual consumers of the product or people who have an interest in the provision of the health services involved? The subtle word "district" did raise some expectation certainly amongst my constituents that we were returning to some sort of local hospital board and some people find that a very attractive proposition.

I am speaking on this bill because I heard some of the speeches that were made earlier, in particular the speeches of the member for Penrith and the member for Mulgoa. The member for Penrith launched into an attack on the health service in New South Wales. We have a new government now and it is putting out the message that everything is going to be better in the health service. The member for Penrith said that the health system in New South Wales was "at the brink".

Mrs Jillian Skinner: That was Peter Garling.

Mr RICHARD AMERY: No, he was talking about "at the brink". The member for Murray-Darling also commented that the health service in New South Wales was a product of the Labor governments of the past 16 years, and perhaps even before, and that the situation is so devastating that we need these radical changes to the system, which the new Government intends to fix. The fact is that every external assessment of the health services in New South Wales rates them as among the best in the world—not only in Australia. The Minister for Health should be very proud of the fact that while she may have spent many years attacking the health service and underpinning some values of individuals or whatever happens in the health service, generally speaking our health system as a whole, no matter what sort of audit or what sort of measuring stick is used, on any independent assessment of the service provided by our nurses and doctors, of the standard of equipment and investment within our hospital system, is not only amongst the best in Australia, but stands up with many countries throughout Europe, the United States of America and so on. Members would know that many visitors come to this country and say, "Wouldn't we like to have a health system like the one you have here." That fact is so easily derided.

In closing I wish to respond to a political argument raised by some of the members present today who have all had cheap shots about the former Labor Government being so soundly defeated at the last election and so on. In Western Sydney we have a fantastic cluster of hospitals. Westmead Hospital is the jewel in the crown of Sydney's west. We had an old Blacktown Hospital, built in about 1961—I ask the Assistant-Speaker to note the year. We now have a new Blacktown Hospital, built only in the last few years. The Mt Druitt Hospital, of which I was a board member, was built in the term of the Wran Government. We had an old Fairfield Hospital some years ago on the Horsley Drive, which was made out of old army huts back in the 1950s—I know that because I was a patient there in the 1950s. We have a relatively new hospital there now.

The member for Mulgoa and the member for Penrith should be aware that the Nepean Hospital has actually been a building site for years. Tens of millions of dollars have been going into that hospital year in, year out, budget in, budget out. For the benefit of our new regional members, we have a new hospital at Lithgow and new hospitals down the South Coast. I ask members to think about the list of hospitals I have just given off the top of my head, but there is an even more comprehensive one. What do all those hospitals have in common? They were all built by Labor governments.

Mrs Jillian Skinner: Tell us about the Children's Hospital at Westmead, Richard.

Mr RICHARD AMERY: When I was a policeman at Parramatta, the hospital for Parramatta was an old facility on Marsden Street. It now provides community health services and so on. When we talk about health services in Western Sydney, the Whitlam Government decided to put in I forget how many hundreds of millions of dollars in 1970s figures to build that fantastic hospital at Westmead.

Mrs Jillian Skinner: Tell us about the Children's Hospital at Westmead.

Mr RICHARD AMERY: Are you knocking the Children's Hospital? I welcome the interjection by the Minister for Health because Westmead is a federally funded hospital built with funds provided by the Whitlam Government. Bob Askin and his crew tried to take some credit for it.

Mrs Jillian Skinner: The Children's Hospital at Westmead was built by the Coalition Government—

Mr RICHARD AMERY: Oh, she actually found one. She found a wing somewhere—

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! The member for Mount Druitt will direct his comments through the chair.

Mr RICHARD AMERY: Let me close on this point—

Mrs Jillian Skinner: Get your spin right if you are going to persist with it.

Mr RICHARD AMERY: Let me read them out again. The old Blacktown Hospital, the new Blacktown Hospital, the Westmead hospital, the Mount Druitt Hospital and a number of wings and additions to it, the new Fairfield Hospital, the massive upgrade of the Nepean Hospital, and Lithgow Hospital. If I got a few more members in here I could give you another 20 or 30.

Ms Carmel Tebbutt: Shellharbour.

Mr RICHARD AMERY: The Shellharbour Hospital, thank you. Can the next speaker please give us a list of all the hospitals that the Coalition has built? All the hospitals I have mentioned were built, refurbished, extended and funded extensively by Labor Governments and we are proud of it

Mr RAY WILLIAMS (Hawkesbury) [12.38 p.m.]: I commend Mrs Jillian Skinner, our new Minister for Health. I hate to keep harking back to the former Government because of the dark years between 1995 and 2011. They are behind us but sometimes I need to make reference to it because the former Government always questioned us about policy. Today I heard the previous Minister for Health remark that the Opposition has had only seven or eight hours to go through this policy announcement. The now member for Marrickville—only just the member in that very tight marginal seat—has actually had a decade to examine the Coalition's health policy. Mrs Skinner has put this policy about local area health boards forward for the past decade.

Election after election this was our commitment. We never changed the policy and we have followed through on it. We stayed true to our belief that this was the way to improve health services on behalf of the people of New South Wales. Mrs Skinner has been acknowledged by Premier O'Farrell as having a greater knowledge and understanding of health services in New South Wales than any other person who has had responsibility for the Health portfolio. I fully endorse the Premier's words. We commend her and congratulate her on bringing forward this policy. As she has stated time and again, the care of patients is paramount. It is upfront on our agenda and it is our first commitment. The Opposition continued to believe that health is about politics. It is not, it never was and it never will be under this Government. It is about the care of our constituents.

I acknowledge the number of speakers who have spoken in this debate. No less than five Ministers have spoken on this bill. The member for Penrith, who was elected at a by-election, knows full well the problems in the Nepean. As I look around the Chamber I see the new Coalition members waiting with bated breath to raise the concerns of their constituents, who have spoken to them about the shortfalls in the health services of New South Wales. From Newcastle, Charlestown, Miranda, right across the State, the members have issues they want to raise. The Nationals Whip raised issues about health in his electorate of Murray-Darling. Finally, health has been put first and foremost on the agenda and this Government will address the issues on behalf of the people of New South Wales.

The previous speaker, the member for Mount Druitt, spoke about all the hospitals built by former Labor governments. He was talking about a time when former Labor governments had a heart and implemented measures on behalf of the people. They lost their heart over the past 16 years and they neglected the needs of the people. That is why only 20 members are sitting on the Opposition benches. Interestingly, the member for Mount Druitt spoke about Mount Druitt Hospital, where he sat on the board. I cannot count the number of times that I was asked by Jillian Skinner when she was the shadow Minister for Health to leave this Chamber early

and to venture out to Mount Druitt to meet with dozens of people who had concerns about Mount Druitt Hospital. If I remember correctly, the Labor Government closed the emergency department at Mount Druitt Hospital, forcing all the people in the massive growth area of Mount Druitt to go to Blacktown Hospital. I was more than happy to attend those many meetings to hear the concerns of the people. The member for Mount Druitt never turned up to those meetings and he never raised a murmur about the Labor Government closing down the emergency department. Yet he has the hide to inform the House that he sat on the board of Mount Druitt Hospital.

The model in this bill may be cast on a hospital that is close to my heart—Hawkesbury Hospital. Twenty years ago it was proposed that Hawkesbury Hospital would link with CatholicCare and become a public-private hospital. The residents of the Hawkesbury rose up in protest. They were incensed and they protested that their public hospital would be partially put in the hands of CatholicCare. CatholicCare held meetings with the community to discuss the type of hospital they wanted and proposed a local area health board comprising professional and local people. That was 20 years ago. Today statistics show that 86 per cent of patients are completely satisfied with the care they receive at Hawkesbury Hospital. It would be difficult to find that level of satisfaction across the rest of New South Wales. The local area health board at Hawkesbury Hospital is still in place. Some of the board members are well into their seventies and eighties and they have been on the board for many years. It is a great hospital and it is a great example of how to improve the culture and put the care back into health.

When people are ill and attend hospital, they do not want to talk to a secretary or an administrator. They want to see a nurse and a doctor and they want to get better. Jillian Skinner wants to put the heart back into health care. I support this bill, which implements a health policy that she has proposed for a long time. I also acknowledge the great work of former Chief Executive Officer of Hawkesbury Health District Centre, Dr David Marr. He is a wonderful person. As the member for Hawkesbury I have often visited Hawkesbury Hospital and talked to Dr Marr. As an example of the great appreciation in the community for the hospital, the women's auxiliary at Hawkesbury Hospital has 140 volunteer members who raise over \$100,000 a year. The former Labor Government wanted to get rid of women's auxiliaries. It did not want women's auxiliaries associated with hospitals; it did not want women's auxiliaries selling cakes, knitting babies clothes and raising \$100,000 a year. The Hawkesbury community is so appreciative of their hospital that 140 women are proud to be members of the women's auxiliary. Those women do not get a cent. They are proud volunteers building a better health service in my area. That is the model we hope to implement across New South Wales to get the heart back into health care.

The shadow Minister for Health, Dr Andrew McDonald, has his nose out of joint because of matters I raised with him when he was the Parliamentary Secretary for Health. I have received many complaints from constituents about hospitals across western Sydney. I do not criticise anyone in this regard, but improvements are needed. One constituent who came to me was a father of five who lived in Rouse Hill. He went to the doctor with dizzy spells. His doctor sent him for tests at Westmead Hospital. Whilst undergoing an MRI scan he suffered a stroke. It was detected immediately and he received the best of care. When he was discharged from the hospital he went to pick up his discharge report. He was incensed to find that some clown had made a claim on his discharge report that he was almost a drug addict and that he was trying to satisfy his needs for medication while he was a patient. He asked for his medical reports to take to his general practitioner, but his request was refused.

When he returned home he made a freedom of information application for his test results, which his general practitioner had requested. Three weeks later he received a ream of papers, which included one page that showed that the MRI scan had detected a five millimetre aneurysm in his brain. He showed the report to his general practitioner, who admitted him to Westmead Hospital under specialist care in two days' time. As the aneurysm had now grown to 12 millimetres, he was unable to have keyhole surgery to repair it through his veins and had to have a section of his skull removed. That situation should not have happened. If he had received his papers immediately, he would have been readmitted to hospital and undergone a simpler procedure. He ended up having a life-threatening procedure. He gave me his documents and I wrote a letter to the then Minister for Health requesting an explanation. I received a letter from the Parliamentary Secretary for Health in which he said that he had looked at all the documentation and considered that the MRI report was acceptable.

That letter was signed by the Parliamentary Secretary who is now the shadow Minister for Health, the member for Macquarie Fields. I do not believe that the member for Macquarie Fields does not understand an MRI report, because I believe he is a good doctor. I do not think he read the letter. I think that letter was written by a bureaucrat and the member for Macquarie Fields just signed it or his signature was attached to the letter. That is why I was furious and that is why I raise this matter on behalf of Suren Naidoo, a constituent in my

electorate. It is not good enough that we have health services like that. It is not good enough that we have some clown issuing a discharge report like that. It should not happen. We need to improve the culture and put the care of the patients first and foremost.

Only a responsible and progressive government would put the care of the weak, the sick, the aged and the frail front and centre of their policy, and that is what this bill does. It is a great start and I commend the Minister for bringing this bill into the House. It has my full endorsement, as it should.

Mr GEOFF PROVEST (Tweed) [12.50 p.m.]: I make a contribution to debate on the Health Services Amendment (Local Health Districts and Boards) Bill 2011. This is a subject very dear to my heart and I join with other speakers in this debate in applauding the Minister for Health for bringing this bill to the Parliament. My electorate of Tweed has probably more seniors than any other electorate in the State. As we know, seniors are heavily dependent upon the health system. Currently just over 40 per cent of Queenslanders are being dealt with in our health system. I am a big supporter of our local clinicians, our doctors and nurses. I meet with senior members of our medical council nearly every month, every three months I take a guided tour throughout the hospital and I even meet regularly with our united auxiliary, which last year raised more than \$200,000 for the health system.

Apart from delivering on an election promise, this bill is about a clear future; it is about transparency and giving power back to the local community and supporting them. Over the past four years—in my short time in this place—I have witnessed those on the other side of the House continually erode the confidence of our hardworking doctors and nurses. The Tweed has experienced the situation of not being able to fill positions: doctors and nurses are available but they choose to go to work in another State because of the better conditions and the respect that they are shown. We were told that the Government was going to increase front-line staff, and John Della Bosca, who was then Minister for Health, made a big statement about it. However, one example of what happened was that one day a person was classified as a receptionist and the next day she was classified as a patient support officer No. 2. I went to the then Minister for Health privately and said, "How can you announce publicly that you have increased front-line staff when all you did was change titles?" He said, "I don't know. It was some bureaucratic thing they wanted me to do. I don't really believe in it." That is factual and it explains the lack of confidence of people in the Tweed.

Currently the general manager of the Tweed Hospital cannot set foot on the premises; she must work remotely because the medical council has threatened to withdraw all services if she sets foot in that hospital again. That is a deplorable situation. I like to be hands-on and, apart from talking to the doctors and being with them, every three or four months I do a 16-hour shift in the back of an intensive care paramedic ambulance on a Friday or a Saturday night when the ambulances are at their busiest. I see the hard work of the paramedics and their interaction with the emergency department at the hospital, but the emergency department is often at bursting point. I sat in on the Garling inquiry when evidence was taken for three days in the Tweed and I just shook my head at some of the horror things I heard. In the 2009 year the hospital treated 1,200 people in corridors. When I went to school 100 per cent meant full, but at times our hospital is running at 107 or 110 per cent.

Earlier today the Deputy Premier introduced the Occupational Health and Safety Amendment Bill 2011. If I were a cleaner and I left a bucket and a mop in the corridor, I could be fined for an unsafe work practice. I would like to know what is the difference when a patient on a stretcher is put in a corridor. This is not the way of the future; it is a Third World country scenario. It all comes down to basic administration. The hardworking doctors and nurses are spectacular in what they do and I applaud the Minister for her work in relation to the boards and the key performance indicators. Last year in this place I asked more questions on notice than anyone else—around 700. There were a few chasing me. Today I inquired about the number of questions on notice I asked about health and I discovered that the number is up to around 234. But what answers did I get? I got one-liners saying that the matter would be taken into consideration, or answers of that nature.

It is important that we bridge the gap between the health system and the local community. Like some other members in this place have experienced in their electorates, a little while ago my electorate had a problem with hospital suppliers. I remember when the Minister for Health was in Dubbo, staff from the hospital had to go down to the vet to borrow bandages and so on. The surgical suppliers in my electorate came to me because they had not been paid for 120 days and they said they were not bound to supply the hospital anymore. The chief of the medical council said, "Geoff, unless we get supplies by Friday"—it was Wednesday then—"we cannot do any more surgery." I took the matter to the media and there was some action by the local board, which resulted in the suppliers being paid some money. But the then Minister for Health—and we have had a few so

I lose track of who it was at the time—criticised me for creating fear in the community. But doctors were standing on the footpath outside the hospital telling the media exactly what I had said. I am not a doctor and I do not profess to be one, but I put a lot of faith in the doctors and nurses in the Tweed.

We have to now rely on the Queensland health system. About two years ago I requested a cross-border health document under freedom of information. Labor governments on both sides set up an inquiry to analyse the future needs of the health systems across the border. The New South Wales component said, "We can access all the services in Queensland. We do not need our own cancer treatment facilities; we do not need anything like that because we can just go over the border." We have access to a lot of Queensland media in the Tweed and it appears the Queensland health system ain't that flash at the moment; they are struggling even to pay their doctors and nurses on time. Queensland has a rapidly expanding population and Tweed is one of the fastest growing regional areas in New South Wales, currently growing at around 3 per cent per annum. In the next three to five years another 20,000 home sites are due for approval. That is why this bill will give real hope to the doctors and nurses.

I will be meeting with the Minister for Health in the near future because I want to explore greater cooperation with the Queensland Government, considering that 40 per cent of Queenslanders use the New South Wales health system, and I know that a percentage of people from New South Wales use it as well. But this is another clear endorsement of the Liberal-Nationals Government's openness and transparency and its empowering of the public servants and the doctors and nurses so they can continue to do their fine work and deliver the services. After all, is that not why we are here? Is that not why we have been elected—to look after the people in the fine State of New South Wales?

I commend the Minister for her fine work. I know that she has worked on this legislation diligently over many years. She has visited the Tweed and listened to our complaints. I want to continue this discussion. This legislation is a great start and it will implement many great policies. The key change is the establishment of local health districts. Recently I had a discussion with my local medical council and the members expressed relief that finally there is a light at the end of the tunnel and that there is reason to hope. Like many other members, I continually hear about problems with the provision of health services, and it all comes back to the way in which the health system is managed. Before I came into this place I was a member of the local health services quality assurance committee. The committee met every two months to discuss issues and its views were presented to the hospital administrators. The problem was that it was a one-way street. We would provide information and raise issues, but we would get no response. The community would ask the council what was happening, but we could tell them nothing and the problems we raised were not being addressed.

Despite the fact that Murwillumbah District Hospital services many local clinicians, the former Government downgraded it over the past three years. It is operating at 75 per cent capacity whereas the Tweed hospital is operating at 107 per cent capacity. That is difficult to understand. There must be greater cooperation. The Deputy-Speaker and I went to a street rally held about two years ago and attended by about 6,000 locals. The crowd was so large that the main street of Murwillumbah had to be closed. Many people from the Tweed also attended the rally because they wanted to support their fine doctors and nurses and to show their appreciation for their hard work. Doctors and nurses have resigned because of the state of the health service. Two public dentists in the Tweed told me that they could no longer work in the area because they had no support from the health administrators. We did not have a public dentist for six months. After asking many questions I established that the unused funding allocated for those dentists' salaries was absorbed by some other service. We need clarity with regard to the health system and I believe that this bill will provide it. Once again, I applaud the Minister for her foresight and commitment.

Mr Daryl Maguire: She is a great Minister.

Mr GEOFF PROVEST: Yes, she is. Once again, I am 100 per cent for the Tweed hospital.

Mr ROB STOKES (Pittwater) [1.01 p.m.]: I support the Health Service Amendment (Local Health Districts and Boards) Bill 2011. The objects of this bill are to amend the Health Services Act 1997 to constitute local health districts and establish boards for such districts, to provide for certain statutory health corporations to be specialty networks with boards and to make related amendments and other minor amendments. This is an important bill because it delivers on one of the new Government's key election commitments.

Mr Daryl Maguire: It is a hallmark of the Coalition's election platform.

Mr ROB STOKES: Yes, it is a hallmark of the Coalition's policy to ensure that communities are properly empowered to be involved in the decisions that affect them. The Labor Party's approach of centralising services has been evident since former Premier Iemma introduced massive, bloated area health services. Some were larger than European countries. I believe that the far western service covered an area larger than Germany and the New England service covered an area larger than England. That enormous, unwieldy, overly bureaucratic and heavily centralised approach to the provision of health services has failed the communities of New South Wales and, most importantly, the sick and the injured. We need a health service that is responsive and devolved so that local communities are properly represented and the needs of local hospitals and clinicians are reflected in the decision-making process.

We have heard countless examples of local clinicians not being authorised to make simple decisions about funding that need to be made very quickly in order to serve patients effectively. The Mona Vale Hospital ran out of slings and no-one had the authority to order fresh supplies. As a result, one poor bloke who had broken his collarbone at a rugby game was given a makeshift sling. That is one example of why the New South Wales health system must work more efficiently and effectively. Examples such as that highlight the key difference between the Coalition approach and the Labor Party approach to the provision of health services.

Members on this side believe in devolution of authority wherever possible so that decisions can be made locally. However, the Opposition believes that decision-making should be centralised according to a Soviet-style central planning model. It is ridiculous that trivial local decisions must be passed along massive hierarchical chains to people who have no idea of the conditions on the ground. I recall the infamous story of a leading clinician who did not have the authority to order sandwiches to be served at a meeting despite his role as a clinical director supervising 1,500 professionals on an annual payroll of about \$100 million. Professor Mohamed Khadra, a renowned and respected Sydney surgeon, has published an excellent book entitled *Terminal Decline*, which I urge all members to read and in which he states:

I see great differences between the system as it is currently and the one in which I trained in the 1980's. The overwhelming difference is the lack of empowerment in the faces of all those around me who are working at the clinical interface. "We are powerless to fix it" is the mantra that is heard in the corridors of our hospitals and health facilities.

This bill is all about fixing the system and giving local communities a say in the decisions that affect their hospitals and health facilities. It will restore a process that will enable decisions to be made efficiently and effectively at the appropriate level to ensure that local problems have local solutions and that local clinicians are involved. Of course, we must get the balance right. It is not appropriate to take a medieval approach with each hospital treated as a separate castle with its own discrete agenda and resources. We must have appropriate efficiencies. Some medical equipment, such as magnetic resonance imaging machines, can be very expensive and can be usefully shared. We must have an efficient system, but one in which authority can be exercised at the local level.

My community has seen firsthand the adverse effects of the overly bureaucratic and centralised decision-making processes that plagued the former Government. In its wisdom—I use that word advisedly—the Labor Government sat by idly while the maternity ward at Mona Vale Hospital was covertly closed despite the enormous and increasing demand for maternity services in the local community and on the northern beaches and the fact that more than \$735,000 had been spent already on renovations. This closure resulted in a 40 per cent cut in the number of public maternity beds available to local women and the centralisation of all maternity services on the northern beaches at the far end of the peninsula. The only winners in this situation have been the bureaucrats because it has made it much easier for them to plan, whilst local women and their families are left to deal with the uncertainty of where they will have their babies, what will happen in an emergency and how they will manage to fight through northern beaches increasing traffic woes to access the token services they have been left with at the opposite end of the peninsula.

I suppose this makes wonderful bureaucratic sense in an ivory tower because it resulted in a significant reduction in the number of women choosing to have their babies locally in our public hospitals, and it makes the statistics look better because there are fewer patients. While that might work terrifically well from the perspective of an ivory tower that is not at all interested in the service, it does nothing to serve the health workers, the obstetricians, the midwives and the local communities that depend on these services. For example, there were 16 beds in the maternity ward at Mona Vale Hospital and 17 beds in the maternity ward at Manly Hospital. In contrast, there are now only 20 beds in the new improved maternity ward at Manly Hospital. The former Government wants us to believe local mothers now have access to better services even though it cut local maternity beds by 40 per cent and shifted them all to one end of the peninsula. The makers of *Yes, Minister* could easily have made another episode about this debacle. Under the former Labor Government, Sir Humphrey Appleby was certainly alive and well, wielding his magic in the health Minister's office.

At a local level, in the hardworking maternity unit we have been left with at Manly, staff members are frustrated as they work in an overcrowded and duplicated maternity ward where there is low morale and where their requests, suggestions and concerns are not being heard. Midwives have been telling me of the hierarchy with which they have been left because the system does not allow for local decision-making or for local clinical voices to be heard. Midwives have also told me how they must go through the nurse unit manager, the divisional manager, the director of nursing and the general manager before an issue can progress through the health network. If it makes its way through the local hierarchy it then goes to the Department of Health where it is passed around—and effectively this is just to get a yes or a no decision. The issue then has to filter back through the same network before the decision can effectively be implemented. This daily occurrence is enormously frustrating for health workers.

Members in this place—including members of the Opposition, if they were fair dinkum about it—would know that health workers are frustrated and impeded by the system of governance within which they are forced to work. That system of governance must be changed and an appropriate balance must be restored so that local communities and local clinicians can ensure that their voices are heard and that decisions are made at an appropriate level. This terrific legislation, which is long overdue, will restore our health system and ensure that the governance system that has been forced on our hardworking health professionals will work for them and not against them. I commend the bill to the House.

Debate adjourned on motion by Mr Daryl Maguire and set down as an order of the day for a later hour.

[The Assistant-Speaker (Mr Andrew Fraser) left the chair at 1.13 p.m. The House resumed at 2.15 p.m.]

DISTINGUISHED VISITORS

The SPEAKER: I acknowledge the presence in the gallery of the Hon. Jim Lloyd, former member for Robertson, Minister for Local Government, Territories and Roads, guest of the member for Gosford. Welcome to the Parliament.

VISITORS

The SPEAKER: I acknowledge also the presence of Bob and Mavis Morris, and Janet and Rod Coupland. The two gentlemen are Korean War veterans and were recently awarded the OAM. They are constituents of the South Coast and my very good friends. I welcome also my husband and another very good friend, Mr Dave Wild. I welcome them and everyone else to the Legislative Assembly. I therefore ask all members to be on their best behaviour.

PARLIAMENTARY SECRETARIES

Mr BARRY O'FARRELL: I inform the House that on 4 May 2011 the following members were appointed as Parliamentary Secretaries to the offices indicated:

The Hon. John George Ajaka, MLC
Parliamentary Secretary for Transport and Roads

Mr Craig Asbjorn Baumann, MP
Parliamentary Secretary for Regional Planning

Mr Stephen Rhett Cansdell, MP
Parliamentary Secretary for Police

The Hon. David Clarke, MLC
Parliamentary Secretary for Justice

The Hon. Marie Ann Ficarra, MLC
Parliamentary Secretary to the Premier

Mr Troy Wayne Grant, MP
Parliamentary Secretary for Natural Resources

The Hon. Charlie John Stuart Lynn, MLC
Parliamentary Secretary for Veterans Affairs

The Hon. Matthew Ryan Mason-Cox, MLC
Parliamentary Secretary for Treasury and Finance

The Hon. Melinda Jane Pavey, MLC
Parliamentary Secretary for Regional Health

Mr Robert Gordon Stokes, MP
Parliamentary Secretary for Renewable Energy

Mr Paul Lawrence Toole, MP
Parliamentary Secretary to the Deputy Premier and for Asia-Pacific Trade

Ms Gabrielle Cecelia Upton, MP
Parliamentary Secretary for Tertiary Education and Skills

Mr Raymond Craig Williams, MP
Parliamentary Secretary for Western Sydney

REPRESENTATION OF MINISTERS ABSENT DURING QUESTIONS

Mr BARRY O'FARRELL: I inform the House that I will answer questions today in the absence of the Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW due to ill health.

QUESTION TIME

[Question time commenced at 2.18 p.m.]

STATE BUDGET

Mr JOHN ROBERTSON: My question is directed to the Premier. Given the Parliamentary Budget Office has found that his claims of a budget black hole were "unsupported by evidence or conflict with available information on the State's financial position", will the Premier apologise to Michael Schur?

Mr BARRY O'FARRELL: I am relieved and frankly pleased to see the Leader of the Opposition and his merry team back here again today. That makes two sightings in two days. That is an absolutely new record from the self-proclaimed most energetic Opposition in the State's history, and I hope that history is a very long one. I have done some investigation since I made that point yesterday. I have been trying to work out where the Leader of the Opposition has been all these weeks and I have had, not quite the Stasi but, people almost as good as Bob Carr's Stasi do some work. I read the inaugural speech of the Leader of the Opposition. In that speech the lack of visibility is put down to the fact that he has been on a lost seats tour of New South Wales. He said that he visited 29 of the 30 seats that Labor had lost at the election. I have a suggestion—an idea—that might make his next tour a bit shorter, a bit more endurable; an idea that would ensure that his next tour got him back here in time for question time next Monday: Perhaps next time he should visit the seats that Labor actually won.

The SPEAKER: Order! The member for Canterbury will come to order.

Mr Michael Daley: Point of order: My point of order is under Standing Order 129. After two minutes the Premier has not even attempted to answer what was a very simple question.

The SPEAKER: Order! I am sure the Premier will answer the question within the time remaining.

Mr BARRY O'FARRELL: What is important about Tony Harris' report today is that he confirms what Michael Lambert confirmed, which is that there is indeed a black hole in the State's budget of \$5.2 billion. He talks about the smoothing. He has a different view about the smoothing to Mr Lambert but Mr Lambert's view was very clear: the smoothing was taken out by Treasury when it presented the figures to the new Government to provide a more accurate position. Therefore, why was the smoothing done? The smoothing was done to hide a deficit—

The SPEAKER: Order! The member for Mount Druitt will come to order.

Mr BARRY O'FARRELL: —as the Treasurer so comprehensively said to the Leader of the Opposition yesterday. The black hole does indeed exist and the people of this State are going to have to deal with it.

The SPEAKER: Order! The member for Maroubra will come to order or he will be placed on a very early call to order.

Mr BARRY O'FARRELL: What I find most interesting in this report is that, as the Treasurer yesterday alluded to the lack of advice about the drop in GST revenues, Mr Harris has added another piece to that mystery. What he says is that on 1 March the then Secretary of the Treasury advised Richard Torbay, one of the parliamentary leaders defined by the Parliamentary Budget Officers Act, of a newly advised fall in GST payments in New South Wales. Mr Harris goes on to say: "Presumably Mr Schur also informed all other parliamentary leaders, including the then Premier, Ms Kristina Keneally, and the then Leader of the Opposition, Mr O'Farrell." The answer is: He did not. The question to Kristina Keneally is: Was she told? If so, why did she not reveal it before the election? The fact is that this is a very sorry mess. It is a sorry mess of Labor not being prepared, in advance of the election campaign, to reveal the true state of the State's finances.

In response to an earlier interjection by the member for Mount Druitt, whether it is in year one or year four it is still real—it still has to be paid off. I note that governments deal in large numbers. But when anyone, including a respected former Auditor-General like Mr Harris, tries to dismiss \$2.5 billion, according to his figure, as 0.5 per cent, I think that is unacceptable—\$2.5 billion would build a lot of schools and a lot of hospitals. It would help build railway lines, it would fix roads, it would pay for police and it would pay for nurses. It would pay for teachers across the State. Members opposite left this State in a mess, and they will hear more of this.

ELECTRICITY ASSETS SALE

Mrs TANYA DAVIES: My question is addressed to the Premier. What action is the Government taking to ensure the people of New South Wales received value for money from Labor's dud sale of electricity assets last year?

Mr BARRY O'FARRELL: I thank the new member for Mulgoa for her question. What a great result—from Glenmore Park and Orchard Hills out to Luddenham and Wallacia, to Colyton and Oxley Park—four fantastic parts of this city. Every time I visited those areas a few months after a by-election in Penrith, the one thing the people wanted to talk to me about was electricity prices. It is no wonder, therefore, that the member for Mulgoa achieved a remarkable 23.1 per cent swing to win her seat. She increased the Liberal vote on the last election by 9,791 votes, a remarkable achievement. She will be a remarkable member in this place, working hard full-time for the people of her electorate in the way that the former member for Mulgoa did not and devoting herself to their interests, as opposed to the Labor Party's interests. We are putting an end to the "Diane Blunder" history of State politics, and we are pleased to welcome Tanya Davies as the new member for Mulgoa.

I am sure the Leader of the Opposition will be interested in this answer. I read in his maiden speech—which I spend some time going through last night—his complaint about how he suffered during the election campaign while doorknocking in 40-degree heat, something that is familiar to most of the members sitting on the Government benches. The reason those opposite struggled, of course, is that families across the State, including families in this city, have been saddled with enormous electricity price increases—60 per cent over five years—by the former Labor Government due to its incompetence, its mismanagement, and its stripping of dividends out of electricity companies. That is why people cannot afford to use their fans or air-conditioning in summer or use their heaters in winter.

If I am stopped by another person, particularly a senior, and spoken to about this issue, I will condemn the former Labor Government even further. I was stopped in Penrith in September by a senior who told me she had a choice between food and heating her home. It is simply unacceptable. The people of New South Wales were disgusted when our prized electricity assets were sold off for a song and in a cloak of secrecy late last year. It was a sale that never should have been made. It was a sale rushed through in the dying days of the previous Labor Government—

The SPEAKER: Order! The Leader of the Opposition will come to order.

Mr BARRY O'FARRELL: —and it was a sale that it tried to cover up because it knew it was such a dud deal for the taxpayers of New South Wales. I hear some bleatings from the Leader of the Opposition, the bloke who recently said he had always opposed privatisation.

The SPEAKER: Order! The member for Murray-Darling will come to order.

Mr BARRY O'FARRELL: Wasn't the Leader of the Opposition a member of the Cabinet that actually signed up to this privatisation? To make matters worse, the former Premier, the member for Heffron, shut down the Parliament early to try to prevent scrutiny of the sale. And when eight directors of the two power companies involved in the sale resigned—and it was not a common occurrence, during Labor's term, for Labor-appointed directors to resign on a matter of principle; indeed, we never believed for 16 years that they on that side of politics could spell "principle"—the member for Heffron made it impossible for them to give evidence to that inquiry. So the truth about the sale has never come out. As I said yesterday, we will hold a full inquiry into the asset sale; it is underway.

The Hon. Brian Tamberlin will investigate the impact of that asset sale on the people of New South Wales and future electricity prices. He will get to the bottom of that deal. He will investigate and report on whether the deal complied with the relevant laws, policies and practices, and the circumstances surrounding the resignation of those eight directors. The special commission of inquiry will also determine whether the deal represented value for money, and it will uncover the potential risks and liabilities facing taxpayers from the sale. The inquiry will also look at ways to keep power prices competitive and guarantee reliable supplies for people across this State.

The special commission of inquiry will have the powers of a royal commission. It will take submissions, it will hear from witnesses, and it will have the power to compel witnesses to appear. There may be members opposite who want to go along and give evidence. That would certainly be welcome. A report will be produced within six months. While the special commission of inquiry will deliver the full review as promised, action needs to be taken immediately. I refer, of course, to the late-night appointments made by the former Government to the boards of Delta and Eraring late last year to replace the directors who fled those corporations when this dodgy deal was sought to be made. Five appointments were made in that last-minute scramble to ensure the whole deal did not collapse. Some of those directors were even part of the former Government's team involved in the sale. One of them was a former member of this House, a former Minister, Kimberley Maxwell Yeadon, John Laws' friend. They were rushed onto the boards despite the exodus of eight other directors and required to consider the deal with minimal notice or scrutiny because of the former Government's desperation to sell off those assets. Well, that is simply not good enough. They are being removed today.

STATE BUDGET

Mr MICHAEL DALEY: I direct my question to the Treasurer. The Lambert report found that "... both the mid-year review and the March 2011 update accurately reflected available information at the time and were consistent with a robust approach to budgeting adopted by NSW Treasury." Given that, will the Treasurer apologise to Michael Schur?

Mr MIKE BAIRD: I cannot believe that the shadow Treasurer has returned to this subject today, but I am very happy to go into the budget practices of State Labor yet again for the benefit of the House. I was pleased to see the Harris report, which confirms the Lambert report. We are learning from the shadow Treasurer that he is very selective with the words he uses. But for the benefit of the House we need to confirm the facts so that the Opposition understands what we have.

The SPEAKER: Order! The member for Canterbury will come to order.

Mr MIKE BAIRD: The facts are pretty simple. The budget is more than \$5 billion worse off than a budget forecast issued by State Labor days before the election.

The SPEAKER: Order! The member for Mt Druitt will come to order.

[*Interruption*]

The SPEAKER: Order! I call the member for Mt Druitt to order.

Mr MIKE BAIRD: That was a big weekend for State Labor, whatever that was. The Lambert report also confirms that it hid a deficit, which was immediately reversed the moment it got the opportunity—that is a fact. The Lambert report also confirms that the economic handiwork of Captain Solar over there was hidden from the budget. I am looking forward to discussing the solar scheme. The concept was okay; it was the management. I look forward to talking about the economic credentials. The fact is that on 21 March we

remember this baby, this document, this rival to Donna Hay's best seller. What did it do? It confirmed the budget forecasts under State Labor are done in the Treasurer's office, not in Treasury. They do not talk to Treasury because they do not like it.

[Interruption]

The SPEAKER: Order! I call the member for Maroubra to order. If he does not listen to the Minister's answer in silence, I will place him on two calls to order. I am sure the Treasurer is about to give his answer.

Mr MIKE BAIRD: I know the shadow Treasurer is very keen. He held a press conference today and spoke about the Harris report, which confirmed all the facts we just heard.

The SPEAKER: Order! I call the member for Canterbury to order.

Mr MIKE BAIRD: But I think he will be interested in this. Remember we spoke about the shadow Treasurer being very selective? Well, Tony Harris also says he has serious questions about Labor's handling of the Solar Bonus Scheme. What he said was that on 1 February the former Premier issued a media statement committing her Government to offsetting the costs of the Solar Bonus Scheme and not passing on the costs in increased electricity prices. So here we go, we pull another press release out. It is warm, but not as warm as the other one! Dated 1 February it says, "... Premier Kristina Keneally today announced that electricity customers will not pay any extra charges to cover the cost of the Solar Bonus Scheme." That is what those opposite are trying to tell us: no costs in the Solar Bonus Scheme. The truth of the matter is very different. If the Opposition starts to selectively pick quotes it will come unstuck.

The question for all of us in this House is: What did the shadow Treasurer know? We all know that he was the Minister for Finance in the former Government. We all know that he sat at the Master Chef's foot—he was the Junior Master Chef. The problem for all of us in this State is that his mentor was Eric Roozendaal. The fact is that this State budget is more than \$5 billion worse off than we were told it would be the week before the election. If members opposite are discounting future years, why did the Treasurer ignore Treasury and say, "You go and hide a deficit"? That is what the Treasurer did. The people of New South Wales deserve better. Under an O'Farrell Government they are going to get much better.

TRADE AND INVESTMENT

Mr PAUL TOOLE: I direct my question to the Deputy Premier. Will the Deputy Premier tell the House what strategy the Government is pursuing to help rebuild the economy by increasing trade and investment?

Mr ANDREW STONER: I congratulate the member for Bathurst on his record-breaking election victory—a 36.7 per cent swing. We do not need the Parliamentary Budget Office to check that figure. I also congratulate him on being promoted further than his predecessor in just one month; it took the Bundy Bear 12 years. Of course, I refer to his appointment as Parliamentary Secretary to the Deputy Premier and Asia-Pacific Trade. His appointment announced yesterday fulfils another commitment outlined in the Government's 100 Day Action Plan and demonstrates our commitment and motivation to boost economic activity across New South Wales. The member for Bathurst is ideally suited to this role. As mayor of one of New South Wales largest inland cities he regularly met with trade delegations and has facilitated many business-to-business contacts in the interests of his region—he is now going to do it for the whole State.

For more than a decade, sadly, New South Wales has been the slowest-growing State in Australia. While other States have benefited from increasing investment, increasing job opportunities and increasing wealth, under this mob New South Wales has been left trailing the pack. Later this year the Premier will lead a delegation to China and India to strengthen existing ties, develop new ones, and send a clear message that New South Wales recognises the importance of the Asia-Pacific region, particularly those emerging economies of India and China, in terms of achieving economic prosperity for New South Wales. But before we do that we are capitalising on opportunities at home.

We are progressing plans to establish a dedicated New South Wales Export and Investment Advisory Board, to leverage the skills and experience of New South Wales non-government business and trade organisations in growing New South Wales trade and investment with Asia-Pacific countries and elsewhere in

the world. We are also working on harnessing this State's great cultural diversity, language skills and overseas links as part of our pitch for business by creating a new Multicultural Business Advisory Panel to work with the new Export and Investment Advisory Board.

Upon becoming Minister, I requested a list of appointments on the board of the Asia Business Council—the board the former Government had in place. The advice I received was that at the end of its last term, the council's chairman was still none other than the scandal-ridden former Labor MLC Henry Tsang, who was forced to resign under a fair cloud as I recall. Once again Labor is choosing jobs for the boys over creating jobs for the hardworking people of New South Wales. But it does not end there. It is my understanding that in their dying days the Labor Government tried desperately to reappoint Henry Tsang as the chair of that board.

The SPEAKER: Order! The Leader of the Opposition will come to order.

[*Interruption*]

The SPEAKER: Order! I call the Leader of the Opposition to order.

Mr ANDREW STONER: The people of New South Wales voted for change on 26 March and that is precisely what they are going to get from an O'Farrell-Stoner Government. Only yesterday I met with Cher Jones, Director, Trade and Investment—South China and Hong Kong, to discuss the future role and focus of the Guangzhou office.

This Government will increase two-way trade and investment between New South Wales and the economic powerhouses in our region, with particular focus on China and India. The proof of the pudding is in the economic statistics. This is an area in which Labor failed for 16 long years during its term in office. A former Minister responsible for this area, Ian Macdonald, seemed to be more interested in long lunches than in developing our Asia-Pacific trade and investment. His successor, Eric Roozendaal, was too busy flogging off our electricity assets in the dud deal of the century to care about chasing down trade and investment opportunities. The behaviour of the former Labor Government has damaged our State's reputation around the world. In London the *Telegraph* has an expose about the scandals of the New South Wales government.

Dr Andrew McDonald: Point of order: It is disorderly for members to wave newspapers and props.

The SPEAKER: Order! The Deputy Premier has completed his answer.

TREASURER RESPONSIBILITIES

Mr JOHN ROBERTSON: My question is directed to the Premier. In light of the findings both in the Lambert report and of the Parliamentary Budget Office, which discredited the Premier's claims of a so-called budget black hole, will the Premier remove any more responsibilities from his Treasurer?

Mr BARRY O'FARRELL: Just because the Leader of the Opposition says something does not mean that people take it as fact, and just because the Leader of the Opposition makes a claim does not make it a fact. The Treasurer has reminded me of my favourite piece of television viewing this year so far. It was when the member for Maroubra, whom I discovered today is the shadow Treasurer, was first sighted after the election. He popped up on our television screens the day of the release of the Lambert report and read what he claimed were the Lambert report findings. I note that when he came to the middle sentence he started halfway through. He missed out the words, "apart from the Government-directed budget smoothing associated with the prepayment for rail grants". Whether it is the shadow Treasurer, the would-be Leader of the Opposition, or the current Leader of the Opposition, their statements cannot be believed. This Government will not run the State's finances or arrange its administration in the Labor way. We will not have Joe and Eddie carving up the empire to suit factional alliances. We will do what we did in Opposition and what helped us get into Government: we will ensure that everyone works together. The finance and commerce department will have clear tasks and Treasury will have a clear role. Both those portfolios have fine individuals at their helm.

The SPEAKER: Order! The member for Mount Druitt will come to order.

Mr BARRY O'FARRELL: I am proud of my Treasurer, which is more than Labor can say of Eric Roozendaal, who, I am told, has been waiting for a date in July to click over before he leaves this place so that he can obtain his superannuation entitlement.

The SPEAKER: Order! The member for Maroubra will come to order. I remind him that he is already on a call to order.

Mr BARRY O'FARRELL: The Labor Party rewarded him. This should never be forgotten by the people of this State. It contributed to the size of the swing against Labor across New South Wales. The man who was responsible, together with the former Premier, for the dud deal of the century, the sell-off of the State's electricity assets for a song, was rewarded by the Labor Party with the number one spot on their upper House ticket. Is it any wonder that the New South Wales Liberals and Nationals team set an historic record in returning 11 members of the upper House at the election. That has never been done before. We were helped on this occasion not by the Leader of the Opposition sandbagging his own election but by that factional genius, the general secretary, who decided to put Mr Roozendaal on top of the ticket. Last Friday night I saw some of those Labor characters out at the Swans football game. It was not a particularly good game. I hope the Greater Western Sydney team, the Giants, do not have the same luck—except when they play the Swans! I could not help but notice that most of the Labor Party people were crowding around the television screen watching the royal wedding. All those people who usually declare themselves as republicans were glued to the television.

Dr Andrew McDonald: Point of order: Although it has been some time since the question was asked, pursuant to standing order 129 the Premier is not being relevant to the question.

The SPEAKER: Order! The Premier's answer is generally relevant. The Premier has the call.

Mr BARRY O'FARRELL: The question asked about my ministerial arrangements. I am happy to talk about my own arrangements as well. I could not help but notice that those Labor members loved the pomp, the ceremony, the uniforms, the dress and particularly the medals. It reminded me of something. A few weeks ago I saw a note about a desperate attempt by three Labor members to obtain the title "honourable" for life. A member who sits in the other place for 10 years is entitled to the honorific of "honourable" for life. In this case the former President of the other place attempted to slip through three members who had not met the criteria. They had sat only eight years, or one term, in the upper House. They had been discarded by the Labor Party and their factional friends and replaced with people such as Andrew Ferguson, who still did not make it. Christine Robertson, Tony Catanzariti and Kayee Griffin will not be given the honorific because they do not qualify. We do not believe that people should get things they do not deserve.

NORTH WEST RAIL LINK

Mr BART BASSETT: My question is addressed to the Minister for Transport. What progress has occurred in delivering Sydney's north-west rail link?

Ms GLADYS BEREJIKLIAN: I thank the member for Londonderry for his question and congratulate him on his resounding election victory. I am delighted to inform the House that the O'Farrell Government, in stark contrast to Labor, has wasted no time in getting on with the job. Just days after the people of New South Wales delivered their verdict on the Labor Government I joined the Premier to announce the establishment of a project team for this vital rail link. For 16 long years Labor did nothing for the people of the north-west. It took just days for the Premier and I to reconfirm our commitment to this rail line and, more importantly, to put words into action.

The SPEAKER: Order! I call the member for Canterbury to order.

Ms GLADYS BEREJIKLIAN: The project team for the north-west rail line is up and running. We have said that we want the best people from both inside and outside government working on this project to make sure it is the success that commuters deserve. One of the responsibilities of this newly established committee and project team will be to set up a community information centre. It is important that the community has the opportunity to contribute to our plans and provide feedback on proposals. I take this opportunity to congratulate the members representing the electorates of Hawkesbury, Baulkham Hills, Castle Hill and Londonderry on doing such an excellent job in representing their communities.

For 16 years Labor let the transport system of this great State slip into decay. Many people do not care that the Leader of the Opposition has been missing in action since the election, but I have been concerned about him. I did not know what was wrong with him. I am pleased to see him here today. I personally thank him for showing up. Captain Solar doubles as the "Where's Wally" of New South Wales politics. Although people may

not realise it, he was missing a long time before the election. I lost count of the number of times I had to debate myself because he did not turn up to important transport forums. Where was he? He was probably studying or writing a book.

[Interruption]

The SPEAKER: Order! Members on both sides of the House will come to order.

Ms GLADYS BEREJIKLIAN: We all know where he was on Tuesday night when he showed that he has no shame. In his inaugural speech in this House he said it was a privilege to stand up for the local community to improve transport services in and around Blacktown. What did he do when he was the transport Minister? It is a bit rich to talk about improving transport services now when he squandered the opportunity in government. It is important to recap some important facts. There was no greater symbol for Labor's on-again, off-again approach to transport than the north-west rail line, which remained the stuff of fantasy until 26 March. The people of the north-west—an area with a population greater than that of Canberra—suffered horribly at the hands of Labor.

Way back in 1998, Carl "Sparkles" Scully and Bob "the Spin King" Carr, also known as No. 39, promised a train line, saying it would be finished by 2010. Labor, having done nothing for 10 years, No. 40—Morris Iemma—scrapped the rail line and announced a north-west metro. We all remember the television ads and the glossy brochures. Then No. 41 knifed No. 40 and scrapped the north-west metro, leaving the region in limbo again. Then No. 41 and the Minister for Planning, who went on to become No. 42, wasted nearly half a billion dollars on the CBD Metro at Rozelle. A year later, after No. 42 knifed No. 41, she decided to go back to plan A, with a caveat that trains would not actually run on the line until 2024—26 years after it was first promised.

The people of the north-west have waited long enough. Let me be clear: We will start construction of the north-west rail link in this term of the O'Farrell Government. In contrast to Labor's lies and incompetence and broken promises, we will ensure this line is built.

PARLIAMENTARY BUDGET OFFICE

Ms LINDA BURNEY: My question is directed to the Premier. Will the Government retain the Parliamentary Budget Office, given the fact that the acting Parliamentary Budget Officer's term expires in six days?

Mr BARRY O'FARRELL: I have been thinking about that issue, and for a number of reasons. I asked—I thought simply—14 or 15 months ago for the former Premier to agree to establish an independent process to enable the Auditor-General, as I put it to her, to oversight election promises. I did that because at the previous election, most notably in the Treasurer's own electorate, Labor made a commitment, in order to try to assist an independent across the line, about the widening of the Spit Bridge.

Ms Linda Burney: Are you going to keep it or not, Barry?

Mr BARRY O'FARRELL: I will answer the question. Labor put a figure on it.

The SPEAKER: Order! The member for Canterbury will come to order.

Mr BARRY O'FARRELL: Labor did not win the seat; the member for Manly had a magnificent victory—although not quite as good as the last one—and within a matter of months he and I were having a press conference at the Spit Bridge because, guess what, Labor said the costings were wrong and it could not afford the widening. We wanted to end those sorts of lies and we tried to get a bill through this place, but the Government would not allow it to happen. That bill would have honoured our commitment—a promise with which the former Premier agreed—which was to have the Auditor-General oversight the process. The former Government tried to get its bill through the upper House but it failed because the crossbenches agreed with us, that it should be an independent process and that it should not be tainted by the sorts of politics we saw in 2007.

The former Government then came up with a Parliamentary Budget Office proposal. The Parliamentary Budget Office was to be up and running around Australia Day, there was to be someone in the office and the parties could present their policies for official costings. But we got to Australia Day and the former Government

had not filled the position of Parliamentary Budget Officer. The former Government advertised again in early February for the position to be filled and that is why we have an acting Parliamentary Budget Officer. I noted in his report released today that the acting Parliamentary Budget Officer raises some questions himself about a range of issues, including whether Treasury should publish certain reports in advance of the election campaign. I have an issue as to whether we need as many people in a Parliamentary Budget Office at such a cost over four years if the purpose of the office is to cost election commitments. If the purpose of the office is to provide independent advice on the State's finances throughout the process, that is another issue. I am happy to continue to consider this issue.

Ms Linda Burney: You are not making a commitment.

The SPEAKER: Order! I call the member for Canterbury to order for the second time.

Mr BARRY O'FARRELL: It may well be an issue that is put to this House to decide. I am not making any comments about that either. I do not rule issues in and I do not rule issues out. What I will say is that an Opposition that could not even establish on time a body of its own liking should not expect this Government to clean up its mess. We will ensure that taxpayers get value for money. We will ensure that taxpayers get the truth about election commitments and we will stop the sorts of rorts that we saw from those opposite. We will stop documents prepared in Treasurer's offices for election campaigns being presented as truthful facts, because that is not what the people of this State deserve. The people of this State deserve better. Just as we have reviewed a number of bodies, just as we have made a number of changes, we will not win the next election with such a remarkable majority from this State wanting real change by simply leaving things as the former Government left them. This State needs real change and it needs honest, accountable, open and transparent government.

The former Auditor-General who heads up the Parliamentary Budget Office has made some suggestions in his reports about how that can be done and those suggestions will be taken into consideration also. I have only spoken to him in the corridors of Parliament House. I am happy to sit down and talk to him about it. But at the end of the day we need something that works, something that suits the public and something that does not suit either party in this place.

WOLLONGONG AND SHELLHARBOUR CITY COUNCIL ELECTIONS

Mr GARETH WARD: My question is directed to the Minister for Local Government. Given that Shellharbour and Wollongong city councils have been under administration since 2008 will the Minister outline for the House what plans the Government has to return to the people of this area their rights to govern again?

The SPEAKER: Order! The House will come to order. The member for Hawkesbury will come to order.

Mr DONALD PAGE: Firstly, Madam Speaker, I congratulate you on your election as Speaker. I also thank the newly elected member for Kiama for his question and congratulate him on his fantastic win—a swing of 19.4 per cent, which is in stark contrast to the swing against the member for Wollongong of 24.3 per cent. This Government wants to return democracy to the people of the Illawarra. This Liberal-Nationals Government made a commitment prior to the election that both Wollongong and Shellharbour city councils would have democratically elected councils in place this year. Unlike Labor, this Government honours its promises.

Mr Richard Amery: Don't be so brutal, Don.

The SPEAKER: Order! The member for Mount Druitt will come to order.

Mr DONALD PAGE: The father of the House; you've got to give him a bit of latitude. I remind the member for Mount Druitt of one of his earlier comments: There are only two idiots on the back bench and you are both of them.

[Interruption]

The SPEAKER: Order! I call the member for Mount Druitt to order for the second time.

Mr DONALD PAGE: The council elections will take place on 3 September 2011. In reaching this decision the New South Wales Liberal-Nationals Government has listened to the community, returning local

democracy to the local government areas of Wollongong and Shellharbour, which was a big issue at the last State elections. I have listened to the newly elected member for Kiama, Gareth Ward, and the newly elected member for Heathcote, Lee Evans, who campaigned strongly on this issue. In Heathcote Lee Evans had a swing to him of 21.7 per cent and Gareth Ward had a swing to him of 19.4 per cent. As I said before, it is worth noting that in Labor's heartland the Labor member for Wollongong suffered a swing against her of 24.3 per cent—which is confirmation of the rejection of the incompetence of Labor at both the local level and the State level.

The shameful recent history of Wollongong City Council lifted the lid on Labor Party politics in New South Wales, not only at a local level but also at the State level. The Labor-controlled Wollongong City Council was dismissed by the New South Wales Government in 2008 following an Independent Commission Against Corruption inquiry that identified systemic issues and a culture of corruption that needed to be fixed. Indeed, only an hour or so ago former Labor Wollongong councillor Frank Gigliotti was sent to jail for lying to the commission. The actions of councillors and members of staff like him stained the reputation of not only the council but also the entire Illawarra area. Wollongong City Council will have its wards reduced to three and will retain its 12 councillors and popularly elected mayor. That reflects the geographical size and the population of the area. It has a population of almost 200,000 people and covers 684 square kilometres comprising a long coastal area stretching from the Royal National Park to Lake Illawarra. It is the third largest city in New South Wales and the ninth largest city in Australia, and its central business district is a major commercial hub.

Shellharbour City Council was also dismissed in 2008 because it had become dysfunctional. Its wards will be abolished and the number of councillors will be reduced to seven, including a mayor elected by the council. The public inquiry conducted prior to the dismissal of the council noted that the Shellharbour local government area is relatively small—about 147 square kilometres—and now largely consists of a single urban area with a population of about 65,000. The existing ward structure no longer accurately represents the communities that make up the local government area and its ward structure of 13 councillors and six wards is an impediment to good government. Indeed, former Labor mayor David Hamilton told the inquiry that the maintenance of the ward boundaries was problematic. He also stated that he believed a reduction in councillor numbers to six plus a mayor would be a good option, that it would lead to better governance and that it would save money. He further stated that "councillors will still be able to represent the residents at a higher level". The Coalition Government's proposal honours the commitment given to the Illawarra before the election, and members on this side of the House are very proud to deliver— *[Time expired.]*

BALMAIN HOSPITAL

Mr JAMIE PARKER: I direct my question to the Minister for Health. Is the Minister aware that the previous Government closed the 24-hour casualty service provided at Balmain Hospital, a move which not only removed an important community service but which also placed additional pressure on an already overloaded casualty service at the Royal Prince Alfred Hospital at Camperdown? Will the Government restore the 24-hour casualty service at Balmain Hospital?

Mrs JILLIAN SKINNER: I congratulate the member for Balmain on his election, albeit by a very narrow margin. Nonetheless, he is welcome in this place. I am not surprised that his first question without notice highlights one of the service cuts imposed by the former Government, and there were many. My colleagues on this side of the Chamber mentioned a number of them during debate earlier today, in particular the closure of services in rural New South Wales that have forced people to travel long distances to access treatment, the reduction in children's and maternity services and so on. Mention was also made of the Labor Government's broken promises in the health sector. For example, the former Government promised to build new hospitals at Dubbo, Parkes, Forbes, Wagga Wagga, Bega, the northern beaches and in the city. In contrast, the Coalition Government has promised to provide services in places such as Tamworth. As I said yesterday, I was thrilled to visit Tamworth with the wonderful local member and the Federal Minister for Health, Nicola Roxon, for the announcement of the \$220-million redevelopment of the local hospital.

In answer to the member's question, I point out that the unit to which he referred is not an emergency department; it is a casualty service run by general practitioners for people with minor illnesses and injuries. I am advised that when the decision was made to reduce the operating hours the number of patients presenting to the practice after 10.00 p.m. had been declining and an average of just three patients presented to the practice between 10.00 p.m. and 8.00 a.m. I often say to people who are pleading for the reopening of emergency departments and similar services that that can happen only if the appropriately trained workforce can be guaranteed.

The SPEAKER: Order! The Leader of the Opposition will come to order. The member for Toongabbie and the member for Canterbury will also come to order.

Mrs JILLIAN SKINNER: Opposition members should not protest too loudly because they have history in this regard. A baby died at one of the maternity services that the former Government opened because the staff did not have the appropriate skills to ensure the safety of their patients. I am sure that members agree that it makes sense to redeploy staff to cover the busy periods and to reduce waiting times. In 2009, in response to decreasing demand, the operating hours of the Balmain Hospital general practice casualty service were changed. The Labor Government made that decision.

The SPEAKER: Order! The Leader of the Opposition will come to order.

Mrs JILLIAN SKINNER: It has increased general practitioner working hours and two highly experienced nurses are now available when they are most needed. I place on record the gratitude of all members on this side of the House for the wonderful work done by our general practitioner proceduralists, nurses and allied health professionals. I am frankly surprised that members of the Opposition are pillorying them with their interjections.

The SPEAKER: Order! Members of the Opposition will come to order.

Mrs JILLIAN SKINNER: The nurses are now running this service and it is extraordinary that they would do so.

The SPEAKER: Order! The member for Toongabbie will come to order.

Mrs JILLIAN SKINNER: I am advised that when the decision was made Balmain Hospital, community representatives, the Division of General Practice, local general practitioners, a paediatrician and emergency doctors were consulted and all supported the change. It is important to emphasise that the change in operating times does not alter the fact that all patients with serious or life-threatening conditions should go to the nearby Royal Prince Alfred Hospital emergency department, which has always been the practice. Royal Prince Alfred Hospital is one of the finest hospitals in the world. Of course, improvements will be made when this Government's initiatives are identified and implemented. However, I make it clear that this change does not affect the availability of staff on the inpatient wards at Balmain Hospital. Each community is different and each has different needs. I hope that the member for Balmain supports his local hospital; I know that he supports the doctors and nurses there.

SOLAR SUMMIT

Mr ROB STOKES: I direct my question to the Minister for Resources and Energy. Will the Minister inform the House of the Government's solar summit?

Mr CHRIS HARTCHER: I thank the member for Pittwater for his question and acknowledge his appointment as the Parliamentary Secretary for Renewable Energy. His title is important because it demonstrates this Government's ongoing commitment to the concepts and principles of renewable energy in New South Wales. Tomorrow the Government will hold a Solar Summit in the Jubilee Room in Parliament House to discuss the 100 Day Action Plan as it relates to renewable and solar energy and to address the cost of the solar scheme sponsored by the Leader of the Opposition.

The SPEAKER: Order! The Leader of the Opposition will come to order.

Mr CHRIS HARTCHER: The cost of that scheme has now blown out to \$759 million—I repeat: \$759 million—which will add \$700 to every electricity bill issued in New South Wales. As the Premier said, pensioners will have the choice of either eating or heating, starving or freezing. The Leader of the Opposition has given them that choice. Not only was he the official architect of that scheme but also—

The SPEAKER: Order! The Leader of the Opposition is trying my patience.

Mr CHRIS HARTCHER: Like the former Treasurer, who cooked the books, the Leader of the Opposition has been revealed as having cooked the books on the Solar Bonus Scheme. When the Cabinet minute was prepared the department did not support the Minister. The department wrote:

Just quietly, it was disappointing that the director delivered a brief strongly opposing the position that the Minister had asked the Cabinet minute to argue for. We really need the department to deliver what the Minister asks for regardless.

The minute is there. The Minister cooked and planned this scheme. The Leader of the Opposition was asked at his very first press conference what he thought of the scheme that he had forced through against the wishes of his own department. He said:

Well, I think that is one of those challenging policy areas that we have seen and we saw changes in Premiers—

Who brought about the changes in Premiers? Who rolled the man who sits only three seats from him? Who brought about the changes in Premiers? To continue:

... we saw changes and Premiers that led to changes in portfolios, and yes, I did introduce the scheme.

It led to a \$759 million blowout, and \$700 added to every electricity bill in New South Wales, "Yes I did introduce the scheme." Then he went on in his press conference—this is press conference number one, changes in Premiers, Premiers he rolled. But it gets better: wait until the member for Liverpool hears this line:

Unfortunately, I wasn't there to monitor it and watch where it was going and deal with it.

The member for Liverpool was his successor, so four down from him sits the Premier he rolled, three down from him sits the member for Liverpool whom he now dumps on as the person who failed to monitor the scheme. But the acid point for Reckless Robbo—

Mr John Robertson: What is it? Is this the best you've got? Come on.

Mr CHRIS HARTCHER: There is a lot more, and you will hear a lot more. The acid point is that you cooked the scheme. You were the architect of the scheme. You went on with the scheme against your own department and you wear the full responsibility.

The SPEAKER: Order! The Leader of the Opposition will come to order.

Mr CHRIS HARTCHER: Don't dump on the member for Toongabbie. Don't dump on the member for Liverpool. Accept the fact that this is your scheme and over the next four years—or as long as you are leader—you will wear this scheme.

Question time concluded at 3.13 p.m.

JOINT STANDING COMMITTEE ON ROAD SAFETY

Government Responses to Report

The Clerk announced the receipt of the Government responses:

- (1) Report No. 4/54 entitled "Report on Heavy Vehicle Safety", received on 4 February 2011.
- (2) Report No. 4/54 entitled "Report on Heavy Vehicle Safety", received on 21 March 2011.

JOINT STANDING COMMITTEE ON THE OFFICE OF THE VALUER-GENERAL

Government Response to Report

The Clerk announced the receipt of the Government's response to report No. 3/54, entitled "Report on the Seventh General Meeting with the Valuer-General", received on 24 February 2011.

COMMITTEE ON CHILDREN AND YOUNG PEOPLE

Government Response to Report

The Clerk announced the receipt of the Government's response to report No. 8/54, entitled "Children, Young People and the Built Environment, Follow-up Inquiry", received on 7 March 2011.

JOINT STANDING COMMITTEE ON BROADBAND IN RURAL AND REGIONAL COMMUNITIES**Government Response to Report**

The Clerk announced the receipt of the Government's response to report No. 4/54, entitled "Are you connected? Inquiry into the telecommunications availability in rural and regional communities", received on 9 March 2011.

PETITIONS**More than 10,000 Signatories**

The Speaker announced that the following petition signed by more than 10,000 persons was lodged for presentation:

Sydney Harbour Planning

Petition requesting an inquiry into development processes on the Barangaroo site and the creation of a dedicated Bays Renewal Committee to coordinate redevelopment around Sydney Harbour, received from **Ms Clover Moore**.

Discussion on petition set down as an order of the day for a future day.

PETITIONS**Fewer than 500 Signatories**

The Clerk announced that the following petitions signed by fewer than 500 persons were lodged for presentation:

Religious Education and School Ethics Classes

Petition opposing the proposed ethics classes and requesting continuation of the scripture classes, received from **Mr Stephen Bromhead**.

Wedderburn Longwall Mining

Petition opposing Illawarra Coal's exploration lease application 3474 for longwall mining at Wedderburn, received from **Mr Bryan Doyle**.

Oxford Street Traffic Arrangements

Petition requesting the removal of the clearway and introduction of a 40 kilometres per hour speed limit in Oxford Street, received from **Ms Clover Moore**.

Inner Sydney Light Rail

Petition requesting the development of an integrated light rail network through inner Sydney, received from **Ms Clover Moore**.

Eltham Railway Cottage Lease

Petition requesting the granting of a peppercorn lease to the historic Eltham Railway Cottage, and a review of the decision-making process with the community via the Eltham Community Foundation Incorporated, received from **Mr Thomas George**.

Abermain Traffic Arrangements

Petition requesting that traffic lights be installed at the corner of Charles Street and Cessnock Road, Abermain, received from **Mr Clayton Barr**.

Pet Shops

Petition opposing the sale of animals in pet shops, received from **Ms Clover Moore**.

Relationships Register

Petition opposing any legislation for a relationships register and requesting promotion of marriage for de facto heterosexual couples, received from **Mr Adrian Piccoli**.

Tenancy Agreement Pet Bans

Petition requesting a prohibition on blanket pet bans in by-laws, rules and tenancy agreements, received from **Ms Clover Moore**.

Community Housing Mental Health Services

Petition requesting increased mental health support for people with mental illness who are tenants of Housing NSW and community housing, received from **Ms Clover Moore**.

National Parks Commercial Development

Petition opposing proposals for commercial developments in national parks, received from **Ms Clover Moore**.

Australian Military Troops in Afghanistan

Petition requesting support for Australian troops on active duty in Afghanistan, received from **Mr Thomas George**.

PETITIONS

More than 500 Signatories

The Clerk announced that the following petition signed by more than 500 persons was lodged for presentation:

Anglesea Street Bondi Substation Proposal

Petition requesting that EnergyAustralia be prohibited from constructing a substation at Anglesea Street, Bondi, received from **Ms Gabrielle Upton**.

CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY

Solar Bonus Scheme

Mr ROB STOKES (Pittwater) [3.14 p.m.]: My motion should be accorded priority given the importance of the now Leader of the Opposition, then environment Minister, needing to explain his role in devising what has become the solar bonus debacle, the solar bonus disaster. I note that my colleague and friend the member for Manly and Treasurer has called the Leader of the Opposition Captain Solar, and I think that is a little offensive. I believe it is offensive because it does not appreciate his rank and stature: he is in fact the Sun King. Louis XIV could not have had a more impressive reign of terror in announcing himself lord of the State and implementing grandiose plans that impoverished what he believed were his subjects.

This motion deserves priority because it is important that the people of New South Wales hear from the Leader of the Opposition why he believed that the scheme was worth pursuing and worth continuing despite the repeated warnings that its costs were going out of control. All the warnings were there for the former Labor Government. It was warned time and again that this scheme had the potential to explode. Yet what did the now Leader of the Opposition do? He, along with the rest of them, sat idly by, preoccupied with leadership challenges, reshuffles, preselections and all the rest of it. Not only did they lose their way; they forgot about their responsibilities and duties to the people of New South Wales.

Concerns were raised in this House and by industry and in the media about this hastily put together scheme and the risks it posed—the deadline of 1 January it was rushed to get to. The raising of these concerns should have acted as a strong reminder to those opposite, and the Leader of the Opposition in particular, that they should not take their eye off this scheme even for a moment. While the Opposition leader and those around him were busy putting together media releases and headlines Coalition members were identifying red flags in the legislation, requesting amendments and warning the Government about the dangers.

This motion deserves priority because it is important for the Leader of the Opposition to explain how he got his sums in relation to the Solar Bonus Scheme so wrong. We were told at the time that the estimated cost of the New South Wales Solar Bonus Scheme was between \$114 million and \$450 million, quite within the capacity of the Climate Change Fund. However, we now have an estimate by Michael Lambert that the taxpayers of New South Wales will have to pay an additional \$711 million to cover the cost of the scheme.

The concerns were raised by a number of my colleagues—the member for Tweed, the member for Lismore, the former member for Baulkham Hills—yet the Leader of the Opposition took no notice. He failed to take account of the concerns being raised within the House, within the media and within the industry itself. We have been left with a massive ticking time bomb by the Leader of the Opposition. It is absolutely appropriate that this House as a matter of priority calls on the Leader of the Opposition to explain why he got his sums so wrong.

State Finances

Mr JOHN ROBERTSON (Blacktown) [3.19 p.m.]: My motion deserves to be accorded priority for several reasons. The first is that it goes to the credibility of a newly elected Government that has torn up its contract with the voters of New South Wales. Voters were promised real change and higher standards of accountability, but on the Government's first day we saw not real change but a reversion to the oldest trick in the book, the classic "cupboard is bare" routine. "A black hole", they cried, but that was straight from the Greiner playbook. The second reason my motion deserves priority is that it goes to the credibility of the Government's promise of restoring respect in our public service. Their next step was to take a token scalp from a longstanding public servant—another move straight from the Greiner playbook. They then loudly announced an audit. The problem was that the result of the audit showed no black hole. The Treasurer told this House just yesterday that we should read every line of the Lambert report. Let us do just that. Let me read the last page, which concludes:

... both the mid year review and the March 2011 update provided to the incoming Government accurately reflected available information ... and were consistent with a robust approach to budgeting adopted by NSW Treasury.

There was no black hole, no conspiracy, just standard accurate budgeting process. What did the Premier do with this information? Did we see those higher standards of accountability or did he seek restoration of respect in the advice of his public service? No! They ignored the advice of the public service and not only perpetuated the lie but ramped it up. "Black hole blows out further", cries this media release from the Premier's office. The Premier himself is quoted as saying that the audit proved that Labor had "cooked the books". The audit did no such thing. In fact, it concluded exactly the opposite.

The third reason my motion deserves priority is that it goes to the Treasurer's honesty with the people of New South Wales. The Treasurer walked into this House yesterday and used his first question time to perpetuate the cooked books myth. Jokes about *Masterchef* abounded. Sous-chef Treasurer—well actually that is not quite right because he is no longer a sous-chef; he is not allowed near the ovens anymore but they let him beat the odd egg. Yesterday he was in a whipping frenzy beating those egg whites and trying to get his famous black hole soufflé to rise again. Much mirth and hilarity was enjoyed by those opposite, but the problem was that at that very moment the independent budget office report was being released and it handed down its findings as follows:

The claims in the Premier's media release of April 27 are unsupported by evidence or conflict with available information.

Oh no. The black hole soufflé collapsed for a second time. Put one finger of evidence on top and it collapses because this is, and has always been, a false claim. The Treasurer could not get the Parliamentary Budget Office to support it. He could not even get his own audit to back it. Yet just yesterday we saw the Treasurer perpetuating this poorly hatched cover-up for the real agenda of slash and burn that they were too cowardly to reveal to the people of New South Wales before the election. That, too, is straight from the Greiner playbook. My motion deserves to be accorded priority because real change and raising standards were the Government's core promises—to use the vernacular of the Premier's old boss—and yet what we see is an ignoring of the facts, a distorting of the truth and a return to the same old trickery of the past.

Question—That the motion of the member for Pittwater be accorded priority—put and resolved in the affirmative.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Precedence of Business

Motion by Mr Adrian Piccoli agreed to:

That standing and sessional orders be suspended to permit General Business to take precedence of the Address-in-Reply debate on Friday 6 May 2011.

BUSINESS OF THE HOUSE**Suspension of Standing and Sessional Orders: Bills****Motion by Mr Adrian Piccoli, by leave, agreed to:**

That standing and sessional orders be suspended to permit the introduction without notice and passage through all remaining stages at this sitting of the Local Government (Shellharbour and Wollongong Elections) Bill 2011.

SOLAR BONUS SCHEME**Motion Accorded Priority**

Mr ROB STOKES (Pittwater) [3.25 p.m.]: I move:

That this House:

- (1) notes the architect of the New South Wales Solar Bonus Scheme was the Leader of the Opposition, John Robertson;
- (2) notes the original estimated cost of the New South Wales Bonus Scheme was between \$114 million and \$450 million;
- (3) notes the estimate by Michael Lambert is that New South Wales taxpayers will have to pay an additional \$711 million to cover the cost of the scheme; and
- (4) calls on the Leader of the Opposition to explain how he got his sums so wrong.

I thank the House for the opportunity to talk about the important Solar Bonus Scheme and to uncover exactly what the Leader of the Opposition knew and why he got his sums so wrong, leaving us with a scheme that was predicted at the time to cost between \$114 million and \$450 million but which ended up costing New South Wales taxpayers an additional \$711 million to cover the costs of the scheme. As the Minister for Resources and Energy has so eloquently put it, this gave taxpayers the choice between eating and freezing.

The SPEAKER: Order! There is too much audible conversation in the Chamber. Members who wish to have a conversation should do so outside the Chamber.

Mr ROB STOKES: All the warnings were there for the former Labor Government. They were warned time and again that the scheme had the potential to blow out yet no action was taken by the architect of the scheme, the Leader of the Opposition, or a succession of Ministers. We need to understand why that happened. Tomorrow a solar summit will be held to try to rectify the time bomb that has been left behind by the former Labor Government. It is incumbent on the Leader of the Opposition to do the right thing and come clean on why he did not intervene and why he got the costs so badly wrong. There is some misinformation being peddled by the Opposition with respect to the scheme. It was clear at the outset that all sections of the community raised concerns, including then Opposition members, who spoke faithfully on behalf of their constituencies and the industries they represented. Some of those concerns included those of the member for Tweed, who stated:

I am ... concerned that the Government has done little modelling in relation to the cost to it and consumers.

The member for Lismore stated:

The Government should focus on longer-term industry development with larger systems and staggered reductions in tariffs to encourage a long-term, competitive renewable sector.

The former member for Baulkham Hills, who is sadly missed in this Chamber, commented at the time:

The solar energy industry is well structured with experienced operators, people with great traditions and history. The last thing we want is to have cowboys entering the industry ... causing tragic circumstances for the industry.

Other warnings came from the member for Goulburn, who mentioned the duration of the scheme. As we understand, the scheme was fixed at seven years. As she outlined, many would argue that the period should be much longer if we are to have a sustainable industry that has a chance of making a significant difference to the production of energy in this State and for the longer term. At that time the member for Goulburn also pointed out that there would be a \$1.90 to \$7.47 per annum increase in household bills from a low to a high uptake. In other words, if there is little uptake it would only cost an extra \$1.90 for individual households but if there is a large uptake it would cost \$7.47.

It was very clear that this side of the House had serious concerns about the management of the Solar Bonus Scheme. Serious concerns were raised in relation to the scheme because we knew it had been half-baked, we knew it was being rushed in, and we knew that the tariff was too high and the duration of the scheme was too short. If those concerns had been listened to, this ticking time bomb, this massive potential mess for the State's budget, would have been averted. Perhaps the final word in relation to the warnings that were received by the then Minister for Energy and now Leader of the Opposition go to the then Opposition spokeswoman on the environment, who concluded:

Our relief to see [a scheme like this introduced] is tempered by the knowledge that it is imperfect and, like so many other things in this State, it will be up to the Coalition to fix.

They were prescient words indeed, because that is the situation we are now faced with. Because of the failure of the then Minister for Energy and now Leader of the Opposition to get his sums right, we are left with a ticking time bomb and it is up to this side of the House to fix up the mess. This motion is important because it is a simple question of competence and accounting. How could the Leader of the Opposition turn a small-scale photovoltaic solar scheme into a liability of more than \$711 million? In conclusion, Lord Buddha once said that three things cannot be long hidden: the sun, the moon, and the truth. The truth is that the now Leader of the Opposition botched it. He botched the Solar Bonus Scheme and the Government is left to unscramble the egg. The sad reality is that the then Minister for Energy was left sorely lacking in terms of his ability, his competence and his costings, and it is now left to the taxpayers of New South Wales to fix up the mess.

Ms CARMEL TEBBUTT (Marrickville) [3.32 p.m.]: I oppose the motion moved by the member for Pittwater. It is interesting to see how quickly Coalition members, when they occupy the Government benches, seek to distance themselves from their earlier positions on the Solar Bonus Scheme. This motion is nothing more than an attempt by the Government to rewrite history. But we are very fortunate, because the records of this place, along with other records, clearly demonstrate what has been the true position of the Coalition on the Solar Bonus Scheme.

Not only did member after member of the Coalition support the Solar Bonus Scheme; they argued vehemently that it did not go far enough. Indeed, they argued that the scheme should apply to other technologies and to other sectors of the community as well as the business sector. Let us start with the member for Manly. The member for Manly has been quick to call the Leader of the Opposition Captain Solar. Let us see what the member for Manly had to say. I quote from *Hansard* of 26 November 2009, when the member for Manly said in this place:

I reiterate that I support the measures outlined in the bill to boost [the] current and future use of solar energy in New South Wales, but it is a very small start ... the Government's legislation does not go far enough.

I urge the Government to explore the full potential of solar in New South Wales, embrace its future, and transition the economy of the State to one that embraces renewable energy—or, indeed has renewable energy at its core.

Well, who is Captain Solar now? The member for Manly also said on 26 November 2009:

We are delighted [that] the Government has taken up some good policy but it should acknowledge it was an idea from the Opposition.

I do not see the Coalition being so quick to embrace the idea now. Of course, the member for Manly was not alone. The member for Barwon not only signed up for a free 1.5 kilowatt solar panel system but also was busily encouraging others to do the same. In his local media he was reported as saying, "This program will encourage investment in solar infrastructure, with a 60¢ a kilowatt an hour rebate, encouraging others to also take up the scheme."

The member for Pittwater in his introductory comments spoke about the former shadow Minister for Climate Change and Environmental Sustainability, the Hon. Catherine Cusack. We all know what happened to the shadow Minister. I can recall the shadow Minister criticising the scheme the Government introduced—not because it was not good enough but because it did not go far enough. The then shadow Minister said that the scheme was unambitious, and that it excludes the commercial property sector, larger systems, and many innovative technologies that could slash our State's system. Heaven help us if the then shadow Minister had had her way with the scheme applying to the commercial property sector, larger systems, as well as gas and other technologies; the scheme blowout costs would have been enormous. So it is a bit rich for the Coalition, now it is in government and has access to some advice that was provided to the previous Government, to seek to say that at that time it did not support the Solar Bonus Scheme when it indeed argued that the scheme should go further.

If ever there were a Captain Solar, the real Captain Solar is the current Deputy Premier. He was the greatest fan of the Solar Bonus Scheme there ever was. When the Keneally Government announced a review of the scheme in September 2010 to ensure the scheme was sustainable, the current Deputy Premier advocated not only keeping the scheme but expanding it to numerous new technologies. In a submission on the Solar Bonus Scheme dated Tuesday 28 September 2010 the current Deputy Premier, the member for Oxley, said:

Dear Solar Bonus Review Team, with reference to the request for submissions to the New South Wales Solar Bonus Scheme I request the following:

- (1) a continuation of the New South Wales Solar Bonus Scheme to encourage uptake of renewable energy in New South Wales; and
- (2) an amendment to the scheme so that all renewable energy technologies are included equally in this scheme.

Not only did the current Deputy Premier want the scheme to continue; he wanted the scheme to be expanded. If we go to that august document that I have heard members on the Government benches quote from so regularly, the document entitled "Start the Change"—we all remember that document—we see that it says:

The NSW Liberals & Nationals policy for a gross feed-in tariff was first announced in October 2008. The Labor Government mimicked the policy when it adopted a Solar Bonus Scheme ...

Perhaps the member for Pittwater should be directing his comments to his own side. In the document "Start the Change" the Coalition also said:

The NSW Liberals & Nationals policy will ensure that NSW leads Australia in establishing a decentralised energy sector, by honouring the State Government's current commitments and improving the scheme to make it more effective.

Not only did the Coalition want to see the Solar Bonus Scheme continue; it wanted the scheme to be expanded to other sectors and other technologies. When we were in government we took a responsible, sensible and analytical approach to renewable energy. Yes, we supported renewable energy. That is why we established the Solar Bonus Scheme, that is why we established the renewable energy precincts, and that is why we put in place our renewable energy target. But we did it sensibly. It is a bit rich for the Coalition to now try to distance itself from its former position. [*Time expired.*]

Mr ANDREW FRASER (Coffs Harbour—The Assistant Speaker) [3.39 p.m.]: The sad thing about the scheme the subject of this debate today is that it has a double-bunger effect. The mismanagement of Labor has meant that people have to pay more for their power. Earlier today the Premier and the Treasurer gave examples of pensioners who have to choose between food and heat during winter. But we also have industry people, including people in my electorate and in the electorate of the Deputy-Speaker, who geared up to supply solar panels to homes on a feed-in tariff basis who are now shedding jobs in country electorates that have high unemployment rates, because this scheme has failed so miserably.

The member for Marrickville said that the then Opposition supported the scheme. Of course we supported the scheme. I do not believe that anyone in this place who does not support solar energy and other renewable energy schemes is looking to the future of New South Wales and Australia. What we do not support is the mismanagement of this scheme as outlined today and admitted to today by the Leader of the Opposition. I was absolutely stunned by the response of the Leader of the Opposition to some of the quotations put to him by the Treasurer from documents that have since come to light: advice from his own department that the scheme in the form that was adopted by the former Government was not the recommendation it had given. What was the response of the Leader of the Opposition? He said this was a Minister making a decision. The admission is that he made a decision on a scheme that should have been sustainable and that should have brought great benefits to the people of New South Wales, on the basis of politics and what he thought was best.

We warned the Government that the cost of this scheme was far too expensive. We warned the Government that the return was far too high. As soon as the take-up rate started to move upwards and beyond the capacity of the scheme we asked for modelling. Did we get modelling? No, we did not. We held meetings with people in the solar industry—the Deputy-Speaker was also at one of those meetings—and they told us that the scheme was unsustainable with the 60¢-plus feed-in tariff. It meant that the scheme would be short-lived and would not sustain itself. Yes, as a Coalition we wanted to see it expanded, on the basis of a lower feed-in tariff price back to the consumers and to encourage business and more households to participate, but we wanted to ensure that the scheme was sustainable over a long period of time so we could reduce our reliability on coal-fired and carbon-fuelled power generation.

People in Coffs Harbour electorate—as I said in a private member's statement earlier this week—want solar power in their homes. I have had concerns from those supplying the panels that they are in dire straits because of the actions of the former Government. I have had concerns from people who have put the panels on their homes and who are afraid they will not be able to get some return from the Government. We have given an assurance that all homes that were given approval and connected before 28 April will continue to receive a rebate. But what we have said is that under two summits, organised by a responsible government, we will look at the scheme's future and its sustainable cost to the economy of New South Wales.

The incoming Government has been left with an additional burden of \$711 million, which was well hidden within Treasury documents. The Government gets its funds from the taxpayers of New South Wales. That \$711 million will need to be made up by those taxpayers, by increased costs in electricity, and by the non-provisional scaling back of plans that the Government had for other services across New South Wales, to fill the black hole that the former Government has left. It is a disgrace. I note that the Leader of the Opposition is not present in the Chamber to defend himself. The former Government stands condemned for poor economic management in relation to this scheme.

Mr ROBERT FUROLO (Lakemba) [3.44 p.m.]: This debate is about honesty. It is about honest and accountable government. The Premier promised to run an honest and accountable government but already he has breached that promise. One just has to look at the Government's record so far. It only took the Government a few days to manufacture a budget crisis that is straight out of Nick Greiner's handbook. He will use this fictitious budget crisis to justify broken promises and cuts to jobs and services. Of course, Mr Acting-Speaker, there is no black hole; this is just deception. There are two reports that make a mockery of the Premier's so-called budget black hole. But that does not stop the Premier and the Treasurer continuing to deceive the people of New South Wales, and this deception continues with this motion today.

The Government's hypocrisy on the subject of the Solar Bonus Scheme knows no bounds. As members opposite get up and swagger around the Chamber they pretend they had nothing to do with it. Recently Chris Hartcher, the Minister for Energy, said he wants to:

... quickly get to the bottom of how this outrageously expensive policy was put to the New South Wales Parliament.

But the Liberals argued in favour of a gross feed-in tariff. Catherine Cusack said in support of the bill:

We welcome this bill because at last the solar industry gets what we have been fighting for such a long time—a gross feed-in tariff.

When Labor did introduce a gross feed-in tariff, the Coalition Opposition claimed we had stolen its policy. It seems odd to me that those opposite are attacking the former Government for a policy they also claim to be their own. The then shadow Treasurer said:

There should be an acknowledgment from the Government that it has adopted the Coalition's position.

In fact, the former Opposition frontbenchers argued for a vast expansion of the Solar Bonus Scheme. The former shadow Treasurer said:

The Government's legislation does not go far enough.

The member for Goulburn said:

The Coalition would prefer the inclusion of larger businesses and systems within the scheme.

The Premier and the Treasurer should try to lead by example. They should follow through on their promise to lead an honest and accountable Government. The Solar Bonus Scheme passed through the New South Wales Parliament with support of Labor, the Greens and the former Coalition. The former Coalition argued for a vastly more expensive Solar Bonus Scheme. If the Government of the day had adopted the proposal put forward by the then Coalition perhaps there would be a black hole to discuss.

Both sides of the House agreed that the Solar Bonus Scheme was designed to accelerate the uptake of solar technology in New South Wales. Both sides of the House agreed that the scheme had the potential to create thousands of jobs. Both sides of the House agreed that the scheme demonstrated our commitment to supporting renewable energy. The objectives of the scheme were achieved and it is now appropriate that the

Solar Bonus Scheme be closed to new participants. But the O'Farrell Government should not try to fool the people of New South Wales. The Government should live up to the promise it made to be honest and accountable, and it should end the lies and deceit.

[Business interrupted.]

QUESTION TIME: SUPPLEMENTARY ANSWERS

STATE BUDGET

Mr BARRY O'FARRELL (Ku-ring-gai—Premier, and Minister for Western Sydney) [3.44 p.m.], by leave: Earlier in question time I referred to today's Parliamentary Budget Office report and Mr Harris's presumption that Treasury had advised the former Speaker, Mr Torbay, and all other parliamentary leaders of a change in the 2011-12 budget result—a worsening, I note, of \$130 million; not the \$863 million later identified in the Lambert report. Treasury has advised that letters were sent to all party leaders. Whilst I had not personally sighted that 2011-12 advice until the Parliamentary Budget Office report today, I accept that the letter was received.

SOLAR BONUS SCHEME

Motion Accorded Priority

[Business resumed.]

Mr ROB STOKES (Pittwater) [3.45 p.m.], in reply: I thank the member Coffs Harbour, the member for Marrickville and the member for Lakemba for their contributions to this debate. It is somewhat ironic that the member for Lakemba has sought to characterise this debate as one fundamentally about honesty, particularly given the selective quotation of decisions made by members of the then Opposition in relation to the support given to the Solar Bonus Scheme. Indeed, the Government is supportive of solar energy and renewable energies, and Government members have always strongly argued that there is a need for a wider sustainable energy policy, not just small PV or photovoltaic schemes limited to households.

That was the basis upon which comments were made, which does not seem to be understood by the Opposition. We are supportive of solar energy as part of an appropriate mix of renewable energy. We have maintained our concerns about the levers in the former Labor Government's scheme. More importantly, we are concerned about Labor's failure to monitor and manage its own scheme once problems with the scheme emerged. That is the crucial issue in this debate. Regardless of the motivation, reasons or rationale for the introduction of the scheme, once cracks emerged and costs started to blow out, the Leader of the Opposition and other members of the then Labor Government failed to take action to bring the blowouts under control.

In October 2010 the review into the scheme forecast that installed capacity under the scheme would grow from about 25 megawatts at the scheme's start to almost 1,000 megawatts by the end of the scheme, if the scheme were to continue in its current form. The review also found that the scheme was costly and stated that action should be taken to reduce the scheme's costs, while continuing to support households and small businesses taking action against climate change. On 27 October 2010 the then Government announced that the tariff would be slashed from 60¢ to 20¢. It took three weeks before this reduction took effect. In those three weeks there was a rush on the scheme, as one would anticipate, and applications for 79 megawatts of capacity were submitted, subjecting taxpayers to an extra half a billion dollar liability in payments under the scheme. At the same time, Labor committed to a cap of 300 megawatts of connected capacity through the New South Wales Solar Bonus Scheme.

The then Labor Government sought to put a cap on the scheme to say: This far and no farther. Yet, once again, it failed to act. Having set a target, it failed to monitor the scheme and failed to take action to ensure that the scheme would be cut once the cap was reached. Network businesses showed a massive increase over the 300 megawatts cap for the next few months. As at 31 December 2010 applications had been made for 326 megawatts of solar power. By 25 February 2011 applications had been made for 329 megawatts. By 11 March 2011 applications had been made totalling 334 megawatts. By 25 March 2011, the eve of the State election, despite the then Government's announced 300 megawatts cap, applications had been made for 341 megawatts of solar energy under the scheme.

The scheme had blown out and the Labor Government had taken no action to control the spiralling costs. Just as Nero fiddled while Rome burned, Labor prevaricated, too concerned about the election to take any action to stop the needless bleeding of taxpayer funds. The Independent Pricing and Regulatory Tribunal recommended that the New South Wales Government close the Solar Bonus Scheme to new participants. That action should have been taken a long time ago. The architect of the scheme, the now Leader of the Opposition, who is not present in the Chamber for this debate, must explain to the people of New South Wales why he took no action to stop the bleeding of costs. He must explain why he took no action to ensure that the scheme he devised did not burn a black hole in the budget bottom line. He must explain why he took no action to send a clear message to the people of New South Wales that the scheme had reached its cap.

Question—That the motion be agreed to—put and resolved in the affirmative.

Motion agreed to.

MISCELLANEOUS ACTS AMENDMENT (DIRECTORS' LIABILITY) BILL 2011

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

The DEPUTY-SPEAKER (Mr Thomas George): Debate on the motion accorded priority having concluded, the House will now proceed to Government business.

LOCAL GOVERNMENT (SHELLHARBOUR AND WOLLONGONG ELECTIONS) BILL 2011

Bill introduced on motion by Mr Donald Page.

Agreement in Principle

Mr DONALD PAGE (Ballina—Minister for Local Government, and Minister for the North Coast) [3.55 p.m.]: I move:

That this bill be now agreed to in principle.

In 2008 Wollongong City Council was dismissed following a recommendation by the Independent Commission Against Corruption [ICAC], which identified systemic issues and a culture of corruption that needed to be fixed. Only a few hours ago a former Labor councillor on Wollongong City Council, Frank Gigliotti, was sent to gaol for lying to the ICAC. The actions of councillors and members of staff such as him stained not only the reputation of Wollongong City Council but also the reputation of the Illawarra area. Shellharbour City Council also was dismissed in 2008 after a public inquiry found that Shellharbour council was dysfunctional. The previous Labor Government decided both councils were to remain under administration until September 2012. This Government wants to return democracy to the people in the Wollongong and Shellharbour local government areas. This Government made a commitment that both Wollongong and Shellharbour councils would have democratically elected councils in place in 2011. This Government fulfils its promises and the council elections will take place on 3 September 2011.

In reaching this decision, the New South Wales Liberal-Nationals Government has listened to the community. I have listened to the newly elected members for the electorates of Kiama, Gareth Ward, and Heathcote, Lee Evans, who campaigned strongly on this issue. In Heathcote Lee Evans had a swing to him of 21.7 per cent and in Kiama Gareth Ward had a swing of 19.4 per cent. The swing against the Labor member for Wollongong was 24.3 per cent. I believe that the community is looking forward to being able to elect their own councillors once again.

The Local Government (Shellharbour and Wollongong Elections) Bill will ensure that fresh elections for both councils are held on 3 September of this year. The bill will make sure that the ratepayers of both councils are not faced with the cost of another council election within 12 months. It provides for a one-off, five-year term for both councils, saving Wollongong City Council an estimated amount of \$943,000 and Shellharbour City Council an estimated amount of \$307,000. The next local government elections for these councils after 2011 will be in September 2016. This will bring these two councils back into line with the local government elections cycle for the rest of the State.

The bill also addresses concerns raised in the Shellharbour public inquiry report about the structure of Shellharbour City Council. The commissioner found that the current structure of Shellharbour City Council

contributed to its dysfunction. The report highlighted the problems in retaining a ward structure for the council. The size of the Shellharbour local government area makes Shellharbour City Council more suited to having no wards. Shellharbour is relatively small in size, about 147 square kilometres, with a population of approximately 65,000. This bill abolishes wards for Shellharbour City Council in time for the fresh elections on 3 September 2011. This removes the need for a constitutional referendum to be held to abolish all wards, the result of which would not have come into effect until 2016. Shellharbour is about 100 square kilometres smaller than its neighbouring council area, Kiama, which also has no wards. Former Labor Mayor Hamilton of Shellharbour City Council gave evidence to the public inquiry stating that the maintenance of the ward boundaries was problematic. The bill also reduces the number of councillors on Shellharbour City Council to seven. By doing so, it addresses another factor identified by the Shellharbour public inquiry as contributing to the dysfunction of the council. Former Mayor Hamilton also stated at the public inquiry that he held a personal view that a reduction in councillor numbers to six and a mayor would be a good option. He gave evidence that he believed it would lead to better governance and save money. He further stated:

... councillors would still be able to represent the residents at a high level.

In a submission to the public inquiry the council itself also acknowledged the advantages of reducing councillor numbers. The abolition of wards and the reduction of councillor numbers to seven will mean that the method of electing councillors will change from optional preferential to proportional representation with a quota of 12.5 per cent plus one for a councillor to be elected.

Currently, the system for counting votes in a contested election for a ward or undivided area is to be optional preferential if the number of councillors to be elected is one or two, or proportional if the number to be elected is three or more. The proportional voting system is generally used across all levels of government in multi-member electorates because it is designed to allocate seats or offices in proportion to the overall number of votes obtained by the candidates. The abolition of wards in the Shellharbour local government area will lead to a lower quota, which is expected to encourage more people to stand for office and, therefore, enhance the democratic process.

The bill also changes the method of election for the mayor at Shellharbour City Council. The mayor is now to be elected by the councillors every 12 months from one of their number. The bill therefore provides for all of these important changes to be in place in time for the fresh elections on 3 September 2011. This will enable the newly elected council to start afresh without having to incur the costs of conducting constitutional referenda to make these changes to its governance structure. If in the future the council wants to divide itself into wards, alter its councillor numbers or change the manner in which its mayor is elected, it will be able to do so.

In relation to Wollongong City Council, in 2008, following the Independent Commission Against Corruption Operation Atlas hearing, ratepayers' satisfaction with Wollongong council was at an all-time low. However, a recent administrator's report noted that public confidence in council had improved markedly due to actions taken by the administrators, including restoring the reputation of Wollongong City Council; maintaining a corruption-resistant organisation with zero tolerance of corruption; introducing contemporary local environmental planning controls and more efficient processes for assessment applications; effective corporate governance and leadership; and diligent management of council finances, including budgeting and control.

The bill requires the administrators of Wollongong City Council to reduce the number of wards for the council from six to three by 24 June 2011. This will mean that the council will have three wards with four councillors per ward and a mayor who is elected by all of the electors—a popularly elected mayor. This reflects the geographical size and population of Wollongong. The population is almost 200,000 people and it has an area of 684 square kilometres comprising a long coastal area stretching from the Royal National Park to Lake Illawarra. It is the third largest city in New South Wales and the ninth largest city in Australia. Its central business district is a major commercial hub.

The bill allows for this reduction in the number of wards to happen within a short period of time. This is because all ward boundaries need to be finalised by 24 June 2011 in order for the New South Wales Electoral Commissioner to do the work required to conduct elections on 3 September 2011. This change in ward structure will mean that the method of electing councillors for each ward will change from optional preferential to proportional representation. This is the method used in most council areas in New South Wales and it will allow greater diversity and representation. As in the case of the changes to Shellharbour City

Council, the bill preserves Wollongong City Council's ability to make future changes to the number of its wards should its community so desire. I conclude with a quote from the editorial in the *Illawarra Mercury* today:

We need fresh, energetic local Government leaders. We need new faces, new voices and new ideas.

The councils' time under administration has allowed us to put some distance between the present and the sorry and sordid past of the corruption in Wollongong and dysfunctionality in Shellharbour. Now, we need to keep walking.

The provisions of this bill will allow new faces, voices and ideas for the people of Wollongong and Shellharbour in their local government areas because it will allow fresh, energetic local leaders to have a chance to become an elected representative. The Liberal-Nationals Government will help the people of Wollongong and Shellharbour to keep walking away from the sorry and sordid past of corruption and dysfunctionality. We have returned democracy to Wollongong and Shellharbour. We have kept our promise. I commend the bill to the House.

Mrs BARBARA PERRY (Auburn) [4.04 p.m.]: I speak on the Local Government (Shellharbour and Wollongong Elections) Bill 2011. The behaviour of the Government at this point is of great concern to me and it should be of great concern to the whole Parliament, particularly this side of the House. Twice in two days we have seen this Government show its arrogance towards this Parliament and the procedures. Some bills were introduced yesterday and I do not know why this bill was not introduced and a motion moved in the House for that yesterday. Why are we being given only a matter of hours to consider the motion before the House? Why are we being asked to consider legislation before the House on the day that we receive it? Is this the level of openness and transparency that the people of New South Wales can expect from the Government?

A time line was in place for elections for both Shellharbour and Wollongong councils. While we understand the importance of giving the people of Wollongong and Shellharbour a chance to elect their councillors we are concerned about the Government's motives for moving this legislation. It was intended that the administrators for both councils were to serve a four-year term in order to ensure that the public had confidence in their council and its functions before a new council was elected. While in government we acted on the advice of the administrators.

Now that the Government is moving this legislation we on this side of the House can only draw from that that the Government has received advice from the administrators and it is satisfied as to the implementation of reforms. Perhaps the Minister can inform the House in reply whether he has received advice from the administrators at this point that these councils are ready for a return to local elections. We hope that the Government has in fact received that advice from both the administrators of Wollongong council and the administrators of Shellharbour council. But, most importantly, we hope that the Government heeds the administrators' advice because, as the Minister has stated, the issues in Wollongong were so systemic and so concerning that the Independent Commission Against Corruption made a number of recommendations. We hope that those recommendations are fully implemented before the council is returned.

As the Minister rightly stated, the issues very much concerned culture in the organisation. The Minister referred to a report that was recently received by the administrators, and I believe it is the same report I had when I was Minister for Local Government. I would like the Minister to inform the House whether the administrators have in fact supported the return of the council at this stage. One would hope that the work done by the administrators on the cultural change issues and the other issues that Wollongong faced has been finalised and that the administrators are satisfied and support the Government's plan to bring about an election early. Similarly, we would hope that the Government has received advice from the administrators of Shellharbour that the recommendations of the departmental inquiry have been implemented and that the administrators support the Government's plan to go ahead with an election.

As recently as March this year the *Illawarra Mercury* reported that David Jesson, Shellharbour council administrator, doubted the Coalition's time frame for elections. Mr Jesson's position was also that of the original public inquiry conducted by Richard Colley, which recommended that an administrator be appointed until 2012. We hope that these concerns have not been ignored in the drafting of this legislation. The Government should come clean about its motivation for moving this bill. The Government must tell this House whether this legislation is a natural consequence of the necessary reforms being implemented ahead of schedule or the political manoeuvring of an inexperienced government in an attempt to generate positive media coverage regardless of the consequences.

There appears to be an inconsistency in the approach being taken by the Minister and the Government in respect of Wollongong City Council and Shellharbour City Council, and the Port Macquarie-Hastings

Council, which is also under administration. The question must be asked: Why are elections necessary in Wollongong and Shellharbour but not in Port Macquarie? That is especially troubling given that Port Macquarie-Hastings Council has been under administration longer than the other two councils. If the Government believes the time is right for elections in Wollongong and Shellharbour, surely it is time for an election in Port Macquarie. The Government has already demonstrated its interest in the affairs of Port Macquarie-Hastings Council by installing former council officer Neil Porter as administrator. Mr Porter worked on The Nationals-dominated council and his appointment could well stem from the Government's relationship with the dumped council. Not only was it a Nationals-dominated council but also one of the former councillors, Rob Nardella, has found himself a position in the office of the Leader of The Nationals. The Opposition is concerned that of the three councils that are under administration only the council with a Coalition-appointed administrator will not have an election this year. Why is that?

There is a further inconsistency in this legislation. On the one hand, the Government has expressed its concern about the restoration of the democratic rights of the residents of the Illawarra, but on the other it is limiting those same rights by imposing reforms to ward and councillor numbers without community consultation. It is not good enough to say that when the councils are restored they will be able to determine what they want to do. That is not appropriate. The people of Wollongong and Shellharbour should determine the composition of their councils; it should not be imposed from above. Why was this issue not the subject of a referendum so that the good people of these council areas could decide on the model for their local government? This is yet another example of this Government's inexperience. However, more importantly, and what is concerning me, is that it is an example of its arrogance. Rather than giving the community an opportunity to decide on the structure of the council, the Government has adopted a paternalistic attitude and has introduced a series of top-down reforms.

The Government's position has been refuted even by its own members. I congratulate the new member for Port Macquarie on her election to this place. She issued a press release stating the community should decide how they are represented at a local government level and the only way for that to occur is through a referendum. That does not seem to be the case for the people of Wollongong and Shellharbour. The Government seems only too happy to introduce top-down reforms in the Illawarra but not on the mid North Coast. I wonder what the member for Port Macquarie will tell her constituents about this inconsistency and how she will justify it. The local member and at times the Leader of The Nationals have hinted that they do not believe the Port Macquarie-Hastings Council needs to be under administration and that it is time that local democracy was restored. The member for Port Macquarie should tell us today whether she wants her local council restored and what she will do to ensure that happens.

The Minister used the evidence given at a section 740 public inquiry by a former Shellharbour mayor to justify the abolition of wards. After hearing all the evidence, Commissioner Richard Colley recommended a three-ward system. I do not accept the justification for the abolition of the wards provided by the Minister today, despite the fact that it was supported by the evidence provided by one witness at the inquiry. Why should an area of more than 154 square kilometres with diverse geographic and demographic features not have wards? It suggests the creation of a gerrymander in the Shellharbour council area. Is that what this is really about? There is more to this than meets the eye; this legislation does not simply restore local democracy. If the Government were serious about restoring local democracy it would have included the Port Macquarie local government area in this legislation. No promise was made about that during the election campaign.

The Opposition will consider the legislation in more detail before it is debated in the other place to ensure that it is reasonable and practical. We will comment further at that time and will move amendments if they are deemed necessary. I have outlined the Opposition's concerns. We understand the importance of local democracy. When administrators provided advice to the previous Government recommending the restoration of councils on the basis that all necessary reforms had been implemented, it followed that advice. I hope the Minister has received similar advice and that he can clarify it.

Mrs SHELLEY HANCOCK (South Coast—The Speaker) [4.18 p.m.]: It is with great pleasure that I support the Local Government (Shellharbour and Wollongong Elections) Bill 2011. The overview of the bill states that the mayors and councillors of Shellharbour City Council and Wollongong City Council were dismissed by proclamations of the Governor during 2008. Under those proclamations ordinary elections for those positions were due to be held on Saturday 8 September 2012. The object of this bill is to provide for elections for Shellharbour City Council and Wollongong City Council on Saturday 3 September 2011. Bring it on! I am surprised that the member for Auburn does not understand the strong appetite for this legislation and for the elections to be held in 2011 rather than next year. I have visited the areas concerned on many occasions

and have spoken to many groups about what happened in Wollongong. I do not need to repeat what has been said about that, but it has been a very sorry saga for the residents of Shellharbour and Wollongong. I think everyone understands that.

This bill honours a commitment made prior to the election to residents of the Illawarra by the New South Wales Liberal-Nationals Coalition, a commitment to see a return to democratically elected local government both for Shellharbour and for Wollongong. I am surprised that concerns were raised by the other side of the House about a return to democracy. Conspiracy theories were raised by the member for Auburn that somehow we were going to impose something on both of these cities that was not warranted and not wanted. If the member had been to either of those cities or had read any media reports, she would understand quite clearly that this is what the residents want. I was pleased to join the Premier—at the time he was Leader of the Opposition—in Wollongong to make the announcement that we would have a return to local government elections by September this year.

On only the third day of the first sitting of this new Parliament the Government has acted on all sorts of other promises it made, and with this bill it is honouring the commitment it gave to the people of Wollongong and Shellharbour. Through this legislation the Premier has shown a true determination to deliver to the residents of the Illawarra a return to democracy. Over the years, I was the single Liberal representative in the entire area, and that includes up to Heathcote and down to the South Coast.

Mr Anthony Roberts: And a very good one.

Mrs SHELLEY HANCOCK: I thank the Minister for his comment. I have been joined by the member for Kiama and the member for Heathcote, and I congratulate them on their election to this place. Over many years I have had the opportunity to meet with stakeholders and community groups, including the Wollongong against Corruption Group. This group grew out of the incidents that occurred in the lead-up to the sacking of Wollongong council and Shellharbour council. Concern has been expressed to me on so many occasions that the administrators would be in place for years and that the people of Wollongong would have no elected representatives. While I do not denigrate in any way the work carried out by the administrators of Wollongong or Shellharbour, I have to say that most citizens were quite surprised that it would be four years before they would have a return to democracy. Residents will be pleased this bill is bringing that forward. I am very excited to see this legislation on only the third day of the sitting of this new Parliament. Congratulations to the Premier!

While Wollongong and Shellharbour councils are not part of the South Coast electorate, anything that happens in the Illawarra is of relevance to the South Coast community. Obviously, I have always been vitally interested in things that happen in the Illawarra; it is an important region for all of us. The Southern Councils Group is made up of representatives of each council that seeks to undertake joint initiatives within the region and works to prevent duplication of effort wherever possible. The function of the Southern Councils Group is to work collectively and represent the region as a whole. Local elected councillors play an important role as part of the Southern Councils Group. The bill seeks to ensure that Wollongong and Shellharbour councils have elected representatives to ensure the community has a voice as part of the Southern Councils Group.

The areas of Wollongong and the Illawarra play an extremely important role in New South Wales. It is home to very important industries, such as coalmining and steel production. It is a city of natural beauty, and I am sure the member for Wollongong, who is sitting opposite, is enthusiastic about contributing to this debate about her city. I know she is extremely proud to be the member for Wollongong. It is a beautiful city. It is home to the University of Wollongong, a leading educational institution. Wollongong and the Illawarra have a great deal to offer the State, and the O'Farrell Government believes residents of Wollongong and Shellharbour should have the opportunity to elect community officials in order to steer this important region into the future and be accountable directly to the people.

The Shellharbour local government area continues to play a significant part in the Illawarra community. It is home to Killalea State Park, a State park to which the member for Kiama, who is present in the Chamber, and the O'Farrell Government, have committed to protecting, as well as the beautiful waters of Shell Cove and Shellharbour Beach. I congratulate the member for Kiama on his work with Killalea State Park. I am pleased the bill enacts suitable reforms to ensure the most appropriate representation for residents in Wollongong and Shellharbour.

Reducing the number of wards in Wollongong brings the council into line with a number of other similar sized councils across New South Wales and encourages more incentive for residents to be involved in

the democratic process. The retention of a popularly elected lord mayor in Wollongong also ensures that such a large city will have appropriate representation. The abolition of wards in Shellharbour addresses a critical finding in the public inquiry undertaken after the previous council was dismissed. This reform and a reduction of councillors will ensure better governance for the residents of a Shellharbour city. Unlike the conspiracy theories introduced by the member for Auburn, all these reforms follow the critical findings of the public inquiry into both these councils. At a time when local councils are undertaking reviews of local government plans, community strategic plans and delivery processes, it is vital that elected representatives preside over these undertakings so that the constituents can have faith and pride in their local councils. Constituents have lost a great deal of pride in their local areas.

Anyone who has listened to local radio or local media over the past two or three years would understand that there has been a great loss of pride in the city—not because of what is happening in the city, it is a vibrant and important city, but because of what is happening to their local council. There is strong community support, contrary to the suggestion of the member for Auburn, for the return of democracy to Wollongong and Shellharbour.

I congratulate the member for Kiama, Gareth Ward, on his work and perseverance to ensure that this bill became a priority for the Government, as I did. Long before the election we had a strategy in place to ensure this bill came forward. I am sure the member for Kiama will continue to be a strong voice for his electorate, which encompasses Shellharbour city. Prior to the election and since the election, he has demonstrated he will be a strong representative for his city and his electorate.

Finally, I commend the work of the Wollongong council administrators, Ms Gabrielle Kibble, Dr Col Gellatly, Mr Robert McGregor and Mr Richard Colley, as well as Mr David Jesson in Shellharbour. It has been a challenging job for the administrators but they have worked hard to restore faith and trust in local councils—the trust that we all need to have as local representatives. Unfortunately, that was lost and led to the dismissal of the councils. These administrators have been fine custodians and they have earned the respect of local constituents at the same time. Those constituents are demanding—asking—that their democracy be returned.

The newly elected councils in Wollongong and Shellharbour will see a new era in the Illawarra, one in which elected representatives are accountable and transparent. Once again, Illawarra residents will be able to hold their heads high, knowing that their communities are open and have good governance. I hope that will be restored to them by an O'Farrell Government. I congratulate the Premier and his department on working so hard and, of course, the Minister for Local Government, who has also worked extremely hard to make sure that this initiative and commitment is delivered to the people of Wollongong and Shellharbour today.

Ms NOREEN HAY (Wollongong) [4.28 p.m.]: I contribute to debate on the Local Government (Shellharbour and Wollongong Elections) Bill 2011. First, I acknowledge the Speaker of the House, the member for South Coast, and thank her for recognising the beauty, industry and opportunities of the electorate of Wollongong that I am proud to represent. Some questions in relation to the bill need to be asked. While I accept there is a mood to get things done quickly, there is a good sound reason why there is normally an opportunity to take some days to go through the bill. Members may want to move an amendment to the bill, or they may decide they want to support the bill. It is important to have time to consider the wording of proposals in detail so that members can make informed contributions rather than contributions that are put together hastily.

I, too, place on record the dedication and hard work of the administrators. It was a very difficult and stressful time for them. They had to deal with significant issues and, along with the banter, quite significant innuendo about the council. Indeed, a number of attempts were made in that innuendo to include me as the member for Wollongong. It is now time to cease besmirching the reputation of Wollongong City Council and to move forward.

The Independent Commission Against Corruption undertook a thorough inquiry into Wollongong City Council and found systemic corruption. It called on the former Labor Government to sack the council. It subsequently did so, appointing three administrators for a term of four years, introducing mechanisms to try to prevent future systemic corruption. Members would agree that systemic corruption occurs over a significant period of time. I understand that the bill contains different proposals for Shellharbour council and Wollongong council with respect to their make-up, wards, representation and how those would be achieved. Therefore, I ask whether there is a policy on the make-up of local governments across-the-board or whether it is to be an ad hoc policy, with different councils having different systems. I ask the Minister to clarify the matter in reply.

I, too, have received numerous phone calls about local council elections. However, on a number of occasions in the past I have said on the public record it was my understanding when the administrators were appointed to Wollongong City Council that they would advise government when they believed the Independent Commission Against Corruption recommendations had been implemented and they were confident the time had come for elections to go ahead. I conclude from where we are at, although I do not have the details, that the Government has received such advice, that the administrators have done a good job and should be commended and they are confident the recommendations have been put in place.

However, if the Port Macquarie-Hastings Council has been under administration for a longer term than Wollongong or Shellharbour, why does this legislation not encompass all councils? Why is there not a policy with respect to the make-up of all councils and when council elections will take place or will each council, depending on its gerrymander, determine the way council elections move forward? As the member for Auburn stated, it could be that the Government has installed a former council officer under The Nationals-dominated council, Neil Porter, as administrator. Council and ward reforms should be taken to a referendum. Communities should have the opportunity to have some input if the representation on their council is to be changed.

In the past I have stated in this place that the sacking of Wollongong council and the appointment of administrators was democracy at work. The advice of the Independent Commission Against Corruption to government that the council should be sacked and administrators appointed was democracy at work. I agree with the comments of the member for South Coast that the Wollongong community needs to have confidence in its elected council representatives but we need to provide a framework that is free of the kinds of things that occurred over a period of time at Wollongong council, long before my term as the member for Wollongong. It is time now to work together as a community and as a Parliament to ensure that this is done properly so that what happened at Wollongong does not occur again in the near future.

I call on the Government to stop besmirching the reputation of Wollongong as a whole based on the outcome of the Independent Commission Against Corruption inquiry into Wollongong council. It has been unfortunate that the entire reputation of the city of Wollongong has been sullied. Indeed, on occasions in this place, through banter, I have been linked to the poor behaviour that has taken place on Wollongong council. It involved a lot more than councillors. When the commission refers to "systemic corruption", it is referring to many more people than those who were elected councillors at the last council election. The citizens of New South Wales deserve to have a clean slate and coming into each election people must have confidence that any systems that allow impropriety or bad behaviour are appropriately dealt with.

I am extremely proud to represent the electorate of Wollongong. I believe it is the most wonderful place in New South Wales. The people are second to none. With the limited time I have had to study the bill—and I do not blame anyone—I believe that instead of tarnishing everybody with the bad behaviour of a few, we should work as a whole for the betterment of the people of New South Wales.

The DEPUTY-SPEAKER (Mr Thomas George): Order! The House should take note of those comments of the member for Wollongong, particularly her comments about Port Macquarie.

Mr GEOFF PROVEST (Tweed) [4.38 p.m.]: I support the proposals contained in the Local Government (Shellharbour and Wollongong Elections) Bill 2011. The bill reflects the Government's commitment to residents of Wollongong and Shellharbour local government areas to restore democratically elected councillors by holding fresh elections on 3 September 2011, a year earlier than determined by the previous Government.

I praise the good work of the Minister for Local Government for again delivering on the commitments made during the election campaign. Time and again we have seen examples of open and transparent government, giving power back to the people. I also acknowledge the fine work the administrators have done in Wollongong. I believe they have been working very hard and diligently to remove all traces of the corruption that existed there. I want to read onto the record comments made by our leader Barry O'Farrell, the Premier. He said:

Council decisions have a significant impact upon local communities and it's important that residents elect the people making those decisions.

Labor has denied residents in Wollongong and Shellharbour locally elected representatives since sacking the two Councils in 2008.

The shameful recent history of Wollongong City Council lifted the lid on Labor Party politics in NSW, but it's no reason to deny democracy to the region and the opportunity to elect a new Council.

Mr Deputy-Speaker, you and I share a local government area in the north of the State called the Tweed shire. Both you and I know that Tweed Shire Council was sacked many years ago and it took many years of administration before democracy was returned to the local residents. During that time no consultation took place between the then Labor Government and the residents regarding the new structure; the residents were simply told about it. I am led to believe that the new structure is working rather well at present. I make the point—and it was part of my election campaign in 2007—that Labor parachuted the ex-chief of staff in the Hon. Tony Kelly's office into the area and then dictated how much the local ratepayers would pay her, which was in the vicinity of \$180,000 a year. There was no consultation with the local residents. The results of many of the decisions that that executive officer made are still being cleaned up today.

I feel sorry for the people of Wollongong. Wollongong is a lovely place. I grew up not far from Wollongong, in the southern suburbs of Sydney. I note that the member for Shellharbour is in the Chamber. The Wollongong-Shellharbour area is a great spot and it provides a good lifestyle. But we need to restore democracy and faith to the area, and I compliment the Minister for Local Government for his actions in that regard. Over the four years of administration in the Tweed I noticed there was a lack of faith in council officers. Council officers in the Tweed needed a council to support them. The administrators did a fine job, but at the end of the day the whole area suffered because of the time it took before democracy was returned to the local residents. I am pleased about the Government's proposal as provided in the bill because it returns democracy to the residents of the Wollongong and Shellharbour area.

Newly democratically elected councils will provide a fresh start and governance structure that will enable them to better represent the interests of the communities which they have been elected to serve. I have been asked time and again in the Tweed, as I am sure the Deputy-Speaker, the member for Lismore, has been asked, "Why can't we elect our people? We don't live in a Third World country." The bill seeks to address that. The Minister for Local Government should be applauded for his actions. Once again the Liberal-Nationals Coalition Government has delivered on another promise. I have been in this Chamber over the past two days and have witnessed the Government deliver on several promises it committed to during the election campaign. Yet when I sat on the other side of the Chamber all I saw on the Government side was spin. I saw delaying actions, a failure to deliver goods and services, and a failure to commit to the good people of New South Wales. I fully support the bill and fully endorse the actions of the Minister for Local Government.

Mr RAY WILLIAMS (Hawkesbury) [4.44 p.m.]: I support the Local Government (Shellharbour and Wollongong Elections) Bill 2011. The bill will restore democracy to the people of Wollongong and Shellharbour, democracy that has been removed in the past. I will now reflect on some of the history behind that removal of democracy. In the next 14½ minutes—I think I could probably speak about the issue for the rest of the month—I will do my best to encapsulate some of the feelings of the people of Wollongong. No doubt they would be quite put out by what has happened there.

The bill includes a provision for a one-off five-year term for both Wollongong and Shellharbour city councils. I believe that is a great move. It will circumvent the need for another election when local government elections are due in 2011. It will also avoid the cost to Wollongong council, and subsequently the good people of Wollongong, of about \$1 million and some \$300,000 to Shellharbour council and the people of Shellharbour.

As members would be well aware, Wollongong and Shellharbour city councils were placed under administration and since that time the administrators have worked hard to restore some sort of faith in those council areas. The Independent Commission Against Corruption recommended in its report into Wollongong council that 11 people be charged, and the legal system will no doubt take its course. But now is the time to restore democracy to Wollongong. The Wollongong local government area has a substantial population of almost 200,000. It comprises a long coastal area stretching from the Royal National Park to Lake Illawarra. Wollongong city is the third-largest city in New South Wales. As we know, it is a major industrial centre. I believe that Wollongong is now under the cloud of a carbon tax and the potential loss of many thousands of jobs at Port Kembla steelworks. We acknowledge those hardworking people in the steel city.

The Government believes it is important that democracy be restored to Wollongong City Council so that community-elected civic leaders can guide its decisions in the future—hopefully people who are not aligned with the Australian Labor Party. I will deal with that in detail in a moment. The Division of Local Government's guidance to councils on implementing the new planning and reporting requirements supports the Government's decision to restore democracy to Wollongong council immediately. The guidance outlines the key roles that the elected representatives play, including that the Lord Mayor, as spokesperson for council, is the public face of the strategic planning process. That will be a change—that the Lord Mayor will be in charge of strategic planning, as opposed to those who have been in charge of strategic planning in Wollongong for the past decade.

With regard to Shellharbour City Council, the public inquiry noted that the Shellharbour local government area is relatively small in size and now largely consists of a single urban area with a population of around 65,000, about the same size as the Hawkesbury local government area. The existing ward structure no longer accurately represents the communities which make up the local government area. We have encapsulated in the bill some changes to the wards, which we very much hope will improve the democracy on behalf of the residents in the local government area.

It is interesting that the member for Wollongong has come into the Chamber supporting the bill—that is, supporting a return to democracy. I ask someone in the Chamber to explain to the member for Wollongong what democracy is. Democracy is where people vote, where you put people into power and they act on your behalf. It is not a club. It is not a matter of simply having an affiliated union or an Australian Labor Party card; you do not just get elected to Wollongong council. There have been some extraordinary dealings in Wollongong. Labor believes that the people of Wollongong can be taken for granted, that democracy in that area is a plaything, something it can play with and manipulate. The member for Wollongong is conflicted in that manipulation of the democratic system in that area. And it just has not stopped. We have recently had a State election. If one looks up the definition of rotting, scandal and corruption in the dictionary one will find a photo of Noreen Hay there—and it explains it all. And it has not finished, because how-to-vote cards directing Liberal people to vote for the Labor member were distributed at the recent State election.

Mrs Barbara Perry: Point of order: I ask the member for Hawkesbury to withdraw his disparaging remarks about another member of this House. His remarks were uncalled for and have no basis.

Mr RAY WILLIAMS: I believe they are completely called for. I am happy to place this evidence on the table: the transcript from *Four Corners*. That will support everything I have said, which is factual and correct and has been out in the public arena.

Mrs Barbara Perry: Further to the point of order: The remarks of the member for Hawkesbury are disparaging to the reputation of the member for Wollongong. The member for Hawkesbury did not quote from the *Four Corners* transcript; they were his remarks and his views.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! I cannot insist that a member withdraw his remarks. The member for Hawkesbury has identified the document from which he quoted. The member for Hawkesbury has the call.

Mr RAY WILLIAMS: As I said before, 11 charges have been laid and are going through the legal process at this point in time. I believe one of the people charged was a developer. He and the general manager of the council used to sit around a cafe that became known as the "Table of Knowledge". I do not know why it was called the "Table of Knowledge" because the only thing that had an IQ around that table was the table itself.

Mrs Barbara Perry: Point of order: I have listened to what perhaps may be quotes from the article—I do not have a copy of it—but they in no way refer to the member for Wollongong.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! There is no point of order.

Mr RAY WILLIAMS: It is a full transcript. The people who were involved in these charges—and I have the transcript here—were closely associated with the member for Wollongong: developers and council managers. In the transcript a telephone conversation is recorded where one of those people—

Mrs Barbara Perry: Point of order: That is an imputation that the member for Hawkesbury is drawing based on no evidence. The disparaging remarks made by the member for Hawkesbury I take it are not contained in that transcript. I again ask that those remarks be withdrawn by the member.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! The member for Hawkesbury is entitled to quote from a document that he has identified. His comments about the member for Wollongong are not disparaging but a matter of public record. There is no point of order. I will not tolerate further interruptions unless the member for Hawkesbury is making disparaging remarks.

Mr RAY WILLIAMS: The development taking place at the time of this conversation between the developer and the general manager was called the pavilion project. For that project the council would pick up \$1 million worth of costs. Not only was the developer getting a development supported by the general manager

of the council; the general manager was guaranteeing \$1 million worth of costs from the council, which subsequently were from the ratepayers or the 200,000 good people of the Wollongong City Council area. They would agree to all of that: the general manager and the developer had it all sorted. There was no problem: it was all going through at 100 miles per hour. Then all of a sudden there is a telephone call from the developer to the member for Wollongong. I have the transcript here with the developer saying, "Now do you suggest that I start making contact with the Labor aldermen or should I leave that with you?" If that is not a conflict I do not know what is. It goes on with the member for Wollongong saying: "Yeah you'd better. I'd better get a bit more detail on this ..." and then names the developer. The developer states, "Yeah, cos then you can go and talk to ..." and names councillors on Wollongong City Council. The member for Wollongong states, "Yeah exactly so."

Mr Michael Daley: Point of order: The member for Hawkesbury has been allowed to get away with this unparliamentary conduct for many minutes now. The member for Hawkesbury knows—and he should know—that under Standing Order No. 73, whether or not he quotes from a document, personal reflections upon and imputations of improper motives against any member of this place are not permitted except by motion. The matter before the House is not a motion. If he wants to criticise the member for Wollongong he should put a motion on the table.

Mr RAY WILLIAMS: I may do that.

Mr Michael Daley: The member for Hawkesbury can do that. He should not be doing it now.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! The member for Hawkesbury will return to the leave of the bill.

Mr Michael Daley: You are a 100 per cent coward.

Mr RAY WILLIAMS: A coward?

Mr Michael Daley: Why do you not walk out there and repeat it again?

Mr RAY WILLIAMS: This is something that you can walk out onto the street and state quite clearly. This is a transcript from *Four Corners* of a conversation that the member for Wollongong had with a developer. Here it is. There is a conflict. If that is not a conflict with corrupt activity—

Mr Michael Daley: Point of order: Mr Assistant-Speaker, you have already ruled on the point of order and the member for Hawkesbury is canvassing your ruling.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! The member for Hawkesbury will return to the leave of the bill.

Mr RAY WILLIAMS: Everybody in this Parliament knows that there has been a massive conflict. That is why the council was dismissed. When you have a member who is talking to a developer and says she will go and talk to the councillors, if that is not a conflict—

Ms Cherie Burton: You are a coward!

Mr RAY WILLIAMS: A coward? It is a public document. Is the bar open, Mr Assistant-Speaker, because I think the member for Kogarah wants a drink? Maybe we could change the standing orders to get a bit of table service.

Mr Michael Daley: Point of order: Mr Assistant-Speaker, with respect to your control of the House at this time, can I say that the member for Hawkesbury is not allowing your early days in the chair to reflect well upon you.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! The member for Maroubra should be very careful not to cast aspersions on the Chair.

Mr Michael Daley: I am casting aspersions on the member for Hawkesbury. You have called him to order twice and he is refusing to accede to your ruling.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! The member for Hawkesbury will return to the leave of the bill.

Mr RAY WILLIAMS: I have firmly established that what I believe and what I have stated is absolutely correct: that this legislation now before the House is reflective on those people down there. The Liberal-Nationals O'Farrell-Stoner Government will insist that democracy is upheld. The Australian Labor Party may not have wanted to do that. Whilst the former Minister for Local Government was happy to stand up here to try to defend her Australia Labor Party colleagues, she did nothing whatsoever to try to uphold democracy. The Government is more than happy to legislate for these changes and undertake a democratic election—

Mr Michael Daley: Point of order: The legislation before the House is very clear: it provides for the establishment and holding of fresh elections in Wollongong. The subject of the bill is the establishment of fresh elections at a certain point in time. I ask the Assistant-Speaker to draw the member for Hawkesbury back to the leave of the bill.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! I have directed the member for Hawkesbury to return to the leave of the bill. The member is entitled to reflect broadly on the reasons why the legislation is before the House at this stage.

Mr RAY WILLIAMS: I conclude by saying that it is about time the good people of Wollongong and the good people of Shellharbour are able to see some democracy at work. They will no longer see the scandals that have pervaded those areas with the corruption and the manipulation of the voting system. This Government will put in place fresh elections and hopefully the people will be able to elect good, honest councillors—people who will accurately reflect their views—and we will not see developments approved just because massive amounts have been donated to the Australian Labor Party. Good honest people should be elected. I hope that none of the people elected have any affiliation with the Australian Labor Party, and democracy will be returned to the people of Wollongong and Shellharbour.

Mr CRAIG BAUMANN (Port Stephens) [4.59 p.m.]: At the outset of my contribution to the Local Government (Shellharbour and Wollongong Elections) Bill 2011, I congratulate the Minister for Local Government on his speed in introducing this important bill to the House. This bill, as with the announcement of the abolition of the iniquitous part 3A planning provision, sends a clear message to every council, councillor and mayor in New South Wales that this Government will fix the ills that 16 years of Labor have wrought on local councils and their communities. The councillors dining in the Strangers' dining room tomorrow night for the Local Government Association Cultural Awards will be able to celebrate this bill and the direction of the new Government.

As I have said previously in this place, I am passionate about the importance of local councils and the service and representation they provide to their communities. For the benefit of newly elected members, I was first elected to Port Stephens Shire Council in 1987 and again in 1991. I served as deputy shire president from 1989 to 1991 and as mayor, following the introduction of what we old-timers refer to as the new Local Government Act in 1992, from 1994 to 1995. I had a brief sabbatical, courtesy of voters, and was re-elected in 1999 and again in 2004. I was privileged to serve as mayor for another 2½ years until I stood aside when I sought preselection for the 2007 State election.

Many of the newly elected members of this place are or have served as councillors or mayors. They join the four city mayors who were re-elected. I note the absence of my friend, the member for Lake Macquarie and Mayor of Lake Macquarie. I am sure he would have wanted to contribute to the debate on this bill. I understand he has had to attend a council meeting. Independents who are mayors are able to do so because they do not face the party restrictions placed on Liberal, Nationals and Labor members. They are able to spend more time with their councils. When I was elected as mayor in 2004 I led a brand new council. I ducked away for four weeks and let my 11 councillors get to know one another. It was like leaving 11 roosters in a cage, but they had it all sorted out by the time I got back. I went to visit my son who was in England for his gap year. On the flight I watched every episode of *Grass Roots* on my laptop. *Grass Roots* should be compulsory viewing for all councillors. When I arrived in London I must have been jetlagged because I decided to buy 11 copies of *Grass Roots* to give to my councillors. When I thought about it I realised that would be detrimental because they would be able to see the punches coming from miles away. So I did not recommend the series to the councillors.

I enjoyed my time as mayor greatly. I particularly enjoyed conducting citizenship ceremonies. As a six-year-old I was naturalised in Parramatta Town Hall with my father. My father was Norwegian and as I was a

child born overseas I had his citizenship. I have told the story at various citizenship ceremonies that my mother was Australian. Mum and dad married at the end of World War II. My mother was the first foreigner, in Norwegian eyes, to receive automatic Norwegian citizenship when she married my father. When dad became an Australian citizen he lost his Norwegian citizenship. When they returned to Norway dad had to queue up with the other foreigners and my mother went straight through as a Norwegian national, even though she could not speak Norwegian very well. I have a special love for citizenship ceremonies and I understand how much they mean to those who are granted citizenship.

The job of mayor is mainly about delivering good news, while bad news is delivered by the general manager. I was enjoying my role as mayor when the Iemma Government introduced the coastal policy. In our council area, that policy took away planning powers for significant developments within one kilometre of the waterways between Port Stephens and the Tweed. One of the first buildings approved under that policy was a motel development in Shoal Bay. Shoal Bay is the jewel in the crown of Port Stephens. Previously the height limit had been eight metres. The Department of Planning, under the new coastal policy, approved a 13 metre high building. It was a disastrous policy that upset most people in local government.

In 2004, one of my first initiatives as mayor was to bring the Medowie local area plan before council. I wanted the new council to have input in the plan. At the same time that we approved the plan to double the population of Medowie, the town in which I live, the Lower Hunter Regional Strategy was announced and it was held over our heads. In the subsequent seven years, 70 blocks of land have been rezoned in the Port Stephens local government area. Late last year then Minister Kelly crowed about the success of the Lower Hunter Regional Strategy. If he thinks that 70 blocks in seven years is good news, I would hate to hear the bad news.

The Labor Government introduced the Port Stephens-Great Lakes Marine Park, again without any consultation. I became so frustrated about the Government's actions that in 2007 I ran for preselection for the Liberal Party and I was fortunate to win the seat. Unfortunately, the Coalition was about 15 seats short of victory in the 2007 election. But the great result we had on 26 March this year has rectified that. This bill is the first step in legislation to assist local government. I resigned from Port Stephens council in March 2008, six months following the election, after one of my colleagues called me gutless for not turning up to council to vote. I was unable to do so because Parliament was sitting. Local government councillors understand that Parliament takes precedence, unless you are an Independent and the Mayor of Lake Macquarie. When I resigned I called on the then Minister for Local Government to audit Port Stephens council procedures. I do not infer that they were doing anything wrong but it is a complicated area and if they started to wander down the wrong track procedurally they could call on assistance from the local government department. My plea was ignored.

I called on the Minister for Planning to audit the planning methods used by Port Stephens council. With all the Land and Environment Court rulings and legislation that passes through this place, I do not know how anyone can keep up with the Environmental Planning and Assessment Act. I am sure this Government will review that situation. On numerous occasions I called on the member for Auburn when she was the Minister for Local Government to investigate serious leaks in Port Stephens council. I got no result. I have the greatest respect and fondness for the member for Auburn, as do many Coalition members. But I believe she received bad advice in her time as Minister. When I attended the shire conference 11 months ago the then Minister, the member for Auburn, addressed the councillors and general managers, as did the Premier. I was intrigued to hear them say that part 3A was a wonderful planning provision because it meant they did not have to waste their time on planning issues. I was sitting down the front next to Chris Hartcher, the Minister for Resources and Energy and member for Terrigal. We crawled out and got away before the crowd started throwing bread rolls.

This legislation sends a positive message to local government throughout New South Wales. I referred earlier to the *Grass Roots* series. At one stage the producers wrote to all councils asking for suggestions to make another series. If anyone had suggested a storyline similar to the eventual happenings at Wollongong City Council, the producers and directors would have scoffed at them. Wollongong council was an extreme case. I will not comment any further, as the previous speaker spoke on the matter. It is important that the people of Wollongong and Shellharbour are able to elect their councillors.

It is a great idea that the Minister has determined one five-year term for both councils. The last thing we would want to do is duplicate the election in 12 months time. The councils will get the opportunity to be there for five years. I would like the Minister to investigate the idea that when a council makes a blunder, as Port Macquarie did with the Glasshouse, that perhaps an administrator should sit with the councillors to mentor them and have a casting vote, if I could put it that way, to try to get them back on line. I am not comparing the three councils—they were all sacked for different reasons—but this is a great step.

The member for Auburn said she was not happy with the reduction in the number of wards. I have looked at the matter for a long time and I do not see that it really matters whether councils have wards or not. Councillors tend to concentrate on where they are popular, because that is where they get elected, and that is usually where they live. Great Lakes Council is a prime example of a small in population but large in area council with a no-ward system, just elected councillors. I have often pointed out that if you live at Hawks Nest or Tea Gardens it is quicker to drive to Singleton than it is to visit your mayor in Forster. This is great legislation. I commend the bill to the House and congratulate the Minister on a fine effort.

Mr DONALD PAGE (Ballina—Minister for Local Government, and Minister for the North Coast) [5.11 p.m.], in reply: I thank all members who participated in the debate on the Local Government (Shellharbour and Wollongong Elections) Bill 2011: the member for Auburn, the member for South Coast, the member for Wollongong, the member for Tweed, the member for Hawkesbury and the member for Port Stephens. I particularly thank the member for the South Coast, the member for Tweed, the member for Hawkesbury and the member for Port Stephens for their strong support of this legislation.

The member for Auburn and the member for Wollongong raised a number of issues. Firstly, they wanted to know why we were in a hurry to get this legislation through Parliament. The main answer to that is because we have a mandate to give democracy back to the people of Wollongong and Shellharbour and there are certain requirements in relation to the public exhibition of boundary changes, particularly for Wollongong where the number of wards is being reduced from six to three. A 30-day exhibition period is required and if we are to get this legislation through and allow for that public exhibition period so that the Boundaries Commission can make any adjustments as a result of that public consultation period before the elections to be held on 3 September, we have to expedite this legislation as quickly as possible.

As the Premier said yesterday, we are in an unusual situation in this first week of the Parliament where we are trying to get through legislation in this House that we believe is essentially non-controversial so that the Legislative Council has legislation to debate. It is not normal practice that we do this, and it is certainly something that I have never supported, but I note that the Labor Government did this consistently. The former Government would drop legislation with no consultation and give no time for consultation with stakeholders. I am not comfortable with that, but the reality is that in order to reach a deadline and promise of 3 September we need to do things as we are doing them. I go back to the initial point, which is that we have a strong mandate in relation to the election result and an obligation—because we are a Government that wants to deliver on our promises—to expedite this matter in the way we are.

The second issue raised by both the member for Auburn and the member for Wollongong was in relation to the Independent Commission Against Corruption recommendations. The members raised a very valid point. The former Minister indicated that when she was Minister for Local Government she did not receive in her correspondence an indication from the administrators that the issues had been addressed. I can advise the House that on 27 April I received, as the new Minister, a letter from the administrators indicating that the issues that were raised in the Independent Commission Against Corruption report in fact have been addressed. Page two of the letter states:

All recommendations of the ICAC relevant to Council flowing from the Atlas hearing have been implemented.

I indicated earlier in my agreement in principle speech the five issues that the administrators had particularly addressed that had turned the culture around. I hope that clarifies the issue. The Independent Commission Against Corruption recommendations have been implemented by the administrators.

Both the member for Auburn and the member for Wollongong raised the question of the inconsistency between Wollongong and Shellharbour. I tried to explain the reason for the inconsistency in my agreement in principle speech. It is essentially because of the larger geographical area of the Wollongong City Council; it is a much bigger area both in population and in geographical terms and therefore it is more appropriate that we have more councillors. I also indicated that in relation to Shellharbour, recommendations flowed from the public inquiry that led to the council being sacked. A number of witnesses and the council itself gave evidence to the inquiry and said that as far as they were concerned there were too many councillors and too many wards. We have made a decision that there will be seven councillors and no wards and that there will be a mayor elected from one of those councillors.

If it turns out in the future—and this applies both to Wollongong and to Shellharbour—that the community is not happy with those arrangements then obviously there will be an opportunity at a future time to

change that. If the people of Shellharbour want to go back to a popularly elected mayor they can have a referendum. The former Minister for Local Government knows that these things can happen. We are not setting anything in concrete here; we are making a decision to enable democracy to prevail.

A couple of points were made in relation to community consultation, which was an issue at the election. As I said, it is imperative that we meet a deadline. In an ideal world we possibly would have consulted people more than we have but we have this requirement to honour our promise and I hope that all members of the House, including those on the other side, will be committed to the restoration of democracy at the local level in both these council areas.

The member for Wollongong raised an issue about how we should try to develop a policy about local government areas: whether we have wards or not, how many councillors, and so on. It is a fair point to make. The history of wards is quite interesting—not that I am an expert. Apparently, in the early days of local government the boundaries were determined by how far a person could ride a horse in a particular day or a couple of days. Some might say that we have not come very far since then in relation to being able to get a consistent set of criteria for determining exactly how many wards there should be per head of population or how many councillors there should be. The Act is quite broad in relation to councillors; it states that a council may have between five and 15 councillors. I make the point, without being political, that the Government had 16 years to address an issue such as that. We have been in government for about a month. With all due respect, the former Government did nothing about the issue. But I take on board the comments by the member for Wollongong about how desirable it may be to get more consistent criteria in relation to these matters.

In relation to besmirching the Wollongong area, there is no question that the council behaved appallingly and that there was endemic corruption, and, as the member for Wollongong said, not just the last lot of councillors but going back many years. The Government was quite right to sack that council, just as it was right to sack Shellharbour City Council. I am satisfied that the administrators at both councils have done a fantastic job. I acknowledge the current Wollongong City Council administrators, Colin Gellatly, Robert McGregor and Richard Colley and the former administrators, including Gabrielle Kibble, and the Shellharbour City Council administrator David Jesson. I thank them for the constructive and productive manner in which they have dealt with the endemic corruption in Wollongong and the dysfunction in Shellharbour.

The member for Wollongong pleaded with members not to besmirch the reputation of her electorate. I explained in my agreement in principle speech to make it clear that the situation has changed and that the administrators have assured me that it is much better. I therefore did not appreciate the attempts to besmirch the reputation of Neil Porter, who was recently appointed as the administrator at Port Macquarie-Hastings Council. By all reports he is not a political person and he has 30 years of experience in administration of local government. I am told that his appointment has been widely welcomed.

The two Labor members who spoke in this debate raised some concerns and criticisms. However, they did not offer any alternative method of addressing these issues. Under this legislation the people of both Wollongong and Shellharbour will be able to determine who will represent them at the local government level. That will occur 12 months ahead of the timetable proposed by the former Government, which scheduled the elections for September 2012.

Question—That this bill be now agreed to in principle—put and resolved in the affirmative.

Motion agreed to.

Bill agreed to in principle.

Passing of the Bill

Bill declared passed and transmitted to the Legislative Council with a message seeking its concurrence in the bill.

WOLLONGONG CITY COUNCIL

Personal Explanation

Ms NOREEN HAY, by leave: As I feared, the member for Hawkesbury has once again sought to impugn my reputation. I will correct the record yet again: I have never been at nor have I been invited to sit at the so-called table of knowledge. I have also not been found to have been inappropriately involved with anyone.

The former Premier was advised by the Independent Commission Against Corruption that I was not a person of interest in any of its inquiries into Wollongong City Council. I hope this is the last time I need to correct the record in that regard.

HEALTH SERVICES AMENDMENT (LOCAL HEALTH DISTRICTS AND BOARDS) BILL 2011

Agreement in Principle

Debate resumed from an earlier hour.

Ms KATRINA HODGKINSON (Burrinjuck—Minister for Primary Industries, and Minister for Small Business) [5.24 p.m.]: I congratulate you, Mr Assistant-Speaker (Mr Andrew Fraser), on your elevation to that most prestigious position. It is a pleasure to address the House with you in the Chair this evening.

I support the Health Services Amendment (Local Health Districts and Boards) Bill 2011. I congratulate the Minister for Health on her appointment to that role. I look forward to working with her as she unravels the disastrous mess left to her following 16 years of Labor Government mismanagement. I would not wish that task on anyone but the most capable person. She is such a person and I know that she will do a wonderful job, not only for people in the metropolitan area but also those of us living in rural and regional New South Wales.

Health services are of enormous concern to the residents of regional New South Wales. The object of this bill is to amend the Health Services Act 1997 to provide for local health districts and district health boards and to create specialty networks with boards in accordance with the commitments made by the Coalition over many years. I am delighted that the Liberal-Nationals Government has introduced this important legislation in the first week of the parliamentary session. Our Government obviously has the confidence of the people of New South Wales given the sizeable electoral swing away from the former Government. I know that many people across regional New South Wales will be delighted to learn that the Government has acted so quickly to establish the long-promised local district health boards. The bill provides for the establishment of local health districts and district health boards in lieu of geographic health networks and governing councils and specialty health networks and speciality network boards in lieu of the non-geographic local health networks and their governing councils.

It would be remiss of me not to remind the House again of a couple of situations in my electorate that were ignored by the Labor Government for a long time. I refer first to Grenfell Hospital. I made a commitment to the local community that I would raise this issue at the earliest opportunity and that is what I am doing. Grenfell Hospital has been without the services of a full-time visiting medical officer since 1 October 2009 when Dr Albadran resigned. I have frequently sought to have the situation resolved by the Greater Western Area Health Service, its successor the Western New South Wales Local Health Network and the former Minister for Health Carmel Tebbutt. I have met and had telephone conversations with her chief of staff to discuss the situation. About 800 local residents attended a community protest meeting in Grenfell in November 2009. I have also met with representatives of Weddin Shire Council, including the mayor, on many occasions about this dire situation. The council is being blamed for this situation, but the blame fairly rests with the former Government. I have also met with representatives of the Greater Western Area Health Service on many occasions to find a solution. I have lodged petitions in this place bearing some 750 signatures and made dozens of formal representations to the former Minister for Health on behalf of constituents, the council and community groups such as the United Hospital Auxiliaries of NSW Inc., Legacy and Lions International. However, the situation remains unresolved.

A locum visiting medical officer is supposed to attend Grenfell Hospital once a week on Fridays for about four hours, but that does not happen on a regular basis. As a result, frail elderly nursing home residents are forced to travel long distances to towns such as Orange, Cowra or Forbes for minor services that require a doctor such as the renewal of a prescription or the administration of an injection. I know that the new Minister for Health is not afraid to tackle these issues and I am sure that she has been made aware of similar issues by other regional members after 16 years of disappointment under the Labor Government's administration.

A letter published in the *Yass Tribune* this week outlines yet another health issue. Jasmin Jones, an expectant mum, wrote of her concern about the safety of pregnant women and their babies in Yass and the surrounding districts. She called on me to renew the fight for action in Parliament to ensure the urgent restoration of emergency obstetric care at the local hospital. In November 2004, the Greater Southern Area Health Service decided to stop providing maternity services in Yass. The normally quiet local residents turned

out in their hundreds at a meeting in the memorial hall at which I spoke. They were furious that their local hospital, which was established using money raised by the community and which had always provided maternity services, was suddenly stripped of those services. I understand that the Labor Government closed about 45 maternity units across the State. That is disgusting. If we want families to live in regional communities they should at least be given access to the most basic of services. I do not know how long it will take to get maternity services back. There has to be support staff, doctors, anaesthetists and others, and as I tried to explain to Labor I do not know how many times, the longer you leave it the harder it is to bring services back.

I want to reassure Jasmin Jones and all the other people. I was in that situation myself; I was born at Yass hospital. It is shocking when services close not only in your own town but in 45 other communities right across New South Wales. It is heartbreaking and it was heartbreaking for me at the time. Seven years have now elapsed since that service was closed. Jasmin Jones goes on in her letter to explain that Calvary Hospital in Canberra, which is the next closest hospital and the one to which Yass women are sent to have babies, is full. It is too full to accommodate Jasmin Jones's baby, which is due in July, I think, so she will have to go to The Canberra Hospital in Woden Valley, which is another 35 minutes drive for her. If she delivers her baby within 30 minutes, what is going to happen? She will have the baby on the side of the Barton Highway. No woman should be put in that situation. What does it take for a civilised township the size of Yass, which has a population of 13,000, to get a maternity service?

We have suffered under Labor. It has been a miserable experience and there have been so many frustrations in relation to health matters. I could go on and on about many of the hospitals in my electorate. At times Young hospital has had no visiting medical officer [VMO]. I note that the member for Monaro, John Barilaro, is in the Chamber and I congratulate him on his emphatic victory. Queanbeyan Hospital, in the Monaro electorate, has been without a VMO on many occasions. That is absolutely outrageous in a city the size of Queanbeyan. That is why we need to get rid of these unwieldy area health services. That is why we need to wind them back to local district hospital boards.

I say again how delighted I am not only to be standing on this side of the Chamber, in front of the government benches, but also to have the Minister for Health, Jillian Skinner, in the chair. Finally we are in a position in this first week of Parliament, under a new Government, to introduce a bill such as this, which will have a great impact on regional health services in our electorates.

Mr RICHARD TORBAY (Northern Tablelands) [5.32 p.m.]: I very strongly support the Health Services Amendment (Local Health Districts and Boards) Bill and commend the Minister for introducing the legislation. This is good policy. I will take a few moments to explain why that is so. I will focus particularly on the regional and rural perspective but I am sure the Minister could enlighten us on metropolitan issues as she has done for many years. From a regional perspective, as the member for Burrinjuck and Minister for Primary Industries indicated, it has been an enormously frustrating process, particularly in relation to health. The underinvestment, not just of capital but also from a staff retention perspective, has been very significant. One of the great benefits of having a Minister who held the shadow portfolio for such a considerable period of time is that she has been able to hit the ground running. I commend her in every respect for that. There are so many people in the health area who are looking forward to positive change; there are very high expectations. No doubt the Minister is aware of that.

There has been much criticism of what happened in the past and members have referred to the frustrations that people experienced. I could add to them but I want to commend the very hardworking staff of our health system in both the country and the city. Country people get tremendous support from metropolitan health services, as my father experienced recently when he needed that help in very serious circumstances. I can assure the Minister the staff were fantastic. As a son of somebody who was in a facility I could see how hard those staff were working and the enormous pressure placed on them through the extraordinary demands of the front line. As I said, this legislation is good policy, but let us never forget that these people are working frantically in the front line of our hospitals and other services to meet people's expectations, including my dad who is still suffering. They treated him very well and did a tremendous job in supporting not only him but all of his family who were around him at that time.

Taking control closer to the people is a good thing. The Minister may remember that I moved a motion in this place some time ago. I looked at it again when this bill was introduced. The motion said:

That this House call on the Government to reintroduce community hospital boards with budgetary powers.

That was the first motion moved on this particular issue and I am pleased to say I was the mover. It is in *Hansard* on 14 March 2002. I am happy to say that the Labor Government of the day opposed the motion, so they have been consistent in relation to this, but the then Opposition, now the Government, supported it. Of course it was not carried but the speakers included the member for Upper Hunter, who is now a Minister, who indicated his strong support and that of the Coalition for the motion, as did my colleague the late Tony McGrane, the then member for Dubbo. There was also strong support from the Leader of the National Party, who is now the Deputy Premier, for the reintroduction of autonomy for local health boards. I acknowledge that my motion was simply responding to what the community wanted. That is why I am encouraged by the Minister's comments, particularly that part of her speech where she said, I think courageously, that we should not fear the truth. That is a very refreshing comment, particularly in relation to health, which in my view is one of the most difficult areas in which to be transparent. I acknowledge the Minister's intent, which is very genuine.

There are real opportunities in health despite the very high expectations. It is a positive sign that the community feel that they are being listened to and are part of the engagement process that these boards will produce. As I understand this legislation, networks will become districts and governing councils will become boards. They are two very positive steps, but I am glad the process will stop there for now. I took great heart from the Minister's comments that the Government is going to see how the reform process goes. Let us remember there is a workforce—there are clinicians and networks have been established. The Minister will be aware that in the New England area a medical school was established at the University of New England jointly with the University of Newcastle. That has been a tremendous success. I also acknowledge the recent announcement about Tamworth Hospital, which is very much part of that network of hospitals. I am keen to speak with the Minister about Armidale Hospital and the planning process for places such as Inverell, Glen Innes and Tenterfield. They are very important parts of the New England community, which has suffered so many frustrations as members have said today, in relation to not only capital spending on health but health spending generally.

I will conclude by saying, as so many members have done, that in regional and rural communities distance, remoteness and access to services are critical. I acknowledge there are still huge demands and pressures in Sydney that we in the country place on the city system. I was contacted some years ago by a patient in Inverell who was on dialysis treatment and had to travel to Tamworth because there were no dialysis services in the whole Northern Tablelands area.

Can members imagine having to travel 3½ hours each way by ambulance with family three times a week to try to get the basic dialysis treatment? The person who rang me could not say hello when I first answered the phone. The person broke down in tears. This is the sort of impact it has. To be fair, the previous Government did install dialysis services—a four-chair unit in Inverell and a six-chair unit based at Armidale. They are now oversubscribed and people in communities such as Glen Innes and Tenterfield are having to travel enormous distances. As I said, is not just the impact on patients; the impact on their families is very significant. Listening to local communities is going to be critical, as it should be, and having these sorts of local board structures will make a tremendous difference, not only in their better understanding of the day-to-day impacts on people but also because it is good policy because clinicians and the community in that local area know best about the services and provisions in the area.

I look forward to strongly supporting this and the other initiatives that flow from it. I commend the Minister on having the courage to say the things she has said in this debate and also for starting so early to take corrective action in an area where the community has such high expectations. These are the sorts of initiatives I am keen to support and I look forward to the hospitals, particularly in the New England area—other than Tamworth, which has just received a very positive announcement—benefiting from these sorts of proposals. I look forward to further discussions with the Minister. I commend the bill to the House.

Mr STEVE CANSDELL (Clarence) [5.41 p.m.]: Congratulations, Mr Assistant-Speaker [Mr Andrew Fraser], on your elevation to your new job. I fully support the Health Services Amendment (Local Health Districts and Boards) Bill 2011. I congratulate our new Minister for Health, and Minister for Medical Research. It is a pleasure to have her here. I have been in this place for eight years and have seen Craig Knowles, Reba Meagher, Morris Iemma, Carmel Tebbutt and John Della Bosca go through the revolving door of Ministers for Health having no understanding of the portfolio. The member for North Shore was the shadow Minister before I came here and she has a full understanding of and empathy for everything that is happening in health in New South Wales, both city and country.

This bill is about delivering our own election promise. It is exciting. This is only the second day and we have already passed the Miscellaneous Acts Amendment (Directors' Liability) Bill 2011 and the Local

Government (Shellharbour and Wollongong Elections) Bill 2011. We are in the process of passing the Health Services Amendment (Local Districts and Boards) Bill 2011, and we are already talking about the Occupational Health and Safety Amendment Bill. This is doing things that Labor did not have the courage to do in 16 years. In two days we have runs on the board and are moving fast through other legislation.

This bill is about restoring local decision-making and giving local clinicians and local communities a real say in their local hospitals and health services. In my eight years clinicians have approached me regularly from Grafton, from Maclean, from Lismore and even from Coraki, concerned that they were not being heard. If anyone should know the needs of the patients and the needs of the hospital, it is the doctors and nurses at those centres. They should not have to come to me; they should be talking to the board or to the head of the health service. In the past they have not done so but this bill will ensure they are. I support the bill 100 per cent.

We need to put patients back at the centre of every decision in the New South Wales health system. Labor had 16 years, and it bogged the system down with red tape and one had to go through a bureaucratic jungle to get anything done. Local boards will bring the decision-making back to the doctors, nurses and community leaders, who know what is going on in the community, and they will draw together the hospitals that assist each other in the provision of services. Grafton hospital and Maclean hospital work together very well and at a more senior level than does Lismore hospital.

I am very pleased with the recent \$20 million redevelopment of Grafton hospital—operating theatres and accident and emergency facilities—paid for by the Federal Government, not the former State Labor Government. The state-of-the-art operating theatres have attracted a senior and highly credentialed orthopaedic surgeon ready to start in the next few weeks. It is exciting for the area and this will save local patients needing hip and knee replacements and children with broken bones from having to travel to Coffs Harbour or Lismore. They will be able to stay in town. It will save patients travelling, save the State a lot of money and save families a lot of grief. I could go on about this bill, but I just commend the Minister for bringing this before Parliament as soon as our Government was in office. It will get things moving and bring real change and it will be a positive input for the people of New South Wales, rural New South Wales in particular. I commend the bill to the House.

Mr THOMAS GEORGE (Lismore—The Deputy Speaker) [5.45 p.m.]: A lot has been discussed this afternoon about individual hospitals. I compliment and thank our new Minister for Health. Her experience has come to the fore in being able to produce the Health Services Amendment (Local Health Districts and Boards) Bill 2011 and to finalising it within two days of Parliament commencing. Everyone I know and represent is happy to have district health boards in operation. The main thing the bill has provided—although we have not seen the full benefit of it yet—is that it has given local control back to the people. In addition, it is providing boards that can make decisions. These boards will make decisions, provide direction and implement actions, and they will answer to the local people. They will also be able to make budgetary decisions.

I have been in this House for 12 years, and I cannot believe that members on the other side are making critical comments about this bill. I suppose we will have to face that for the next few years. Everyone on this side of the House supports the bill. Prior to the 2007 election this was the policy of the then shadow Minister. We have been calling for this for years and have been acting on it, and that is why within two days of Parliament commencing we are voting on it. I could go on for hours about this legislation, but I want to compliment and thank the Minister. Everyone in the Lismore electorate appreciates having a board that can make a decision, take actions and provide a budgetary response to hospitals in the area. I am only too happy to support this bill.

Mr DARYL MAGUIRE (Wagga Wagga) [5.47 p.m.]: I make a brief contribution and acknowledge the words of all other speakers today on the Health Services Amendment (Local Health Districts and Boards) Bill 2011. I commend the Minister for Health. I have known the Minister for Health for a long time. This is something she has been passionate about, as have many members in this Parliament. The newly elected members of this Parliament, those who were successful on 26 March, are supportive of this bill. A raft of them are here tonight listening to this debate, and when they make their inaugural speeches I imagine they will raise issues such as this, a Government delivering on its promises with the Health Services Amendment (Local Districts and Boards) Bill 2011.

As the member for Lismore said, we campaigned on this initiative in 2007. Again at the last election this was raised throughout my electorate. I know that in Coffs Harbour the public were talking about the need to return decision-making back to local communities.

I know that when the member for Swansea was campaigning, the electors were saying that they wanted to be involved again in the delivery of health services and make decisions for their local community. The bill

will achieve that, and it has not been difficult to introduce the legislation. Just three days into the session, already the Government has introduced and dealt with a number of bills that have been sent to another place for consideration. This legislation has been highlighted in the media. Tomorrow, after the Minister's press release confirms that the legislation has been introduced and the Government has honoured its election promise, there will be a reaction not only from the community but also from health professionals who work in the health system. The major complaint I receive is that nobody is listening to health professionals who work within the system. They work under stressful and terrible conditions, yet they have held the health system together. The community regards hardworking doctors, nurses and clinicians as saintly because they often have to work in terrible hospital infrastructure. Some hospitals are virtually falling down. The Labor Government did not support them. Importantly, this legislation will give them and the community a voice. It will enable them to have concerns addressed. It will deliver local control back to communities. I commend the Minister for Health for this on this initiative. I wish her well. I know that she will be the best Minister for Health that the State has had. I look forward to her making more announcements and bringing more policy in the form of legislation into the House—and of course getting Wagga Wagga's hospital built!

[Business interrupted.]

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Bills

Motion by the Mrs Jillian Skinner agreed to:

That standing and sessional orders be suspended to permit the conclusion of the Health Services Amendment (Local Health Districts and Boards) Bill 2011 prior to Notices of Motions (General Notices).

HEALTH SERVICES AMENDMENT (LOCAL HEALTH DISTRICTS AND BOARDS) BILL 2011

Agreement in Principle

[Business resumed.]

Mr ANDREW FRASER (Coffs Harbour—The Assistant Speaker) [5.52 p.m.]: I strongly support the Health Services Amendment (Local Health Districts and Boards) Bill 2011 and I compliment the Minister for Health on introducing the legislation so swiftly. On many occasions as the Opposition's Health spokesperson, the Minister visited the Coffs Harbour electorate. She almost knows the doctors currently working in the Coffs Harbour Health Campus and many others as well as I do. Bill Ross is an exceptional surgeon in my electorate and he speaks very fondly of Jillian Skinner, as she speaks of him.

During my 21 years of service to the Parliament, I witnessed the election of the Minister to this House in 1994 and her appointment as shadow Minister in 1995. Coalition policy, in Opposition and in Government, has always included district health boards. After legislation was introduced by a former Coalition Minister for Health, Ron Phillips, to establish health boards, we copped a fair bit of flak from directors and others who served so well and for so long on local hospital boards because the savings made by networked hospital districts were not retained by those hospital boards. In my electorate, hospitals at Dorrigo, Macksville, Bellingen and Coffs Harbour were working as a network. The former Minister copped some flak because, unfortunately, the efficiency created by networking was in a sense far too good, and savings made by networking were taken from us. That continued when a Labor Government succeeded the Coalition. Despite being the most efficient hospital in country areas of New South Wales, Coffs Harbour's budget was cut. Ever since then, we have been doing more with less.

At that time Dr Mike Ridley was a member of the Coffs Harbour hospital board and later became President of the New South Wales branch of the Australian Medical Association [AMA]. The services he rendered to health as a visiting medical officer [VMO]—and I mean a real VMO—at the Coffs Harbour Health Campus have been recognised by the Government conferring on him an OAM. He often used to do work at the hospital and not charge for it. He thoroughly deserved the recognition he received by being honoured on Australia Day. When the North Coast Area Health Service was created and extended basically from Port Macquarie to the northern State border, I did not have a great deal of time for the Chief Executive Officer of the North Coast Area Health Service, Mr Clout, who was based in Port Macquarie. At one stage I told him not to return to my electorate office until he was prepared to start telling the truth, and he has not been back since. The district changed again and later was controlled by Chris Crawford, who was based in Lismore.

We were constantly promised that the savings we made would be retained, but while the bureaucracy expanded dramatically, the medical and cleaning staff decreased. Those factors, combined with the loss of local hospital savings, meant we ended up providing a reduced level of service. We reached the point at which Dr Alan Tankel, who is in charge of the emergency department, struck a deal with the North Coast Area Health Service with the result that although we required eight additional registrars and doctors in the emergency department, we were given four. That is not good enough. Decisions were taken out of local hands and budgetary control was shifted away from us. However, under the model proposed by the current Minister for Health, local clinicians and interested people will be given a greater say.

When the Minister gives consideration to geographical boundaries for health boards, I appeal to her to consider reinstituting the network of Dorriggo, Macksville, Bellingen and Coffs Harbour hospital campuses and the possibility of including Port Macquarie, Taree, Wauchope and Kempsey in that district. That will avoid two health campuses or base hospitals in two separate health districts competing with each other for very scarce resources. As the Minister has stated many times, resources are finite whereas demand for services increases daily.

I commend the staff of the Coffs Harbour, Dorriggo and Bellingen health campuses for their great work that is being performed under extreme duress. The stress they have suffered in recent years has been enormous. In 2008 the Coffs Harbour Health Campus experienced one of the largest outbreaks of vancomycin resistant enterococci [VRE] in Australia's history. I believe that was caused not only by inadequate cleaning services but also by doctors and staff at the Coffs Harbour Health Campus who knew about the problem being ignored by the North Coast Area Health Service. If notice had been taken of what those trained staff members were saying, I believe the outbreak would not have occurred. Among the many Ministers for Health appointed by the previous Labor Government, the most effective Minister was Morris Iemma. Craig Knowles listened but did nothing.

When the Coalition was in government prior to 1995, we identified a suitable site for a new hospital, but Bob Carr delayed construction. Construction was finally completed in 2000-01. It was hell trying to treat patients in an antiquated hospital. When the Coalition was in government, a public committee did not accurately identify the number of beds required. When the site for the health campus was identified, the Minister refused to purchase more land. As the health campus has expanded, parking space has become inadequate, which is forcing staff to park across the road and across the highway from the health facility. That is the subject of many complaints. However, as a result of this legislation, Coffs Harbour will have a far better arrangement because local people will be making decisions based on local needs, instead of decisions being based on budgetary priorities. I commend the Minister for her great work since 1995. I look forward to the great changes that will be made under her stewardship.

Mr GREG APLIN (Albury) [5.59 p.m.]: I take the time of the House to commend the Minister on introducing the Health Services Amendment (Local Health Districts and Boards) Bill 2011 and draw attention to the fact that a prototype of this concept, which was announced two years ago by the Minister, was in fact introduced into what is now known as Albury Wodonga Health. It came about on 1 July 2009, so it is drawing close to its two-year anniversary. In looking at the way in which the board is formulated and what it represents, it is exactly as the Minister has said. She hopes to introduce across this State a range of experience from people who have a stake in their immediate area, importantly, including clinicians and persons drawn from universities, where appropriate. In Albury Wodonga Health we see a concept that should be supported across the State, indeed, supported by the Federal Government because this very idea is something that relates to local people and is accountable to the local people; it is transparent to the local people. However, I need to give reasons why the Minister has seen fit to introduce the bill. I quote from a surgeon in 2007, who stated:

- Patient care in the public sector is in crisis in the bush.
- Albury Base Hospital could provide our society with a far greater service than it does. However, it is my belief the main aim of the hospital administration is to stay within budget and control the doctors.
- Treating the sick and injured is a minor consideration only.

This goes to the very heart of what the Minister has been talking about today. He continued:

- There are two surgical wards at Albury Base Hospital, but one was closed shortly after the opening of the hospital. There are four operating theatres and rarely are more than two of them utilised at any one time. Theatre three is used permanently as a storeroom.

Let me fast forward to this year, in fact, to Tuesday 22 March 2011, just prior to the State election. Yet another surgeon wrote to me, and this is four years later. He states:

As you are aware the Albury Base Hospital has been choked to death by [the] New South Wales Labor Party for many years to the point where it is almost non-functional and poorly funded with poor infrastructure.

I am sure you would agree with me that as a priority, and as your priority, Albury Base Hospital needs to be supported with adequate infrastructure and we need to work with the medical colleges to improve medical man power in the area.

We will never recruit or retrain medical specialists and GPs if we do not inject funds into the local health system to increase the number of theatre nurses, beds, ward staff and supporting allied health. Did you realise that only two of the four theatres are functioning at any one time at Albury Base Hospital? This is due to a lack of funding.

He is not entirely correct. It is generally the case that only two theatres are functioning, but three theatres are in fact commissioned. The point is that if the third theatre were functioning for longer periods it would generate the need for more beds and therefore more nurses, but that has not been the case for the past 16 years. He concludes by stating:

I for one will not continue to work under such poor local conditions, even though I have been a strong advocate of public health.

That is why we need the bill and all it stands for. I commend the Minister.

Mrs JILLIAN SKINNER (North Shore—Minister for Health, and Minister for Medical Research) [6.02 p.m.], in reply: I thank my colleagues for their responses in this debate and their support for this important legislation, the Health Services Amendment (Local Health Districts and Boards) Bill 2011. It has been overwhelming to hear the comments of my colleagues. I know those sitting in the Chamber both now and during the earlier part of the debate who have not yet made their inaugural speeches have listened with a great deal of interest and I thank them for that. I know from my visits to their electorates not only over the past few months before the election but also over the many years previously that health has been an issue that has resonated with all of them. I can see lots of heads nodding. If they could speak I know they would. I am also very grateful for their support for this very important legislation.

I thank also the many clinicians and staff in the New South Wales health system who have spoken to me about their concerns and ideas over the years. Over the past 16 years I have visited all of the major hospitals in New South Wales and most of the smaller ones. I have had the opportunity to talk to hundreds of staff, to clinicians and members of the communities they serve. These discussions have helped to shape my own views and have helped the Government refine its policy initiatives. I make it clear that I intend to continue this process of visiting and stopping to listen to the views of patients, their carers, members of local communities and local clinicians. Staying in touch is a vital component in improving government policy and maintaining public trust. I give my commitment to my colleagues sitting in this House and those outside that this will continue to be the case.

This bill represents the beginning of a process for implementing these policies and implementing real change in the New South Wales health system. The aim is to empower local decision-making by clinicians and hospital managers, and provide a structure for significant community involvement. I note that a number of issues were raised in debate and I shall briefly address those. Concerns were raised by a number of members about the impact this legislation will have on the State's participation in future national health reforms. Concerns were also raised by the member for Macquarie Fields about the need to ensure future funding for our hospitals. This legislation does not affect the New South Wales position on the national health reform agenda. The bill simply addresses the Government's election commitment to provide for local health districts and local health boards.

The new boards and districts will retain the key governance features identified in the April 2010 National Health and Hospitals Network Agreement, in other words, the Council of Australian Governments agreement. The bill also clearly identifies that the districts are to be considered hospital networks for the purposes of that agreement and any related Commonwealth legislation. The Government is committed to negotiating with the Commonwealth Government on continuing reform to the health system and is examining the heads of agreement signed in February. The Government will not, however, sign up to any financial deal that compromises patient care or leaves New South Wales in a worse financial position than it is now. I note that is exactly the position of the former New South Wales Government, which had not signed up to the next round of the heads of agreement—it is simply spin to suggest otherwise. It had identified problems, just as I had. I put those problems in a letter I wrote not only to the Federal Minister but also to the then State Minister.

As part of the negotiating process we will look at proposed funding models. While activity-based funding is a key element in the negotiations, it is essential to maintain and protect appropriate funding levels for our rural districts. I make this point absolutely clear to country members and those representing the smaller hospitals. To this end, agreed block funding will protect small rural hospitals with low levels of activity. In a media response on the very day that the former Prime Minister Kevin Rudd made his Council of Australian Governments announcements in the National Press Club I raised the concern that activity-based funding should not disadvantage small country hospitals, particularly those with low levels of activity. I also restate and re-emphasise that the Government will not sign any Federal financial deal that compromises patient care. Patient care, and improving patient care, remains the Government's key objective.

I was also asked about the future of current governing council members and whether they will be required to reapply for their positions. The bill makes it clear that council members will remain eligible for reappointment. The Government does not propose to conduct another lengthy appointment process for board members or require that current council members will have to reapply in order to continue in their roles. I will undertake a review of the existing council appointments to assure myself that each board does, in fact, have the appropriate mix of skills in its membership, and where I am satisfied that this is the case I will confirm existing members in positions on the new boards. In fact, the shadow Minister acknowledged that with the newly strengthened role and expectations of these boards there are likely to be skills gaps, particularly in the financial governance and legal areas. I look forward to my conversation with chairs of the current networks and others in those local communities to make sure that we have the right skills on those boards.

I shall deal specifically but briefly with some of the issues members have raised. The member for Macquarie Fields, the shadow Minister, called this significant change but I note that the Deputy Leader of the Opposition had previously interjected, "It's only a name change." The member for Marrickville acknowledged that there were no significant changes to the boundaries, although I have said we will look at boundaries at a later date. I expect that there might be some tweaking or minor changes, but if that is the case there will be wide consultation with local communities and clinicians. The member for Macquarie Fields said that this bill was a return to the past. The reality is that these districts and boards are based on the local health network legislation introduced by his Government following the Council of Australian Governments April 2010 agreement.

Ms Linda Burney: Why introduce it?

Mrs JILLIAN SKINNER: It provides a much greater and significant role for the boards by giving them real clout and real decision-making powers, and enabling them to be responsive to their local communities. A number of boards' members and chairs have said to me, "Thank goodness. We'll be able to put together proposals that we can actually implement" without having to go through all the bureaucratic red tape layers that extend all the way to North Sydney. That is not important for people in the Barwon, Murray-Darling or Northern Tablelands electorates.

The DEPUTY-SPEAKER (Mr Thomas George): Order! The member for Canterbury had the opportunity to contribute to the debate.

Mrs JILLIAN SKINNER: People in rural and regional areas are desperate to have decisions on health made locally. The shadow Minister said that remote communities would not receive growth funds. I found it quite extraordinary that he criticised also activity-based funding, given that his Government signed up to it in the Council of Australian Governments agreement. He really did not listen to my speech. The member for Macquarie Fields knows about the agreed block funding for smaller hospitals. He said also that clinical networks might be lost. He was not listening. In the Coalition's Making it Work policy and in my introductory remarks in the agreement in principle speech we support clinical networks and their enhancement through the Agency for Clinical Innovations. The member for Marrickville acknowledged that the bill does not introduce significant changes to boundaries. I have addressed her questions about the chairs of the boards and the remaining role of the boards. The member for Wollongong frankly did not know what the bill was about.

Coalition members representing the electorates of Barwon, Murray-Darling, Clarence, Burrinjuck, Lismore, Wagga Wagga and Coffs Harbour raised particular issues of relevance to people living in rural and remote areas and also praised the quick introduction of this legislation. The member for Coffs Harbour spoke about VRE—vancomycin-resistant enterococci—in his local hospital, which has a particular significance as today is International Hand Hygiene Day. I am pleased to be able to inform the House about such an important event. I acknowledge the member for Tamworth also because it was Heather, whose name I had forgotten, who handed us little bottles of disinfectant when we visited Tamworth hospital yesterday. I compliment her on bringing International Hand Hygiene Day to our attention.

I have identified a number of issues other members raised highlighting the continuing commitment to clinical networks and local initiatives that come forward when locals have the right to make decisions, such as the Telehealth Technology Centre being provided by Professor Mohamed Khadra in Penrith. The member for Maitland pointed out that every district and hospital is different and local decisions will be relevant and tailored to those communities. Clearly, the member for Tweed is well acquainted with the Tweed hospital, its medical staff and council. I commend to all my colleagues to establish those important relationships. I thank the member for Northern Tablelands for his contribution and for highlighting the frustrating process from a regional and rural perspective, and for acknowledging the hardworking staff—a point I made in my agreement in principle speech. I thank him also for his remarks about my insistence on transparency and openness. In conclusion, I thank the members representing the electorates of Macquarie Fields, Marrickville, Wollongong, Mount Druitt, Barwon, Bega, Penrith, Murray-Darling, Maitland, Hawkesbury, Tweed, Pittwater, Burriajung, Northern Tablelands, Clarence, Lismore, Wagga Wagga, Coffs Harbour and Albury for their contributions. I commend the bill to the House.

Question—That this bill be now agreed to in principle—put and resolved in the affirmative.

Motion agreed to.

Bill agreed to in principle.

Passing of the Bill

Bill declared passed and transmitted to the Legislative Council with a message seeking its concurrence in the bill.

The DEPUTY-SPEAKER (Mr Thomas George): Order! Government Business having concluded, the House will now deal with General Business Notices of Motion.

BUSINESS OF THE HOUSE

Notices of Motions

General Business Notices of Motions (General Notices) given.

INTERNATIONAL DAY OF MOURNING

Matter of Public Importance

Ms LINDA BURNEY (Canterbury) [6.19 p.m.]: I am sure that new members in particular have been informed that matters of public importance are way above politics. Today my matter of public importance is the International Day of Mourning, which is held on 28 April. Workers Memorial Day was started by the Canadian Union of Public Employees in 1984. In 1985 the Canadian Labour Congress declared an annual day of remembrance for workers who are killed or die as a result of disease or accidents in the workplace. In the United States, Workers Memorial Day has been recognised since 1989 through the trade union movement in North America, Asia, Europe and Africa. Australia also recognises this memorial day.

Last week, on 28 April, I had a great honour of attending the International Day of Mourning service, along with a number of other members and community leaders and, most importantly, families who have lost loved ones in the workplace. On 28 April each year unions, workers and their families and friends in over 100 countries come together to remember the men, women and children—that is very important to think about, particularly in nations where children are forced to work—who were killed or injured at work, or became sick from exposure to hazardous substances. They were tortured, imprisoned, murdered or oppressed because of their trade union activities, and we are all very aware of that, particularly in countries such as those within South America, or they suffered degradation, pollution or destruction of their communities due to unsustainable work practices.

In Australia every year around 440 workers are killed in work-related accidents. That equates to more than eight people per week, something that many of us in this Chamber would probably not be aware of. The high-profile issue of asbestos has brought to our attention just how dangerous some workplaces can be. Diseases such as cancer and asbestos-related illnesses cause an estimated 2,300 additional deaths per year, on top of the

440 workers killed each year in Australian workplaces. Worldwide, it is a different story in some countries. About 12,000 children are killed every year due to accidents as a result of the work they do. Over 160 million new injuries and work-related diseases are reported each year internationally.

In New South Wales on 28 April an extraordinarily moving ceremony, across all religions and political parties, was held at Darling Harbour. A sculpture entitled "Memory Lines" stands in Reflection Park, near Darling Harbour. It was the first time I have attended the annual service. The service was attended also by Her Excellency the Governor and Sir Nicholas Shehadie, the Hon. Sophie Cotsis, Minister Pearce from the other place, and a number of other Ministers and shadow Ministers, such as me. John Robertson, who was such an instigator of the service in New South Wales as well as the erection of the memorial, was also in attendance.

What was so moving about the service was that so many of the families and their children were there. I recall one little girl whose dad had been killed in the workplace. She was about 10 years old. She was sobbing and was almost inconsolable. Obviously that brought home to everyone just what a tragedy this would be. Imagine if a member of our family went to work thinking it was going to be a normal day, thinking he or she was going to come home that evening to dinner and the sorts of things we all do in our homes in the evening, and then did not come home. As I said, such a tragic event happens to 440 people and their families every year in New South Wales. With regard to occupational health and safety, last year 141 deaths occurred on worksites in New South Wales, excluding 273 asbestos-related deaths. New South Wales is now experiencing our lowest rates of workplace injury in more than 20 years, which is pleasing. Of course, we all know there is never room for complacency.

We must continue to work towards secure, sustainable safety outcomes for workers across the State, and provide support through robust legislation—which I know we are all committed to on this issue—and, most importantly, vigorous implementation of workplace safety laws. There are so many things that are important in construction: so many roles and skills, so many factors to balance. Of course, the overwhelming number of deaths in the workplace—we all recognise this when we remember individual cases—are young men, often apprentices. But no member of this place would argue that every worker returning home safely at the end of every working day is not the ultimate performance criterion.

Earlier I spoke about the sculpture that was part of this service. What was wonderful about the service was that religious speakers from four of the different religions that are so prominent in our State were also in attendance. There was a man from the Lakemba mosque representing the Islamic community, two reverends representing the Christian faith, and a rabbi representing the Jewish faith. What was really interesting—but not surprising I suppose—was that regardless of the differences in beliefs all their messages were the same. It was about family; it was about love; it was about responsibility in relation to making sure that people who go off to work, who contribute to the economy, who contribute to our way of life, who contribute to their families in New South Wales, go to work in the knowledge that they will come home safely.

As members, particularly those who come from local government, would have experienced in their local communities, there is always controversy regarding public installations. But the memorial sculpture entitled "Memory Lines" is a most beautiful sculpture. The large bronze circle symbolises the life cycle. The asymmetrical-placed window depicts the void of loss, that space that is lit when someone we love is no longer with us. The sculpture has been designed to relate to the human body. At the service, those who have lost loved ones and those who want to pay their respects to people who have been lost tie onto the sculpture a beautiful card with a photo of one of the people who have been lost in preceding years. They also place on the sculpture a white lily, which is symbolic of funerals and sorrow. I thank members for listening. We are all committed to safety at work and we acknowledge 28 April not only in this State and this country but right across our planet as symbolising people's right to go to work and come home safely.

Mr STUART AYRES (Penrith) [6.26 p.m.]: I speak on this matter of public importance regarding the International Day of Mourning, which was held on 28 April, as we heard from the member for Canterbury. I offer my condolences to the families and friends of people who tragically have lost a loved one due to a work-related accident or the contraction of a work-related disease. As the member for Canterbury noted, the annual event that took place in Reflection Park at Darling Harbour was attended by the Hon. Greg Pearce, a member of the other place and the Minister for Finance and Services, representing the Government. I know that he and other members from both Houses who attended on the day felt the significant emotion of the event. I think it would be extremely difficult not to be touched by an event that recognises people who have been affected by death in the workplace.

The International Day of Mourning is an annual event that is held in remembrance of workers killed or injured at their place of employment. The loss of a loved one is a deeply emotional and harrowing experience, and I can only imagine that the pain experienced by those grieving is even greater when the loss is unexpected, as is all too often the case with a work-related incident. With regard to dust-related diseases such as asbestosis, the speed at which those diseases can impact on families is breathtaking. "Breathtaking" may be something we need to reflect on when we are talking about dust diseases. A number of constituents in my electorate are involved in raising awareness of dust-related diseases and they talk to me regularly about the impacts on their husbands, in most cases. As the son of a member of the Royal Australian Navy for a time, I know that a number of my father's friends have also been impacted by dust-related diseases.

I believe that events such as the International Day of Mourning must and should always be above politics, because events such as these invariably play a role in helping families and friends through these stressful times. Similarly, it is just as important to constantly remind businesses, employers and workers of the importance of workplace health and safety, and the International Day of Mourning is a means of bringing a stark reminder of what can occur. To that end I believe it is important to acknowledge the collaborative efforts of industry stakeholders, WorkCover and the Government in reducing the number of workplace injuries occurring throughout New South Wales. A report issued by Safe Work Australia in March this year for the financial year 2009-10 highlighted that it had the lowest number of fatalities recorded over the past seven years, with a 26 per cent decrease. Although those figures are encouraging, if yours is one of the 141 New South Wales families who lost a loved one last year, or one of the 273 families who lost a loved one from an asbestos-related disease, a 26 per cent decrease does not really mean much to you. That said, the figures would suggest that we are heading in the right direction in continuing to ensure that safety in our workplaces is paramount.

In my electorate, the Penrith City Council is one of the largest employers. Knowing that I was to speak in this debate, I talked with council. I was encouraged to hear that council has not had a single work-related death in 32 years. It has a tick under 1,200 employees, nearly 900 of them permanent. To have a record of not one work-related death in about 32 years is pretty extraordinary. I compliment all Penrith City Council staff on the programs that they have introduced on occupational health and safety induction courses for those joining the organisation. In 2009-10 council facilitated 615 training sessions in courses such as first aid, chemical awareness, confined space and safe handling of sharp instruments. Council's ongoing commitment to identifying risks and eliminating or reducing them has resulted in a reduction in the severity of the injuries and days lost due to injury. A positive return to work program has resulted in the majority of injured staff returning to their duties in a safe and timely manner.

Council's occupational health and safety committee meets monthly and provides a forum for the discussion and resolution of occupational health and safety issues. The committee conducts regular worksite inspections. I believe Penrith City Council provides an excellent role model for businesses within the electorate and across the State. In conclusion, I would draw back to the fact that this is an extremely important day, and we must remain diligent in seeking to improve standards in workplace safety. I thank the member for Canterbury for bringing this matter of importance before the House. I encourage all members to engage with businesses right across their electorates and throughout the State to improve workplace safety. After all, it is our own families that we are looking after.

Mrs BARBARA PERRY (Auburn) [6.33 p.m.]: I thank the member for Penrith for his contribution on this matter of public importance. Both he and the member for Canterbury highlighted why 28 April is so important. Each year, for the families who have lost loved ones and persons dear to them, for the community and internationally it is a day on which we should remember those who lost their lives in workplace fatalities or incidents related to the workplace. As was noted by the member for Canterbury, it is important for young people as well. The other purpose of remembering this day is to emphasise not just the tragedies but the impacts that unsafe workplaces can have on families and communities. Life is so important, and preventing loss of life in the workplace is very important.

Workplaces have come a long way over many years regarding occupational health and safety. The member for Canterbury noted that every year in Australia about 440 workers are killed in work-related accidents. That equates to more than eight deaths a week. Cancer and asbestos diseases cause an estimated 2,300 additional deaths each year, or 44 a week. Not to trivialise road accidents, but to bring workplace-related deaths into perspective, in comparison road accidents in Australia claim about 30 lives a week. According to the Australian Bureau of Statistics more than 15 serious injuries occur every hour, that is, one injury ever four minutes. The real tragedy behind those figures is that the vast majority of work-related deaths are preventable. The union movement actively campaigns on occupational health and safety, and those efforts are partly reflected by the fact that the greater the degree of unionism in a workplace the safer it is.

The International Day of Mourning is observed right across the globe, and this year on 28 April it was a time to remember those workers killed, disabled, injured or made unwell by doing nothing other than trying to earn a living for themselves and their families. It is easy to forget at times, given improvements that have been made in workplace safety, that there remain many industries in which men and women each and every day carry out their duties in a dangerous and hazardous environment. Whether it is our brave emergency workers and armed service men and women who put their lives on the line every day to protect and assist us, our police men and women, our colleagues in the construction and heavy industries, or loved ones who mine the resources that contribute significantly to our State's wealth, all of them and many others are still in dangerous and life-threatening environments.

Who could forget that on 24 July 1979, 14 men were killed when there was a gas explosion underground at the Appin colliery, a mine operating in the Bulli seam, west of the Illawarra escarpment? Those sorts of tragedies bring home to members of this House and to others in our community the importance of workplace safety. Who could forget the Mount Kembla coalmine, near Wollongong, where 96 people were killed in 1902, making it the worst industrial accident in Australian history? The most recent statistics for the current reporting period, from 1 October 2010 to 31 December 2010, show that there were two deaths in agriculture, forestry and fishing, two deaths in construction, one death in transport and storage, one in electricity, gas and water, one in manufacturing, one in culture and recreation, and two in personal services and others—a total of 10 deaths, affecting 10 families, just between 1 October and 31 December last year.

There has been a significant trend between 2004-05 and 2008-09. Though the number of fatalities has declined generally, and in particular in the 35 to 44 age category, in comparison there have been increases in fatalities in the 25 to 34 age group and the 45 to 54 age group. So there is no room for complacency even though New South Wales is now experiencing its lowest rates of workplace injury in more than 20 years. I would like to thank the unions for their advocacy, particularly the CFMEU, who are in my electorate. All in this place must continue our advocacy on behalf of the community towards securing sustainable safety outcomes for workers right across the State, by providing support through legislation and ensuring vigorous implementation of workplace safety laws. Families do not deserve these tragedies. And these tragedies can be prevented. [*Time expired.*]

Ms LINDA BURNEY (Canterbury) [6.38 p.m.], in reply: In concluding debate on this matter of public importance I will pick up a couple of points made, and made very well, by the member for Penrith. In particular, the member highlighted the outcomes for so many men in the merchant navy and the Royal Australian Navy. A personal friend of mine lost his life as a result of exposure to asbestos in his years in the Navy. The member for Penrith made another very important point, that is, the responsibility of businesses and employers. It is true that enormous improvements have been made, as was mentioned by the member for Auburn, but there are still many industries that will take risks. There are still many individual employers that do not take a fully responsible attitude to safety on the work site.

Finally, I want to relay the personal story of one of the mums who was at Reflection Park on 28 April. I have described how family members in attendance attached a memory card on a beautiful piece of ribbon to the memorial. These memory cards had photographs of workers that had been lost. Overwhelmingly, many of the photographs were of young people—people in their teens, twenties and thirties. One mother said she was still so very angry about losing her 15-year-old son Wade. He lost his life last May as a result of a workplace accident. His arm was trapped and severed in the machine he was working on. He was operated on but died in hospital 24 hours later. His employer did not even contact the hospital to inquire about his condition after the accident. Wade's last words before he died were, "I love you mum."

Wade's mum said one of the main reasons for her anger was that Wade had informed his employer only hours before the accident that the button on the machine he was working on was faulty, but Wade was ignored. His mum said she will never get over what happened to her son. It has left a huge hole in her heart and the hearts of other family members. This accident could have been prevented—precisely the point made by the three speakers in this matter of public importance tonight. We must look after each other. Young workers like Wade should not be vulnerable to preventable workplace deaths. Families should not receive a telephone call informing them that their child has died as a result of a workplace accident.

WorkCover plays an important part in this. WorkCover's Coordinator Counselling and Liaison can provide information on counselling and other supports available to all close family members when a relative has died or has been seriously injured in a workplace incident; updates to next of kin and other family members on the progress of the investigation and any legal action that may be commenced in respect of the incident

involving the death of their relative; and assist eligible family members or injured persons prepare victim impact statements after a defendant has been convicted but before sentencing. The coordinator can also organise referrals to other support services such as the New South Wales Coroner's Coronial Information and Support Program [CISP] and those of other community agencies. We can all appreciate how important that is considering the trauma experienced by these families.

Finally, I thank the member for Penrith and the member for Auburn for their contributions to this debate. When we talk about workplace accidents we should remember that we are the lawmakers. We can change legislation. We can make legislation strong and appropriate. We have employers and businesses. We are members of communities and we are families. That gives us all a significant role to play in this important issue. I also thank the members present in the Chamber for listening so intently to something that is the responsibility of us all.

The DEPUTY-SPEAKER (Mr Thomas George): I thank the member for Canterbury for drawing the attention of the House to the International Day of Mourning and Workplace Safety. I thank all members of the House for the respect that has been shown during discussion of this matter of public importance.

Discussion concluded.

PRIVATE MEMBERS' STATEMENTS

WENTWORTHVILLE MEMORIAL SWIMMING POOL

Mr NATHAN REES (Toongabbie) [6.45 p.m.]: This is the first time there has been an audience when I have made a private member's statement. I welcome those members who are new to the Chamber and I congratulate those members who have been appointed to higher office. This evening I speak about Wentworthville Memorial Swimming Pool, an issue that was raised with me during the recent election campaign when I, like others in this Chamber, was out doorknocking in my electorate. Wentworthville Memorial Swimming Pool was established after the war—more than 50 years ago now. Wentworthville Memorial Swimming Pool serves the people of Wentworthville, on the eastern edge of my electorate.

Holroyd City Council is the relevant council. About 12 months ago Holroyd council had its officials draft a proposal that would seek to close Wentworthville Memorial Swimming Pool and the swimming pools at Merrylands and Guilford and have those three centres replaced with a super aquatic centre to be located somewhere at Prospect. The rationale behind this was the obvious one: scorched earth economic policy, which has been ramped up by the Government over the last month or so. Members opposite should hold themselves in contempt for that contribution to public policy debate. I appreciate that current and former councillors are in the Chamber this evening. The bottom line is that this is an essential service but these services cost a quid to run. We know that on too many occasions swimming pools do not make money for councils, but like libraries and roads they will never make money. The bottom line for a council is that it has to deliver those services that the ratepayers both expect and are entitled to.

I hold the view that in western Sydney the provision of a swimming pool—the only one in the local government area near a railway station so that youngsters can get to it on a hot day—is essential for kids and their families. The member for Penrith has left the Chamber but those members who have had any dealings with western Sydney know how hot it gets out there—five or six degrees hotter than where the Bureau of Meteorology measures temperature, in the shadow of the Sydney Harbour Bridge. This summer we had 10 or 12 days consecutively at 35 degrees and days in excess of 40 degrees. Some members were out doorknocking in those temperatures. We did not race to the pool to get the Speedos on at the end of the day, but I do not want that pool taken away; I want future members to have that option.

Peter Bain is the head of the swimming club at the pool. The club has run a campaign and obviously council is aware of the issue. Many people receive therapeutic benefit from the pool, particularly those with injured backs—and we have just been talking about workplace injuries. People have therapies carried out in the pool. Locals are also concerned that if the pool is closed the site will be developed because it is close to the station. It is also in close proximity to another substantial site. At the same time as council is seeking to close down the pool it is seeking also to increase the housing density in and around the area. That will mean more people and more construction. Yet at the same time it is seeking to remove a swimming pool that has served the community for a long time. Locals are concerned the site will be sold off and then developed.

Holroyd council by and large runs a pretty good show and I would hope that councillors will come to their senses on this. I note that the member for Granville was a member on Parramatta City Council. If my memory serves me well, Parramatta council had a report from officials about five or six years ago recommending that the council close pools, which it flatly rejected. That is what I believe Holroyd council should do and I have written to it on that front. I hope to work with the council to get a successful resolution of this issue. Having somewhere for kids to cool off in hot western Sydney is not a luxury; it is essential for those kids who cannot get to another swimming pool or a beach to have Wentworthville pool next to the railway station.

BONALBO CENTENARY CELEBRATIONS

Mr THOMAS GEORGE (Lismore—The Deputy Speaker) [6.49 p.m.]: I take this opportunity to place on the record my congratulations to you, Madam Speaker, on being the first woman Speaker in this place, the oldest Parliament in Australia.

The SPEAKER: I thought you were going to say the oldest woman—no brownie points for that.

Mr THOMAS GEORGE: I also thank the Deputy Premier and Premier for nominating me as Deputy-Speaker, and all members of this House for the confidence and honour that they bestowed upon me. I feel very humbled by that and I trust I do not let anyone down. This evening I pay tribute to a little town called Bonalbo, west of Casino, that celebrated 100 years of public education on Easter Saturday. The township also celebrated 100 years as well on Easter Sunday. James Anderson, the first teacher, had the foresight to start a public school the day the town was settled.

As I said, Bonalbo is nestled in the hills about 70 kilometres west of Casino. It is a beautiful place. It is renowned in the area for its contribution to the beef cattle, dairy cattle and timber industries. The area is an important part of the history of the North Coast. About 1,600 people attended the Bonalbo Central School centenary celebrations. I believe about 1,000 people attended the township's centenary celebrations on Sunday. Sadly, I was unable to attend on Sunday and sent my apologies, but they had a tremendous day. The official ceremony at the school started with the ringing of the bell at 11 o'clock on Saturday. They then re-enacted the first class, with current-day students acting as the original students at the school.

As is tradition, there was a welcome to country with dancers, together with Uncle Harry Walker. As an old boy of the school and now a teacher at the school, he provides great support to the local Aboriginal community. The school principal, Keith Larsson, has had a family connection with the area since he was a child. He is proud to be back at the school as its principal and his family was proud to see him there. Unfortunately, the mayor, Ernie Bennett, could not attend because he was admitted to hospital the night before. He was represented by Tom Cooper, a councillor and local dairy farmer. Anne Riddell represented the Department of Education and Training. I had the privilege of attending with Janelle Saffin, the Federal member for Page.

The cake was cut by Mrs Alva Ramsey, who was the oldest schoolteacher there on the day. She was supported by my wife Deborah and the Hon. Joan Tart, who are two of the older past pupils of Bonalbo school, together with Rawley McWhirter, who is the youngest student at the school. It was a great day. This school has made history. It has a canoeing class that has produced Australian champions including Jacqui Lawrence and her sisters, who all attended Bonalbo school. Jacqui's father teaches at the school. All the girls have represented Australia in kayaking. They are an important part of the history of Bonalbo Central School. The school has contributed to the region through the many people who have attended the school. I thank them and place on record their contribution to public education which was well and truly appreciated by the community and the number of people who came home to celebrate the 100 years of Bonalbo Central School, together with Bonalbo township.

APPIN MASSACRE

Mr PAUL LYNCH (Liverpool) [6.54 p.m.]: I inform the House of a significant event for my electorate that was attended by a number of my constituents. The event, held on Sunday 17 April, was the annual commemoration of the massacre of Aboriginal people at Appin on 17 April 1816. The master of ceremonies who performed a smoking ceremony was Uncle Ivan Wellington. Traditional dances were performed by Glen and Matthew Doyle, and a welcome to country was given by Dharawal descendent Uncle Len English. Also speaking was Dharawal descendent Gavin Andrews. Other speakers included Captain Jason Christopher, Vice-Regal Aide De Camp and representative of the Governor; Councillor Michael Banasik, Mayor of Wollondilly; George Greiss from Campbelltown Council; Bishop Peter Ingham, the Catholic Bishop

of Wollongong; Col Markham, the New South Wales Regional Ambassador for Reconciliation and a former member of this place; and Roy Ah See, the Newcastle and Sydney councillor from the New South Wales Aboriginal Land Council.

Also present were representatives of Macquarie Fields police and Phil Costa, previously a member of this place. The traditional owners of the Appin area were the Dharawal people. By 1813 Europeans began to settle across Dharawal land. Between 1814 and 1816 relations between the Dharawal people and the European settlers became tense. This history is well set out in Grace Karskens book *The Colony*, which was published comparatively recently. In May 1814 three members of the military fired upon Aboriginal people. This caused the death of an Aboriginal boy. Hostilities escalated and in March 1816 settlers were attacked and some killed. There had been attacks and conflict not just in Appin but at Bringelly and other places also.

The governor was Macquarie, who ordered a punitive expedition against Aboriginal people. He specifically ordered "brutal and exemplary punishments" that were aimed to strike terror in Aboriginal people. Older historians such as M. H. Ellis talked of Macquarie's actions in glowing and adulatory terms. More contemporary historians have taken a much more balanced view. Brian Fletcher talks of Macquarie's severity on this punitive expedition. John Ritchie talks of Macquarie's unthinking tyranny in the indiscriminate slaughter and points out that power partly corrupted Macquarie. On 10 April 1816 three detachments of soldiers were sent out and ordered to track down, capture or kill all Aborigines, with no distinction between those friendly or hostile, although they were given lists of particular men wanted as killers. In contrast to Governor Phillip's order to his punitive expedition in 1790, women and children were not specifically excluded. In 1816 presumably their deaths were considered unavoidable.

Captain Schaw and his men went to Hawkesbury. Lieutenant Dawe and his detachment went to the Cowpastures. Captain Wallis led a detachment of troops from Liverpool to Appin and Airds. His orders were to "deal with the Aboriginal community by punishing and clearing the country of them entirely and drive them across the mountains". They had bags in which to place heads and were ordered to hang in trees the bodies of Aborigines they killed. At 1 o'clock in the morning on 17 April Wallis marched his soldiers from Campbelltown down to Appin. They found a camp site with no-one there, but fires burning. Soldiers heard a cry; they formed ranks and pushed through the bush, opening fire, shooting some Aboriginal people and driving others over the cliffs. They captured two women and three children; they counted 14 bodies in different directions and locations.

Wallis said it was too difficult to retrieve bodies to bury them. That does not seem to have been the case for three bodies, which included those of two warriors, Durelle and Cannabayagal. They were hauled up and Wallis ordered Lieutenant Parker to cart them away and hang them in a conspicuous part of the range, which he did. Karskens suggests that this was on a hill on a grant given to Edward McGee, adjacent to Broughton's Grant. The three Aboriginal heads eventually went to the anatomy department at the University of Edinburgh, where they stayed for 150 years. They were returned to the National Museum of Australia in 1991. Karskens reports that the skulls still reveal clear cut marks where they were severed from the bodies.

It is probably impossible to know how many people were killed, but the accepted estimate seems to be 14. The Appin massacre differs from some other incidents of frontier violence such as Myall Creek in that the massacre was initiated by British troops and not by police or civilians. The commemoration is hosted by the Wunga Myamly Reconciliation Group. Special thanks should go to Sister Kerry and to Ann Madsen. The event is supported also by the New South Wales Reconciliation Council, Campbelltown City Council, Wollondilly Shire Council, the Sydney Catchment Authority and Working Together in Minto. Transport was arranged on the day to allow Elders to attend, including by Gandangara transport based at Gandangara Aboriginal Land Council, whose offices are located within my electorate—indeed, just down the road from my office.

Commemoration of this event is part of telling the truth about Australia's history—and that is as relevant for Liverpool and western Sydney as it is for other parts of this land. Recognising the past, telling the truth, is an essential part of working out where we are as a country today and in particular how we address Aboriginal disadvantage and close the gap. It is appropriate to recite the wording on the memorial at Cataract Dam. It is also the wording with which Karskens concludes her history of colonial Sydney. I quote:

The massacre of men, women and children of the Dharawal nation occurred near here on 17 April 1816.

Fourteen were counted this day, but the real number will never be known. We acknowledge the impact this had and continues to have on the Aboriginal people of this land. We are deeply sorry—we will remember them.

WESTERN SYDNEY MAJOR EVENTS

Mr STUART AYRES (Penrith) [6.59 p.m.]: I endorse the comments of the New South Wales Premier and Minister for Western Sydney in his commitment to seeing more major events held in western Sydney. I take this opportunity to recognise some of the new members of Parliament from western Sydney: the member for Campbelltown, the member for Smithfield and the member for Granville. It is great to see my colleagues from western Sydney in the Chamber on the Government benches representing the Liberal Party and The Nationals. It is already on record that western Sydney is one of Australia's largest and diverse economies, generating about \$85 billion in gross regional product annually. This represents more than 20 per cent of New South Wales gross State product. Despite the negligence and dithering of the former New South Wales Labor Government, western Sydney remains one of the nation's fastest-growing regional economies.

Going hand in hand with the business potential of the region is the opportunity, rightly identified by the Premier in his recent comments, to stage more major events there. Today I received a letter from Penrith City Council inviting both the Premier and the Minister for Tourism and Major Events to tour the region and gain first-hand experience of the unique opportunities that western Sydney offers. When speaking with local restaurant owner Vince Capolupo, I was reminded of the very successful DefQon.1 event staged at the Sydney International Regatta Centre, also referred to as Penrith Lakes. I understand that the event generated in excess of \$1.6 million for the region. This internationally recognised event attracted in excess of 20,000 people to Penrith, of which 3,000 were overseas visitors. Accommodation within the local area was booked out three months prior to the event. It also resulted in a much-needed injection of leisure dollar spending into both local and Sydney businesses.

Another event in the Penrith electorate is Australia Day at the lakes. This year the event attracted a crowd of about 30,000 people. The family-focused day featured waterski stunt shows, high-profile musicians and hands-on educational workshops. I am reliably informed by the very parochial Barbara Magee, the Penrith City Council marketing manager, that this event has the largest and most spectacular fireworks display in New South Wales outside the Sydney CBD New Year's Eve display. Penrith has a track record of hosting major events and is ready to step up to the plate to hold more of them. I am sure my western Sydney colleagues could indicate locations in their electorates where major events could be held. In 2009 the city of Penrith played host to the Ulysses Motorcycle Club, the largest organisation of its kind in the country. This event saw 3,500 people, many from interstate and overseas, call Penrith Valley and Panthers World of Entertainment their home for the better part of a month. The positive impact for the region, particularly for small business, was outstanding. This event again highlighted the teamwork involved, which makes every event staged in the region a success.

Other events that, again, send the clear message that western Sydney is ready to go in staging major events include the staging at Penrith White Water Stadium, which featured in the 2000 Olympic Games, of the Canoe Slalom World Championships in 2005. In 2007 the New South Wales dragon boats titles were held at the International Regatta Centre. Last year members of Parliament participated in dragon boat races. The World Masters Games of 2009 saw rowing, canoeing, touch footy and baseball held in the region, with upwards of 10,000 people experiencing everything good that western Sydney has to offer. The time-honoured Head of the River clash, which was held previously on the Nepean River, is now held at the International Regatta Centre. In March this year 22,000 people were in attendance for that event. The Australian Formula One Super Boats has staged its annual event on the Nepean River for the past six years, drawing crowds of between 5,000 and 10,000.

I am proud to say that this year the internationally renowned Sydney Festival held events in Penrith, including a concert by the Sydney Symphony. It took advantage of the natural amphitheatre of the Penrith Lakes, with the river behind and the Blue Mountains in the background. It is important that we continue to bring more of these major events to western Sydney. Sydney has Sydney Harbour, the Sydney Opera House and the Sydney Harbour Bridge. Western Sydney is ready to participate in staging more major events and I look forward to working with the Minister to bring more major events to the area.

GLENDALE INTERCHANGE

Ms SONIA HORNERY (Wallsend) [7.04 p.m.]: I must inform the House of my delight when I opened the Newcastle *Herald* on Friday 29 April 2011 to see that the 11 regional mayors on the Hunter Councils board had acknowledged that the Glendale interchange was the top-priority infrastructure project in the area. This admission has been very slow in coming. Together with the community, I have been standing up and fighting for this important project since I was elected in 2007. As testimony to my interest in improving transport

services in the electorate, I have made 10 private member's statements about improvements to rail and the interchange, I have given many notices of motions and posed countless questions to Parliament about the need for better transport services.

I am not the first member for Wallsend to take up the cudgel in relation to this vital piece of infrastructure. John Mills, my predecessor, also fought long and hard for almost 15 years to get this project off the ground. I am sure his wry smile surfaced when he read about the acknowledgement and subsequent progress that will now be made. It is vindication at last for John and for me, after many cumulative years of articulating the need for this project to proceed. It would be remiss of me if I did not mention the positive contribution made by Lake Macquarie City Council and its mayor, Greg Piper. Their work last year on the Glendale master plan cannot be understated. They provided the empirical research for this strategic regional project.

For new members who do not understand the significance of this project, I will reiterate how it is key to the growth of the Hunter and the prosperity of its people. Glendale is situated west of the Wallsend electorate. Geographically, it is the centre of the lower Hunter, being 15 kilometres south-west of the Newcastle central business district and within easy access to the F3. A significant factor is that it is adjacent to the main northern railway line, which divides Cardiff and Glendale. On the Cardiff side of the track sits the Cardiff industrial estate. It is a light industrial precinct with a workforce of more than 16,000 people. It is the single biggest employment hub in the Hunter and is ready to take the next step in growth. On the other side of the line is Stockland Glendale, a dynamic business and shopping precinct. The site houses 84 retail shops, including major retailers Coles, Woolworths, Aldi, Target and Kmart. A testimony to its popularity is the fact that approximately 4.5 million vehicles enter the site every year. According to research, 96 per cent of the people who visit the site travel by car. Only 4 per cent use public transport in the form of government and private bus services. As there is only one road in and out, gridlock often occurs at peak times, particularly on Saturday mornings.

No-one can catch a train to Stockland Glendale yet. The building of a road-rail interchange will expedite the development of this area, providing more business and employment. The economic importance of this project to the Hunter is evident, with the injection of \$300 million into the region and the creation of 549 jobs initially in the construction phase and a further 1,260 indirect jobs to follow. It is little wonder that the interchange has had the continued support of the whole community. It is heartening that such an esteemed body as the Hunter Councils board, with its 11 mayors, recognised the fundamental need of the Glendale interchange to the people of the Hunter and its future growth.

I also commend Lake Macquarie City Council for the tremendous effort it has put in to get this project up and running. I am pleased with the present State Government's commitment to the Glendale interchange by putting up real money that will help guarantee the project's future. It is the Federal Government's turn to show the people of the Hunter that it is also listening to the community to learn about the needs of the area. I hope that it will acknowledge this project. Judging from positive comments by my Federal counterpart, Greg Combet, I am sure he will do all he can to ensure that the Glendale interchange becomes a reality. Sharon Grierson, the Federal member for Newcastle, also enthusiastically acknowledges the interchange. I stand up for my community and I maintain my commitment to the building of the Glendale road-rail interchange. The Hunter's future depends on it.

COBB HIGHWAY

Mr JOHN WILLIAMS (Murray-Darling) [7.09 p.m.]: Tonight I speak about yet another road issue in western New South Wales. It relates to a section of the Cobb Highway between Ivanhoe and Wilcannia that remains unsealed. Prior to the election I travelled with Rick Colless, local grazier John Elliott and members of the Central Darling Shire on that road to assess its condition. This approximately 200 kilometres of unsealed road services the grazing industry in the area and provides a thoroughfare for those who are prepared to drive on an unsealed road from Melbourne to the township of White Cliffs.

The section of the road from Wilcannia to White Cliffs was sealed some years back and when the remaining section is sealed we will find out its true benefits to the people in western New South Wales. Obviously the use of that road for stock transport is one of the reasons people use it at the moment. Gates Goats is run by Rick Gates who is one of the leading goat exporters in Australia at the moment. He is a very hardworking young man and with his wife they have set up a magnificent business. They have incorporated the township of Ivanhoe to use as a spelling yard for some of the stock they move up and down the Cobb Highway.

As an exporter Rick needs to set up a contract to export his goats by air transit from Adelaide airport into Asian ports. Air transit creates a lot of issues in relation booking an aircraft and getting the product to that aircraft to meet the scheduled timetables. Obviously, if the highway is put out of action at any time Rick incurs financial penalties that adversely affect his business. It was a clear indication to Rick Colless and me at the time

that the sealing of that road could provide great opportunities. The sealing of the road was never expected under a Labor Government but with our Liberals-Nationals Government today, together with a commitment to support regional New South Wales, I think there is great potential for a number of roads and the Cobb Highway. It is sad that in my electorate two highways remain unsealed, including that section of the Cobb Highway which is partially sealed.

[Interruption]

I am encouraged by the Government Whip who well knows the Ivanhoe community and this section of road to which I am referring.

Mr Daryl Maguire: I support what you are saying.

Mr JOHN WILLIAMS: He supports me so this is definitely a coalition between—

Mr Greg Smith: An outpouring of goodwill.

Mr JOHN WILLIAMS: The Attorney General also sings his support. I am encouraged by those remarks and I can tell the people in western New South Wales that this type of progress is endorsed by both the Government Whip and the Attorney General. I can confidently say that we are going to see some action on this highway. It is a disgrace that in Australia today two highways remain unsealed. It would not happen in Queensland and it is not going to continue in New South Wales.

LEISURE COMPANY TWENTY-FIRST ANNIVERSARY

Mr DARYL MAGUIRE (Wagga Wagga) [7.14 p.m.]: Last Saturday my wife Maureen and I had the pleasure of attending a black and white ball for the twenty-first anniversary celebration of the Leisure Company. We were accompanied by the Minister for Disability Services, Mr Andrew Constance, who came from Bega. It was a wonderful evening. The committee worked very hard to decorate the hall and provide many raffle prizes and auction items. A huge crowd of people attended and supported such an important service. The Leisure Company provides services for people with a disability. Many of the clients, the participants, are severely disabled. The Leisure Company was formed 21 years ago with the auspice of Kurrajong Waratah, of which I am a proud patron, another organisation that has delivered services for our disabled communities for many years.

The Leisure Company ensures that participant clients can access workplace programs and activities that we all take for granted. Recently my office participated in a program to provide work experience for young people with a disability. As master of ceremonies at the ball I mentioned the benefits of taking part in such a program, not so much from the point of view of the participants but from the point of view of my staff. My staff look forward everyday for the girls to arrive and work for an hour or two. They do important tasks in my office. Kelly and Helen collect the mail and the papers, as well as filing, and do many errands that we sincerely appreciate. At the ball I tried to encourage other employers to participate in this brilliant scheme. It provides post-school options and workplace experience.

The auction was conducted by my good friend Richard Allsop, and \$12,000 plus was raised from the auction from guests that evening. The money is to be used to provide the Leisure Company a home. A number of years ago, with some help from local communities and friendly bankers, the building it was occupying was purchased. Now because of the service and success of the Leisure Company the building needs renovating. I was pleased to award the Leisure Company some \$50,000 to begin construction of a new roof and refurbishment of that building. Another \$250,000 is needed to extend the building which I have mentioned to the Minister for Community Services. The plans are to acquire the building next door so that the service can be expanded to support those people in the community who benefit from the service.

People get a great deal of joy from the Leisure Company. I congratulate all those involved in putting together this important celebratory dinner and successful fundraiser that was well attended. I also acknowledge the sponsors, that is, the people who gave so generously all of the prizes. The caterers donated some of the food and services. It was all very much appreciated. I wish the Leisure Company a very happy twenty-first anniversary and wish it many more.

Private members statements concluded.

**The House adjourned, pursuant to standing and sessional orders, at 7.19 p.m. until
Friday 6 May 2011 at 10.00 a.m.**
