

# LEGISLATIVE ASSEMBLY

Tuesday 10 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.

## AUDITOR-GENERAL'S REPORT

**The Clerk** announced the receipt, pursuant to section 63C of the Public Finance and Audit Act 1983, of a performance audit report of the Auditor-General entitled "Transport of Dangerous Goods: Office of Environment and Heritage, WorkCover New South Wales", dated May 2011.

## 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) [10.01 a.m.]: I move:

That standing and sessional orders be suspended to permit the resumption of the adjourned debate and passage through all remaining stages at this or any subsequent sitting of the Duties Amendment (Senior's Principal Place of Residence Duty Exemption) Bill.

I have moved that standing and sessional orders be suspended to permit the Duties Amendment (Senior's Principal Place of Residence Duty Exemption) Bill 2011 to proceed through all stages. I have discussed this course with the Opposition and I have been given to understand the motion will not be opposed.

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

**Motion agreed to.**

## BUSINESS OF THE HOUSE

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

**Mr BRAD HAZZARD** (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [10.04 a.m.]: I move:

That standing and sessional orders be suspended to provide for the following routine of business at this sitting after the conclusion of the motion accorded priority:

- (1) Government business;
- (2) Notices of motions (general notices);
- (3) Matter of public importance;
- (4) Private members' statements;
- (5) At 6.00 p.m., Address-in-Reply; and
- (6) The House to adjourn without motion moved at the conclusion of debate on the Address-in-Reply.

I have moved that standing and sessional orders be suspended to arrange the appropriate timing of inaugural speeches. All matters listed will proceed, but members should be aware that times may vary. At 4.30 p.m., when Government Business resumes, a motion of condolence will be moved to pay respect to Lionel Rose. I trust that all members will want to participate in that important debate. Lionel Rose was a standout Australian and is worthy of the participation of all members.

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

**Motion agreed to.**

**DUTIES AMENDMENT (SENIOR'S PRINCIPAL PLACE OF RESIDENCE DUTY EXEMPTION)  
BILL 2011**

**Agreement in Principle**

**Debate resumed from 9 May 2011.**

**Mr GEOFF PROVEST** (Tweed) [10.07 a.m.]: It is with pleasure that I again participate in debate on important legislation that reflects the O'Farrell Government's commitment to looking after the people of New South Wales. The Coalition went to the 2011 election with commitments to improve the lifestyle of the people of New South Wales and is now delivering on those promises. As a member of this House for almost five years, I am able to say that for my first four years I heard a lot of broken promises and spin, but with the change of government I am now witnessing direct action. I compliment the Treasurer on introducing this legislation. The Duties Amendment (Senior's Principal Place of Residence Duty Exemption) Bill will provide a further extension of stamp duty concessions to empty-nesters. Stamp duty for people over the age of 65 years will be cut to zero when they purchase a newly constructed home worth up to \$600,000, and that represents a saving of approximately \$22,000.

The concession will apply only to people who are over 65 years of age when selling their primary place of residence and moving to a newly constructed home. The aim of the legislation is to encourage downsizing and the regeneration of the State's housing stock. This proposed legislation is particularly relevant to my electorate of Tweed. Yesterday when I participated in debate on the Real Property Amendment (Torrens Assurance Levy Repeal) Bill 2011 I stated that the Tweed electorate has the highest percentage in Australia of people who live in caravans and relocatable homes, and it ranks second in the State for the highest number of residents aged over 65 years.

We have often heard economists talk about the ageing population in Australia and how our nation will hit a brick wall in about 10 years. In many regards the Tweed is already there; extra demands are being made already on health services and many other social services. This bill is very important. Believe it or not, currently 15,000 to 20,000 new home sites are under consideration or are working through the development application process, and in approximately the next three to five years many elderly residents or seniors in my area will take full advantage of this situation. Those residents were taxed and whacked last year with a failed metro program here in Sydney; they all had to pay an additional \$30 weight tax on vehicle registrations. At the time I asked the question: How many vehicles would that affect in the Tweed? The answer was: Of the order of 35,000 vehicles. In other words, a million dollars has been ripped out of the Tweed to help fix the mistakes of the previous Government.

Last year alone \$18.7 million was raised in stamp duty in my area. A large percentage of that came from people over the age of 65 years. Crucially, this bill will extend the duty concession to people over the age of 55, recognising that many people are planning for retirement or lifestyle changes. The Tweed is one of the fastest-growing regional areas outside Newcastle, Wollongong and Sydney. I have said on many occasions that the front door of the Tweed is facing Queensland and its back door opens into New South Wales. We need to be competitive. As I said yesterday, this initiative will stimulate our housing market. Not only will it assist the elderly people and people over 65—or in this case people over 55; it will also impact positively on the housing market.

As I have said on previous occasions, a large number of builders, small contractors, plumbers, electricians in New South Wales—a whole raft of small business people—are not able to conduct business because of this State's restrictive regimes, whether related to stamp duty or additional taxation. Many are forced to go over the border to work. In that regard this represents a very good commitment.

The Tweed has 15,000 to 20,000 new homes. The highest percentage of homebuyers in my electorate are seniors or people over the age of 55 years. About 75 per cent of home purchases are made by people who have moved away from Sydney, Melbourne and Adelaide, or people who are seeking to downsize. This is a small but significant step. It clearly indicates that the 100-day plan of the O'Farrell-Stoner Government is being actioned and that it will benefit everyone. This is one of a few steps taken by this State that does not mirror similar legislation in Queensland. Queensland is often proactive in many respects but a new breeze is now blowing through the Tweed, and it is the Coalition Government. This fresh breeze, a lot like a sea breeze, is stimulating economic growth, the business sector and the spirits of the seniors in my town. Flowers are

blooming everywhere because everyone knows that change is on the way. It is a whole new world, and I am very excited to be a part of it.

I will continue to represent the people of my electorate; they need a voice in this place. I am pleased that their voices are starting to be heard. In the first few sitting days of this new Parliament a number of pieces of legislation that will have a significant impact on my electorate have been passed. The role of all parliamentarians is to represent their local people to ensure that they get a fair shake and that their rights are protected. Many seniors have worked very hard for and contributed to the State over a considerable number of years and finally they are being recognised in this House, particularly by members of the Coalition Government.

The bill will bring about significant savings. The average house price within the Tweed is around \$500,000, and with the benchmark being set for homes up to \$600,000, a saving of \$22,000 in stamp duty payments will be realised. That is a significant saving, especially given that residents are being forced to pay more for electricity and car registration—both legacies of the previous Labor Government. Residents have seen very little return for the increased taxes that they have paid, but a fresh wind is blowing and reality is returning for the people of New South Wales, and I am pleased to be part of it. I support the bill, and once again I am 100 per cent for the people of the Tweed.

**Mr MICHAEL DALEY** (Maroubra) [10.14 a.m.]: Madam Speaker—

[*Interruption*]

It is only 14 minutes past 10 and already the member for Hawkesbury is sledging us. He should calm down. The Duties Amendment (Senior's Principal Residence Duty Exemption) Bill 2011 is essentially an extension of one of the current policies introduced by the former Labor Government to grant relief to people who are building and buying homes. We acknowledge the inherent flattery that accompanies the passage of this bill and thank the present Government for considering our policy and augmenting it today. As I said in this place the other day, governments are elected to do a number of things, and I welcome the evolution of this good law, which was introduced by the previous Government. Accordingly, the Opposition does not oppose the bill; however, we have some questions to ask about it. It comes at a cost. I raised this issue yesterday with respect to other legislation that will result in the imposition of further costs, or should I say more accurately, that will decrease the decline in government revenue. The Government has been erroneously crowing about a non-existent black hole for the past six weeks or so. Its claim has been absolutely and comprehensively debunked—

**Mr Ray Williams:** Not by us.

**Mr MICHAEL DALEY:** No, not by you, by people like Imre Salusinszky from the *Australian*, who knows his way around economic matters; by Michael Lambert from the Parliamentary Budget Office; by Sean Nicholls, from the *Sydney Morning Herald*; by the *Australian Financial Review*; by the *Sydney Morning Herald*; and by a number of other esteemed publications. Still we have the Treasurer embarrassing himself by making comparisons with the Enron collapse in the United States of America. I suggest that he has not repeated that claim since raising it on the first day because he was called to task—

**Mr Mike Baird:** I am happy to repeat it.

**Mr MICHAEL DALEY:** He said he is happy to repeat it. That shows the Treasurer has a lot to learn about politics. There might be some things the Treasurer is good at—surfing, perhaps—but politics is not one of them. He should not compare what happened with Enron and all the financial ruin and disaster it brought to many families in the United States with what has happened in New South Wales, particularly given that as we stand here today the budget is in fact in surplus, and he knows it. Before the State election the Coalition said:

Every Cabinet Minister should be held responsible for decisions relating to fiscal strategy including announcements on services and infrastructure [and provide] clear statements on the impact of costings on forward budgets.

Where is the clear statement on the impact of costings on forward budgets that accompanies this bill? There is not one. We estimate that it will have a modest impact on the budget—\$20 million or thereabouts. Perhaps the Treasurer would like to clear up that costing for the sake of transparency in his reply to the debate on the bill.

Where is the statement that accompanies this bill on its cost? Secondly, I note that yesterday afternoon, in response to a question I put to him in relation to another bill, the Treasurer basically discounted the Government continuing to act in accordance with its previously announced manifesto, which I just quoted.

Unless I am mistaken, he said that where there is a cost to revenue there will not be a clear indication accompanying debate on each bill, but rather at some future time the Government would find some global savings. He said, "That's how budgets work." Already the Coalition has broken an election promise about being clear on how costs and declines in revenue will be made up. We do not oppose the bill. It was good legislation in the first place, and I welcome the extension of that legislation. We want the Government to be a little more transparent and concede that, first, these sorts of things will have an effect on the budget and lead to a decline in revenue. We want to see the costs on each occasion. Second, this proposal totally debunks for the second time in two days on similar bills—

[*Interruption*]

The cost for the metro was \$500 million. Yesterday the Government agreed that it had forsaken about \$500 million.

**Mr Mike Baird:** No, you agreed to that.

**Mr MICHAEL DALEY:** The Treasurer can read the budget papers. He knows that the amount forsaken was at least \$425 million, as published. Another \$100 million has been added to that. That is a total of at least \$500 million that was mentioned in the debate on one bill, and the Government talks about a \$5.2 billion black hole. As I have said many times in this place, actions speak louder than words. The Government is debunking its own myth.

**Mr RAY WILLIAMS** (Hawkesbury—Parliamentary Secretary) [10.20 a.m.]: Madam Speaker, I congratulate you on the wonderful job you are doing upholding democracy in this House. In response to the comment of the shadow Treasurer's that this bill will impose a cost on Treasury, I am more than happy to state that I believe that any losses that may be incurred by this bill will certainly be recovered through its initiative of freeing up homes. When senior citizens move into seniors living facilities or downsize their residences opportunities are created for first home buyers and younger families to purchase homes. This is typical Liberal-Nationals policy, which stimulates and revitalises the economy. Unfortunately, the previous Government failed to recognise that initiative to provide opportunities for more people to purchase homes. Instead it continued to increase taxes and the costs of services. As I said on a previous occasion in this House, Liberal-Nationals governments across this country give incentives to people to create opportunities and grow their pie.

This wonderful State, which has enormous potential for prosperity, has been held back by the failings of Australian Labor Party governments for the past 16 years. New South Wales has been driven to despair. Hot on the heels of the previous Government is, unfortunately, our current Australian Labor Party Federal Government, which is intent on imposing on everybody a nasty and expensive carbon tax that will increase the cost of living and undo all the good that we are endeavouring to implement with bills such as this. Once again I state that the O'Farrell-Stoner Government is getting on with business. After only six days of the sitting of the new Parliament numerous bills have been introduced in this place. Yesterday a bill was introduced that will save homebuyers in this State many millions of dollars. The Duties Amendment (Seniors Principal Place of Residence Exemption) Bill 2011 is a wonderful incentive.

In my electorate backyard I have a proliferation of what was known prior to the Seniors Living Policy as SEPP55. The bill has a direct correlation with the Seniors Living Policy, and I will say more about that in a moment. The O'Farrell Government will extend stamp duty concessions to empty-nesters. In its original form the bill provided that stamp duty would be removed for people over 65 years when they purchased a newly constructed home worth up to \$600,000—representing an approximate saving of a not insignificant \$22,000. The bill now extends that concession to people over 55 years. We have lowered the age at which this concession will be available from 65 years to 55 years. This is the direct correlation that the Duties Amendment (Seniors Principal Place of Residence Exemption) Bill has with the Seniors Living Policy that I spoke about earlier. Across the Hawkesbury electorate—in suburbs like Kenthurst, Dural, Glenhaven and further out in the adjoining area of Galston—there are many purpose-built developments. I will name some of those momentarily. After reaching a certain age, and to retain a quality of life, many hundreds of people choose to downsize their homes and move in amongst like-minded people of similar age in what can be described as resort-style living.

Some of these facilities are just wonderful. The Glenhaven seniors living facility is beautiful; it has pools, fantastic outdoor recreation areas and a wonderful community centre/bar area where happy hour is observed every Friday afternoon at 5 o'clock. Hundreds of like-minded people gather in these facilities to chat, catch up and discuss what they will do in coming weeks. Community committees outline the various functions and events that will be held in these developments in coming days, weekends and weeks, to keep people occupied and to enjoy the experiences of an outgoing life. Many such people are community volunteers.

These facilities provide those who live in them with feelings of safety and surety. Some have a security component. They are wonderful communities. I do not refer to them as gated or locked communities because they are anything but that. Residents are surrounded by like-minded people and live in beautiful rural bush line settings. This planning policy was instrumental in allowing such development on the periphery of centres. Most of my colleagues from local government background who are present in the Chamber would know what I am speaking about. The former mayor of Gosford, who is now the member for Gosford, would understand perfectly. The former mayor of Bathurst, the new member for Bathurst in this place, and other councillors would know that this policy enables such facilities to be developed next door to residential areas in rural areas, providing a small footprint on the land and the environment in beautiful bush line areas.

This policy will enable people, when they reach a certain age and enter seniors living developments, to receive a stamp duty concession. This great incentive will immediately unlock housing opportunities for others. People will give consideration to taking advantage of that incentive—which, as I stated earlier, will save them up to approximately \$22,000. It will encourage people to downsize or have a look at other available facilities around them. Those who choose to move on and take up this opportunity will create opportunities for others in the housing market. Unfortunately, after a decade of inaction New South Wales has a massive housing shortage. Already Premier Barry O'Farrell has announced the freeing up and fast-tracking of some 10,000 homes. Residents can see the massive development that is occurring in my area. People turn up the moment that a block of land becomes available and a stake is put in the ground out in the beautiful north-west area, whether that be in my electorate or the newly gained Liberal electorate of Riverstone next door. People actually camp on housing sites in order to be first in line to purchase land that becomes available.

The massive housing shortage is impacting elsewhere as well. I read recently that available rental accommodation in this city is around 0.6 per cent. When demand outstrips supply, costs are forced up. We have unaffordable new housing stock and that is forcing up house and land prices. Of course, this also pushes up the cost of renting. All this impacts on the quality of life of everybody across the State. This is an extremely important bill and I commend the Treasurer for introducing it. In no small way it will lower the cost of living for people in a particular age group. It will have benefits that will flow throughout the community. It will open up further housing stock and thus further stimulate the economy. I refute the shadow Treasurer's comments that this bill will result in a shortfall in Treasury. That is not the way that Liberal-Nationals governments look at things. Opportunities for people to purchase homes will grow as benefits are given to homeowners who choose to move into seniors-living developments. I certainly support this bill and commend it to the House.

**Mr NICK LALICH** (Cabramatta) [10.29 a.m.]: The Duties Amendment (Senior's Residence Duty Exemption) Bill 2011 is essentially an extension of the current policy introduced by the former Labor Government, which exempts persons aged 65 or older from paying duty for new principal place of residence housing purchases to the value of \$600,000. Stamp duty relief for downsizers was a good initiative of the former Labor Government, which better enabled some pensioners to downsize to more appropriate accommodation. It is positive to see that the new Government is seeking to maintain the existing policy for over 65s. They say that imitation is the best form of flattery. For a new Government so intent on trashing the record of their most recent forebears, I welcome this refreshing acknowledgement of the merits of Labor's housing policy.

However, while we welcome the Government's commitment to the extension of the existing policy and do not seek to oppose the bill, significant concerns remain as to the viability of the proposed expansion of the scheme to include those aged between 55 and 65 years of age. The expansion of the senior's principal place of residence duty exemption to this age category is a potentially costly exercise. There is no cap on the uptake imposed on the policy for the new age category, and the running costs of the program could cost New South Wales taxpayers more than \$20 million for every year it is in place. This is a significant cost on the budget. It is concerning to note that no forward estimates have been provided on the cost of the proposed expansion of the existing policy. The failure to provide such a clear statement on the impact this policy will have on forward budgets raises questions about its viability. Such failure also breaks one of the Liberal-National Coalition's election commitments, stated in their Start the Change election manifesto that:

Every Cabinet Minister should be held responsible for decisions relating to fiscal strategy including announcements on services and infrastructure—

and promising to provide—

... clear statements on the impact of costings on forward budgets.

At present no such statement has been provided to the House. Therefore, questions as to the financial viability of expanding the existing policy remain unanswered. I look forward to the Government tabling such a statement so this question is quickly resolved. Further to the issue of cost is the likely benefit gained out of the proposal from the targeted beneficiary age category or, indeed, from the wider community. Unlike persons aged 65 years or older, a majority of persons in the 55 to 65 age bracket are still in the workforce. They are not an age group likely to be earning significantly less income nor are they the ones likely to be able to relocate to less urban areas. Therefore, the use of scarce government resources on a comparably affluent age category puts the policy at risk of being portrayed as yet another middle-class welfare initiative. These issues can be readily put to rest by the Government explaining to the people of New South Wales what benefit to taxpayers will there be from expanding the current policy to over 55s. I look forward to this occurring.

**Mr STEVE CANSDELL** (Clarence—Parliamentary Secretary) [10.33 a.m.]: I congratulate you, Mr Assistant-Speaker, on your elevation. It is well deserved. I speak on the Duties Amendment (Senior's Principal Place of Residence Duty Exemption) Bill 2011 and commend the O'Farrell-Stoner Government for once again stimulating the economy. Taking something that the member for Cabramatta said was a \$20 million impost and a problem with the budget is a Labor point of view. It believes that stimulating the economy and cutting taxes is not a way to make money; one has to raise taxes. We believe in stimulating the economy and encouraging growth. The workers, bricklayers, carpenters, chippies, sparkies, plasterers, cabinetmakers and swimming pool contractors who will be building these new homes will be paying taxes and bringing more money into the State. This is the conservatives' way of raising money and building the economy, rather than Labor's habit of suppressing it through taxes.

That is a great way to stimulate the economy and encourage people between 55 and 65 to downsize from their house or farm and move into town. I know a lot of people in the country, especially up in the Clarence, who would love to have the incentive to sell their property and move into town to be closer to their children. Many people stay on the land until they are 60, 70 or 80—some do not want to move—but I often go fishing with one person who lives out the back of Copmanhurst and I do not think it would take much for him to say, "I might just sell and buy a new place". When he does buy a place he has promised his wife that the new house will last 30 years. This bill is probably the incentive that he needs. He is only 60 but he has reached that point in his life where he just wants to buy a new house, get a motor home and travel while he can, and this legislation will encourage him to do that. This bill will result in money not just going into the housing market but into the national economy because people do move around, buy petrol and spend money. I commend the Government for this initiative. Stamp duty for people over 55 years of age will be cut to zero when they purchase a newly constructed home worth up to \$600,000. It might be difficult to purchase a home for that sum in the city but in the country you can purchase a new home for \$450,000.

[*Interruption*]

You should move up there, Nick. You will find a new lifestyle. People are actually nice up there.

**Mr Nick Lalich:** Beautiful country.

**Mr STEVE CANSDELL:** It is beautiful country, yes. Up there you can buy a brand-new, four-bedroom home for \$400,000 to \$450,000 on a nice block of land in or out of town. There are new land releases just outside Grafton at Clarenza and new land releases coming up at Gulmarrad near Maclean. Also, west Yamba, which is beautiful country, is in the process of being developed and hundreds of blocks will shortly be released. This bill will also assist in the sale of those blocks of land. Land releases will help encourage people to move to those areas, which stimulates both the local economy and the national economy. It will also encourage new ratepayers. It is probably the case in the city also, but in Grafton, Yamba, Maclean, Evans Head and Casino rental accommodation is very scarce. People have not been encouraged to build new homes, so this bill will help to free up rental accommodation.

My daughter has just moved back to town and put her house on the market on the Gold Coast. She stayed with a family for about five weeks and wore out her welcome before finally finding a place to rent in town. It is particularly difficult for people in low socioeconomic circumstances because of scarce public housing in the area. When public housing does come available, the department is selective about who it puts into that

housing, so obtaining rental housing is a problem and this bill will help that situation. It has been said that the saving will be \$22,400, which is not to be sneezed at if someone can save that sort of money when buying a house. That would pay for my friend's swimming pool when he buys his new house, and means more jobs for swimming pool salesmen and installers—more jobs, more taxes, more money, all of which stimulate the economy. That is what the Government is about. This of course applies to people aged between 55 and 65 selling their primary place of residence and moving to a newly constructed home to encourage downsizing and the regeneration of the State's housing stock, crucial to boosting the State's economy.

We must boost the State's economy, and this is one way of doing that. If the housing market is slow or stops, the economy stagnates. Boosting the housing market gives a boost to jobs for tradesmen and gets money moving around the community. In country centres without big industry, tradies are the heart of the economy; if the tradies stop, the economy stops. So we need to keep the tradies in employment, creating jobs for young people through apprenticeships. In country New South Wales apprenticeships have been meagre of late. Essential Energy has put on five apprentices this year, and that is a good sign. Unfortunately, very few big companies are doing likewise.

At age 55, many people are already planning for retirement and lifestyle changes. Current duties concessions legislation excludes a large number of people in the 55 to 65 year-old age bracket who are at a stage of life where they are considering downsizing. Under this measure seniors who move from their current home into a newly constructed home that better meets their changed lifestyles will benefit from the concession. This will free up family homes for those looking to get into the housing market or needing to move to a bigger home. Some areas of the State have a large population of people aged more than 55 years. In the past, only those aged more than 65 years had been able to move into markets providing that style of housing assisted by a \$22,000 concession. I digress to congratulate the member for Tweed on his appointment as Acting Speaker and acknowledge that he always treats members with respect. To make those aged over 55 years eligible for the concession provides the opportunity for a better market for developers as well.

Only four other jurisdictions have a stamp duty relief scheme for seniors moving to change lifestyle. South Australia, Victoria and the two Territories have similar schemes, but all are more restrictive than the New South Wales scheme either in eligibility criteria or amount of concession. The Labor Party scheme was a good scheme. A lot of things that Labor did or did not do were not good. Its scheme for those over 65 years was almost right, and I commend the Labor Government for that. This bill will make people aged more than 55 years eligible for the concession, opening up the scheme to a much larger pool of people who wish to move into new houses in preparation for their retirement, thereby boosting the local economy and providing more local jobs. I commend the bill to the House.

**Mr ANDREW FRASER** (Coffs Harbour—The Assistant Speaker): [10.42 a.m.]: I support this legislation. Once again I congratulate the Treasurer. It seems that when he is not in his office organising the presentation of bills he is in here putting them before the House. As was mentioned by other members, this bill yet again reflects the O'Farrell Government's commitment to reducing taxes and stimulating growth and investment in New South Wales. Mr Acting Speaker, as you and I would appreciate as members who live on the North Coast of New South Wales, many people move to that area to retire. They are getting younger and younger in their retirement ages, and therefore an incentive to encourage them to build or buy a new property obviously calls for abolition of this transfer duty.

These days, 55 or 60 is the new 40. Though people are investing in superannuation schemes, they do not get a tax-free benefit until aged 60 years, even though many of them would want to retire much earlier. This bill provides an incentive to move from small properties, as was mentioned by the member for Clarence, especially where their children do not want to take over the farm. This is especially so with dairy farms on the North Coast, because dairying involves working 24 hours a day, 7 days a week, 365 days a year. The bill enables those aged over 55 years to sell the farm, downsize and move into town, and save some money by doing so. As I said, these days 55 is the new 40, and therefore we need to stimulate the housing market on the North Coast.

Already, many people are moving off farms, subdividing their farms into rural residential blocks or downsizing to a block that will enable them to undertake horticulture enterprises. Many flower and blueberry growers on the North Coast need only 10 or 15 acres to make a living. This measure will help them to sell their 150- or 200-acre farms, move nearer to town and enjoy the retirement that they have earned. Many of them are superannuants, with a separate income, but this saving in stamp duty on a newly constructed property of up to \$600,000 would be a great incentive for them to make that move. Once again I commend the Treasurer for

moving so quickly on this matter. Whilst the legislation does not come into effect until 1 July this year—obviously to allow the measure to commence in a new budgetary year—it will be very well received on the North Coast, as I suspect it will be in all other areas of New South Wales. I commend the bill to the House.

**Mr BRAD HAZZARD** (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [10.45 a.m.]: As did other Coalition members, I indicate my very strong support for the Duties Amendment (Senior's Principal Place of Residence Exemption) Bill 2011. After 16 years of a State Labor Government and four Labor Premiers, New South Wales has the lowest housing starts in 50 years. This Coalition Government understands that business and the community need encouragement to get on with the task of restoring New South Wales to the number one State in this country. State Labor governments, under a succession of four Premiers, kept getting it wrong. I remind the House that one of the more dismal days in this place was when Bob Carr, on his last political legs, came into this Chamber with his then Treasurer—

**The ASSISTANT-SPEAKER (Mr Andrew Fraser):** The vendor tax.

**Mr BRAD HAZZARD:** I thank you, Mr Assistant Speaker, for your interjection from the chair. Bob Carr came in here with his Treasurer and announced that his Government was going to introduce a new tax—another tax. That is the way Labor does business, because it thinks that is how business is supposed to be done. It was the vendor tax. One member of the Labor Party is sitting in the Chamber. She is yet to make her inaugural speech, so I will not make any comment that would prompt her to respond. Actually, this will be a good history lesson for the one, new Labor member sitting in the Chamber today; the other 19 have all gone missing in action. Sitting approximately where the member now sits, I heard Premier Carr say that there would be a new vendor tax. I sat there thinking, "Where in this country is there a vendor tax?"

Shortly after, Morris Iemma became Premier. That change of Premier gave us some hope that perhaps there would be a different way of doing business. Even then, the vendor tax remained for another 18 months or so. On the day that Premier Carr announced that new tax, I remember remarking across the Chamber—in a polite way, as I always do, Mr Assistant Speaker—that that might be the nail in the coffin of the New South Wales real estate industry, which at that point was already on a long, downhill slide. Things were not looking too good. As I politely pointed out then, that was a nail in the coffin of the real estate industry. The Speaker at the time felt it necessary to remove me from the Chamber for some brief period, which was totally acceptable in the circumstances, but at least I had made the point.

It took Labor 18 months, a new Premier, and an awful lot of damage to the property market before it finally got on with removing the vendor tax. What a great effort! Then, as was dealt with in the last few days, along came another incarnation of the Labor Government when it introduced another tax, this time on transfers. It has taken a Coalition Government and the Treasurer, Mike Baird, the member for Manly, to recognise that that is also another impediment upon business in New South Wales. Labor does not understand business; it does not understand driving the economy forward. Labor does understand driving New South Wales into the ground. That is what Labor has done over 16 years—it has driven New South Wales right into the ground; it has buried it, six feet under. That is the starting point for the New South Wales Liberal-Nationals Government in trying to bring this State back to being number one again.

With regard to the empty-nesters stamp duty concessions, the former Government listened to some of the concerns that were being raised but it still could not even get it right. So it provided modest stamp duty concessions for people aged over 65. The former Government said that if those people downsized they could get a concession. That is all very well, but the statistics show that that has not been as big a stimulus as the former Government had hoped for—particularly coming off the back of the way it had killed the property market. So the Liberals and Nationals have looked at the issue and we have determined that the fair thing to do, but also the business stimulus thing to do, is to reduce the age from 65 to 55.

The stamp duty concession is a real positive for the residents of New South Wales. It provides an opportunity and a stimulus for people to seriously consider moving out of their large, empty-nester home and downsizing to a more appropriate-size residence for them. I cannot count the number of people I have spoken to who say to me, "Look, we would like to move; we would love to downsize. We have several bedrooms and we are only occupying one bedroom. But we can't afford the stamp duty on the move." Obviously, whenever people sell property and buy property expenses are incurred. Some of those expenses are expenses that as a government we cannot have a major input into. Obviously, if a person is selling a property the likelihood is that he or she is paying a real estate agent to do the job of marketing the property. Real estate agents should be paid appropriate

fees to do the job; after all, they ensure the seller maximises his or price, which is all very good. As well, of course, the seller needs to pay for a solicitor or conveyancer. But, at the end of the day, it is the stamp duty or tax people pay to the Government that tends to be what is foremost in people's minds.

This particular age group are usually very conservative when it comes to making sure their funds are protected. They are not wasteful of their funds, and this acts as a brake, therefore, on their wanting to sell and to buy another property on which they would be paying stamp duty. The legislation frees up those people; it gives them a clear incentive to move to a smaller property. In the sense that it is going to be a newly constructed home, it provides a stimulus for those who provide the housing to ensure that they go on building in New South Wales. That is pretty important. Why is it important? Because over 16 years the former Labor Government, under Premiers Nos 39, 40, 41 and 42, has destroyed the property industry. Three years ago a meeting was held of the shareholders of AV Jennings. Any of us who have grown up in New South Wales know that the name AV Jennings used to be synonymous with building here in New South Wales. When did members last see an AV Jennings sign on a building here in New South Wales? About four years ago.

**Mr John Williams:** Gone!

**Mr BRAD HAZZARD:** AV Jennings has now gone, exactly. As the Treasurer says, where has AV Jennings gone? Anywhere but New South Wales. In fact, the company told its shareholders it was going to go to Queensland and Victoria. We love Queensland and Victoria, but we do not want to lose our business to those States. That is not what it should be about. I will have more to say about this at an appropriate time. Even former Minister Sartor has recognised that the former Labor Government has absolutely killed motherless dead the New South Wales property market. This legislation is a responsible, intelligent approach to trying to stimulate the property market and to freeing up those large homes to get families who need homes into them.

I had heard that some of the Labor luminaries—that might be a bit of an incongruous match in terms—were concerned the State was going to lose some duty. Well, they are right. But it is going to make a lot more. What is going to happen is that the people who were not able to buy properties will enter the property market by buying these large homes that are coming on the market. If they are large homes—which they generally would be if someone has lived in them for many years and had three, four or five children—the stamp duty that comes back to New South Wales will be a significant amount of money. So, on the side of the ledger of whether we are winning or losing, we are absolutely winning in terms of the revenue to the State and, importantly, in terms of business for the State. We are stimulating the economy, we are making sure that people have options, and we are making sure that people can move forward into newly constructed properties. We have stimulated the construction industry. This is a Liberal-Nationals win all round, after 16 years of a Labor Government that made sure our property industry was dead.

Particularly in the Sydney central business district this stimulus package will be a major plus, but up and down the coast and in many of the regional cities it will also act as a major stimulus. One of the major policies the new Liberal-Nationals Government has announced is to ensure that there is encouragement for people who wish to move to regional areas. I am pleased to report to the House that as I have travelled around the State formerly as a shadow Minister and now as Minister, I see development going on in some of our magnificent regional cities. This legislation, taken together with the other initiatives, will ensure that people who are selling up in the Sydney central business district will be able to move into some of those new properties in regional areas and will be able to do so stamp duty free. This stimulus package is not just for the Sydney central business district, the Illawarra or the Hunter; it is for the entire State.

We have not, obviously, provided concessions for people who move interstate—because the Labor Party made sure that most of those people moved interstate anyway! We are making sure they stay here, and the stimulus package we are offering will make sure that business wants to come to New South Wales. People will want to build and people will want to move. I say to those who are 55 or over: Take note, the Liberal-Nationals Government is here to help you. Do not feel constrained; do not feel that you have to be sitting in your large homes with empty bedrooms. You are doing New South Wales a favour if you decide to move. And it will cost you very little compared with what it would have cost if we had had a Labor government in New South Wales. So, think about moving, think about those lifestyle changes, and bring about some effective contributions not only for yourself and your lifestyle but also for New South Wales.

What a pleasure it is to be part of a Liberal-Nationals Government, a government that thinks positively about business opportunities and about the community, instead of ourselves. We had a Labor government that had more going on about itself for 16 years than any government in history. It was about who was going in and

out of the doors down at Sussex Street, and how they could scratch each other's back. There is one Labor member sitting in this Chamber as I speak. She is a new member, so I will not direct a comment to her as yet. There were a whole lot of Labor members over there, but they have now all gone. They can all contemplate what they did to each other. Effectively, what they did was not destroy themselves; they destroyed New South Wales. Seeing this one Labor member here, the member for Shellharbour, a new face in the Chamber, in such an important debate—

**Mr John Williams:** A lonely member.

**Mr BRAD HAZZARD:** She is a little lonely.

**Mr Mike Baird:** They've walked away from the Chamber like they walked away from the people of New South Wales.

**Mr BRAD HAZZARD:** They have. Labor members have all cleared from the Chamber. They cleared off and left the people of New South Wales 16 years ago. It has only taken a few short sitting days and they have all left the Chamber as well. What they have yet to learn—and Labor needs to hear this loud and clear—is that government is not about yourselves. Government is about the people of New South Wales. Government is about ensuring that we represent the constituents of New South Wales and produce better outcomes for them. That is what government was before Labor came to office and before members opposite decided to be so introspective that they destroyed the foundations of the Labor Party.

I remember telling the House some years ago that my grandfather was a shop steward on the tramways in Victoria. I respect the great Labor Party that existed and had a role. However, I have no respect for the Labor Party in New South Wales, which is about wheeling and dealing and self-interest. It is time for a reincarnation of the Labor Party—that is important for democracy. We now have two Labor members in the Chamber. I hope that the new Labor members will try to rebuild the party and bring back integrity. Their predecessors, the ones who have vacated this space, had lost that vision. I reiterate that I absolutely support the empty-nesters stamp duty concessions that the Coalition has put in place. I encourage my constituents and all constituents in New South Wales to take advantage of this legislation and get on with returning New South Wales to being number one again.

**Mr JOHN WILLIAMS (Murray-Darling)** [11.00 a.m.]: Sitting in this Chamber over the past four years, and coming from a business world, it was evident to me that the Labor Government knew nothing about managing in a business sense. It was totally focused on taxation as a way of increasing revenue. Consequently, there was an increase in taxes and development of a new range of taxes. The Labor Government never understood the old saying, "Penny wise, pound foolish". This was clearly evident from my business experience. People can be obsessive about raising funds without making any investment, and that is what the Labor Government did. It raised money but there was no quid pro quo. It was not prepared to stimulate the economy in return. The Labor Government was heading in a downward spiral.

The election probably saved the Labor Party from complete destruction. The Liberal-Nationals Government understands business. I am starting to wonder whether the new Treasurer is the managing director of Coles because "prices are down and they are staying down". The Treasurer is fully aware of exactly what can be done by stimulating the economy. Attention has been drawn to the loss of revenue that will result from the introduction of this stamp duty exemption. Yes, there will be a loss of revenue, but what the Government loses on the swings it will pick up on the roundabouts. The Government is opening up the stamp duty exemption to a greater range of people. It was a safe bet for the Labor Government to provide the exemption for people over 65. Labor Ministers had done their sums and realised that the legislation would have a low impact: the take-up rate would be low. Consequently, the Labor Government made a feel-good offer that it could promote. That enabled the Labor Government to promote itself as a government on the move, with the knowledge that the take-up rate would not be high and the offer would be a safe bet. Today we are focusing on expanding that exemption to include people who are 55 years old.

As has been said, no doubt this legislation will stimulate the economy. It will certainly stimulate the building industry. Once again builders will be engaged in building new, downsized properties for those who want to move on. Ultimately, some of those houses will be freed up and adapted for families. We will see a real change in the real estate landscape in New South Wales. Indeed, the legislation might attract some of the people the Labor Government drove out of New South Wales who were seeking a better deal in the other States. We

have highlighted one bit of wastage by the previous Labor Government and that was the CBD metro. Amazingly, the Labor Government made 26 transport announcements. Even better, it spent a huge amount of money on promoting the new transport arrangements.

Labor Ministers put on their train driver caps and announced a brand-new rail link. They spent lots of money on pushing it down everyone's neck, getting everyone excited, thinking the Labor Government was solving the transport needs of Sydney. After six months—that seemed to be the cycle—the project was duly taken off the agenda and cancelled, and the Labor Government started focusing on its next bit of skulduggery to swing the polls back in its favour. Labor Ministers had done their homework. They said, "What announcement can we make this week to improve our position in the polls? Don't worry about building anything—make an announcement."

We have highlighted the CBD metro—about half a billion dollars down the drain in one single move by the Labor Government. That half a billion dollars could have sealed all the roads in western New South Wales, but it went straight down the drain. We are well aware of all the wastage by the Labor Government. When we started investigating the wastage we found that some of it related to Ministers' entertainment. The entertainment bills were huge. Some Labor Ministers were stood down because of the amounts of money they wasted on personal entertainment. In some cases we virtually had to beg the Labor Government to take action against Ministers.

Labor Ministers went overseas at every opportunity. Joe Tripodi went on a world trip to promote the sale of our electricity retailers. What a fantastic trip it was! He chewed up about \$320,000—a mere bagatelle! He thoroughly enjoyed the trip. He was not completely happy with the soaps and shampoos in some of his six-star accommodation. Other than that, he was reasonably pleased: there were not many complaints. It was one of those trips you have when you are not having a trip. Labor Ministers were happy to line up for trips at every opportunity. Add up the trips over 16 years and look at that wastage. Jobs for the boys never stopped. We saw the cycle of Labor apparatchiks lining up to get their snouts in the trough.

The Labor Government was willing to give someone a job. People did not even have to work: work was not required. They just fronted up and put out their hands to get paid so that they could gain the rewards of office that became available to the Labor Government. Jobs for the boys added up to a significant amount of money. Laundering money through the unions was a fantastic scheme developed by the Labor Government. It would give a couple of million dollars to a union, which would wash and rinse it and give it back to the Labor Government as a donation. What a magnificent system! It was well thought out and well done. Obviously, that is another bit of wastage. Our Treasurer will be a great Treasurer. I think we will see New South Wales—

**Mr Stuart Ayres:** He's done more in eight days than Labor did in 16 years.

**Mr JOHN WILLIAMS:** That is exactly right. In eight days prices are down and they are staying down. The Treasurer will do the job. The managing director of Coles has been pushed aside. We have our new boy on the block. He said, "I'll take this over and we'll pull the prices down in New South Wales and make this State zoom." Over time as we start looking through the Treasury books we will highlight more of the Labor Government's wastage. We only ever saw the tip of the iceberg. We were able to highlight a couple of things that the former Government engaged in relating to wastage and poor management. The former Government was never a good manager of money as it did not understand the cycle of business.

The former Government did not think it was necessary to listen to the people it was hurting and causing grief to; it thought father knew best and its advisers told it to wind up the taxes. No. 42 looked more and more like Marie Antoinette every day. Every day she ran around and ignored the needs of the people of New South Wales. Fortunately there was no need for a revolution; we just had a State election and now Marie Antoinette is on the back bench. The former Premier demonstrated more wastage when she was flown by jet all around New South Wales. She has one of the best photo albums that any Premier of this State has ever had. I do not think anyone could afford to pay for her magnificent photo album, which must contain thousands of pages.

**Mr Stuart Ayres:** It was produced at taxpayers' cost.

**Mr JOHN WILLIAMS:** Yes. Surely no-one would ask the taxpayers to pay for her to fly by jet to New England! She may have had a hairdresser's appointment at 11.00 which she did not want to miss so she zipped up for the photographs and straight back. She did not want to hear from the mayors and other people as she knew best how to run this State. I would love to know what the flights cost the taxpayers of New South

Wales. That will not happen again, as this Government will save money and keep it for the people of New South Wales in order to stimulate the economy, as the Treasurer is doing in relation to the amendment to the stamp duties Act for seniors. In a short time this Government is demonstrating to the people who have lost faith in government in New South Wales that it is listening, and its Treasurer is focused on their needs to ensure that within the scope of good financial management it can deliver for the people of New South Wales. I commend the bill to the House.

**Mr STUART AYRES** (Penrith) [11.13 a.m.]: I refer to the Duties Amendment (Senior's Principal Place of Residence Duty Exemption) Bill 2011. This Government has been here for eight days and the trend we are already seeing is the foundations of a fantastic and dynamic economic duo—the O'Farrell-Baird economic duo—that is reinvigorating New South Wales. I suggest that we should let everyone know that New South Wales is open for business—maybe a banner on the harbour bridge—to make up for the lost time when this State was closed. It had the "Too full" sign that told everyone not to come to Sydney or New South Wales to do business, go somewhere else, as New South Wales does not want to hear from you. That changed on 26 March and this Government has used this sitting time to introduce legislation that makes changes happen.

Yesterday the Real Property Amendment (Torrens Assurance Levy Repeal) Bill was introduced. It took away the dark-of-night tax that made it harder for many people to purchase their home. This current duties bill shows innovative thinking by the Government that looks at how we have our bills and laws structured so that it can encourage investment in New South Wales. This amendment will make savings available to more people. At 65 years people are already at the end of their working career, and bringing the exemption qualification age down to 55 years enables people to have time to think about what they want to do in relation to their housing. This bill is a significant step forward. A number of speakers have said that this legislation is a further extension to the empty-nester's stamp duty. Previously stamp duty existed for people over the age of 65 years and it will be cut to zero when they purchase a newly constructed home worth up to \$600,000, giving a saving of approximately \$22,000. That is a significant carrot to dangle in front of many people who want to downsize their home and purchase a new one.

This bill will apply to people aged 55 and over to give them more time. At 55 they are already planning lifestyle changes and talking to their financial advisers to put their finances in place. It is a fantastic idea to give them the carrot for an option to start considering downsizing and having a \$22,000 stamp duty exemption. Under this bill the eligible senior and spouse, if any, must move into their new home within 12 months of completion and occupy it as the principal place of residence for a continuous period of at least 12 months. The eligible senior must have owned and occupied a home in New South Wales within the last 12 months before the date of the purchase. The eligible senior and spouse of the owner must dispose of their former home either prior to or within six months after completion of the purchase. The Treasurer has done a fantastic job in framing this amendment because that will make sure that we continue to get more stock onto the market rather than letting the housing economy stagnate as it did under the former Government. This bill will invigorate the housing part of the economy which so many of my fellow members say is so critical to local economies as well.

The scheme is unique in Australia with its simplicity, and the duty savings will be welcomed by people 55 years and over who are contemplating a lifestyle change as they move towards the end of their careers. The Government is again delivering on an announcement it made during the election. Last year I sat in this Chamber after the Penrith by-election and listened to the former Government rabbit on about a lack of policy from the former Opposition. If the former Premier had properly looked she would have found the Making Sydney Liveable Again policy that this Government is delivering on today, with firm legislation that puts money in the back pocket of families right across New South Wales. In the Penrith electorate and in others right across western Sydney \$22,000 will make a big difference to what happens in their household.

The bill is delivering on the Government's commitment to enable individuals over 55 years of age to pay zero transfer duty when selling an existing property or newly constructed home up to \$600,000. The exemptions will apply to sales between 1 July 2011 and 30 June 2012. This bill will have a significant impact on the Penrith electorate that I am lucky to represent in this House. A stage two report of urban growth management in Penrith was produced in 2005 by the University of New South Wales Built Environment faculty, by Bill Randolph and Darren Holloway. It is good to have a retrospective look at their report. The former Government had six years to make changes in relation to the impact of growth and development in Penrith and across western Sydney. The two important key findings are:

A demographic shift is occurring as the City matures [Penrith city]. The population is ageing and households are decreasing in size. There will be a significant increase in lone person and two person households, although families will remain in the largest single household type.

As Penrith matures—and this is the case right across western Sydney, even on the Central Coast, which has had significant growth—we are seeing an increasing number of lone-person or two-person households. Invariably they tend to congregate or locate themselves in older suburbs of our regions. They are in three- or four-bedroom homes, which become a little too large for them, but there has been no incentive for those people to downsize or leave their empty nest and move to something more appropriate. That is exactly what this bill is designed for. One of the final findings of the report was:

The logical conclusion is that future growth management needs to plan for increasing housing diversity across all suburbs with a balanced mix of lower, medium and higher density housing for sale and rental to accommodate a wider mix of household types, including smaller households and those on fixed or lower incomes.

The fixed-income household is exactly the sector that is targeted. There are pensioners out there and people who are coming towards the end of their career and moving towards a fixed income. The superannuation scheme—definitely a worthwhile investment for the national economy—means that people are on fixed incomes and are at the mercy of the market, so we have to make sure that we provide enough financial incentive for those people to make the jump from larger properties into smaller homes.

In Penrith housing diversity is a critical component to future growth of the city and region. We cannot continue to operate a city built on quarter-acre blocks with four-bedroom homes. I recall discussions, at the Real Estate Institute, I think, with a number of people from the housing industry who visited Penrith and allowed me and the Hon. Greg Pearce to talk to them. The concept of the quarter-acre block being the great Australian dream just does not exist anymore. Housing diversity is needed, whether it involves a site close to the city or out near Penrith. We need to be able to move with the diversity that exists in our communities. Family homes are needed for large families, but we also need small homes for singles and couples and, in particular, for those people who have been in large homes and do not have any incentive to move from their family home into something a little smaller.

If we can create an incentive for people to move out of their large homes into smaller dwellings that is of real economic benefit because it frees up housing stock for people who have not been able to break into the right type of accommodation and get into a house that is large enough for their family. It also improves availability in the rental market. All members of the House would have people contacting them each week talking about the lack of rental accommodation in their particular region. We all deal with some of the more disadvantaged residents of our community who are utilising housing stock through the Department of Housing, which is doing an admirable job in trying to place those people in private rental accommodation with assistance, but the assistance can only go so far if there are literally no houses for people to rent. It does not matter what money you are putting in someone's pockets if there are no homes for them to rent.

This bill creates an increase of stock, an increase of supply, to assist in the rental market, whether you are at the lower end of the income scale trying to get into a home or are a half decent, well-paid family trying to make ends meet and get into a suitable family home. Perhaps your entry point into the market will be an older-style home. It is critical that we allow those homes to come onto the market. In the region I represent there are a number of new housing developments. A couple that come to mind are Ropes Crossing and Jordan Springs, which border the Penrith electorate in the electorate of Londonderry. The member for Londonderry, who is in the Chamber, served as a councillor in that region and knows all too well the pressure placed on families and housing stock in western Sydney.

I am sure that many times over his long and distinguished career we will hear about the importance of housing diversity in western Sydney. The member for Blue Mountains, who is also in the Chamber, would be aware through door knocking countless times in the hilly suburbs of the Blue Mountains and in individual hamlets of the large number of people who are coming to the end of their careers or are retired and looking for different types of housing. They want to be able to move into over-55s style housing, but there is just no incentive for them to do it. The bill is addressing that. It is creating a \$22,000 incentive. Most important—and I am sure this will have impact on the residents of the Blue Mountains, Londonderry and Mulgoa, and definitely on the residents of Penrith—is the \$22,000 incentive.

It impacts not only those who want to move home. What does it do for a developer, for someone who wants to take the plunge and invest in New South Wales? What did the last Government do about investment in New South Wales? There was no encouragement to invest in New South Wales. Here we are, on day 6, and we are passing bills, making sure that we encourage people to invest in New South Wales. This type of bill helps not only the homeowner, the person downsizing; it also encourages people to get those over-55s developments happening. It encourages councils to engage with developers who are looking at different types of housing

options. They can encourage the diversity that is required across our region and, in relation to the Penrith region and Blue Mountains, Londonderry and Mulgoa, regeneration of older suburbs such as Werrington, Werrington County, Cambridge Gardens and Cambridge Park in the seat of Londonderry, St Marys and Oxley Park, represented by the member for Mulgoa. Over time, as people leave those suburbs and go into over-55s or more appropriate accommodation, new families will come into those suburbs, creating regeneration and bringing greater diversity to the communities that we represent with such pride in this place.

In my electorate of Penrith the older areas of Jamisontown and South Penrith provide the opportunity for people to purchase a smaller home because it is available in the marketplace, because there are just not enough homes out there. Stock is what this is about, making sure we get more supply, creating diversity in our communities and allowing people to choose the right housing option for them. This is an absolutely fantastic initiative of the Treasurer. If this is indicative of what is coming up in the next four years this State will be back heading in the direction it should have been. It will be the number one State again because we have a sign hammered into the ground or hanging on the harbour bridge—come out to Penrith and put it there if you need to—showing New South Wales is open for business again.

If you want to do business in this State, come and talk to us. We are ready to listen to your ideas. We are prepared to be innovative about how we do things. It is not the same old close the door, go somewhere else for business. Come and talk to us. Come and talk to us in western Sydney, on the Central Coast, in regional New South Wales, on the South Coast too—wherever it might be, whether it is about housing or broader economic issues. We have some competency back in the Treasury and strong economic leadership from the Barry O'Farrell-Mike Baird dynamic economic duo.

**Mr CRAIG BAUMANN** (Port Stephens—Parliamentary Secretary) [11.28 a.m.]: I will contribute briefly to the debate on the Duties Amendment (Senior's Principal Place of Residence Duty Exemption) Bill 2011. The object of the bill is to extend the seniors' principal place of residence duty exemption under the home builders bonus to persons between 55 and 65 years of age. This exemption from stamp duty for new housing purchases will be made available to people in that age range in respect of agreements or transfers entered into or occurring on or after 1 July this year and before 1 July 2012. Currently the exemption is only available to people who are 65 years of age or older.

I have quite some experience in this area, having spent my whole working life in the building industry. It was an odd truth that people raised their families in rather small houses and, as soon as the last child left—the parents pointed them toward the door and told them to go and earn a living—the parents came to see builders such as me wanting a bigger house. That is the way it used to be. I can remember Bryce Courtenay addressing the Urban Development Institute of Australia congress on the Gold Coast some years ago—I think the member for Cabramatta was there at the time—and it was a joke in the development industry that that is what happened. It is good that that is no longer happening.

With modern design, houses are a lot more liveable. They can be made smaller and they are more comfortable. Elderly people in particular—I never thought I would call anybody over 55 elderly—want low maintenance houses. They do not want large yards. This is a great way to assist empty nesters, people aged over 55, to move into new accommodation. There is no maintenance to do on a new house and those people can live out their remaining years in relative comfort. Of course, the house they leave is then on the market for others to purchase. Cutting stamp duty to zero for people aged over 55 will save them up to \$22,490 on a \$600,000 purchase, which is a major saving. It will be a real incentive for people over 55 to think about buying a new house in the next 12 months.

The building industry in New South Wales is a little deflated at the moment and this measure will improve demand. It will provide plenty of jobs for those trades that we all rely on—bricklaying and concreting, as well as suppliers. My rough rule of thumb is that for every \$1 million spent on a house about \$600,000 goes directly into the pay packets of the people building the house—the tradesmen and the suppliers. Everyone uses wall frames and trusses these days and somebody has to put those together, and bricks have to be fabricated, so stimulating the building industry is a sure-fire way of increasing the number of jobs in the economy. Regenerating the State's housing stock is crucial to boosting the State's economy. At 55 many people are already planning for retirement and lifestyle changes. When members retire from this place many of them come to paradise in Port Stephens. That is a fact.

We have a high proportion of very happy retirees in that beautiful part of the world. If they can save \$22,490 in making that move it would make life a lot easier for them. It means they can put more into their

houses or into their lifestyle choices. This bill will help seniors, and it will help the building industry and all those involved in the building industry. This concession is also available in South Australia, Victoria and the two Territories but all their schemes are more restrictive than the New South Wales scheme in eligibility criteria or the amount of the concession. I encourage all members to support the bill. I congratulate the Treasurer on a great piece of legislation that will make a lot of difference to individuals in the empty nester group and those involved in the building and land development industries in New South Wales.

**Mr DARYL MAGUIRE** (Wagga Wagga) [11.33 a.m.]: I am pleased to make a contribution to the Duties Amendment (Senior's Principal Place of Residence Duty Exemption) Bill 2011. I begin by congratulating the Treasurer on bringing this bill before the House in just the second week of the Liberal-Nationals Government. I say again that this legislation will honour a commitment we gave to the people of New South Wales who have entrusted us to government and deliver on our election promises. There is no doubt in my mind or in the minds of members on this side of the House that this is an important bill for many reasons. People in the gallery would understand that the bill will do a number of things but, importantly, it will cut stamp duty for people over 55 who want to downsize their properties.

The bill is important because as people get to the age when they start to consider retirement all sorts of things impact on their decisions about the future. One of those is their accommodation. In some cases it may be the family home that was bought and built when a couple were newly married. The couple has a family and raise the children in a suburban area and, ultimately, the children leave. Sometimes they come home bringing grandchildren with them, which is always a blessing. Often, children leave a home that is quite large, as we have become accustomed to, and the parents make decisions about their retirement. That can be to downsize and move to another area in New South Wales or indeed elsewhere. I hope they would choose somewhere in New South Wales because it is a wonderful State with so many beautiful places to live and so many opportunities for retirees.

Some decide to downsize for another reason—the cost of upkeep on properties, whether it be maintenance of large gardens or heating and cooling the large homes. We all know that the increasing cost of energy these days is impacting on budgets. People who intend to retire, even if they are close to my age of nearly 55 or a little older, will be aware that those costs will impact on their budget in their retirement. These days, for the many people who are self-funded retirees, who have been encouraged to fund their retirement, those costs are certainly a consideration, along with other things. It might be the cost of fuel or transport, or the rates on a large block of land. There are many things that impact on someone's decision to downsize.

Importantly, for people over 55 this bill will cut to zero the stamp duty on the purchase of newly constructed homes worth up to \$600,000. It is not hard these days to pay up to \$600,000 for a property. I see this bill as an absolute blessing for regional communities, because whether it is the Assistant-Speaker's electorate of Coffs Harbour, my electorate of Wagga Wagga or the electorates of Wyong, Gosford, East Hills, Smithfield or the Blue Mountains—I note all those members are in the Chamber listening to the debate—all those places will benefit. I will focus on Wagga Wagga. Many families in our city have become part of the populace because it is a very transient place. We have a number of major military establishments and we also have quite large university educational facilities. People come to Wagga Wagga and settle. Often we find that when parents become elderly they want to downsize and move to a place such as Wagga Wagga. Why not? We have all the facilities and soon we will have a new hospital. We can provide all the things that cities such as Newcastle, Sydney and Wollongong can provide. Therefore, I think there is a great opportunity to encourage more people to come to regional cities and towns such as Coffs Harbour, Wagga Wagga or Bega, or anywhere in the State, in their retirement years.

I think this bill will benefit builders. The building industry was impacted terribly under the administration—or should I say maladministration—of the previous Labor Government. Housing starts are the lowest since 1942. For a State that was previously number one and the primary driver of the Australian economy it is a very sad state of affairs to find ourselves second last on the list of economic indicators. The Treasurer's motivation in introducing this legislation is to increase building opportunities which in turn will increase the number of apprenticeships and projects putting concrete and steel in the ground. An examination of economic indicators reveals that the building and construction industry is a major driving force of our economy and that other industries, such as transport, also play an important role.

In Wagga Wagga, the strength of the economy is measured by the number of commercial premises that are occupied or vacant, but on a broader scale the number of house building applications is an indicator of the amount of money that is being invested in the economy. Policies that result in strengthening the building and

construction industry lead to increased numbers of apprenticeships in carpentry, carpet laying, electrical trades, construction of house frames, concreting and even landscape gardening. All those industries, which are associated with the building and construction industry, will be stimulated by this legislation. If we want the State to return to its number one position, we must create jobs.

While other jurisdictions have similar schemes, none compares to the proposal in the bill that the Treasurer has introduced. The hallmark of the Government and in particular the Treasurer's administration will be proposals for increased economic prosperity. I have great confidence in Treasury and in the proposals outlined by Her Excellency in the Governor's Speech as part of the Government's Five Point Action Plan. The proposal is to enable people who are 55 years of age and who are beginning to plan their retirement to take into consideration that they will be eligible for a stamp duty concession before they reach 65 years of age. That will have beneficial and far-reaching effects on our economy beyond what I am able to describe in the time available to me.

Each dollar invested in job creation is worth \$2.80 to the economy as a result of the multiplier effect. When that formula is applied to the building and construction industry, the magnitude of economic benefit from this legislation can be extrapolated. Conversely, when unemployment rates are high, a dollar invested in the industry registers as an overall loss of \$3.20 to the economy. The benefits of this legislation are tangible and widespread, and certainly are worthy of support by all members of the House. Although I was not present in the Chamber when the Treasurer made his agreement in principle speech, I could not imagine anyone in their right mind opposing a bill that will provide stamp duty concessions for empty nesters and other people aged over 55 years. The benefit amounts to \$22,490, which is a big saving in any person's language.

A concession worth \$22,490 could pay for a whole house full of furniture or removal expenses. It will be a major benefit to people, especially those who live in rural and regional communities. Before I was elected to Parliament, I was a furniture retailer. When a large retirement village was established in Wagga Wagga, I furnished just about every unit and I know firsthand that the reasons people move to regional cities include wanting to be with their families. All types of beneficial effects will flow to regional communities from this legislation, and that is great. Wagga Wagga has a population of approximately 63,000 and is ranked number 10 in the State for first home ownership. That is a good sign for a regional city. It shows that the city is developing.

The EvoCities program, which is being promoted and funded by State, Federal and local governments, is focused on attracting people to regional communities. The cities that are engaged in the program are Albury, Armidale, Bathurst, Dubbo, Orange, Tamworth and of course Wagga Wagga. The councils of those cities have consulted the State and Federal governments and have organised a policy of promoting the benefits of living in a regional city. There is now so much more to a regional city such as Albury, Armidale, Bathurst, Dubbo, Orange, Tamworth and Wagga Wagga than a rural lifestyle. The EvoCities promotion is supported by airlines and local communities. It is a promotion from out of left field that offers a different view of regional cities from the traditional view, which promotes rural lifestyle as having the opportunity to have horses in the paddock and pet animals as part of a household.

**Mr Geoff Provest:** Chickens in the coop.

**Mr DARYL MAGUIRE:** I note the member's interjection. While regional centres continue to offer a traditional rural lifestyle, they also offer lots of opportunities to live and work in a regional setting and access large centres of population throughout the world through connections such as the airport, rail and other forms of public transport. Businesses in Wagga Wagga conduct transactions with clients throughout the world, major manufacturers export to all parts of the world, and producers that are based in Wagga Wagga travel throughout the world. Each Sunday I fly with Rex Airlines to Sydney and often sit next to a good friend, Peter Bowen, who has lived in Wagga Wagga for approximately 20 years. Each Sunday he flies to Sydney and returns to Wagga Wagga the following Thursday.

There is no reason why people cannot enjoy life in progressive regional cities such as Wagga Wagga while carrying on business with people throughout the world. High-speed Internet connections free up business people to operate out of regional cities. The availability of modern connections and transport facilities is an important factor when people consider relocating. Such is the attitude and lifestyle of Australians that those who are 65 years of age are considered young. Seventy is the new 40. Australians are living longer because they are healthier. People in the 65 years age group who want to reduce their workload but remain involved contribute

high levels of skills as consultants. We cannot afford to lose skilled people who want to keep working because they feel young and well. This type of legislation will be an enormous incentive for people in the requisite age group to relocate to regional communities.

I again congratulate the Treasurer on his introduction of this bill. I have been very impressed by his performance during question time. He is entertaining and thoroughly informative, and I hope to hear from him more often. My confidence in the Treasurer's ability to provide answers is such that I invite Opposition members to take out pen and paper. As this legislation takes effect, it will produce an upturn in the State's economy. It will provide benefits to the building and construction industry that will flow on to the economy generally, which all adds up to a better future for the people of New South Wales, particularly our children.

**Mr MIKE BAIRD** (Manly—Treasurer) [11.48 a.m.], in reply: I thank the member for Wagga Wagga for his contribution to the debate. I congratulate him on his appointment as the new Government Whip. I know that he will do a wonderful job and I am confident that he will be the best Government Whip the House has ever had. I also thank other members who contributed to the debate. Sadly I note that only a couple of Opposition members participated. Opposition members spoke for a total of six minutes, which suggests that they take no interest in their electorates, the housing industry, the opportunity for the creation of new dwelling stock or small and medium businesses that will benefit from this legislation. That is disappointing. I remember well when I was a member of the Opposition being very proud when Opposition members were eager to participate in debate.

We did not always agree with legislation before the House, but we were happy to participate on behalf of our electorates. It is disappointing that today Opposition members have chosen to not participate at all in this debate. I am not sure where they are or what they are doing. Maybe they are working out question time strategies. This is such an important bill that I would have liked to hear a greater contribution from the Opposition. However, I acknowledge those who contributed to the debate. Yet again the member for Tweed made a strong contribution on the bill. He noted that for many years he had heard spin from State Labor, but now he is seeing direct action. That is right: we are seeing direct action.

We are getting on with the job of stimulating this economy. He acknowledged that the Tweed is the fastest-growing region in New South Wales, and that the bill will stimulate the housing sector and result in new dwellings, which will benefit seniors and those with the opportunity who want to move house. He spoke about a new breeze blowing through the Tweed. I think that new breeze started four years ago when he was elected as the local member. He said that the breeze was blowing not only through the Tweed but right across New South Wales.

**Mr Gareth Ward:** The winds of change.

**Mr MIKE BAIRD:** The winds of change, as the member for Kiama rightly articulated. The new breeze brings hope and, most importantly, tax cuts for the people of New South Wales. The member for Maroubra spoke briefly. He acknowledged that this is a good bill, that this is good policy. We appreciate that. The former Government commenced this policy, but we recognised that people aged between 55 years and 65 years were the group with the biggest growth, mobility, energy and interest in downsizing. He confirmed that State Labor left behind a \$5.2 billion black hole for this Government to sort out. Whatever way Labor tries to spin it, the facts show that a few days before the election we had budget surplus after surplus, yet the day after the election the budget was about \$5.2 billion worse off. Only State Labor can explain that.

The member for Maroubra inquired about the costs of this bill. I am happy to tell him that the Government took the unusual step of asking Treasury to provide costings. We know that the former Government was not interested in that approach. Treasury has suggested that the provisions in the bill will cost about \$10 million, which is very much aligned with our election commitments. The member for Hawkesbury referred to the great opportunity this bill provides for seniors' living. I agree that this policy will be a boon for seniors' living and give them the opportunity to downsize. He spoke about the opportunity to increase housing stock, which is exactly what the bill does. He rightly debated that it will help to lower the cost of living. When seniors get to the stage when their children no longer reside with them and they decide to downsize from large homes on large blocks of land this bill will provide them with a cost-of-living benefit. As one approaches retirement age resources become finite.

The member for Cabramatta made a brief contribution, and I believe I have addressed his budget concerns. We will deliver in detail a budget that looks after the people of New South Wales. The budget will

contain more detail than the member for Cabramatta could ever dream about. We look forward to him reading it page by page and having all of his financial concerns dealt with. He seems to have developed a financial conscience all of a sudden. I am glad that is so, and I look forward to him reading the budget in detail. The member for Clarence gave his typically robust performance. He talked about growing the economy. A Coalition Government in this State is determined to grow the economy. That is achieved by looking after small, medium and large businesses through making the economy competitive.

This bill makes the economy competitive. The housing sector is a critical part of making the economy competitive. The member for Clarence spoke from experience about the impact of this policy on those involved in the construction sector—chippies, plumbers and sparkies. Such an integral part of this policy cannot be dismissed. The costs provided upfront do not take into account the benefits from the knock-on effect across the broader economy as confidence is returned to the housing sector and the community. The member for Coffs Harbour made the good point that his particular region would benefit specifically. As members up and down the coast and, indeed, in the cities start to consider downsizing, they might consider a place like Coffs Harbour to be ideal. The bill is perfect for providing assistance to his region. He argued strongly that it will be a boon for the North Coast. I totally agree with him.

The member for Wakehurst made an important point: he reminded us that housing starts in this State over the past 12 to 18 months have been at their lowest in 50 years. That presents a problem for the broader economy. With housing starts at a low level one can either do nothing or something about it. The O'Farrell Government is determined to improve that situation. The member for Wakehurst reminded us also of Labor's approach; the vendor tax is a telling approach. At a time when the housing industry was on the verge of trouble and losing confidence across the broad economy, Bob Carr, with his Treasurer, Mr Egan, marched into Parliament and announced a vendor tax. We all remember the impact of that tax on our communities. Basically it stopped the sector in its tracks. The good member for Wakehurst was hurt that he was removed from Parliament that day when all he was doing was telling the truth. He said that the vendor tax would hurt the property industry. It is quite telling that the member was kicked out of Parliament for saying that the economy and the housing sector would be hurt by this tax when that is exactly what happened.

It is interesting to listen to members' speeches. The member for Murray-Darling spoke of his direct experience working in business. He made a very wise statement: penny wise, pound foolish. That approach reflected his business experience. One needs to be prepared to invest in the future. We must understand that money put aside now can deliver much more in the years ahead. His business experience taught him that. He also gave us a nice tour of some of Labor's waste. His motto about making the State zoom again was quite telling. We want New South Wales to zoom again, and I am sure we can achieve that with the help of the member for Murray-Darling. The member for Penrith gave quite a passionate speech. He spoke about a trend in New South Wales. He talked about the need to put up the banner that is being painted as we speak: New South Wales being open for business.

New South Wales is open for business. After 16 years we are tired of watching how State Labor looked at small, medium and large businesses as an opportunity to clip the ticket on the way through. It did not understand that supporting small, medium and large businesses is the way to grow the economy, get the revenue to deliver the services a State Government needs to deliver and build the infrastructure. Labor lost that plot. The member for Penrith clearly articulated that. He spoke specifically about the Penrith urban growth proposal. Again, this shows that local communities are thinking about the problems and looking for an opportunity to engage with a solution. He talked about the demographic change in Penrith and the need for stock to accommodate its ageing population in places such as Jamisontown.

This policy will provide an opportunity for the housing sector to respond to that demographic change in Penrith. It will provide an opportunity to build new dwellings and for empty nesters to fill them because they have up to \$22,490 extra as a result of the stamp duty concession. The member for Port Stephens has also worked in the building industry his whole life. He spoke of seeing a trend in empty nesters leaving homes on large blocks for smaller homes. Anecdotally we understand that, but he is living in the area, breathing it and working within that industry. He said that the building industry is deflated at the moment. He believes that this proposal will help to provide confidence and stimulus to the industry, which is exactly what is needed.

Finally, the member for Wagga Wagga said this bill is about honouring a commitment—an important point on which to conclude my remarks. The O'Farrell Government is all about honouring its commitments. During the election campaign we said we would do this. We have come into this place and we have delivered another tax cut for the people of New South Wales—two tax cuts in two days. The O'Farrell Government is

about looking after families in this State, providing incentives for the housing sector and growing businesses. That is how we will get this State moving. I reiterate that this bill does deliver on the key election commitment; it will reduce the tax burden on residents of New South Wales.

The Government's empty nester stamp duty concession will produce savings of up to \$22,490. The concession will create a necessary incentive to encourage downsizing and the regeneration of the State's housing stock. Regeneration of the housing stock is crucial to boosting the economy. In the final five years of Labor, New South Wales had the lowest growth of new dwellings per capita in the nation. A housing shortfall of 261,800 dwellings is predicted between 2009 and 2029. What did Labor do? It did not do enough. This Government has started to act through the bill being debated today. Where State Labor taxed at every opportunity, the O'Farrell Government is reversing that trend through this bill. This Government is providing an option for the housing sector and for seniors to downsize. This initiative will help to make Sydney liveable again and will provide a crucial boost to the New South Wales economy. I thank members of the House for their consideration, and 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.**

### **GOVERNOR'S SPEECH: ADDRESS-IN-REPLY**

#### **Third Day's Debate**

**Debate resumed from 9 May 2011.**

**Mr GEOFF PROVEST** (Tweed) [12.01 p.m.]: Mr Assistant-Speaker, it is with a great deal of pride and pleasure that I speak to the Address-in-Reply to the Governor's Speech. Parliament was officially opened last week by Her Excellency the Governor, Professor Marie Bashir. I was very much moved by the ceremony but also by the words of wisdom later made by the Governor in her Speech. It is a great honour to serve in this place. I am aware that all on both sides of the Chamber strive hard in the election process, and I appreciate how taxing that can become and how members personally commit to the people of their electorates, even though certain constituents are not all that sympathetic at times. I strongly believe that we all become members of this House for the right reason—to serve the people of our electorates. A high level of trust is placed in an elected member. This is my second time round, and I guess it does not get any easier; it is still a long and involved process. I hold to my pledge to the people of the Tweed that I will honour the high level of trust that they have placed in me, and I will continue to do so as long as I serve in this place.

In her Speech the Governor mentioned the importance of the environment to the quality of air, food, water and natural environment. That is a big statement, but I am sure all members share a common concern to protect the environment, the air, our food and water. I know that my colleagues, particularly in The Nationals, are more like custodians of the land. I refer particularly to the hardworking farmers of this State, who understand and live on the land, and do all they can to protect it using the many means available in agriculture. Her Excellency referred to the importance of protecting the environment to the strength of our economies, particularly in regional parts of the State. Regional areas have been neglected over the past 16 years. In those years it had been commented that NSW meant Newcastle, Sydney and Wollongong. Before I came to this place I did not think a great deal about that comment. But I and the many members who represent electorates in regional areas and are fighting for extra police, another bridge, a school building, a hospital bed or whatever, know what an arduous task it was to get recognition of those needs from the previous Government. I appreciate the resilience that members have shown over the past 16 years to survive despite Labor's significant neglect of regional areas.

In a year we have seen some extraordinary natural events across this State and our nation, in fact the world. The rural industries of the Tweed have been hit hard by recent events. The ocean side of the Tweed

electorate is facing significant coastal erosion, such as at Kingscliff. We lost parklands, and nearly lost the Cudgen Head Surf Club into the ocean. We have seen flooding that has affected local roads. I and my colleagues from regional areas know that recent rains have placed significant strains on the resources of local councils to maintain bridges, roads and other infrastructure. Mr Assistant-Speaker, as you would know, in the past 18 months Coffs Harbour has been flooded nine or ten times—I have lost track of the number. I know the hardship that that causes in particular to local councils.

In our area, the sugar industry has been seriously affected by recent flooding, with most growers in the electorate losing much of their planted cane and having little remaining to provide for planting and harvesting this year. I, like many members on this side of the House, actively engage with our farmers. I have been out three or four times and seen the crops that they have planted, only to see the rains come again and wipe out their crops. That is absolutely devastating for them, considering it costs about \$900 a hectare to replant. But, typical of Australians, they demonstrate their reliance and get back onto the tractor and keep working. It behoves us to do everything possible to assist them.

The emerging tea tree industry in my area is facing a major biological threat following the introduction of myrtle-rust to Australia. This disease is severely impacting the nursery and native plant industries. This new and substantial industry on the North Coast is facing a bio hazard, inadvertently introduced at a nursery in Gosford, that has the potential to wipe out the industry. I have been working with the industry to take all possible measures to protect the tea tree industry. On planning, Her Excellency the Governor, Marie Bashir mentioned:

The people of New South Wales have increasingly expressed dissatisfaction with government removing their ability to have a say in how their local areas are affected by growth and development.

I applaud the Government for announcing that it will remove part 3A of the planning legislation. This particularly affects areas on the North Coast, which has a high population growth and extensive subdivision activity. A large number of current part 3A proposals are currently affecting my electorate. Some 15,000 to 20,000 new home sites will be subject to approval over the next 12 to 18 months. The previous Planning Minister was able to ride roughshod over the views of the local people and implement various programs that the locals did not want. In hindsight, some of the developments that were approved with much fanfare by the Labor Government have now gone into liquidation and receivership.

Many little investors lost a lot of money, mainly because of the way these matters were dealt with. I stood in this place many times and spoke in support of the right of local people to have their opinions heard and considered by government in making decisions about their future. I am very pleased to be working with the new Minister for Planning on measures to give that power back to the local people and taking on board their views. Many times in Opposition I said that the views of the local people had been totally ignored and thrown out the door.

I saw firsthand when planning Minister Frank Sartor was beaten in the Land and Environment Court. I was there when he told his advisors, "That's okay. We'll just change the planning laws when we get back to Parliament." It was a total abuse of power. I am pleased that the Governor mentioned that. There is a long way to go in giving back those powers to the local people. My constituents, who are probably like no other constituents, are fairly well informed from the Internet and so on, and that is great. In terms of rebuilding the New South Wales economy, Her Excellency Governor Marie Bashir noted:

By rebuilding our economy, we will generate the jobs, investment and the revenues to enable taxes to be reduced, more infrastructure built, and more and better public services provided to our growing and ageing population.

That is a tremendous statement. It is recognition by the Governor of the need to rebuild New South Wales. The O'Farrell-Stoner Government, the fine Ministers and all the other people involved in government are committed to rebuilding the New South Wales economy, particularly in terms of job generation. The unemployment rate in the Tweed and Lismore electorates and on the North Coast generally is about 2 per cent higher than the average unemployment rate in New South Wales. If the State average is 5 per cent, we have 7 per cent; if the youth unemployment rate is 8 per cent, ours is 10 per cent. We have been stifled time and time again by repressive taxes, repressive regimes and repressive planning instruments that have been forced onto the local people.

But that is changing. In the short time I have been in the Fifty-fifth Parliament I have seen progressive bills, such as the empty-nesters stamp duty exception legislation and the Torrens Assurance Levy bill. When we were in Opposition we said many times that repressive taxes, regimes and planning instruments were holding

back job generation. I am pleased that the Governor recognised that rebuilding the economy with jobs and investment will make New South Wales a much better place. We have heard about a new breeze blowing through the Tweed. Indeed, it is blowing through New South Wales now. Tweed is one of the most rapidly growing areas in New South Wales. The Australian Bureau of Statistics recorded an annual population growth of 2.9 per cent from 2005 to 2010. This is compared to State growth of 1.4 per cent.

The Tweed also has the second highest population of people over 65. We have the fastest growing population, but a much greater elderly population puts enormous pressure on our health and public transport services. Public transport services are dear to the heart of the member for Lismore. We have a train track but we have no train. Who took that away? State Labor took it away in 2005. We have a few buses. Yet the Queensland Government is building three kilometres of its railway in New South Wales. Mr Deputy Speaker, I ask you this: Why is that happening over the border and not in our electorates? Why are pensioners forced to find alternative forms of travel because there are few buses and other public services?

**The DEPUTY-SPEAKER (Mr Thomas George):** Would you like me to answer that now?

**Mr GEOFF PROVEST:** No. I am sure you are a great supporter of the train. I look forward to having further discussions with our North Coast Minister on the matter. Earlier I referred to the health service amendment bill. Some 15,000 homes are scheduled for approval over the next five years and current infrastructure and services need to be improved. In terms of economic growth in regional New South Wales, Her Excellency Marie Bashir outlined some of the proposals the Government will put before Parliament to help our regions to maximise their opportunities and to contribute to the State's economic prosperity, such as the Kickstart Regional NSW Fund and the Jobs Action Plan. I refer to business growth and closures in the Tweed.

Currently we have 170 vacant shops and factories because of the regressive tax and schemes the previous Government imposed on small business. Regional New South Wales needs much more attention than it has received over the past 16 years from a callous Labor Government. The Tweed should be considered a special case because of its close proximity to Queensland. Some 55,000 Queensland vehicles come into my electorate each day. One in three people in the Tweed have jobs in Queensland and about 20,000 Queenslanders work in the Tweed. Our front door is Queensland; our back door is New South Wales. That is why we should be considered to have a special economic case.

We can do a lot more in terms of cross-border issues, whether it is policing or health. I have had numerous discussions with our new Ministers and they are all keen to engage their Queensland counterparts. Why? Because they are deeply committed to the people of New South Wales. They care about the people of New South Wales, unlike the Labor members I faced over the past four years. That is why a fresh breeze is flowing through. In conclusion, this is an exciting time, and I am pleased to be part of it. I was pleased to sit through the Governor's address because she hit on a number of key issues that we are facing. As we have seen in the first five or six days of this Parliament, the Government is getting on with the job. It has already passed legislation. I am sure we will see massive results for the people of New South Wales. Once again I am 100 per cent for the Tweed.

**Mr STEVE CANSDELL** (Clarence—Parliamentary Secretary) [12.16 p.m.]: Mr Deputy-Speaker, it is a pleasure to address the House under your supervision. I am happy to contribute to the Address-in-Reply debate on the Governor's Speech given on Tuesday 3 May 2011. Her Excellency Governor Marie Bashir gave a long speech virtually endorsing the O'Farrell-Stoner Liberal-Nationals Coalition Government's aims and objectives for the coming four years. She seemed to acknowledge that there had been a totally incompetent and corrupt government over the past 16 years. She seemed to be relieved that she did not have to step in when she was asked to do so in the dying days to sack the Labor Government. I am sure the Governor and every constitutional expert in New South Wales were searching through the Constitution to see if there was any way to relieve the pain a little earlier for the residents of New South Wales. It was not to be.

We waited until 26 March, when we had a resounding victory and a resounding endorsement by the people of New South Wales to fix this State and to move forward. Fortunately, the new Government has started on the front foot. Already in the first couple of weeks we have passed four or five bills that will be instrumental and imperative to this State's moving forward. One bill I was happy with was the occupational health and safety amendment bill, which gives a few rights back to business. In what other State or court in Australia could people be found guilty before proving their innocence? New South Wales is the only Australian State in which that could happen. If the principle embodied in the occupational health and safety amendment legislation had been applied in the general courts of law our jails would be full of innocent people who could not prove that they

were not guilty. Thank goodness our occupational health and safety laws have been brought into line with our judicial laws, which provide that people are innocent until proven guilty, as should be the case in any democratic and western country.

A bill that dealt with move-on laws was debated yesterday. In the past police could only move on groups of three or more intoxicated people under the influence of drugs or alcohol, but now they can move on groups of one or two people before a major melee or problem arises that may need a riot squad to break up. The Duties Amendment (Senior's Principal Place of Residence Duty Exemption) Bill that was debated yesterday will greatly stimulate our economy. The Governor referred to it in relation to this Government's Five Point Action Plan to fix New South Wales. Our plan is to rebuild the New South Wales economy through lower taxes, cutting the cost of living, and business growth. Within two weeks the Government is on the front foot and is putting out incentives to build the economy.

I am biased as I come from regional New South Wales, but the economy of the Clarence electorate depends on the input of our local tradespeople. The majority of employment in the Clarence is through small business in the building sector. The senior's principal place of residence duty exemption bill will give people over the age of 55 years a rebate of approximately \$22,000 on stamp duty, which is a big incentive for them to move off the land and into town, to buy a block of land and to build a new residence as long as it is valued at less than \$600,000. On the North Coast, especially in the Clarence Valley, it is very feasible to buy a good block of land around Grafton and McLean for a couple of hundred thousand dollars and for \$350,000 to build a lovely home. The building industry, carpenters, cabinet makers, plumbers, plasterers, painters and even pool installers will get opportunities and thereby keep the economy thriving. I commend the O'Farrell-Stoner Liberal-Nationals Coalition Government for introducing this legislation at an early stage. If this legislation is an example of the next four years, there will be a lot of growth and incentive for people across New South Wales and people can be proud to have voted for the Coalition on 26 March.

The Governor said she was especially conscious of the responsibility that we have to fulfil the commitments that the Coalition made to the people of New South Wales coming up to the election. This Government is off on the front foot. The Governor said that we need to secure the future of our State, not just through honest service, wise judgement and sound decision-making—those qualities are the building blocks of good government and they are fundamental requirements for all members who serve here. This Government truly understands that people in New South Wales have called for more than that and expect positive actions that rebuild, revitalise and re-energise this great institution. The Governor laid out the Government's plan to rebuild the New South Wales economy and to return quality of service in areas in such as health, transport, education and community safety.

Already this Government has worked with the Labor Commonwealth Government. The former Labor Government of New South Wales could not work with the Federal Labor Government to get any infrastructure funds, but the Minister for Health, Mrs Jillian Skinner, has stood side by side with Nicola Roxon and funding has been committed for the Tamworth Base Hospital. That is something the local community has been screaming out about for the past 10 years, and it has happened within the first two weeks of this Coalition Government. Bravo to us! Funding for the Dubbo, Bega, Wagga Wagga and other hospitals will be announced shortly. Health services are vital. In my eight years in opposition there were five health Ministers, all of whom had no real understanding or commitment and obviously no love of their job. Upgrades of the Port Macquarie, Tamworth and Dubbo hospitals have been long awaited, but nothing has been forthcoming except plenty of promises and commitments.

In 1999 and 2003 Bob Carr gave an iron-clad guarantee that the money was in the bank for the bridge across the Clarence at Grafton. We are still waiting for that and Tamworth, Dubbo and Port Macquarie are waiting for their upgrades. They have had to wait until the Coalition is in government before the commitments can be realised. The Governor referred to a return to quality of services and to renovating infrastructure to make a difference to both our economy and people's lives. I have referred to the health infrastructure. The Governor referred to restoring accountability to government by giving people a say on issues that affect them. We refer to legislation that will allow the people of Wollongong and Shellharbour to re-elect their councils to get democratic government once again, and it has been a Coalition Government that will finally enable democracy to be restored to those areas.

The Governor said we will protect our local environment and return planning powers to the community. This Government's objective is that well before the last of the 1,426 days of this parliamentary term, commitments will be delivered and benefits will be returned to families, businesses and individuals. The

Government has promised the harmonisation of the occupational health and safety arrangements in New South Wales within the national framework. I was stunned when the former Keneally Labor Government refused to sign up with the Council of Australian Governments Agreement. Every other State in Australia agreed to harmonise those occupational health and safety arrangements, yet that Labor Government would not. I can only put that down to the fact that harmonising those laws by passing the bills that were debated yesterday would take powers away from the unions.

Obviously the unions put the former Government into that position and manipulated the dumping of Nathan Rees. Credit to the member for Toongabbie. He was the one member who had real honour and when elected as Premier tried to change the corrupt nature of the Government by getting rid of Tripodi and Della Bosca. Unfortunately, he did not watch his back and he was got rid of. I believe the unions supported the move to install the member for Heffron as Premier. The Keneally Government owed the unions and therefore did not support harmonisation of the occupational health and safety arrangements. Once again it has taken a Coalition Government to harmonise our laws with the legislation of every other State and the Federal Government of Australia to make it easier for people to conduct their businesses and at the same time to maintain WorkCover and the work safety protection that is needed.

The Governor referred to new laws designed to tackle graffiti offenders including fairer measures to bring them to account to foster innovative and relevant local solutions with local groups in community service orders and to help offenders face up to the personal and local consequences of their actions. People called for that during the entire 16 years the former Government was in office. Once it got rid of protection laws under the Summary Offences Act, public law and order and respect for law and order fell away. We need to bring offenders to account and this Government has ways of doing that. I mentioned earlier that move-on laws are being addressed, and I am told that very shortly we will be amending the Summary Offences Act to give police a few more powers to do their job.

This Government has committed to upgrading the Pacific Highway, which is a death trap on the North Coast from the Hunter to the Tweed. In my area alone during my shift there have been more than 88 deaths on that road. We have looked into the reasons for those accidents and 94 per cent of them have been head-on collisions on undivided highway. We need to prevent such accidents from happening and to protect people. People make mistakes, but one mistake can cost lives. We need to save those lives and build a divided carriageway. I give credit to the Federal Government, which along with this Government, has committed to ensure that the dual carriageway is finished by 2016. Other major infrastructure required in my area is a bridge at Grafton.

There is talk about finding a position for it, but Andrew Stoner, the Deputy Premier, on visiting the Clarence during the election campaign gave a commitment to beginning construction in the first four years of this Government. That is something that we look forward to happening. There are many issues that the previous Government walked away from, including social and infrastructure issues, law and order, health and so on. I commend this Government and am hopeful and optimistic that it will address the concerns that people of New South Wales have been calling for to be addressed over the past 16 years. I commend the Governor on her Speech to the Parliament.

**Mr STUART AYRES** (Penrith) [12.31 p.m.]: It is a real honour to be able to stand here and participate in the debate on the Address-in-Reply to the Governor's Speech. Being elected at a by-election does not give one the opportunity to start one's career in this place by participating in that type of debate.

**Mr Andrew Constance:** What was the swing in that?

**Mr STUART AYRES:** I am not sure—I can't remember! I take this opportunity to thank the people of Penrith for giving me the chance to represent them in the oldest Parliament in Australia. I was elected in a year that celebrated the 200th anniversary of Governor Macquarie's appointment. He is probably the genuine father of this nation, having turned it from a colony into a nation. The building that we are in today is a clear example of the foresight that he had for the region that he was overseeing. Its existence came about from the sale or trade-off of rum-selling rights to create a hospital for the colony. That shows a degree of leadership and innovation, which was sorely lacking in the previous Government.

In the Governor's Speech we heard a lot about the things that this Government is aiming to do to make New South Wales No. 1 again—not just having plans, pages and pages of plans, but actually starting to deliver

on a few things and, in the spirit of Macquarie, getting out there and building something. The Governor very early in her Speech indicated that when New South Wales tests its own limits the nation shares the benefit. In my inaugural speech—and I think I even said it in a speech when I was in the process of obtaining pre-selection to represent the Liberal Party at a general election—I spoke about the fact that we need to test ourselves. I think all members in this House need to test themselves.

Every member needs to rise to the challenge. We have a unique opportunity to be the leaders of what happens in this State. We recognise that when New South Wales is strong the rest of the nation is strong. We can be policy drivers. We do not have to wait for the Federal Government to tell us what to do. We can participate in this democracy, in our Federation, as the strongest State and be drivers in the direction that this country takes. The Governor also raised the Five Point Plan, which I am sure many of the members behind me are familiar with after carrying it with them for so long. It includes rebuilding the New South Wales economy through lower taxes.

In just the last couple of days we have seen that taking place with the removal of the Torrens tax that was introduced in the dead of night, sucking away the lifeblood of families in New South Wales. We have seen the empty-nesters bill pass the House today. It also is about putting more money in the pockets of families across the State, in particular in western Sydney, the area I am lucky enough to represent. That bill will provide \$22,000 in stamp duty concessions for people participating in or taking advantage of that empty-nesters program. We want to cut the cost of living and revive business growth. We want to ensure that we are encouraging people to invest in this great State of ours. I have said it a number of times over the past couple of weeks and will continue to say it: New South Wales is open for business again. If you want to do business in New South Wales come and talk to us.

We want the return of quality services in areas such as health, transport, education and community safety. We want to renovate infrastructure and construct more infrastructure to make a difference to our economy and to people's lives. We want to restore accountability of government by giving people a say on the issues that affect them. That is a novel idea, people participating in government and being able to engage with government, not having to fork out \$10,000 to buy a table to get access to a Minister. We want a bit of transparency back in the process.

We also want to protect our local environment by returning planning powers to local communities. I acknowledge the new member for Maitland, who spoke about striking a balance and protecting the environment as well as economic growth, which is a message that I think every member recognises. We cannot have continuous drive for economic growth without protecting some of the beautiful natural environment landscapes we have across this great State of ours. The beating heart of my electorate is very much the Nepean River and everything we do in that region is about making sure that we look after it as it flows right through that fantastic part of Sydney.

The 100 Day Action Plan, about which we have been very clear and up-front with the people of New South Wales, is underway. We are getting things done. I have spoken about a number of the bills that have already been debated, including the Occupational Health and Safety Amendment Bill, which is about making sure that businesses can spend more time on protecting workers' lives and making their areas of employment safer rather than trapped behind a desk dealing with copious amounts of paperwork and worrying about unnecessary litigation.

There is a clear example of where the Government can actively work with other States and the Federal Government through the Council of Australian Governments process. The establishment of Infrastructure NSW is underway and I applaud the Premier and the Government on their decision to appoint Nick Greiner as chair of that organisation. He brings with him not only an understanding of government from his time as the Premier but also well over 15 years of exceptional business experience in this State. I am sure that he will have the guiding hand that ensures Infrastructure NSW performs the task that the Premier has outlined for it.

We have also established graffiti laws to tackle offenders and to stop earlier this scourge across our State, which is often the starting point for people who engage in lifelong criminal activity, and to provide a suitable deterrent. In the coming week the Penrith City Council will have its annual graffiti clean-up day and acknowledge the great work that many organisations do in Penrith to tackle this scourge.

One of the things that is happening that I know will be welcomed by many members in this place is the development of the Integrated Transport Authority. The NSW Business Chamber called for a transport tsar

because we need someone to oversee the full picture—the whole government transport process—and enable those involved in roads and transport to talk to each other. Commuters are frustrated on a daily basis when their buses do not get to the station before their train leaves. We also have not developed a complete road network. The transport tsar needs to link with Infrastructure NSW to enable us to deliver the type of infrastructure that is required across the State. If we can finish our time in this Chamber having been members of Parliament in a transport-orientated government we will be extremely happy.

The Governor spoke about returning trust, honesty and accountability to the process of government. These words—trust, honesty and accountability in government—are thrown around a fair bit in this place and in the media. I say to everyone in the Chamber that the Governor touched on a critical point in her Speech. Day after day throughout the campaign in Penrith I heard this recurring theme that people had just lost faith in the Government. They did not believe a word that came out of the Government's mouth and there was little or no trust that whatever was said to them would ever be developed or delivered. This Government is taking action to return trust and accountability to government in New South Wales. We are doing that by eliminating the use of taxpayers' money to fund political advertising. We have introduced measures to restrict the role that lobbyists play and we will undertake further campaign finance reform so that we get to operate on something that resembles a level playing field.

The Governor also spoke about addressing the cost of living. In the past few days we have dealt with legislation such as the Torrens assurance levy bill and the empty-nesters bill, which will provide more money to residents. We have already got the electricity rebate up and running providing low-income households with up to \$235 and families on family tax benefits A and B with a rebate of up to \$150. These are real savings—real money going into the pockets of families that are doing it tough at the moment. Another thing we can do is continue to shore up this State's economy. There is no better welfare than a job: that is the best form of welfare. If we can continue to shore up the economy we will continue to attract investment to New South Wales. I hope that investment stretches to western Sydney. The members for Parramatta and Mulgoa are in the Chamber and I know they will definitely ensure that western Sydney has an extremely strong voice in this Government, because it is clear it was non-existent in the previous Government.

The Governor moved on from the cost of living to talk about changes to the planning system. The Planning Act might well have been government innovation at its best when it was introduced, but unfortunately it has been amended to the point where it is broken. We saw that with the part 3A amendments that led to a planning system which did not work for anyone and which took local communities too far away from the decision-making process. We are removing part 3A from the Act and replacing its provisions with a more efficient planning model.

We will take steps to protect the environment—and it will not be just talk from this Government. We have already held the Solar Summit to start correcting the bungle relating to the solar scheme. I took great pleasure in being with the member for Londonderry at the announcement of a nature reserve in the Air Services Australia site at Cranebrook and I look forward to that being formalised over the course of this Government. At the core of the rebuilding the New South Wales economy package is creating 100,000 additional jobs. We will continue existing growth but go out of our way to set higher targets. Creating 100,000 jobs provides a carrot for investment in this State.

I am extremely pleased to hear that this Government is going to take events and tourism seriously. The creation of a world-class convention centre is at the top of the Government's list, and I can see flow-on effects from that. As the convention centre in Sydney starts to take on some of the larger conventions that have been going to Melbourne and Brisbane, and as Sydney begins to play as a global city in the tourism market, areas such as Penrith and Parramatta can start to participate in some of the mid-tier events. That will give those areas around Sydney and in regional New South Wales the opportunity to participate in the lucrative events and convention market.

We are also looking at maximising trade and investment opportunities with our Asia-Pacific partners. It is fantastic to see the member for Bathurst appointed as Parliamentary Secretary for that area. He will work closely with the Deputy Premier. As the member for Penrith I take great pride in representing an area of Sydney that is the gateway to regional New South Wales. The people of Penrith are always open to listening to proposals put forward by regional New South Wales, whether by way of providing health services at Nepean Hospital or looking at establishing a regional transport hub. Penrith is ready to play a role in the development of regional New South Wales and to be the gateway to Sydney.

Creating a small business commissioner will give small business, that driver of the economy and large-scale employer—multiple businesses employing small numbers of people—a representative at government level. Appointing a small business commissioner is a fantastic place to start that process. I will touch on some other matters taking place, in particular in the disabilities area. I applaud the Minister, who is at the table, for continuing the Stronger Together Program. I know that for people in Penrith with autism spectrum disorder their engagement in schools and their ability to access quality services will only be strengthened through the continuation of the Stronger Together Program. Having someone who understands the needs of this sector and the importance of supporting it has been acknowledged by this Government. I am so thankful that we have a strong Minister for this area.

**Mr CRAIG BAUMANN** (Port Stephens—Parliamentary Secretary) [12.46 p.m.]: It is a privilege to be able to contribute to the Address-in-Reply debate on the Speech of Her Excellency the Governor of New South Wales, Professor Marie Bashir. I thank Her Excellency for her Speech and her continued commitment to the people of New South Wales. I note Her Excellency's predilection for Port Stephens prawns and I would be more than happy to arrange for a tasting of Port Stephens Sydney rock oysters for the Governor as well. As the member for Port Stephens I can assure members there are no better crustaceans or molluscs available worldwide. It was one of the countless charms of the area that attracted me and my wife, Victoria, to the area to raise our family more than 25 years ago.

The area also attracted former Governor Rear Admiral Peter Sinclair and his wife, Shirley, in retirement. Rear Admiral Sinclair was Governor of New South Wales from 8 August 1990 to 1 March 1996. I was fortunate enough to be mayor of Port Stephens through Peter's term in office but it took a while to stop calling him "Your Excellency" when I bumped into Peter and Shirley doing the shopping in Raymond Terrace after he had retired. Peter and Shirley are very much part of the Hawks Nest-Tea Gardens community, and they are much loved and much respected. Peter was the last military Governor of New South Wales and the last Governor to reside in Government House. Governors now live in their own homes.

It seems like only yesterday that I proudly stood in this Chamber for the first time four years ago as the first Liberal member for Port Stephens. Watching from the gallery was my wife, Victoria, who for reasons largely unknown to me for such a beautiful and intelligent woman continues to be my greatest supporter. Our sons Angus, Stuart, and James, who are now aged 25, 23 and 19, also watched from the gallery, and four years later have become fine young men who are pursuing careers respectively in medicine, engineering and veterinary science. Four years ago, having finally won the seat following nail-biting recount after nail-biting recount by a mere 68 votes—which I advise the House represented a swing of 7.3 per cent—I was nicknamed "Landslide" by my Coalition colleagues. At the time I was a lone Liberal victor. My closest Liberal colleagues were the member for Terrigal, Chris Hartcher, and a school friend whom members may or may not know, Ray Stevens. Ray is a member of the Queensland Parliament and represents Mermaid Beach on the Gold Coast.

Now as a proud member of the Fifty-fifth Parliament of New South Wales and a Government member I am pleased to have shaken the mantle of having the State's most marginal seat with a swing of 12.4 per cent. I am pleased and proud to continue for the next four years to do what I am most passionate about—representing my community of Port Stephens. What also pleases me is that Macquarie Street is now brimming with Coalition Hunter representatives. For the first time I have Coalition colleagues in neighbouring electorates. I am no longer the lone Liberal voice from the Hunter in State Parliament.

I have Coalition colleagues who, like me, are passionate about the Hunter and who will represent their communities with professionalism and enthusiasm. But, unlike former Labor members, my new colleagues have strength of character and background that make them well suited to represent their community and to give their constituents a voice rather than being puppets of the party, or having obtained the role through familial ties or as a pat on the back for being a good comrade. Andrew Cornwell, who would rival television vet Dr Chris Brown in the popularity stakes, won the seat of Charlestown with a swing of 24.4 per cent.

**Mr Andrew Constance:** How much?

**Mr CRAIG BAUMANN:** He won with a swing of 24.4 per cent, and he will be a strong voice for his community. The affable new member is a graduate of my alma mater, the University of Sydney, where he held the record for being the longest resident of St Andrews College. Students usually leave the college after about three years. I think Andrew left recently! By winning the seat of Maitland, Robyn Parker seamlessly transitioned from the upper House to the lower House with a crushing defeat of a Minister who had 16 per cent majority. I congratulate the member for Maitland on being a member of the Premier's Cabinet with portfolios of

Environment and Heritage. I am confident she will serve admirably both the Maitland electorate and the State as a whole with her passion and ability. Through a quirk of Electoral Commission boundaries, the member for Maitland and I are fortunate to share responsibility for the town of Raymond Terrace: the boundary of the two electorates runs almost precisely through the middle. Over the next four years I look forward to continuing to work closely with Robyn.

What at one time was considered to be an almost unthinkable event—a Liberal member for Newcastle—has emerged, thanks to the indefatigable Tim Owen. For the first time in 100 years the Newcastle community has thrown off the shackles of the overwhelming expectation that it would do what it had always done and vote Labor. Tim Owen recorded a huge swing to take the seat for the Coalition, also from a Minister. Perhaps more than any other seat, Newcastle illustrated the strong desire for change that the people of the State so desperately craved—change that would result in rebuilding our economy, the return of quality services, the renovation of infrastructure, the restoration of accountability and the protection of our local environment and communities.

Having served for 30 years in the Royal Australian Air Force, Tim is one of those local members who may rightly be described as overqualified for the job. Tim was the first non-aircrew air commodore at the Royal Australian Air Force base at Williamstown and led the surveillance and response group following a stint as air adviser in London. Before retiring from the military Tim served as the Deputy Commander of the Australian Forces in the Middle East. For 16 years the New South Wales Labor Government ignored the Australian Defence Force while other States competed for a part of the defence procurement budget. I know Tim is telling his former defence colleagues that New South Wales once again is open for business. We hope to get our share of the defence budget in the future.

The member for Swansea, Garry Edwards, rounds out the formidable Hunter team, having achieved a swing of 11.9 per cent to become the newest member for Swansea. Garry and I already get on well. We share a background in local government—Garry is currently deputy mayor of Lake Macquarie—and a love of sailing. Garry is also involved in a project that is close to my heart: Sailability. We are sure to be a united force in that area during the next four years. The new, invigorated electoral representation in the Hunter is driven by a vision for change instigated by our Premier, Barry O'Farrell. Like no other previous generation, the community demanded change, and the Barry O'Farrell-Andrew Stoner Government will deliver change. That is not only a political election catch-cry or a slogan that is bandied around; it is also a genuine commitment to lift the State from the appalling position to which it sank thanks to Labor's legacy, which we will all have to bear for some time. Her Excellency the Governor stated:

Improving the performance of New South Wales is not only essential to the quality of life and opportunities of our own citizens. It can be said that New South Wales, by its size and capability should, as people expect, lift more than its own weight.

When New South Wales tests its own limits, the nation shares the benefits.

And so should the nation share the benefits of the Premier State. We welcome the chance to return New South Wales to being the No. 1 State. We welcome the chance to allow the nation to share the greatness that created the No. 1 State. We promised the people of Port Stephens that we would fix the problems that 16 long years of Labor bestowed on the electorate. Having been taken for granted for too long, particularly in the Hunter, we have been left with roads that are dangerous, a health system that is in a mess and schools that have been run down to ruin—all thanks to a disastrous and incompetent Labor Government.

For the past four years I have been working extremely hard to hold Labor to account for promises it made to the people of Port Stephens in the 2007 election campaign, such as those relating to the Nelson Bay ambulance station, the Raymond Terrace police station, which was first promised in the 1999 election when the late John Bartlett was the Labor candidate, and the HealthOne clinic in Raymond Terrace. While there are issues surrounding the site of the HealthOne clinic that must be resolved, I will be proud to be the local parliamentary member when the facilities are officially opened by the Government. The O'Farrell-Stoner Government will build the infrastructure that makes a difference both to our economy and to people's lives. That will include spending \$40 million to widen Nelson Bay Road between Bobs Farm and Anna Bay, spending \$20 million on upgrading the Raymond Terrace to Dungog Road and spending \$5 million to make Lemon Tree Passage Road safer.

The Government will return quality to services such as health, transport, education and community safety. The Government will begin the design and planning of a public high school in Medowie. We will review the Lower Hunter Regional Strategy, which is a Labor Government strategy that has strangled all development

in Port Stephens for the past seven years. The reintroduction of local health districts will help to restore confidence in local health systems. The previous Government's decision to create giant area health services was a disaster. Health services suffered as accountability and responsibility diminished. We will return patients to the centre of every decision made in the New South Wales health system for the betterment of the patient, not the bureaucrats. We will also provide 50 more beds and 25 more nurses to the local health service. We will spend \$13 million fast-tracking the rollout of flashing lights in school zones, which will include Raymond Terrace and Anna Bay public schools in my Port Stephens electorate.

The Government also will conduct an audit of local area commands to identify shortfalls in police numbers and to boost patrols. We will provide 80 additional teachers to the Hunter region to help to improve children's literacy and numeracy skills. We will protect local environments through working with communities and returning planning powers to the people. As well as scrapping part 3A of the Environmental Planning and Assessment Act, we will begin the process of drafting a new planning Act with wide community consultation. We will spend \$1.5 million on urgent dredging projects, which will include the eastern channel of the Myall River. We will address the aircraft noise issue in Port Stephens, which will include investigating changes to planning laws to protect home owners from losing the value of their homes.

Rebuilding the economy through lower taxes and supporting businesses to grow and to create jobs will be of great benefit to the people of my electorate. The incredible burden of the increase in the cost of living is keenly felt in my electorate. The 2006 census revealed the median weekly household income in Port Stephens was \$781 whereas the national median weekly household income was \$1,027. The people of Port Stephens have put their trust in me and the people of the State have put their trust in Barry O'Farrell to deliver the change we need. I know we will not let them down.

**Mr JONATHAN O'DEA** (Davidson) [12.59 p.m.]: I make a contribution to the debate on the Address-in-Reply to the Speech of Her Excellency the Governor, Marie Bashir, AC, CVO, on the occasion of the opening of the Fifty-fifth Parliament of New South Wales last Tuesday, 3 May. The Governor opened the new Parliament with a great spirit of optimism that I believe is shared by the people of New South Wales. They sensed, as did the Governor and certainly my colleagues on this side of the House, a spirit of opportunity for change and renewal in this State—which is obviously needed to return New South Wales to its rightful position as the premier State in Australia. While we can all be proud of some past achievements, we are equally cognisant of the responsibilities bestowed upon us in this next term of government, particularly on this side of the Chamber.

We need to address many areas for the benefit of the public of New South Wales. As the Governor recognised, this is essential not only for the quality of life that people experience, but also for the future opportunities that we provide to citizens of this State. New South Wales must look after its citizens and be aware of its responsibilities as part of a federation. By virtue of its dominant size and capability, this State should lift more than its own weight and contribute to a strong national economy. When New South Wales performs well, generally Australia as a nation performs well and we share the benefit.

Appropriately, the Governor recognised the Liberal-Nationals Government program that will be implemented during this parliamentary term. The people of New South Wales have high expectations for real change, which will be delivered in accordance with the clearly articulated Five Point Action Plan that was emphasised repeatedly in the lead-up to the election on 26 March. I would like to revisit that plan. The five points are to rebuild the New South Wales economy through lower taxes, cutting the cost of living, and business growth; importantly, to return quality services in areas such as health, transport, education and community safety; to renovate infrastructure to make a difference to our economy and to people's lives; to restore accountability to government by giving people a say on issues that affect their lives at a grassroots level; and to protect our local environment and return planning powers to the community.

Importantly, the Governor acknowledged the Government's 100 Day Action Plan, which will deliver key elements of the Five Point Action Plan. As I read the main points the Governor mentioned, I am incredibly heartened to see that already we have made substantial progress on the plan. I refer particularly to the establishment of Infrastructure NSW and the important appointment of its chairperson, Mr Nicholas Greiner, who will do an excellent job chairing that independent body, which combines public and private sector expertise, to remove the politics from infrastructure decision-making and to plan professionally for the future of this State's infrastructure. We have seen real progress in this area in a number of appointments related to that organisation.

Legislation has progressed through this House on the harmonisation of New South Wales occupational health and safety arrangements within a national framework. I spoke at some length on that legislation when it was introduced. I am delighted that again a big tick can be given to a fundamental and important part of the 100 Day Action Plan. Just today legislation relating to housing and the importance of encouraging investment in New South Wales was introduced in this place. Addressing the critical housing affordability issue with measures to ease housing stress and encourage whole-of-state development is crucial. Those measures include extending the empty-nester transfer stamp duty concession to those over 55 years of age, which was addressed this morning in legislation, and repealing the homebuyers tax, which was the subject of legislation yesterday, to which I was privileged to speak.

The Governor referred to several other areas, which, as we know, this Government is about to address. She covered a number of important issues. The rising cost of living for people across the country, and particularly the cost of electricity that is causing stress for so many, also resonate in all New South Wales electorates. It will be incredibly important to address that issue as part of the focus on renewable energy. I am delighted that my friend and colleague the member for Pittwater is in the Chamber. He will make an absolutely sterling contribution to addressing the challenges facing the energy sector in our State. I am delighted that another colleague from a neighbouring electorate, Mr Brad Hazzard, is heading the planning portfolio. That is another area in New South Wales that requires reform desperately.

The people of New South Wales became increasingly dissatisfied with the former Government and its removal of residents' ability to have a say in how their local areas were affected by growth and development. Nowhere is that more evident than in the Ku-ring-gai local government area. I am delighted, as are my constituents, that the Government has indicated already in its first Cabinet decision that part 3A will be repealed shortly. Despite being quite ill and under medical care at one stage, the planning Minister also removed with alacrity the Ku-ring-gai area planning panel. I thank him for moving so quickly on that important initiative. The new planning system will be welcomed as it progresses through the review process.

The Governor also emphasised the importance of protecting our environment. Certainly the quality of our children's opportunities is connected with the quality of our air, food, water and the natural environment. Like many members in this place, I am a parent. I have four young children and the environment is crucial to their future. I came to this place from a business background and I certainly recognise that the economy drives this State. While the Government can provide an environment conducive to economic growth, it cannot drive the economy and wealth like the private sector. A range of areas that the previous Government failed to address will receive better attention. Economic growth in regional New South Wales, valuing local government, improving services to citizens and community safety are important responsibilities of government that were recognised clearly by the Governor. She also mentioned our public sector. I look forward to contributing to debate on legislation the Premier has foreshadowed that will create the public service commission. That proposal will be crucial in restoring the perception and reality of proper accountability and integrity in our public sector.

Trust and high standards were other matters that the Governor rightly emphasised. For me, those are the most important of the areas that we need to address in government—restoring a sense of trust, as well as high standards, integrity and confidence in government, because those principles have taken such a battering over recent years in particular. The Governor concluded her Speech by extending good wishes to all. I reciprocate those good wishes and wish Her Excellency all the best for the future. I have not heard one person say a single adverse word about the Governor. One hears only absolutely positive remarks about and glowing praise of Her Excellency.

I will spend a few moments reflecting on Marie Roslyn Bashir, AC, CVO, who has been the Governor of New South Wales since 2001. I will also draw a few connections between the Governor and my electorate. As other members have mentioned, Marie Bashir was born in Narrandera, New South Wales, and graduated from the University of Sydney in 1956. She held various medical positions, with a particular emphasis on psychiatry. In 1993 Marie Bashir was appointed Clinical Director of Mental Health Services for the Central Sydney Area, a position she held until appointed Governor in March 2001. She was further appointed in June 2007 as Chancellor of the University of Sydney, where she had earlier been a teacher, lecturer and mentor to medical students. She trained as a doctor, specialising as a psychiatrist, and also worked extensively in community medicine, especially in Indigenous communities. In February 1957, it should be noted, Marie Bashir married Nicholas Shehadie, now Sir Nicholas Shehadie, AC, OBE, KStJ, a former Australian Rugby player and Lord Mayor of Sydney, among other substantial accomplishments. Together, they had three children, and now have six grandchildren. Obviously, Marie Bashir has been a great mother, as was acknowledged in being recognised as Mother of the Year in 1971. She is a very rounded individual.

It is interesting to look at the position of Governor today in this State—with its important constitutional and ceremonial roles and its deep involvement with community organisations and events. The Governor is patron of hundreds of community organisations and visits extensively and takes part in community activities of all kinds. Her Excellency widely supports the work of many organisations. Of course, on important State ceremonial and public occasions, such as the opening of Parliament, Anzac Day and State visits, the Governor rightly presides. The Governor of New South Wales derives powers from various sources and exercises various powers. But, essentially, the Governor's power is exercised on the advice of and through the Ministers responsible to the Parliament.

Professor Marie Bashir is the thirty-seventh Governor of New South Wales. Arthur Phillip was the first, appointed pursuant to an Act of the Imperial—British—Parliament in 1786. I spoke about his travels in my electorate during my inaugural speech in this place. I note that the twenty-fourth Governor was Sir Walter Davidson, after whom my electorate is named and about whom I have spoken previously. He was Governor from 1918 to 1923. In delivering the 2009 Australia Day address Governor Bashir gave a passionately favourable assessment of the term and legacy of the fifth Governor, Lachlan Macquarie, who was Governor from 1810 to 1821. [*Extension of time agreed to.*]

While Arthur Phillip was the first, Governor Macquarie was the fifth of the Governors of New South Wales. I mentioned Sir Walter Davidson, who was the twenty-fourth. I might leap forward to the thirtieth, Lieutenant-General John Northcott, who was appointed Governor in August 1946. He was in fact the first Australian-born Governor of New South Wales. For 90 years after the granting of responsible government in 1856 the Governors were not Australian born. Even Governor Northcott was not born in this State; he was born in Victoria. We had to wait until 1957 before the first New South Wales born Governor was appointed, Lieutenant-General, later Sir, Eric Woodward. He was appointed the thirty-first Governor. It is interesting to look at the list of Governors, because our first female Governor is in fact our own Professor Marie Bashir, who was appointed on 1 March 2001 and continues to this day—and hopefully will continue in the position for some time.

To reflect on some of the history, I was moved to look at our parliamentary website, which contains some of the history of the Governor that I have shared with members but also contains some of the history of Government House. It is interesting that the first residence of the Governor of New South Wales was a canvas and timber structure brought out by the First Fleet and Governor Phillip in 1788. Later that year a more permanent building was constructed on what is now the site of the Museum of Sydney, on the corner of Bridge and Phillip streets. I am pleased that Governor Phillip did not have to spend too much time in canvas and timber. As we well know, the present Government House is on Sydney Harbour, a beautiful venue with a garden area of about five hectares adjoining the Botanic Gardens and overlooking the Opera House to the north. It was designed in a romantic Gothic revival style, and was the Governor's residence from 1945 until 1996. It was the Governor's residence, office and reception space. The house is now managed by the Historic Houses Trust and is open to the public, although it remains the Governor's official reception space and is frequently used for vice-regal purposes.

There are a few connections with my electorate of Davidson that I want to mention in concluding this speech. I note that in October 2010 the Governor presented to my constituents Isabella Hawthorne and Melanie Lovell, both of Lindfield, awards from the St John's Ambulance Service in recognition of community members who use their first-aid skills in an emergency situation. It was great that the Governor was able to present those awards personally to my two constituents who have provided valuable community service. I note also that, along with her many professional medical association roles, Professor Marie Bashir was, at the time of her appointment as Governor, a member of many societies as diverse as Amnesty International—of which I also have been a member for some 25 years—the National Trust, the New South Wales Camellia Research Society and the Tandanya National Aboriginal Cultural Centre, as well as being a patron of the Sydney Symphony Orchestra and Opera Australia.

Given those cultural interests, it is not surprising that the Governor is also the vice-regal patron of Marian Street Theatre for Young People at Killara, which is over my way, and that she will be the special guest at the Sydney Savage Club lunch in this place in mid July. That club has a musical-opera focus and its secretary, Herb Smith, a constituent of mine, has asked me to be the parliamentary host for the lunch, as I have been in the past. I conclude my speech by once again thanking the Governor for her excellent Speech. I wish her all the best for the future and look forward as a member of the new Government to seeing her around New South Wales.

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

## CONSTITUTION AMENDMENT (PROROGATION OF PARLIAMENT) BILL 2011

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

*[The Deputy-Speaker (Mr Thomas George) left the chair at 1.20 p.m. The House resumed at 2.15 p.m.]*

### DEATH OF JOSEVA ROKOQO

**The SPEAKER:** It is with regret that I inform the House of the untimely passing of Joseph Rokoqo, formerly of the parliamentary catering department. Joseph commenced working for the Parliament on 1 August 1990 and served for 16 years, most notably in the capacity of Assistant Catering Manager. Joseph is survived by his wife, Mere, and his six children. He will be remembered fondly by many members and staff alike.

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

### BUSINESS OF THE HOUSE

#### Notices of Motions

**Private Members' Business Notices of Motions (for Bills) given.**

### QUESTION TIME PROCEDURE

**The SPEAKER:** As per the practice of the previous Speaker, Independent members and The Greens member will be allocated three questions per week between the four members.

### QUESTION TIME

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*[Question time commenced at 2.19 p.m.]*

### DELTA ELECTRICITY DIRECTORS

**Mr JOHN ROBERTSON:** My question is directed to the Premier. In light of the revelations published on page 4 of today's edition of the *Australian* that a number of directors offered to resign from the board of Delta Electricity, did the Premier deliberately mislead the House when he proclaimed on 5 May that "they are being removed today"?

**Mr BARRY O'FARRELL:** The answer is clear. Five directors—one was smart enough to resign the day before the election—were appointed by members opposite to help facilitate the dud deal of the century: Labor's sell-off of the State's electricity assets. That sell-off led to this place being closed and to the member for Heffron intimidating witnesses trying to get to an upper House committee because the Labor Government did not want the public to know what was going on in relation to that sale. I make absolutely no apologies for doing what I did last week, which was to remove directors who were party to that sort of activity. Frankly, whether public servant or private sector, directors have obligations that should be fulfilled. I do not know how anyone sits on a board from which we saw eight directors resign.

Resigning as a matter of principle probably never occurred during the 16 years that Labor was in office. It is not the natural instinct of a Labor-appointed director, any more than it is a natural instinct of Labor members to tell the truth in this place. The fact is that eight directors resigned in the face of a sale of the State's electricity assets, pushed by the former Treasurer and the former Premier. Did they stop? Did they pause? Did they reconsider? No! They filled those vacancies, got their quorums and pushed the sale through. We have appointed a special commission of inquiry to get to the bottom of the sale. The people of this State objected to the sale during the election campaign. Yet during the fifth question time of this Parliament, on the sixth sitting day, has Labor shown any sign of getting the message of that last election?

**Mr Thomas George:** No.

**Mr BARRY O'FARRELL:** Have Labor members asked a question about roads? Have they asked a question about trains, hospitals, jails, agriculture, water or schools? No. I know who has. The member for

Balmain has asked a question about a hospital, and the member for Lake Macquarie has asked a question about jails. It is no wonder that Labor loses seats to Independents when it will not concentrate on the message sent to it on 26 March. It should focus on the basics, be honest, open and accountable in government and ensure that it appoints people to positions on the basis of merit—not because they will do it a favour rather than the State in support of an electricity sale.

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

**Mr BARRY O'FARRELL:** I make no apologies for removing directors and I had no knowledge of any discussions that had taken place previously.

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

### CARBON TAX

**Mr ANDREW ROHAN:** My question is addressed to the Premier. What effect will Labor's carbon tax have on the New South Wales electricity industry and the State's finances.

**Mr BARRY O'FARRELL:** The Smithfield electorate has been represented by four members.

**The SPEAKER:** Order! The Leader of the Opposition will listen to the answer in silence. The Leader of the Opposition will come to order.

**Mr BARRY O'FARRELL:** First there was Janice Crosio; then a bloke you have probably never heard of called Carl Scully; and then there was the member the present member for Smithfield defeated, Ninos Khoshaba. There is no doubt that the 20.3 per cent swing that the new member for Smithfield received was explained in part by Labor turning its back on the interests of families and small business across this State. Whether it is soaring electricity prices or jobs, as the member for Smithfield and all members on this side of the House know, a carbon tax will have an impact on both. I am confused about the timing I have to say—

**Mr Michael Daley:** You won't answer the question anyway!

**Mr BARRY O'FARRELL:** Don't tempt me! We know that electricity is close to the hearts of those opposite. Indeed every time they get sick politically, every time they need help, unlike the rest of the population they do not call for a doctor—that would be last thing they would do. No, they call for an electrician. In 1986 when Neville Wran resigned where did they go? They went to the other House and looked for a bloke called Barrie Unsworth, who was an electrician. When the Barrie Unsworth experiment failed—there are echoes of this on the other side of the House at the present time—what did they do? They sought out another electrician in Laurie Brereton and they got him to build the monorail and other projects. But all that happened was that Unsworth slipped even further behind in the polls. What has Labor done after the last election? I am sure the member for Heffron wanted to go down in history, and she has. She was at the helm when Labor suffered its worst defeat, its worst vote in 100 years. But what did they do? Did they promote on merit?

[Interruption]

The loudest "no" came from the member for Maroubra. Did they allow people to stand for the position? No. Did they show any signs that they had learned from past mistakes? No. True to form they called in another electrician to run the *SS Minnow* over there, but apparently he is an electrician without much knowledge of the industry.

**Mr Andrew Fraser:** He is a blackout!

**Mr BARRY O'FARRELL:** That was the member for Coffs Harbour. Despite the public backlash about electricity prices during the election campaign—and this was not acknowledged by the member for Heffron until January—the former Leader of the Opposition, the member for Heffron, went through the election campaign supporting a carbon tax. That again highlighted Labor's incredible lack of judgement and arrogance, and confirmed for the public just how out of touch Labor had become after 16 years in office. Only those opposite could impose power price increases of 43 per cent over the past three years and then support an initiative, Federal Labor's carbon tax, that will push prices even higher for small businesses and families across the State.

But the pain does not end there. Information from Macquarie Generation and Delta Electricity details the impact of Labor's carbon tax on big electricity suppliers. Both companies expect significant impact on their operations without any compensation being provided. During the campaign Labor, led by the former Premier, opposed compensation to companies such as Macquarie Generation and Delta Electricity. Labor's carbon tax would cost Delta Electricity about \$740 million in lost value. The cost to Macquarie Generation would be up to \$2 billion. Now I am sure that the Commonwealth will argue about compensation and financial incentives to reduce those figures. But the fact is that whatever way it is looked at there is a massive loss of value for the electricity companies of this State and that will lead to lower dividends and lower tax revenues—revenue needed to build road and rail projects, hospitals, schools and other facilities that Labor has left to this Government, that it ignored over 16 years and that this side of politics is determined to get on with.

Taxpayers are suffering the double whammy because the introduction of a carbon tax will increase electricity prices and lead to job losses. At a time when families are already stretched in terms of cost of living and power bills, at a time when the State is trying to deal with a \$5.2 billion Labor black hole, we will be asked to put up with more. When I visited OneSteel during the election campaign—which is in the neighbouring electorate to Smithfield that is represented by Dumbledore's brother over there—it was made clear to me and to our new member for Smithfield the impact on jobs that a carbon tax would have because if a company is selling into this market or the overseas market it is competing with manufacturers who will not be subject to a carbon tax.

That is bad for business and that means that jobs will be lost, and if a person in a family does not have a job in a family, how on earth can families pay their power bill or other bills? And I tell you what: a set-top box is not going to pay a power bill; a set-top box is not going to pay a food bill; a set-top box is not going to pay for school fees or school uniforms. What we have is an Opposition Leader who, before the election campaign, supported a carbon tax but who, after the election campaign, will not support a carbon tax, telling Ben Fordham he needed more information. The Leader of the Opposition is an electrician; surely he knows something about these things.

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

#### **CASINO TO MURWILLUMBAH RAIL LINE**

**Ms LINDA BURNEY:** My question is directed to the Minister for Transport. Is the Minister aware that on 22 September last year the Hon. Catherine Cusack told the Legislative Council in reference to the Casino to Murwillumbah rail line, "We'd reopen the rail line"? Can the Minister advise the House when the rail line will be reopening?

**Ms GLADYS BEREJIKLIAN:** I firstly thank the member for her question, but I wonder why the Leader of the Opposition did not ask me the question. After all, we all know what Captain Solar was doing five or six weeks ago. He was the Minister for Transport! How dare anyone from the other side of the House ask us about any rail project, given the track record of Labor for 16 years. I thank the member for her question because she has allowed me to talk about the Opposition's track record on rail projects over the past 16 years. I am sure that members will be interested to hear just how many rail projects were promised by Labor in the last 16 years. There were 12 of them.

**The SPEAKER:** Order! The member for Kogarah will come to order. The member for Heffron will come to order. I warn the member not to behave today as she did yesterday.

**Ms Kristina Keneally:** Why not?

**The SPEAKER:** Order! The behaviour of the member for Heffron yesterday was unacceptable.

**Ms GLADYS BEREJIKLIAN:** I would like to remind the House of the rail lines they promised and the rail lines they axed, because everybody in New South Wales deserves to be reminded of their failure after 16 years in public transport.

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

**Ms GLADYS BEREJIKLIAN:** The first rail line they promised in 1998 was the Bondi to beach rail link. Did that ever happen? No. Then there was the high-speed rail link to Newcastle and Central Coast. Did that

happen? No. The Hurstville to Strathfield rail link promised in 1998; did that happen? No. What about the high-speed rail link from Sutherland to Wollongong? Did that happen? No. What about the Parramatta to Epping rail link that they promised? Did that happen? No. What about the north-west heavy rail link project? Did that happen? No. What about the south-west heavy rail link project? Did that happen? No. What about the CBD—

**Ms Linda Burney:** Point of order: My point of order relates to relevance. It would be very helpful if the Minister stopped trying to be a comedian and answered the question.

**The SPEAKER:** Order! There is no point of order. The Minister has the call.

**Ms GLADYS BEREJIKLIAN:** Thank you, Madam Speaker. I was rudely interrupted, but I will continue. I think I was up to No. 8, the CBD new harbour crossing. Did that happen? No. After they dumped the north-west heavy rail link they went back and promised the north-west metro. Did that happen? No. What about the Penrith fast rail? No. What about the CBD to Rozelle metro? No. A half a billion dollars was wasted on top of that. What about the west metro? No. I could go on, but I will not. In relation to the specific issue that the member raised, I remind her that Labor was in government for 16 years and it did nothing about northern New South Wales. As Mr Provest—who is 100 per cent for the Tweed—will tell you, and as others in the place will confirm, the members opposite did nothing for 16 long years.

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

**Mr Michael Daley:** Point of order: Madam Speaker, if you are going to call the Leader of the Opposition to order and allow interjections on the other side of the House en masse—

**The SPEAKER:** Order! There is no point of order.

**Mr Michael Daley:** The point of order—

**The SPEAKER:** Order! The member for Maroubra will resume his seat. He will refrain from canvassing my rulings. There is no point of order. The Minister has the call.

**Ms GLADYS BEREJIKLIAN:** I can understand why they do not want me to talk about public transport. I invite members of the Opposition to keep the interjections coming. Not only did they not deliver these rail lines, they also wasted half a billion dollars on a rail line that never happened—the CBD to Rozelle metro. They received money from the Federal Government to conduct a feasibility study for the promised west metro, but they gave it back.

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

**Ms GLADYS BEREJIKLIAN:** The New South Wales Liberals and Nationals are committed to rail services in the north-east corner of New South Wales.

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

**Ms GLADYS BEREJIKLIAN:** We made that commitment before the election and we restate it now, and I will be very pleased to give this House updates in that regard at a future date.

### CARBON TAX

**Mrs LESLIE WILLIAMS:** My question is addressed to the Deputy Premier. What impact will Labor's carbon tax have on regional New South Wales and the State's trade sector?

**Mr ANDREW STONER:** I thank the member for Port Macquarie for a very good question. The people of New South Wales know that Federal Labor's carbon tax will be an unmitigated disaster on the New South Wales economy, on jobs, on business and on New South Wales families, particularly in regional New South Wales. Very recently, Newspoll published a poll which showed that 60 per cent of voters are opposed to this carbon tax—so the people of New South Wales know that this thing is a stinker. Even those opposite know that it is a stinker, or they should know it.

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

**Mr ANDREW STONER:** When Labor was in government it commissioned a report called *The NSW Economy in 2020: A Foresighting Study*. The result was not a pretty picture at all. It showed that imports and exports in New South Wales, and indeed in Australia, would reduce as a result of a carbon tax. It showed that gross state product would fall by some \$10.4 billion if a carbon tax were implemented. It also predicted that at least 47,000 jobs would disappear from New South Wales if such a tax were implemented. The families of New South Wales do not want this carbon tax—60 per cent are opposed to it—because they know it means increases in the cost of fuel, in the cost of groceries and in their power bills, as the Premier just explained.

Despite steady leaks in relation to tonight's Federal budget—in fact it could be said that a bit of a torrent is flowing out of Canberra at the moment—we have not heard anything at all to give us some certainty about the details of what Federal Labor proposes on this carbon tax. This uncertainty is a further restraint on the New South Wales economy and it is a concern for New South Wales families. For that reason it is imperative that tonight the Federal Treasurer, Mr Swan, outline exactly what the Federal Government proposes to remove the uncertainty that is holding back industry and investment and jobs in this State. I move to other matters taking place in Canberra. A former member of this place has been one of the chief proponents of a carbon tax. I refer to none other than Robert Oakeshott, the Federal member for Lyne. Who could forget him? There he was, standing next to Julia Gillard—

**Mr Barry O'Farrell:** He looks like Alfred Deakin.

**Mr ANDREW STONER:** It is not Alfred Deakin. He had his Grizzly Adams beard on hoping we could not recognise him, but there he is, standing next to Julie Gillard expounding a carbon tax. To add to the concern, another of the losers from the election on 26 March has actually found himself a nice, cushy, taxpayers job in Mr Oakeshott's office. I speak of the former member for Port Macquarie, Peter Besseling. Steve Whan parachuted into a taxpayer-funded job in Canberra and now Peter Besseling has also parachuted into Canberra. Of course, in regional New South Wales, where the majority of the transport and mining industries operate and where many manufacturers operate, this is a major concern. One should have thought that the former Premier—old No. 42 over there, the member for Heffron—would have stood up for New South Wales businesses and jobs and for regional New South Wales when Julia Gillard first proposed this tax. But no, she immediately rolled over.

Then when Captain Solar was asked about it he said, "I am too busy to worry about this carbon tax thing." The people of New South Wales deserve better. They deserve better from Federal Labor by way of explanation about the details of the carbon tax and they deserve better from the New South Wales Government in standing up for regional businesses, whether in mining, manufacturing and transport, and the workers in those industries, as well as the families of New South Wales, who face higher costs of living as a result of the carbon tax. The good news is that the Liberal and Nationals Government will stand up for the families, for the workers and for the industries and businesses of New South Wales by continuing to oppose this catastrophic carbon tax.

#### **DELTA ELECTRICITY DIRECTORS**

**Mr JOHN ROBERTSON:** My question is directed to the Premier. In light of his answer to my first question that he was unaware of the offers to resign to Mr Dermody and Mr Yeadon, is his answer correct or is the report in today's *Australian* correct? Has the Premier misled the House again?

**Mr BARRY O'FARRELL:** Not at all.

[Interruption]

If I were the member for Kogarah I would not be talking about the truth, particularly if there was a policeman anywhere within spitting distance.

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

**Mr BARRY O'FARRELL:** The Treasurer's office has advised that his chief of staff did speak to Mr Dermody by telephone prior to the Easter break. I am advised that during the conversation Mr Dermody said that given the circumstance of his appointment at Delta he would consider resigning if asked to by the Government. I am advised that during the conversation Mr Dermody also said he would willingly remain in

place and asked if the Government would consider paying him if he wanted to remain. I am advised that at no stage did the Treasurer's chief of staff speak to Mr Yeadon. I am advised that during his conversation with the Treasurer's chief of staff—

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

**Mr BARRY O'FARRELL:** —Mr Dermody said he thought Mr Yeadon would also consider resigning but would like to be paid if his appointment was to be continued. It was a very clear conversation. I stand by my comments last week. But I have to say that this all pales into insignificance. It is fascinating that after only six days of the Parliament the leadership infighting has already started over there. A document has fallen into our hands: a document that predicted that a question would be asked of the member for Willoughby, the Minister for Transport, about the Casino to Murwillumbah line.

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

**Mr BARRY O'FARRELL:** It is a document that lets us know what is going to happen in the next two days. It would be fascinating to know who from Labor's strategy committee would have leaked that document. Would it have been the member for Maroubra, the leader in waiting? Would it have been old No. 41 over there, the member for Toongabbie, on his comeback trail? Or is it the reason that the member for Heffron was so perky yesterday, because she had laid the trap for her Leader of the Opposition.

**Mr Michael Daley:** Point of order—

**The SPEAKER:** Order! Government members will come to order.

**Mr Michael Daley:** It is a very simple point and it relates to Standing Order 129, on relevance. The question was not about anything the Premier is canvassing. Standing orders require that answers be relevant.

**The SPEAKER:** Order! The member for Maroubra is correct. I am sure the Premier is about to answer the question.

**Mr BARRY O'FARRELL:** The question was about electricity, Madam Speaker, and you should have seen the shock run through the Opposition backbench. The one certainty in all this is that they no longer have John Della Bosca or Frank Sartor to blame for leaks. So sitting in their ranks is someone who is already starting to have fun with the pro tem Leader of the Opposition, who knows he is not up to it.

**Mr Nathan Rees:** Another fairytale.

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

**Mr BARRY O'FARRELL:** Did I hear "another fairytale"? That is from the man who spent taxpayer dollars looking for a mythical black cat in the Blue Mountains. What an extraordinary interjection. It clearly was not him. It clearly was not the member for Maroubra, given he got up and took a none-too-subtle point of order to try to get the camera on him. My guess is No. 42, who is back in the white jacket, looking perky, and who is even smiling. We could have another leadership contest in the making.

**Mr Michael Daley:** Point of order—

**The SPEAKER:** Order! The Premier has concluded his answer.

### COOGEE BAY HOTEL DEVELOPMENT

**Mr BRUCE NOTLEY-SMITH:** My question is directed to the Minister for Planning and Infrastructure. Would the Minister update the House on the progress of the part 3A application for the redevelopment of the Coogee Bay Hotel?

**Mr BRAD HAZZARD:** I thank the member for Coogee. What a great member of Parliament—he received a 15 per cent swing in Coogee. Do members know why we have the member for Coogee with us now on this side of the House? It is about trust. The member for Coogee, of course, had 10 years on Randwick

council and people got to know him and they trust him. Unfortunately that was not a quality that we found in Labor members in the last Government. If one starts heading north from Coogee on a nice holiday to the North Coast—

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

**Mr BRAD HAZZARD:** The member is an exception to the rule. Heading south is pretty good, too.

**The SPEAKER:** It certainly is.

**Mr BRAD HAZZARD:** I suppose we could talk about the swing of the member for Maroubra, but that was not the best. It is interesting that Coogee is just the start of the good news as one heads north. What a lovely part of New South Wales it is. We have Liberal and Nationals electorates all the way north to the Tweed. I might just take a moment to let members know what seats are. We have Coogee; Vacluse; and then whip across the harbour and take a ferry to Manly; Wakehurst; Pittwater; Gosford; Terrigal; The Entrance; Wyong. Have we got to a Labor seat yet? Some of them were Labor seats, were they not, until people realised that Labor could not be trusted. I shall continue: Swansea; Charlestown—what a great area that is—a Liberal area; Newcastle; Port Stephens—where is "landslide"?; Myall Lakes; and Port Macquarie. Where is our lovely Leslie Williams? What a great campaign she ran. Well done, Leslie Williams. It was a message for the Independents. I continue: Oxley; Coffs Harbour; Clarence; Ballina; Tweed.

**Mr Michael Daley:** Point of order: I rise on behalf of the member for Coogee—

**The SPEAKER:** Order! What is the member's point of order?

**Mr Michael Daley:** One or two minutes have elapsed and not a mention of the Coogee Bay Hotel, not a mention.

**The SPEAKER:** Order! As I said yesterday, I cannot direct a Minister to answer a question in a specific way. I am sure that the Minister will get to his answer, for which he is providing a context. The member for Maroubra will resume his seat.

**Mr BRAD HAZZARD:** The member will start to wish he had not heard about the Coogee Bay Hotel in a second.

**The SPEAKER:** Order! The member for Maroubra will remain silent.

**Mr BRAD HAZZARD:** Since the member has taken us back to the Coogee Bay Hotel and the question of trust—

**Ms Kristina Keneally:** Have you ever been there?

**Mr BRAD HAZZARD:** Yes, I have actually. I have been there quite a few times. The member for Heffron should have gone down there and listened to the community. Had she listened to the community and made sure that her Government was responding, she would not be sitting over there on the Opposition side of the House tweeting away and carrying on with little messages. That is as important as it gets these days: sitting and tweeting. The Coogee Bay Hotel matter is about trust. I can tell the House today that despite the community's concern about the development proposed at Coogee Bay Hotel and despite the Government indicating nothing to the public about that hotel being taken in under the infamous part 3A provision—

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

**Mr BRAD HAZZARD:** :—on 10 December last year, some months after I had visited the site along with the new member for Coogee to express the community's concern, and some months after there had been much expression of concern in the local press, the former Government showed it could not be trusted. It has only become obvious now what members opposite did. Without telling the public and without telling anybody in Coogee, they went to the election having taken the Coogee Bay Hotel application in under part 3A.

**Mr Barry O'Farrell:** Shame!

**Mr BRAD HAZZARD:** It is a shame. And do you think they told anybody? Absolutely not. They went to the election not letting anybody know, despite the concerns in the local community that the application had been taken in under part 3A. Did they tell them in January? No! Did they tell them in February?

**Government members:** No.

**Mr BRAD HAZZARD:** Did they tell them in March?

**Government members:** No.

**Mr BRAD HAZZARD:** Labor went right through the election effectively lying to the Coogee community. But we all know the Coogee community saw through that, which is why we have a very fine member for Coogee who will ensure that trust and truth are the hallmarks of his representation of his electorate and representation of the people of New South Wales by the Government.

### HOSPITAL BED OCCUPANCY

**Dr ANDREW McDONALD:** In directing my question to the Minister for Health I refer to her election commitment to implement an 85 per cent bed occupancy rate in the public health system. Will that rate be based on an individual hospital, an area health service, or statewide? How will the target be achieved, and in what time frame?

**Mrs JILLIAN SKINNER:** The Opposition has asked more than 50 questions but this is the first one I have been asked. That shows the importance that Labor places on health. Shame, shame, shame! Of 30 Labor members of Parliament, three are former ministers for Health and one is a former Parliamentary Secretary Assisting the Minister for Health, yet Labor ignores health. Shame, shame, shame! One of the great problems with Labor members is that they are not really interested in health. More than 15 questions have been asked but not one of them related to health. Shame on them! Nobody in Labor wanted to be the Minister for Health. Who were they? Andrew Refshauge, Craig Knowles and Morris Iemma.

**Mr John Robertson:** This is yesterday's answer.

**Mrs JILLIAN SKINNER:** Yes. I repeat it to remind the Leader of the Opposition of how many Ministers for Health Labor went through. None of the Labor members really wanted to be the Minister for Health.

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

**Mrs JILLIAN SKINNER:** The list continues: John Hatzistergos, Reba Meagher, John Della Bosca, John Hatzistergos and Carmel Tebbutt.

**The SPEAKER:** Order! I call the Leader of the Opposition to order for the second time.

**Mrs JILLIAN SKINNER:** Who was the Parliamentary Secretary Assisting the Minister for Health in the most recent Labor Government? It was the shadow Minister for Health. He signed nearly all the letters from the former Labor Minister, so he must have been across health issues. When he had an opportunity to deliver for the people of New South Wales, he failed. As the shadow Minister for Health, why has he not asked questions relating to the Health portfolio earlier? Is it because his colleagues will not listen? Is it because his colleagues do not care? Let me revisit what the former Parliamentary Secretary Assisting the Minister for Health complained about when he came to the Coalition in July 2006. He said that the Labor Party was refusing to address the issues that were being encountered in health at that stage.

**Dr Andrew McDonald:** Point of order: My point of order relates to Standing Order 129. The question related to the 85 per cent occupancy rate. Two and a half minutes have elapsed but the Minister has not even mentioned that. The answer should address how the Government will do it and when the Government will do it.

**The SPEAKER:** Order! My ruling is the same as the one I have given to other members who have taken a similar point of order: I have no jurisdiction to direct a Minister how to answer a question. I am sure the Minister is about to answer the question.

**Mrs JILLIAN SKINNER:** Let me examine Labor's track record. When Labor was in office, 1,500 beds were closed, yet the shadow Minister for Health has the nerve to ask about the current Government's target of an 85 per cent occupancy rate for adult overnight acute beds. Labor closed hospital beds and got rid of nurse positions. I know the member for Penrith is well aware that 340 nurse jobs disappeared. In the Northern Sydney Central Coast Area Health Service, 100 nurse jobs disappeared. Hospital beds cannot be opened if nurses are missing from the wards.

**The SPEAKER:** Order! I call the Leader of the Opposition to order for the third time.

**Mrs JILLIAN SKINNER:** Labor promised a hospital in Tamworth. Did they deliver? No! Labor promised hospitals in Bega. Did they deliver? No! They promised a hospital in Dubbo. Have they delivered? No! In Parkes?

**Government members:** No!

**Mrs JILLIAN SKINNER:** In Forbes?

**Government members:** No!

**Mrs JILLIAN SKINNER:** In Wagga Wagga?

**Government members:** No!

**Mrs JILLIAN SKINNER:** On the northern beaches?

**Government members:** No!

**Ms Cherie Burton:** Point of order: My point of order relates to relevance.

**The SPEAKER:** Order! The House will come to order. I cannot hear the member for Kogarah.

**Ms Cherie Burton:** My point of order is relevance. I accept that you cannot direct the Minister how to answer the question. However, the Minister has wasted nearly five minutes raving on without answering the question.

**The SPEAKER:** Order! What is the member's point of order?

**Ms Cherie Burton:** I am asking her to get back to the answer. She obviously does not take health very seriously.

**The SPEAKER:** Order! The member for Kogarah will resume her seat. She will not debate the question. The question has been asked and the Minister is answering the question. The Minister has the call.

**Mrs JILLIAN SKINNER:** The point of highlighting all those ministers for Health is that I was the shadow Minister for Health for 16 years, which shows my commitment.

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

**Mrs JILLIAN SKINNER:** We will open more beds. We have promised thousands of beds and we will set our target at 85 per cent occupancy rate for overnight beds as of now.

## SOCIAL HOUSING

**Mr JAI ROWELL:** My question is directed to the Minister for Family and Community Services. What are the Government's plans for social housing in New South Wales?

**Ms PRU GOWARD:** I congratulate the member for Wollondilly on both his magnificent victory and on achieving an 18 per cent swing. It is no surprise that social housing tenants throughout New South Wales feel neglected after 16 years of Labor. Just ask many of my new colleagues who, after 16 years of Labor, are being inundated with complaints. Let us not forget that under Labor the Housing portfolio had six Ministers in six

years. They were Ministers who were more interested in backstabbing Labor Premiers or lap dancing in their offices than in social housing. And what a list of luminaries! Carl Scully, Joe Tripodi, Cherie Burton, Matt Brown, David Borger and the last, but not lamented, Frank Terenzini were too busy managing scandals, political assassinations and their own perks of office to manage public housing for the benefit of the people of New South Wales. Public tenants in this State ranked a long way behind. Those Ministers left the public and the current Government with a backlog of housing maintenance estimated to cost \$300 million. It is no wonder the electorate kicked them out big time!

The Opposition might be dabbling in *MasterChef*, as the Treasurer said, but the Government has its own new show in Housing called "Backbench Blitz". The Coalition's magnificent candidates blitzed the 26 March election and now we will make over New South Wales. Labor members took people for granted. They thought disadvantaged people would always vote Labor and did not need to be looked after. They were not party donors, so they went to the bottom of Labor's queue. A good example of frustrations felt by a Housing NSW resident comes from a housing tenant who resides in the electorate of our friend of yesterday, the member for Keira. I have a letter from the member for Keira relating to a request to Housing NSW for a repair.

During the election, the then Labor candidate for Keira wrote to the Minister for Housing seeking a repair to a Woonona man's Housing NSW property. On 14 March 2011—12 days prior to polling day, when Labor was running scared—candidate Ryan Park wrote to Housing NSW to request that repair. But when did the resident first report the need for repair—surely not a week before, or a month before, and surely not more than two months before? The repair was first sought by the gentleman in March 2009, which was two years before the member for Keira finally wrote, and only then because he thought he would lose the seat. It took years for Labor to redress its own neglect by a request made just 12 days out from Judgement Day. It is no wonder the once safe Labor electorate of Keira showed a swing of 18.2 per cent against the Labor Party.

In contrast to Labor's neglect, I am happy to inform the House that under this Government repair work has finally commenced and will be finished this week. Two years of neglect and the member for Keira wrote to the constituent 12 days before polling day. In contrast with Labor, this Government will improve services in housing. Housing NSW tenants often interact with a number of government agencies and often face a number of challenges. Services provided under Labor to these families were disconnected and disjointed. That is why the O'Farrell-Stoner Government wants to integrate delivery of housing and community services so that Housing NSW, community services, disability services and other partners work together and not against each other. Turning around 16 years of Labor neglect will not happen overnight—just ask the housing tenant from Keira. This is big reform that is a step closer to ensuring that families in crises do not fall through the cracks. I thank the member for Keira for again highlighting Labor's failure and this Government's plans to make New South Wales number one again in housing and family services.

### REGIONAL COURT SERVICES

**Mr RICHARD TORBAY:** My question is directed to the Attorney General, and Minister for Justice. Will the Minister assure the House that there are no plans to reduce or close court services in country areas of the State in communities like Walcha, Tenterfield or Warialda?

**Mr GREG SMITH:** I thank the member for his question and his letter of 20 April. This Government has no plans to close any courthouse. We are strongly committed to providing services and programs that support access to justice for the people of New South Wales, something the group opposite failed to do. We will review the adequacy of funding for access to justice encompassing legal aid, court services and staffing. The threshold question is: Are these services satisfactorily resourced in rural and regional areas of New South Wales? Far from running down services—the member's letter to me states that services have been downgraded in recent years, to which I will return—we are improving services. For example, \$1.2 million is being spent on an upgrade of remote witness facilities. I am advised that a review is being completed into the facilities at Tenterfield, with a view to their possible upgrade. In Armidale, in the heart of the member's electorate, we are building a new and larger courthouse. It is part of a \$56 million justice complex that is due for completion by 2013. I look forward to inviting the member to the opening.

When I was the shadow Minister I visited some country areas and inspected courts. It was a freezing cold day when I visited Bathurst court. The beautiful heritage building has some modern features, but it does not have adequate rooms for witnesses, lawyers or the public. I was impressed by some rooms, which I thought were typical of the Labor Government—whether it was Iemma, Rees, Keneally or one of their earnest

predecessors I do not know—in its attempt to cut recidivism. How did they do that? By freezing people in the cells. In one cell a man was lying shivering under a very thin blanket. I asked, "Don't you have any heaters here?" The reply was, "Yes we have heaters." I said, "Why don't you turn them on?" The reply was, "They don't work." I asked, "Why don't they work?" The answer was, "They've never worked."

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

**Mr GREG SMITH:** I saw a light bulb that was not working. I asked, "Why don't you get that light bulb fixed?" The response was, "Yes, but we have to send to Sydney to get an electrician to fix the light bulb." That was the standard of justice in this court. It will not be our standard. We will give real justice.

### VOLUNTEERING

**Mr STUART AYRES:** My question is addressed to the Minister for Citizenship and Communities, and Minister for Aboriginal Affairs. What are the Government's plans for volunteering in this State?

**Ms Linda Burney:** We can't wait for this one.

**Mr VICTOR DOMINELLO:** I am sure you have been waiting for a while.

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

**Mr VICTOR DOMINELLO:** I thank the member for his question and I applaud the private member's statement he gave last week about the outstanding volunteers in his electorate. I congratulate the member for Keira on being one of the driving factors as to why he is now rump and why we represent the overwhelming majority. It is good that local members, such as the member for Penrith, recognise and encourage volunteering in their communities and the benefits it provides. National Volunteer Week, which runs from 9 May to 15 May, is an important annual event. It is particularly significant this year as it is the tenth anniversary of the United Nations International Year of the Volunteer, aptly named IYV+10. In this special week I join with hundreds of organisations around New South Wales in thanking volunteers and acknowledging their extensive contribution to our State's strength and vitality.

On Monday I had the opportunity to launch National Volunteer Week in New South Wales. I acknowledge the hard work and enthusiasm of the organisers from the Centre for Volunteering, including their chair, Joy Woodhouse, and their Chief Executive Officer, Lynne Dalton. A key component of National Volunteer Week is the launch of the New South Wales Volunteer of the Year Awards, which showcases the contributions of community members. Last week I announced an enhanced grant of \$27,000 for this year's awards, including an additional amount of \$12,000 to support IYV+10's Award for Volunteer Management, which highlights the sometimes under acknowledged but vitally important aspects of the volunteer framework. Volunteering is vital: each year, more than 1.7 million volunteers contribute more than 230 million hours of voluntary work in New South Wales. Volunteering is estimated to be worth \$2.4 billion to our New South Wales economy annually. Volunteering also directly contributes to the health and strength of our communities—

**The SPEAKER:** Order! Members will listen to the Minister's answer in silence.

**Mr VICTOR DOMINELLO:** —particularly in regional New South Wales as well as to the volunteers by reducing social isolation and raising self-esteem. Based on that analysis, those opposite should do more volunteering. Volunteering provides an important opportunity for people to develop new skills and strengthen existing skills, which can help career prospects. The contribution and value of volunteering in New South Wales is truly inspiring. Therefore, it is appropriate that this year's theme for National Volunteer Week is "Inspiring the volunteer in You." As the Minister responsible for volunteering in the O'Farrell Government I will use this special year to highlight the efforts of volunteers and to engage with front-line services, front-line managers and coordinators at every opportunity.

As a new Minister in a new Government, I propose to inject a new energy into this vitally important area. I want to hear firsthand from organisations that rely on volunteers to support their activities and deliver essential services. Therefore, in the coming months I will hold a roundtable that will include some additional aspects and voices in discussion. For example, it is important to understand how we better recognise and harness

volunteering from our growing multicultural communities, our young people and our corporate communities. I will examine the connection between volunteering and employment opportunities for disadvantaged people, including Aboriginal people.

This Government is eager to work hand in hand with community organisations to support the growth and development of volunteering in New South Wales. This is based on the O'Farrell Government's determined view that often non-government organisations have many approaches and answers on which the health of our civil society relies. This Government has committed to increasing funding for community transport, a vital service that assists older people, those in isolated communities and people with a disability; and to providing annual recurrent funding to Lifeline, which will assist in attracting and retaining volunteers to provide suicide prevention counselling services for people in need.

It is a pleasure and honour to have responsibility for the volunteering portfolio, mostly because of the opportunity to meet and work with the people who are the backbone of our community—our volunteers. I am confident that, by working collaboratively, great outcomes can be achieved and that volunteering will flourish and further strengthen our communities and our State.

**Questions time concluded at 3.10 p.m.**

### **DISTINGUISHED VISITORS**

**The SPEAKER:** I warmly welcome to the gallery the former member for Lachlan, the Hon. Ian Armstrong. It is lovely to see you.

### **VARIATIONS OF THE RECEIPTS AND PAYMENTS ESTIMATES AND APPROPRIATIONS FOR 2009-2010**

**Mr Baird** tabled, pursuant to section 24 of the Public Finance and Audit Act 1983, variations of the payments estimates and appropriations for 2010-11, flowing from the transfer of functions between the Land and Property Management Authority and the Department of Industry and Investment.

**Mr Baird** tabled, pursuant to section 26 of the Public Finance and Audit Act 1983, variation of the receipts and payments estimates and appropriations for 2010-11 arising from the provision by the Commonwealth of Specific Purpose Payments in excess of the amounts included in the State's receipts and payments estimates—Department of Environment, Climate Change and Water.

### **PETITIONS**

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

#### **Wagga Wagga Base Hospital**

Petition requesting funding for and the commencement of construction of a new Wagga Wagga Base Hospital within four years, received from **Mr Daryl Maguire**.

#### **Wagga Wagga Base Hospital**

Petition requesting funding for and nomination of a start date of construction of a new Wagga Wagga Base Hospital in the current parliamentary term, received from **Mr Daryl Maguire**.

#### **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**.

#### **Glenbrook Traffic Arrangements**

Petition requesting that traffic lights be installed at the intersection of Ross Street and the Great Western Highway, Glenbrook, received from **Mr Stuart Ayers**.

### **Pet Shops**

Petition opposing the sale of animals in pet shops, 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**.

## **CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY**

### **Carbon Tax**

**Mr STEVE CANSDELL** (Clarence) [3.11 p.m.]: My motion must be accorded priority because the proposed Federal Labor Government carbon tax will increase the costs of living and cost jobs. It is a matter of priority because this tax will be imposed on hardworking families. It will increase electricity prices by more than \$500 per annum, and result in higher prices for fuel and groceries as well as most consumables. The tax will also be imposed on small business and jobs. Transport costs will increase, as will the cost of manufactured goods. It will be a tax on our mining industry, and again that means loss of jobs. Possibly 47,000 New South Wales jobs will be at risk if the Federal Government's carbon tax is introduced. It will give an unfair advantage to overseas competitors, and will seriously disadvantage Australia's export industries.

The Federal Labor Government's carbon tax is in isolation of all other agriculture and mining competitors. It will be a major tax on our farmers. My electorate has a large agricultural industry, with forestry and fishing, cane and soya beans, and cattle. The tax will have a massive impact on those enterprises, with fuel prices and seed prices as well as labour costs going through the roof. This is a double whammy, because not only will jobs be lost but the industries will not have the money to pay workers. That is of major concern for country New South Wales, as it is for the cities of the State.

This motion should be accorded priority because tonight the Federal Labor Government will deliver its budget, and the proposed carbon tax will have a major impact on any outcome of the budget and the nation's economy. It is important that we find out where the Leader of the Opposition stands on this carbon tax. Premier No. 42, Kristina Keneally, clearly supported the tax. We are yet to find out where the Leader of the Opposition stands. I do not think he knows where he stands right now. He should stand up to his Federal colleagues and support working families. "Working families" was an old Labor Party cliché. Well, this tax will impact adversely the working families of this State.

It is clear that the impact of this tax will be felt more by cities with industries, forcing some of the industries to close down, putting people's mortgages at risk and resulting in them having trouble paying their rent. It is very important that we put a stop to this proposal for a carbon tax, that we send a clear message to the Federal Labor Government. It would be nice to send a unanimous message. The member for Heffron has nothing to lose now that she has lost her spot at the top and lost government. I think the election on 26 March was an IQ test for New South Wales voters, and there is no doubt they passed with flying colours. All I can say to the voters of this State is: You are intelligent, we will not underestimate you in future; you have come to the fore and shown New South Wales Labor exactly where it stands—or sits in this place, with 20 lonely seats opposite. I ask the House to accord my motion priority and send a clear message to the Federal Labor Government.

### **Public Sector Trust and Confidence**

**Mr JOHN ROBERTSON** (Blacktown—Leader of the Opposition) [3.15 p.m.]: My motion reads:

That this House:

- (1) notes that the Government went to the election with a promise to "restore trust and confidence in our public service ... and rebuild the appeal and respect of a public service career.";
- (2) notes that since being elected, the Premier has publicly distorted two sets of advice to him regarding his phantom black hole and has publicly trashed the reputations of at least three public servants for his own media purposes; and
- (3) calls on the Premier to cease this ruthless behaviour, which corrupts confidence in our public service, and breaks yet another promise to the communities of New South Wales.

My motion deserves priority for two reasons. The first is that once again it goes to the question of accountability—the accountability of this Government for the promises made to the people of New South Wales. Once again we see that, rather than delivering higher standards of accountability, this Government is making a bold and early start towards being the least accountable, meanest and trickiest government in the State's history. We have already seen how this Government either ignored, or grossly distorted, two audits of their false claims of a budget black hole. But we also saw how it besmirched the career of a leading and—as all audits have subsequently shown—blameless public servant in the process. This is not, in any way, in line with the Premier's promise of restoring confidence in our public service. I quote from the election policy, and let us look closely at what those promises were and what has happened since. The first was to:

... assist the New South Wales public service to become ... attractive to the highest calibre of individual candidates.

Not if those high calibre candidates can see how their career can be trashed in a moment of parliamentary privilege if it suits the news cycle of the Premier. He talks about recruiting the best and brightest. Well, the best and brightest can work out what kind of support they would get from this Premier, and they will steer well clear. Who will lose out as a result? The people of New South Wales. Another election policy is to:

... promote a public sector culture where individual responsibility is strongly valued.

Where was the individual responsibility of the Premier and Treasurer to apologise when their claimed "black hole" was proved false, by not one but two audits? Where was their individual responsibility? They also promised to:

... promote a public sector culture where initiative is strongly valued.

Well, they did not seem to value the initiative of Mr Dermody and Mr Yeadon. As we learnt today, these directors offered their resignations to the Treasurer. Contrary to what was said by the Premier, he was also aware that Mr Dermody and Mr Yeadon had offered their resignations. Did the Premier accept those resignations? No. Instead, he waits, and then walks into this House and, under the protection of privilege, says that he has removed them. When he is offered resignations, what does he say? He says: I don't want resignations; let's ruin a few careers, because I need to look tough on telly tonight. That is disgraceful behaviour.

And beyond the damage to those individuals lies a second reason why my motion deserves priority. It is that the real purpose of those beheadings is to fire a warning shot across the head of every public servant in the State. The message is not "come forth and give us your fearless advice". The Government does not want that. Every public servant knows not to do that now. Michael Schurr did it and he paid the price. Then the Parliamentary Budget Office provided frank advice, and the Premier came in here and threatened its existence and continuation.

So every public servant in the State now knows that all the wonderful talk before the election about a return to higher standards of accountability, restoring public confidence in our public servants and respecting the advice of public servants was just that—it was just talk. There is no real change. There is only a return to form, and we saw that form with Nick Greiner. Only two days after the election the Premier told the *Sydney Morning Herald* that he had a priority to "untangle the politicisation of the public service". That promise is not served by the public sacrifice of Michael Schurr, who is still awaiting an apology from the Premier, number 44. It is not served by setting up directors of public companies who took up an offer to resign and then have it denied. This is a massive breach of the Coalition's promise to the people of New South Wales. This is not real change. This is not higher standards. That is why my motion deserves to be debated.

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

## CARBON TAX

### Motion Accorded Priority

**Mr STEVE CANSDELL** (Clarence—Parliamentary Secretary) [3.21 p.m.]: I move:

That this House condemns the Federal Government's proposed carbon tax.

I reinforce that this matter is a priority. Basically, the previous New South Wales Government commissioned "The NSW Economy in 2020—A Foresighting Study" by Access Economics, which produced estimates of the impacts to the New South Wales economy based on a high carbon price scenario. These scenarios included a

negative impact for both imports and exports within New South Wales and Australia, the New South Wales gross State product down \$10.4 billion on what it otherwise would be, and 47,000 fewer jobs in New South Wales. The sectors identified as being most at risk included thermal coal, electricity generation and gas distribution, along with other forms of mining and manufacturing.

On the North Coast Metgasco has been hitting some good gas fields, and recently it received approval for a gas-fuelled power station. A carbon tax will impact on a fledgling business that has great prospects; it does not need another tax, which will put it behind the eight ball and remove its competitive advantage with overseas exports. The company will be competing with other major industries throughout Australia and with imported product. Members may recall that the Federal Labor Government's proposal for a carbon price mechanism, released on 24 February 2011, excluded emissions from sources covered under the carbon farming initiative. However, that may not be the case in the longer term.

The Federal Government's own climate change advisor, Professor Ross Garnaut—we all know about Ross—has noted that full coverage of the land sectors under a carbon pricing mechanism would help to reduce the cost and raise the ambition of mitigation for Australia in the long term. In other words, the carbon tax will hit the lot; it will cut the costs for everybody but hit everybody as well. It will hit everyone from pensioners to workers and lower-class families. It will not have such an effect on the top 3 per cent of the population but it will have major impacts on the other 97 per cent, despite what the Gillard Government will promise in order to secure the votes of the so-called country Independents. The country Independents are turncoats. The Independents were voted in by a conservative population with 10 per cent of the Labor vote. When they got into the Federal Parliament they immediately jumped onto the Gillard bandwagon or gravy train—whatever one wants to call it. They fully support Gillard on the carbon tax. They stood next to Gillard and Bob Brown with big smirks on their faces, virtually endorsing the carbon tax.

There will be continual ongoing pressure to impose a carbon tax on the agricultural sector in order to ease the impact on other sectors of the economy that will be hit hard by the tax. Once again country people will be the hardest hit. However, it is not only the agricultural sector that will be under continual pressure. Regional businesses rely heavily on the transport sector for basic inputs and outputs. A carbon tax will increase the cost of goods and services, with increases in fuel and power costs passed on to businesses by suppliers and in turn passed on to consumers—pensioners, workers and working-class families, as Labor describes them. Although details are yet to be released, it is unlikely that compensation for low-income and middle-income households will cover the additional costs to businesses.

The Gillard Government will impose a big tax and give a little back in compensation. The Federal Government is saying that it will help by subsidising electricity costs for low-income families. But why impose the tax on them in the first place? The carbon tax will have a major impact on our trade export sector. The bottom line is that higher costs in our regional economy will reduce the State's competitiveness and investment. A carbon tax will reduce Australia's competitiveness for regional industries, especially against countries that have not taken climate change mitigation action. Our industries compete with and sell products to major industrial countries such as the United States, China, India and South America, which do not have a carbon tax.

Bear in mind the sentiments of the Australian Chamber of Commerce and Industry, which has said that the move to introduce a carbon tax and subsequent emissions trading scheme is "a blow for the competitiveness of Australian business, especially small and medium-size enterprises". The major employers in country New South Wales are small and medium-size businesses and industries. In country New South Wales tradesmen may have one or two employees and small kitchenware businesses may have half a dozen employees. Any business in country New South Wales with 50 employees is a fairly big business, whereas such a business in Sydney would be classed as small or medium size.

There is one matter I must consider. Firstly, do I believe in climate change? I am sure climate change is happening. It has been happening throughout the life of this planet. Australia produces 1.3 per cent of the world's carbon emissions. If we stopped using coal-fuelled power stations tomorrow, stopped using petrol and fuels in our cars and stopped cows making smelly noises and emitting wind, China and India's combined growth would consume that 1.3 per cent within three months. And they can produce another 1.3 per cent within another three months. A new coal-fuelled power station opens every 30 days in China. So what we do in Australia is superfluous. It is a waste of time to consider imposing a carbon tax on people and industry in Australia when other major industrial countries are not coming along for the ride. It should be a case of all in or nobody in. I oppose a carbon tax. I would like to think the Opposition will support working families and oppose the carbon tax as well.

**Ms CARMEL TEBBUTT** (Marrickville) [3.28 p.m.]: The Opposition supports working families and all members of the community in New South Wales. The Opposition recognises the impact of rising electricity prices on the lives of members of the community but it does not support the motion moved by the member for Clarence, for some very good reasons. It is extraordinary that we are into the second week of the New South Wales Parliament's sittings and yet the Coalition is still having a great deal of trouble coming to grips with its role and responsibilities as the Government of New South Wales.

**Mr Brad Hazzard:** Oh, no we are not.

**Ms CARMEL TEBBUTT:** The Leader of the House says they are not, and I beg to disagree because once again the Coalition has come into this House and moved an urgency motion that attacks the Federal Government. There are plenty of issues that are important to the people of New South Wales, which I would have thought a newly elected Coalition Government would want to talk about, together with its plans for the people of New South Wales. If it thinks climate change is such an important issue perhaps it should outline how it will address it as it is one of the most important issues that confront not just Australia but the globe. But instead the Coalition is using the precious time of the Parliament of New South Wales to ride on the coat tails of the Federal Opposition. The Government is using the important time of this House to pursue the negative agenda of Tony Abbott, the man who once described climate science as crap. The Coalition is using the time of this Parliament to pursue Mr Abbott's agenda.

That clearly shows that the Coalition has no plans to address one of the most important issues that confront Australia. Serious commentators across the world agree that the most effective way to address climate change is to put a price on carbon. We all know that the cost of inaction is far greater than the cost of action. Two important reports released recently demonstrate why the longer we delay taking action on climate change the greater the costs will be to the New South Wales and Australian economies. The report from ClimateWorks Australia, "Low Carbon Growth Plan for Australia", states that losses from delayed action will increase rapidly as it becomes harder to catch up over a declining number of years. If no further action is taken before 2015 the cost of reaching the 5 per cent reduction target within Australia by 2020 will increase by \$5.5 billion per annum for businesses and households.

The Grattan Institute carried out a forensic analysis which demonstrated also that only a carbon price through a market mechanism will cut pollution without excessive cost to the economy or to the taxpayers of Australia. We know that the most effective way to address climate change is to put a price on carbon. We know also that the foundation of any policy to put a price on carbon is climate science. We know that in Australia every decade since the 1940s has been warmer than the preceding decade, and with rising temperatures we can expect to see more adverse weather events, storms, flooding, intense droughts and bushfires. We know also that the environmental consequences translate into economic costs. Scientists and institutions like the CSIRO, the Australian Bureau of Meteorology, the Australian Academy of Sciences, NASA and the Academy of Science from around the world are putting those issues to the Federal Government. Does the Coalition disagree with all those august institutions? It seems that it does.

The Federal Government has made it very clear that the introduction of a carbon tax is the first step to a fundamental economic transition. The final step is the introduction of an emissions trading scheme. We are not alone in Australia in taking action to address climate change. We see it in the United States of America, China, Europe and India. It is important to know that a price on carbon will drive investment in cleaner energy. When Labor was in Government it took strong action to drive investment in cleaner energy, something that we have not seen from the Coalition today with regard to its plans in this area. If the Coalition were serious about this issue it would say what it would do to drive investment in renewable energy and to help the households of New South Wales use less energy so that they can cope with rising power prices, along with making a contribution to the environment.

The Government does not tell us any of that. It is running Tony Abbott's scare campaign. We know full well that the Federal Government has already committed that every cent raised from the carbon price will be used to assist households, to support jobs in the most affected industries and to encourage the transition to a clean energy future. The Prime Minister has made it very clear that she understands the impact on the households of New South Wales and Australia and she will put those households first. We are seeing scare tactics and scaremongering of the very worst kind here today.

**Mr ANDREW FRASER** (Coffs Harbour—The Assistant Speaker) [3.35 p.m.]: To discuss carbon taxes one needs to understand what an emissions trading scheme is, and that is what the Opposition and the Federal Labor Party do not understand. An emissions trading scheme is a licence to pollute. Companies that can

afford an emissions trading scheme will be able to buy a licence, or trading certificate, that allows them to continue to pollute and that will add to the cost of doing their business. When the cost of their business increases it means the cost of their product increases. The product could be anything from cornflakes for breakfast to power into one's house to keep the fridge cool enough for the milk to put on the cornflakes. Those major companies, Woolworths and the electricity trading companies, can pass on their costs but we are left with an end user who cannot pass it on and has to pay it.

**Mr Andrew Gee:** Working families.

**Mr ANDREW FRASER:** As the member for Orange clearly indicated, working families. How will the warm-hearted people of Orange, including pensioners and people on fixed incomes, pay their power bills and heating bills this winter? This week in this House we heard about the number of people who have to decide between food and heating. An emissions trading scheme will put up the cost of our exports. For example, if the Cadia gold mine in Orange has to pay a carbon tax it means the cost of the gold that it produces and sells on the world market is higher than gold that is produced in India, in China or other countries where there is no carbon tax or emissions trading scheme. Those other countries compete with Australia on the world market. Our farms and other industries will have to add on the cost of any new tax and therefore our exports will become even dearer.

It means also that the cost of our imports go down. China, India and other countries do not have a carbon tax regime or an emissions trading scheme, so the cost of their manufacture is cheaper, even though their pollution is higher. What happens to people in Australia who are paying a bomb for their electricity and heating? When they want to buy something they will look at the cost and if the overseas product is cheaper than a home-grown product they will buy the overseas product. So we are in a vicious circle; we are in a catch-22 situation—it is like a dog chasing its tail. Only this week the front page of the Coffs Harbour *Advocate* carried a story about people who came to the Coffs Harbour area and bought an existing fresh food and flower business which relies heavily on refrigeration. They spent \$160,000 doing up the business and they got their first power bill—\$5,000. They cannot afford it. They are now considering selling the business. But no-one will buy that business when it is established that the fixed costs will be higher than the net returns. The owners basically have blown \$160,000.

In any country community the butchers, bakers and corner stores are the businesses that use electricity. Butchers have to run their fridges 24 hours a day. Bakers have ovens to run, but they also have refrigeration for the ingredients that they need to make the bread, cakes and other commodities they sell. Corner stores that sell everything—they carry the same range as Woolworths—do it hard because they are competing against the Coles and Woolworths of the world. Their costs will go up because of the emissions trading scheme and the carbon tax. And it is a tax. Prior to the 2007 election the Liberal-Nationals issued a policy. If we increase our soil carbon by 1 per cent in Australia each year we can store all the emissions that we produce every year. The challenge for the Federal Government is that rather than taxing carbon it should pay farmers to improve their farming methods and to increase their soil carbon to take the carbon out of the atmosphere. Do not send Australia broke! Australia does not need to take the lead with a tax that will put us at a gross disadvantage to our neighbours.

[*Business interrupted.*]

## DISTINGUISHED VISITORS

**The DEPUTY-SPEAKER (Mr Thomas George):** I welcome to the gallery the former member for Cronulla, who enjoyed a long and distinguished career in this place. As he can see, the debate has not changed. I welcome Malcolm Kerr. It is great to see him here and looking so well.

## CARBON TAX

### Motion Accorded Priority

[*Business resumed.*]

**Mr PAUL LYNCH (Liverpool)** [3.42 p.m.]: I support the member for Marrickville and oppose the motion before the House. It seems to me there are some questions that arise from the motion that need to be

answered by the Government that have not been answered adequately in the two speeches we have heard thus far from the member for Clarence and the member for Coffs Harbour. The first question is: Do they actually accept that the climate is changing? Do they accept climate change? The member for Clarence said that he did, but he then went on to say that we should not do anything about it. It seems to me that if we accept there is climate change there is then an obligation upon us to do something about it. That does not emerge from what Government members have said in this debate so far.

The second question that I think they have to answer is: How on earth will they put downward pressure on electricity prices unless something like this comes into being? It is absolutely clear for anyone who knows anything about this sector that the absence of a carbon price has led to incredible uncertainty in investment. The last three power stations that have been commissioned in this State were gas-fired peaking plants—no base load generators. The most efficient, and the cheapest, way of generating electricity is base load generation. We will not get that until we get certainty in the market, and we will not get that until we get a carbon price. That is absolutely clear whether or not we like it, and whether or there are interjections—it is inevitably and unavoidably the truth of this sector.

The next question is: What on earth are we to do in the long run about the more expensive and less efficient carbon reduction schemes that are run by States right around the country? The Greenhouse Gas Reduction Scheme [GGAS] in New South Wales has led to significant carbon reduction with minimal increase of wholesale electricity prices, but that is probably the only one of those schemes that is not having a significant upward pressure on electricity prices. The only way to get rid of those schemes is to introduce a carbon tax or a carbon pricing scheme of some sort. It seems to me that those questions have not been answered by Government members and they really need to be answered if the logic of their position is to be maintained and pursued.

Talking of logicalities I might note also a couple of illogicalities in what was said by the member for Clarence. He commenced by quoting a report but he then assumed that the modelling or parameters of that report were going to be the inevitable result of whatever it is that eventually is introduced federally. There is an intellectual inadequacy—a personal dishonesty—in the member for Clarence saying that that is inevitably what will happen and that that is the only option. That is simply wrong and illogical.

**Mr Steve Cansdell:** It is your report! You paid for it.

**Mr PAUL LYNCH:** It is a bit of modelling and projections, which might or might not be what is introduced. Follow the dots—it is not a terribly hard point.

**Mr Steve Cansdell:** I should have realised. I do not believe anything Labor says, so I should not read it.

**Mr PAUL LYNCH:** I have to say that I have never put any strength in the member's intellectual capacity.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! The member for Liverpool will be heard in silence.

**Mr PAUL LYNCH:** When the member for Clarence is around we usually get a strangled cat noise. The member for Clarence went on with another extraordinary bit of nonsense. He said that the introduction of a carbon tax means we would stop using coal-fired power stations tomorrow. Whatever else is being talked about in relation to carbon tax that is not one of the consequences.

**Mr Steve Cansdell:** I never said that.

**Mr PAUL LYNCH:** The member for Clarence did say that. He said also that we would stop using petrol tomorrow. Come into the real world. Some of us listened to what the member said. We should all know better than to listen to the member for Clarence or to take seriously anything he says, but some of us regrettably take our role as parliamentarians seriously and we sit in this Chamber and listen to our opponents.

**Mr Steve Cansdell:** I wouldn't take you seriously.

**Mr PAUL LYNCH:** I have never accused the member for Clarence of taking me seriously and I would be offended if he did. The other interesting question that arises is: What on earth is the Government doing about

climate change? It seems to be denying it. It not only denied it; it took only a week for the Premier to axe the Department of Environment, Climate Change and Water, to demote the director general and to hive off the responsibility for marine parks and land care into primary industries. In a sense it does not matter what the member for Clarence says or does not say and whether or not it is intelligible. What is important are actions like that—the actions of the Government in axing departments, demoting officials and dealing with climate change as though it does not exist. The department has been abolished. Actions speak considerably louder than words.

It makes New South Wales the only State or Territory without a department of the environment. I suspect that that shows where the priorities of this Government are and it is probably a portent of things to come. There is a considerable fear that dismantling the environment department is a strong sign about how much time this Government will give to environmental protection. A number of non-government organisations—the Nature Conservation Council and the Total Environment Centre—are horrified and terrified about what is likely to happen.

**Mr STEVE CANSDELL** (Clarence—Parliamentary Secretary) [3.47 p.m.], in reply: I thank the member for Marrickville, the member for Coffs Harbour and the member for Liverpool for their contributions to debate on this motion. I listened to the member for Liverpool with some humour when everything was taken out of context and exaggerated to the extreme, but that is acceptable because he has to do something to have his voice heard in opposition and he needs to speak loudly because there are only a few members on his side and we have to be able to hear them. He said there was a question about uncertainty in the market as long we do not have a carbon tax. If we know we are not going to have a carbon tax there is certainty. If we do not know or we think we are going to have a carbon tax there is no certainty whatsoever. While there is a carbon tax threat hanging over our heads there is a lot of hesitation and reservation by people investing in carbon emission industries.

The member for Marrickville made some good points: she spent three minutes stating that this is a Federal issue and she spent seven minutes supporting a carbon tax. The great thing about democracy and Parliament is that we get a chance to speak about what we believe in and what we support. I thank the member for her contribution. Australia will be putting a price on carbon in isolation. None of the major developing countries and none of our major competitors have a price on carbon, whether it be the United States, China, India, Pakistan, Asia, South Africa or South America. A few European countries have a price on carbon because it is a feel-good thing and they do not have the same industries and challenges that we have in this country. However, they would be minor contributors to carbon emissions, whereas Australia produces 1.3 per cent of the world's carbon emissions. The member for Liverpool said I had intimated that we would shut down coal-powered fuel stations and stop using petrol. I said that if we stopped coal-fuelled power stations tomorrow and all our carbon emissions were stopped the 1.3 per cent of the world's emissions that we normally produce would be consumed within three months by the growth of India and China combined.

It is really superfluous, as I said. Any carbon tax will have a major impact on pensioners and working families as well as on small businesses. Two weeks ago I was speaking to a newsagent in a small village near Grafton and he said, "Steve, our power bill has more than doubled in 12 months. I can't put up the price of ice cream and I can't put up the price of newspapers and magazines because the prices are set. I can't put up the price of birthday cards." Everything in his shop has a set price except for a few souvenirs. He said, "If we have a carbon tax that has any bigger impact I will have to shut my doors and walk away." He is trying to sell. He said, "Who is going to buy it? They are going to look at the fuel bills: the first thing they're going to look at is the power bill."

It makes things very difficult. Some years ago my former wife and I had a corner store and, as the member for Coffs Harbour said, corner stores run on very slim margins and the owners work for about \$3 an hour each when one adds up the time that they spend in the shop. Running our large drink and milk fridges and freezers cost about three times the cost of household electricity, and that was 12 years ago. Today that would make it virtually impossible to keep the doors open. A projected increase from a carbon tax would kill small business in New South Wales, especially in country towns. The power bill of the fishing co-op at Maclean has doubled in the last 12 months, making it very difficult to be competitive. Any extra rise as a result of a carbon tax would almost close them down and close a major fishing industry in the area. Butchers, bakers and everyone else would suffer dramatically. Let us just hope the Federal Government listens to the 70 per cent of people who have said that they do not want a carbon tax.

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

**Motion agreed to.**

## BUSINESS OF THE HOUSE

### Routine of Business

**Mr BRAD HAZZARD** (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [3.53 p.m.]: I indicated earlier that there would be a slight change in the order of business this afternoon and suspended standing orders to permit that to happen. By way of clarification so that all members are aware of what is happening this evening, a motion will be moved by the Minister for Aboriginal Affairs shortly with regard to the passing of Lionel Rose and there will be a number of speakers. I understand that as well as the Minister speaking at least one member of the Opposition will speak this afternoon. If the Opposition has another speaker we may be able to facilitate that this afternoon as well along with a speaker or a number of speakers from the Government.

At an appropriate time I will move the adjournment of that debate until tomorrow to allow all members to have the opportunity to speak on such an important matter as the passing of Lionel Rose. Depending on how that debate progresses this afternoon we will then take Notices of Motions (General Notices) and the matter of public importance. It may be that there will be only a few private members' statements. It is so important to proceed with the motion on Lionel Rose's passing that I may have to indicate to the House at an appropriate point that private members' statements will have to wait for another day. At 6 o'clock there will be two inaugural speeches, from the member for Campbelltown and the member for Cronulla. Whilst it is expected members will be in attendance for those speeches, I advise that there will be no divisions after we commence the matter of public importance.

### TRIBUTE TO LIONEL ROSE, MBE

**Mr VICTOR DOMINELLO** (Ryde—Minister for Citizenship and Communities, and Minister for Aboriginal Affairs) [3.55 p.m.]: I move:

That this House places on record its sense of loss on the death of Lionel Rose, world boxing champion and a hero to people in Australia and internationally.

I begin by acknowledging the traditional owners of this land, the Gadigal people of the Eora nation. I would also like to extend that respect to all Aboriginal Elders past and present. On behalf of the New South Wales Government I commemorate the extraordinary life of a great Australian and a great first Australian, Mr Lionel Rose, MBE, who sadly passed away earlier this week. In the first instance I express the condolences of the New South Wales Government to the family, friends and many supporters of Lionel Rose. While we as an Australian community witnessed Lionel Rose's life on the public stage, and now his passing, we can never truly appreciate the private sorrow of the loss of a loved one. We extend our thoughts and prayers to family members in this difficult time. We can only hope that they take some comfort from their memory of Lionel Rose, from his legacy and from his inspiration to future generations. It is a legacy that will live long for all Australians, be they Aboriginal or non-Aboriginal, be they supporters of boxing or not.

We remember the many achievements of Lionel Rose, but his life journey began when he was raised in the small Aboriginal settlement of Jacksons Track near the Victorian country town of Warragul. From the outset Lionel Rose confronted adversity in order to achieve. Lionel Rose's childhood, like that of many Aboriginal people of that era and, very regrettably, this era, was spent in difficult circumstances. He is said to have learned to box from his father, Roy, who had fought in show tent circuits. According to boxing historian Grantlee Kieza, Rose "sparring with rags on his hands in a ring made from fencing wire stretched between trees".

As a young amateur fighter Lionel Rose faced and overcame the setback of not being selected for the Australian team at the 1964 Tokyo Olympics. Perhaps, as he went into professional boxing in 1965, Lionel Rose sensed that he would soon be returning to Japan with other bigger prizes up for grabs. As a professional Lionel Rose began to work his way up the boxing ranks, including winning and defending the Australian bantamweight title. Soon Lionel Rose claimed the opportunity to fight for the world bantamweight championship against the reigning champion, Fighting Harada, before a partisan crowd in Tokyo, Japan. On 26 February 1968, at the age of 19, Lionel Rose made history by becoming the first Indigenous Australian to be a world champion boxer when he defeated Harada in a 15-round decision.

Following his unprecedented victory—a victory that essentially coincided with the success of the Aboriginal rights campaign of the 1960s—Lionel Rose shot to both national and international acclaim. A crowd of 100,000 people greeted him when he returned to a victorious town hall reception in Melbourne, a momentous

occasion in Rose's life. Today Lionel Rose remains one of only four Australian-born boxers to win a world title overseas. But what we must not fail to recognise is that Rose became a champion in an era when the world seemed a much bigger place and Australia seemed much further away from the big fights in Europe or the United States. His innate fight to climb to the top of his profession, regardless of the hurdles he had to jump, was recognised in 1968 when he became the first Aboriginal person to be awarded the prestigious honour of Australian of the Year for his outstanding sporting achievements.

However, the accomplishments did not stop there. Lionel Rose was also appointed as a Member of the Order of the British Empire, which is an extremely prestigious order that recognises an individual's achievements at the highest levels. In 1970, regardless of the lure of substantial money, Lionel Rose refused to accept a fight in apartheid South Africa. According to World Boxing Council official Frank Quill, that was the first time any sports person had done so. Rose's decision to take a stand against the apartheid regime is significant, especially as he became world champion at a time when, in two or three States of Australia, Aborigines were not entitled to vote.

As Lionel Rose moved through life he achieved further successes, including as a musician and as a businessman. His singing highlights include two hits in 1970s, *I Thank You* and *Please Remember Me*. The latter was popularised among new audiences by no less than Roy and HG. Even Elvis Presley was drawn to Rose and requested to meet him. Lionel Rose said, "I was in awe of him, but he said he was in awe of me." Music had been a part of Rose's life for even longer than boxing had. He learned to play guitar as a child and was never without one. Rose told the *Age*, "You're never lonesome with your guitar."

In 1969 Rose appeared on a televised show singing along to his guitar. When Australian producer and songwriter Johnny Young teamed with Rose the resulting song reached the number one spot in Australia's country charts. The following year Rose again made the charts with a cover of the country classic *Pick Me Up On Your Way Down*. Rose later began touring as a musician when he was not spending his time in the boxing ring. In 1970 he recorded two albums for the Festival label, one of which was *Jackson's Track*. In 1991 a biography of Rose called *Rose Against the Odds* was published. It captured Rose's journey in becoming the world bantamweight champion and captivated the imagination of Australia. In 1995 a full-length movie of the same name was released and he was honoured with a Lifetime Achievement in Sports from the Deadly Awards, Australia's most prestigious Aboriginal awards.

Members will recall that in 1995 Tjandamurra, an Aborigine, was horribly burned in a vicious attack in Cairns. In 1996 in a genuine act of self-sacrifice and putting the interests of others first and in an effort to speed the youngster's recovery Rose presented Tjandamurra O'Shane with Rose's World Title belt. In 2003 Lionel Rose was an inaugural inductee in the Australian National Boxing Hall of Fame. In 2005 Lionel Rose's boxing gloves featured in an Australia Post stamp issue. Also in 2005 Lionel Rose was awarded the Ella Lifetime Achievement Award for Contribution to Aboriginal and Torres Strait Islander Sport. Sadly, in 2007 Lionel Rose suffered a stroke that caused impairments which eventually led to his passing this year.

However, I want to state in this House that Lionel Rose was much more than his long list of achievements in sport, music and industry. Indeed, through his example and his perseverance Lionel Rose was a leader and a strong advocate for the rights and interests of Indigenous Australians. Let us not forget that in the 1960s of Lionel Rose's youth Australia was a very different place. It was a place where Indigenous Australians, our first Australians, still did not have full legal rights in their own country. It was only in 1962 when the Commonwealth Electoral Act was amended that Indigenous Australians were given the right to enrol and vote in Commonwealth elections, irrespective of their voting rights at the State level. Just one year before Lionel Rose's world championship as a 19 year old in 1968 Indigenous Australians further secured their rights through the referendum, which was supported by 90 per cent of those who voted.

Let us not mince words: Indigenous Australians had to fight for those rights as hard as or harder than any fighter—even one as great as Lionel Rose—had in any boxing ring or arena. I imagine that Lionel Rose may well have hoped it would be otherwise. But today the goal and cause of Aboriginal advancement is still with us. Whether it is in health outcomes, educational achievement, economic opportunity, or cultural empowerment and self-determination, there is still so much more to be done in our fight to close the gap in Indigenous disadvantage. It is only appropriate that examples of Aboriginal success and achievement of the likes of Lionel Rose continue to become more the norm rather than the exception.

However, I highlight that some extraordinary work currently is being done within Aboriginal communities that is achieving measurable results. The people involved in fighting for the cultural and economic

empowerment of Indigenous people are evident across many facets of life and give me great hope for what the future holds. Recently I assisted in launching the 2011 Careers Report on behalf of Aboriginal Employment Services along with the Chief Executive Officer, Danny Lester, and Chairman, Dick Estens. The report shows that young Aboriginal job seekers do not just want a job; they want careers and leadership roles. The report states that two-thirds of those surveyed see themselves working as a manager or business owner or in a leadership position within the next five years. That is an extremely important snapshot of what the future may hold for young professional Aboriginal people—a statistic we should promote and celebrate as a vision of the future.

I would like to think that the work and contribution of people such as Lionel Rose have contributed to that vision, which is why it is so important to acknowledge the life of Lionel Rose and his long list of achievements. In his way Lionel Rose epitomised empowerment and the possibility that persons can make of their lives—and, even more importantly, their future—what they like. In any society role models are integral to our younger generations being driven in their lives because they inspire and make what seem to be distant dreams become a reality. While people obviously need to develop their own self-identity, they may be motivated by certain public figures that inspire them to follow a certain path. The people that our children strive to become in their early years will have a profound effect on how future generations will function when they reach adulthood.

In particular, sports can play an enormous role in teaching values and principles. Teamwork, leadership, work ethic and trust are all part of the game and also are all factors in what we make of our lives. While sporting heroes and legends are front and centre in the hearts and minds of many young Australians, Indigenous sporting role models play an especially integral role in our fight to close the gap in Indigenous disadvantage. There have been numerous Indigenous sporting heroes and heroines within Australian history—from Cathy Freeman, who has become one of the world's most popular athletes and in Australia a legend in her own lifetime, to Evonne Goolagong, who was one of the world's leading female tennis players in the 1970s and early 1980s. More recently stars such as Jason Gillespie and Cliffy Lyons have become a part of the rich history of our Indigenous sporting idols. The great Cathy Freeman referred to the importance of role models when she was growing up while she was speaking about the role of sport in overcoming racial barriers. She said:

Growing up I was not really aware of the amazing feats of Indigenous athletes that had gone before me and their trailblazing roles. As I got older I came to appreciate their success as I realised how difficult it was for them to gain respect.

Sport has helped break down barriers between white and black people in Australia and raise awareness of the many talented Indigenous people out there.

The birth and life of Lionel Rose have, in effect, leveraged movements around breaking down racial barriers, and for that he will never be forgotten. As World Boxing Council president Jose Sulaiman said of Rose:

[He was] the greatest boxing hero of Australia ... a special champion, who had the passionate idolatry and support not only from his Aborigine people, but also from the whole [of] Australia and the world.

In closing, we must acknowledge how his courage and strength of spirit was second to none. The *Sydney Morning Herald's* official obituary of Lionel Rose, written by Gerry Carman, quotes his trainer Jack Rennie:

It's been said that the ring is the loneliest place on earth and that when the bell rings, a man's courage is on display for all to see.

I stood in Lionel's corner throughout his professional career and I can say that his courage never wavered. He worked hard for what he won; no one gave him a free ride and everything he earned he earned the hard way, with his fists and his sweat.

Then later, a very moving paragraph states:

Last June, Lionel Rose made one of his last public appearances, in a Warragul park. He was in a wheelchair, surrounded by his family, at the unveiling of a bronze statue of his former pugilistic self. The ceremony was to honour Rose's long contribution to this country's sporting and cultural life—he won 42 of a total of 53 fights, losing just 11. But his inspiration went well beyond the ring and the ropes. World Boxing council president Frank Quill, recalling how, in 1970, Rose refused to fight in apartheid South Africa, described him as "a champion of humanity". Lionel Edward Rose was also a champion of his sport, his country and his time.

Indeed he was. Vale Lionel Rose.

**Mr RICHARD AMERY** (Mount Druitt) [4.12 p.m.]: It gives me pleasure to respond to the condolence motion moved by the Minister with respect to our great boxing champion, Lionel Rose. Of course, at the commencement the Minister gave recognition to the Indigenous land on which we stand. If ever there was

an appropriate occasion for that recognition it is this, about Lionel Rose. I am pleased that the Minister commenced his remarks in that fashion. When I heard that Lionel Rose had passed away I was not only saddened but also reflective about the time he first made an impression on many people in the 1960s. Certainly, he made an impression on me and the friends with whom I associated at that time. The mid-1960s was a time when boxing played a much more prominent role, probably not in the way of dollars paid to fighters but by its presence in the daily media, evening news reports and, of course, in general discussion amongst people.

These days we talk a lot about the various codes of football, but in 1966 and a year or two surrounding that year boxing and its champions were on everybody's lips. As I said recently at a sixtieth birthday celebration, during the 1960s everybody knew who the world heavyweight boxing champion was. I am sure that not too many people today would know that. The people of those times were familiar also with the names of Australian champions. People such as Dave Sands from the 1950s, who was tragically killed before he would have become a world champion, were common knowledge amongst the Australian population. During that period I commenced work at a small Flemings store at Hurstville. I remember the first big sporting event I was following in the newspaper—I suppose it has a role to play with the Lionel Rose story—was a fight being held at the Sydney Stadium between Australian flyweight champion Rocky Gattellari and Salvatore Burruni of Italy.

We thought we were going to have an Australian champion for the first time: Rocky had been performing extremely well. I think he was undefeated at the time. The fight drew a lot of attention. Unfortunately, Rocky was knocked out in the thirteenth round. After that Rocky continued to climb the ratings in the flyweight division, which was his natural division, but he coveted the bantamweight division throughout 1966. Rocky Gattellari was a Sydney-based fighter in the western suburbs, not far from where I was raised, and this person Lionel Rose was a Melbourne-based amateur fighter and then professional fighter from about 1965. I relocated to another small store, in Revesby, called Franklins Food Stores where again a connection with Lionel Rose popped up. It was not because I was following a fight in the newspapers—we all do that from time to time—but, rather, that Gattellari was rebuilding his career after the Burruni fight.

We read about the fight on the back pages of the daily newspapers at the time—the *Daily Mirror*, the *Sun* and the *Daily Telegraph*—and that Lionel Rose held the Australian bantamweight title. But other than enthusiastic fight followers no-one really had heard much of him. The year 1966 was not the time for Australia to dominate. Muhammad Ali, then known as Cassius Clay, had defended his title six times that year and again was drawing all the attention. No doubt Lionel was impressed, as was the world, with that particular athlete. In about 1967 the Sydney fight was to be organised. Gattellari, who again had rebuilt himself in the ratings, was moving to the bantamweight division to fight for the Australian title. The titleholder was this unknown Aboriginal kid from Victoria called Lionel Rose. We had never really heard of him, although many boxing experts predicted that the fight was not going to be easy for Gattellari. It certainly was not.

The fight was held late in 1967. Lionel Rose and his management team made this incredible decision while they were negotiating with overseas promoters to get Lionel a world title fight. Accepting a high-risk fight at the Sydney Stadium in Gattellari's home town certainly was courageous, not because it was thought he would lose but because of the chance of his being injured and ruining his opportunity of going overseas and winning a world title. As a 16-year-old I was somewhat of a fan of Lionel Rose, but the fascinating issue about my interest was that that little Franklins store had a number of employees from the Booth family, who lived in Revesby—they still do. Two of the daughters were cashiers at the Franklins store: Diane and Daphne Booth. When I was talking about the upcoming fight between Gattellari, and also after the one against Fighting Harada, the girls reminded me, as the Minister reminded the House, that Lionel Rose failed to get to the 1964 Olympic Games.

The reason he failed was that Billy Booth, the older brother of Diane and Daphne, defeated Lionel Rose over three rounds in the main Olympics elimination bout. They were proud of their brother. Billy Booth was the southpaw bantamweight who defeated Rose in that fight. Of course, the girls never failed to remind me that, irrespective of whether Lionel was Australian or world champion, their brother Billy could always beat Lionel Rose. No rematches ever came to be and I was not going to get into that sort of fight. The interesting aside to that story is that Billy Booth was a southpaw, which, of course was an issue that many boxing writers of the day mentioned was a difficulty for Rose to handle, as history showed on a couple of occasions.

The Minister referred to the outcome. The Gattellari fight took place. Again, in what happened to be an unlucky round for Rocky Gattellari, he was knocked out in the thirteenth round. I recall the dramatic photographs of that particular fight in newspapers, showing Gattellari unconscious and injured. Bear in mind that people fought for 15 rounds in those days. Rose, of course, fought many 15-round fights in his career. The maximum number of rounds they fight these days is 12. So Rose beats Gattellari and accepts a fight in Tokyo,

Japan, taking on Fighting Harada, who, of course, was a national hero in Japan. He had won the title a few years before, and was looking for challengers. He probably thought this new, relatively inexperienced Aboriginal kid from Australia should not be too much trouble for him. Harada was a very aggressive fighter. For anyone who did not see Fighting Harada fight, he was something like a pocket whirlwind, and I do not think anyone would like to be involved with him. Johnny Famechon had two classic fights against Harada later in Harada's career.

Lionel Rose created history for Australia, as the Minister has indicated, and won the world bantamweight championship, in the champion's home town of Tokyo. If that fight were on this week, we could go up to the local RSL club and watch it live and in colour, with a camera probably looking up the noses of the fighters. Or we could watch on pay-for-view television, or on the Fox or Sky news. Not in those days. Then, people like me huddled around their radios to listen to the call of that fight from Tokyo. Some people said that some of those radio calls were better than the actual fights. It was certainly exciting at our place to hear this young fellow take the world title. Of course, that was the first time since Jimmy Carruthers had won a world title for Australia, and that was back in about 1951.

But Lionel Rose's story did not end there. I was really impressed by the Minister's comments in recognition of Lionel Rose's role and the way in which Australia took to him. Only a few years before this Indigenous people did not even get a vote, were not recognised in Constitutions, and in effect were treated as second-class citizens. It was something of a contradiction in the Australian community that we had those sorts of attitudes legally, politically and socially, but actually idolised our heroes regardless of whether they were Aboriginal. Lionel Rose was certainly one of our heroes. We have already heard about the fantastic parade given to him in Melbourne, and his awarding of the MBE.

The Minister mentioned a book, so I will have to go back home to check my bookshelf. I recall buying a hardback book at the time called *Lionel Rose—Australian*. I still have it, so I will bring it in and show it to some members of the House. It is a classic book, almost a diary of his training and the like in Tokyo. Lionel Rose was not a one-fight wonder. He won against Fighting Harada. He even went back to Japan, after a non-title fight, and took on a fellow called Takao Sakurai. It was another gruelling, 15-round fight. Sakurai, a southpaw, put Rose down in the second round. Obviously Rose, like most orthodox fighters, had trouble with southpaws. It was very tight but, once more in the Japanese challenger's home town, Lionel Rose was victorious.

There was a lot of talk at that time about matching two of Australia's great champions. Johnny Famechon had gone to London and won the world featherweight title against Jose Legra, who was only a few pounds heavier than Rose. There was much speculation about whether those two, Famechon and Rose, would ever face each other. Unfortunately in Australia we often get two champions to fight each other, for record crowds. That was the fight that never was; it never eventuated.

Any suggestion that Rose was a lucky fighter has been dispelled by his record: winning the Australian championship, defending it against people like Gattellari, and winning against the two Japanese—champion and challenger—in Japan. He then went over to the United State of America—California, I think—where he fought a fellow called Jesus Chuchu Castillo, who later became the bantamweight champion of the world, in another 15-round bout. This kid must have been pretty strong, fighting 15 rounds in what was virtually the Mexican's home town. Again, Lionel Rose was victorious, winning that fight on points. He returned to Australia and had a couple of non-title fights. The big one, which took place in Kooyong, Melbourne, was a fight against the English champion, Alan Rudkin. Again, Lionel Rose had to go 15 rounds. There was a bit of speculation and controversy about whether he won that fight, but I have always believed that Ray Mitchell, the greatest judge in Australian boxing history, who scored the fight comfortably to Lionel Rose, had it right.

Times change and things progress, so we were able to watch that fight on our black and white television sets. Lionel Rose, after a very tough 15 rounds, retained his title on yet another occasion. Here was this young kid who had very few fights, yet proved himself to the boxing world. He did not shirk it. He did not take on the fiftieth-rated or twentieth-rated; he took on the top challengers and beat them. As was indicated by the Premier, Rose returned to the United States, where the money was good—bear in mind that the boxers got about \$100,000 for those sorts of fights, not what they are getting today—but unfortunately he was knocked out in the fifth round by a fellow called Ruben Olivares, who not only won the title then but went on to win the title a couple of times in following years. For us boxing fans in Australia, it was a sad blow. It was a year when a book was written about him. He was given the MBE. He was Australian of the Year. He had represented Australia in the boxing ring so many times successfully, but this time he lost his title.

Of course, there was great hope that he would make it in another division. He always had a battle with weight, as did many fighters in those lower divisions, and there were always newspaper articles about whether

he would make the bantamweight weight. He came back and was very strong in his first fight, against a fellow called Garcia, knocking him out in about four or five rounds, but unfortunately lost the second fight against a fellow called Fernando Sotelo. Lionel Rose's boxing career then followed an inconsistent path; losing to Sotelo but later winning a couple of other fights. His only crowning glory after that was to beat a fellow called Suzuki, who went on to become the lightweight champion of the world.

Lionel Rose challenged once more for a title, I think in the junior lightweight division, in about 1970 or 1971, and he lost that fight. It was a tough fight, but he lost on points. It was those points that I wanted to make about Lionel Rose, and reflect on the impression that he made on people in the 1960s. He was certainly a champion for the Indigenous people, but anybody in the 1960s who followed sport followed boxing. He was one of a number of champion Australian fighters of that era. This was a period when Johnny Famechon went on to become the featherweight champion of the world, and defended his title a couple of times before losing it a couple of years later. Bobby Dunlop was a Commonwealth light-heavyweight champion. These were household names, but none was better than that of Lionel Rose.

A new boxing magazine commenced in Australia in 1967 called *Fighter*. On the front cover of the very first edition of *Fighter* is a classic photograph of a smiling Lionel Rose. Of course, that magazine highlighted virtually every fight that Lionel Rose had from that time on. It is on a sad occasion and in a very reflective mood that we recognise all of the things the Minister said about this chap, this kid from a very poor background who came up through the ranks to score world headlines, to be officially recognised at the highest level, the subject of books, the subject of political parades. He has written himself into the boxing history of this country and to some extent the boxing history of the international community. It is really pleasing to be able to say, because not too many people recognise it, that the brother of a couple of young girls who worked in a Franklin's store in the suburb of Revesby in Sydney proudly talked about how their brother played a very small role in the history of Lionel Rose.

Unfortunately that stopped him from going to the Olympic Games. But if they were here today they would say, "Our brother Billy could beat Lionel Rose". He probably could not beat Lionel Rose, but it is a lovely story. I join the Minister and all members to recognise a fantastic, great Australian sportsman and a person who made the Indigenous people proud. He did not expect to be recognised as someone special simply because he was Indigenous. He made principled stands, such as knocking back a fight in South Africa although it would have made him a lot of money at an important time of his life. It is appropriate that the Parliament recognises a person who played such a major part in this country's history, especially this country's sporting history and boxing in particular.

**The DEPUTY-SPEAKER (Mr Thomas George):** I thank the member for Mount Druitt for taking us elders on a trip down memory lane.

**Mr GRAHAM ANNESLEY** (Miranda—Minister for Sports and Recreation) [4.30 p.m.]: I join my parliamentary colleagues from both sides of the House in offering my sincere condolences to the family and friends of one of the legends of Australian sport, Lionel Rose. In many respects the life of Lionel Rose typifies the Aussie battler, a tag that sits very comfortably with many of the great legends of Australian sport. It is also a tag that Australians wear proudly as a badge of honour, and it is synonymous with the Australian way of life and spirit, both as a people and as a nation, recognised the world over. The history books illustrate what a remarkable talent Lionel Rose was, having come from very humble beginnings.

Born in the country town of Jacksons Track, Victoria, in 1948, Lionel Rose learnt his trade from his father, Roy, himself a boxer of some ability according to the experts. Details of the early fight game make for very interesting reading as it was reported that fighters in the early 1960s were known to spar with rags on their hands as gloves and in a boxing ring made of fencing wire stretched between trees. It was certainly a tough sport for tough men, and a far cry from the pomp and ceremony that dominates the sport of boxing on the world canvas these days.

At the age of 15 Lionel Rose came under the watchful eye of Frank Oakes, a Warragul trainer—for more than his boxing ability, I should add. Rose not only won the Australian Amateur title as a 15-year-old in 1963; he went on to win the heart of Frank Oakes' daughter, Jenny, whom he would eventually marry. Lionel Rose's boxing career immediately took off after he narrowly missed selection for the 1964 Olympics. A points victory in his first professional fight in 1964 when he was just 16 years of age spoke volumes for Lionel Rose's ability, courage and future in the ring. His early boxing career included numerous wins, with the highlight possibly being his winning the Australian Bantamweight title in 1966. He beat Noel Kunde over 15 rounds.

At the age of 18 Rose was an Australian champion—an incredible effort by a young man in a sport that had traditionally been dominated by more mature men. On 26 February 1968 the Australian public was to witness history when the 20-year-old from Jacksons Track, Victoria, stepped into the ring in Tokyo to challenge Japan's "Fighting" Harada for the bantamweight title of the world. Lionel Rose cemented his place in Australian folklore by winning a bruising 15-round encounter and achieving immortality by becoming the first Australian Aborigine to win a world championship. When Lionel returned to Australia after his historic victory in Japan he was greeted by more than 100,000 people outside Melbourne Town Hall. It again highlighted his popularity and the unifying effect sport can have on Australians from all walks of life.

In 1968 Lionel Rose became a national hero. In the same year he was named Australian of the Year and also appointed a Member of the Order of the British Empire. The bell finally rang on Lionel's boxing career in 1975. His record stands at 42 wins from 53 professional fights. However, his biggest win was achieved outside the ring. Lionel Rose had become an icon to all Australians and raised the hopes and dreams of countless Australians, proving that with tenacity, sheer courage and commitment, anything was achievable. With Rose's boxing career behind him, he became a successful businessman and was the inaugural inductee into the Australian National Boxing Hall of Fame in 2003. In 2005 he was awarded the Ella Lifetime Achievement Award for Contribution to Aboriginal and Torres Islander Sport.

His contribution to the Aboriginal community was substantial and a real passion. The tributes that have dominated the media since his passing are well deserved and highlight the passion Australians have for their sporting heroes. I congratulate the Victorian Premier, Ted Baillieu, on offering a State funeral for Lionel Rose, as it will provide his countless fans with the opportunity to farewell the champion in their own way. It would be remiss of me not to mention Lionel Rose's singing career. He had two hits in the 1970s with *I Thank You* and *Please Remember Me*. From memory, *I Thank You* was played as a substitute to the Australian national anthem during early broadcasts of the State of Origin series. Lionel Rose has been an inspiration to thousands of Australians for more than three decades, at every opportunity publicly highlighting the value that sport can contribute to our daily lives. Lionel Rose, we thank you, and we will most definitely remember you.

**Mr RAY WILLIAMS** (Hawkesbury—Parliamentary Secretary) [4.36 p.m.]: It is a pleasure to speak today about a past world champion, Lionel Edward Rose, who was born on 21 June 1948 and passed away on 8 May 2011. He was one of the greatest boxers this country has ever produced. I can remember back when I was only a young boy to the day when people were clamouring around radios to listen to the static broadcast of a world title fight. It was an extraordinary event for an Australian to win a world title fight. As has been said, Jimmy Carruthers was a world champion fighter. At that time I think Lionel Rose was only the third Australian, albeit an Indigenous Australian, to win a world title. He inspired the nation. It is a wonderful feeling when an Australian achieves such heights, and Australians are especially proud when an Indigenous Australian wins a world title. Whether it is Lionel Rose, Evonne Goolagong or Cathy Freeman, it makes no difference. We love to see Indigenous Australians exceed and excel. They are an inspiration to their people.

As has been said, there have been some amazing Aboriginal boxers through the years. Members have already referred to Dave Sands, who was a champion Australian boxer. He fought Dick Turpin for a British Empire title. Dave Sands was the Australian heavyweight champion at the time, although he was predominantly recognised as a middleweight. Indeed, he was the Australian champion when my father was ranked number two. I speak today not only as a member of Parliament but also as the son of Allen Williams, a former Australian heavyweight champion. Sadly, my father never got to fight Dave Sands because Dave Sands passed away in a tragic accident before my father and he could meet. As I said, he was ranked number one. My father went on to win the Australian Heavyweight crown.

The Sands family, based in the Hunter region, were extraordinary. I think there were six sons. I cannot remember all of their names but Clem, Archie, Alfie and Dave were extraordinary. They were all fighters, and they are still recognised and revered in the Hunter region to this day. Another great Aboriginal fighter worth mentioning is Ron Richards. But there is no doubt in anyone's mind that Lionel Rose was the greatest. That another Indigenous Australian, Daniel Geale, should win a world title fight in the same 24 hours in which, sadly, our greatest fighter, Lionel Rose, passed away is ironic.

It would be hard to imagine that people from an Indigenous background did not look up to those fighters. They were wonderful athletes and boxers, and I think they inspired other people to come forward. It has been a long time between drinks for our Indigenous champions. It is wonderful that Daniel Geale has come to the fore. It was extraordinary that Lionel Rose achieved what he did at the tender age of 19 years. To miss selection for the 1964 Olympics was extraordinary and demonstrates the difference between amateur fighting

and professional fighting. I acknowledge the presence in the Chamber of another Australian title holder, my good friend the member for Clarence, Steve Cansdell, who is worthy of mention. He is another fine Australian fighter with a great record. Many fighters have failed to win Olympic Gold: for example, Jeff Fenech who went on to have an extremely distinguished professional career.

**Mr Steve Cansdell:** Jeff Harding.

**Mr RAY WILLIAMS:** My good friend mentions Jeff Harding. No doubt the member for Clarence will cover in great detail the spirit of those fighters. Lionel Rose turned professional and outpointed Mario Magriss over eight rounds in Warragul, his home town. The majority of his fights were in Melbourne. It is worth mentioning that Jack Rennie, who was not only his trainer but also a father figure, took him under his wing, raised and sheltered him, taught him everything he knew and travelled around the countryside with him. He also presented him overseas to win that amazing title fight against Masahiko Harada, otherwise known as "Fighting" Harada. What an apt name for a marvellous fighter who fought many Australians: for example, Rocky Gattellari and Johnny Famechon—two wonderful Australian fighters.

Johnny Famechon was idolised by my father who knew his father, Andre Famechon, when they were both fighting in and around Melbourne and when my father was trained by the late great Jack Carroll. I am conjuring up some wonderful memories as we speak about this wonderful Australian fighter. In 1965 Lionel Rose, after five wins in a row, was matched with Singtong Por Tor, who he had beaten in a 12-round decision, but ironically Por Tor inflicted Rose's first defeat, beating him in six rounds. In October of the same year he had his first fight abroad beating Laurie Ny by a decision in 10 rounds in Christchurch, New Zealand. Over his next nine fights, Rose had a record of eight wins and one loss, with one knockout. The lone loss in those nine fights was to Ray Perez, another lovely bloke. I acknowledge the New South Wales Veteran Boxers Association. I have had the great pleasure of attending their functions on many occasions at which Ray Perez has been one of its honoured guests.

On 28 October 1966, Lionel met Noel Kunde at Melbourne for the Australian bantamweight title, which he won by defeating him in a 15-round decision. I stress that these were 15 round, three-minute bouts with just half-minute spells in between each round. It was a gruelling training regime to be fit enough to hold up your hands for a couple of rounds, let alone 15. My father has the distinguished record of having fought more 15-round fights than anyone in this country, and also defending his title more times than anyone in this country. He knew full well the level of fitness that was required. Lionel Rose was one of those beautifully gifted natural athletes who could go through 15 rounds and make it look effortless while at the same time struggling with the problems that weight presented. He had to waste, similar to a jockey, to make the weight to fight at the bantamweight level.

People believe that fighters are cold and callous, but the opposite applies. I grew up in this sport and watched my father mentor and train many Aboriginal fighters. I refer to champions such as Lyle Fitzpatrick and his brother Sonno Fitzpatrick and Paul Donnelly, all great ringside fighters who fought through the 1970s. It was inspirational to watch him nurture those fighters. He ran a gymnasium in Riverstone for a long time and devoted a lot of time to those who were less fortunate. He was not the only fighter who deserves praise in that area as there have been many others. I also refer to his great mate and another Australian champion, Trevor King, who dedicated his life to youths who were drug and alcohol affected. He ran Westside Mission for many years in my electorate in Sergeants Road at Wilberforce. George Bracken is another wonderful Aboriginal Australian champion who also dedicated his life in later years to helping those less fortunate, particularly Aboriginal boys.

The fighting game was tough and not too many people had much to show for it. A \$100,000 purse from fighting overseas in the 1970s has already been mentioned. Indeed, the purse in this country was far below that, maybe one-tenth, if that. There was very little reward for quite a lot of energy expended just to become a boxer. It was unfortunate that after such a wonderful career Lionel Rose fell almost destitute; that is not a rarity in the boxing world. Many fighters not just in this country but right around the world are unfortunately taken for a large percentage of their earnings by unscrupulous trainers and fight promoters. My father would not let anyone take his purse. He looked after his career himself. Whilst he always had a good manager he made sure that no-one took what he rightfully earned.

In the 1970s it was said that the only three fighters in Australia who ended up with anything was my father, Jimmy Carruthers and the late great Vic Patrick who went on to have interests in pubs. That was because they watched out for themselves and made sure they were not taken by unscrupulous fight promoters, but unfortunately many were. Certainly Rose ended his career with some money. He had scruples. As the member

for Mount Druitt said, he could have taken a fight in South Africa but he did not because he stood up against apartheid and that shows the character of Lionel Rose. Lionel carried that character right through to the end. He was a lovely bloke and well respected. It is a great pleasure to acknowledge his career in this House. He was a wonderful Aboriginal athlete and a great Australian.

**Mr STEVE CANSDELL** (Clarence—Parliamentary Secretary) [4.48 p.m.]: I am not here to talk about myself but to talk about Lionel Rose. He was a legend and just to stand in his shadow makes one a giant. When Lionel Rose was a kid he would put rags around his fists to spar and punch the bag. His father was a tent-show boxer. I know how tough that can be as I had a couple of spells going around the State fighting all comers. Many Aboriginal tent-show boxers seem to have that flair and I am told his father had flair. If he had a quarter of the flair that Lionel had he had plenty because Lionel Rose set the benchmark. He had a lot of talent at a young age. When we see kids with talent we compare them with Lionel Rose. They have balance and easy flow. I had better be careful: I am starting to move my hands around. Lionel Rose had such balance and coordination, and his reflexes were brilliant, and to watch him fight at any time, whether against Harada, Jesus Castillo, or Chucho Castillo, any of those guys—

**The DEPUTY-SPEAKER (Mr Thomas George):** Stand back when the three-minute bell goes.

**Mr STEVE CANSDELL:** I might be stopped before then. He had what a lot of Aboriginal athletes are classed as having, that is, natural ability. They are natural boxers, natural footballers, they are so natural it is not funny. By the time he was about 15 he was being trained by Frank Oakes. He lived with Frank for a while and later in life he married Frank's daughter. He missed the 1964 Olympics. As rightly said by the member for Hawkesbury, many great boxers missed out as amateurs for the Olympics, but turned professional and went on to have successful careers. One of those was Rose, of course. Fenech is another. Fenech's Olympic trial partner, Jeff Harding, I took to the Olympic trials in Sydney and Melbourne with Fenech. He missed out on the trials, finally went to the Commonwealth Games two years later and won a silver medal, but could not win gold, yet turned professional and ended up winning a world title.

I only ever met Lionel Rose once, which was after the Gattellari fight. I was young, sitting up in the two dollar seats in the bleachers at the old Sydney stadium, and I watched him fight Rocky Gattellari. A lot of people did not like Rocky Gattellari. In those days, and prior to that time, people were very racist—Italians were called "wogs" and so on—and they did not back him. The punters would always punt against Gattellari. A mate of mine in Sydney, who always backed Gattellari, said the only two times he really lost were against Salvatore Burruni, in 13 rounds for the world title, and then when making a comeback he won a few fights and was matched to fight Lionel Rose. We were at the stadium. To show how good Lionel Rose was, Gattellari was a world-class fighter, but Gattellari threw three left hands at Rose. Rose stood there, moved his head three times and they missed, and then he threw three back and every one landed. It really was a vicious fight if you were Gattellari. Rose handed out punishment and totally outclassed Gattellari, a world-class fighter, and stopped him in the thirteenth round. Credit to Gattellari that once again it took a great fight of 13 rounds to stop him, as happened against Burruni.

Rose had a chance to fight Fighting Harada. Just to go and fight Harada was a challenge in itself because Harada was one of the best pound-for-pound fighters in the world of the day. If Muhammad Ali had not been around, Harada would have been the top pound-for-pound fighter. For Lionel Rose to go to Tokyo, Harada's hometown and home soil, and win on points was an amazing feat, and even more amazing than today because with today's approximately eight different world boxing organisations, including the IBF, the WBC, the WBA, the IBO and the WBO, there are many different titles and champions. When Lionel Rose won in Tokyo there was only one organisation and one world champion—and Lionel Rose was that world champion. He went back to Japan and defended his title against Takao Sakurai. His next fight was in America when he fought Chucho Castillo. That would have been about 1969. I went to Redfern pub with a couple of mates—Hunter McHugh, a big black fellow from Brewarrina, and I was going out with Tony Mundine's sister Rachel at the time.

**Mr Ray Williams:** She was a very nice lady.

**Mr STEVE CANSDELL:** She was a lovely lady. She died of leukaemia. We had gone to the Clifton Hotel I think—it was not the Empress, you had to be one colour to go to the Empress, but we went to the Clifton Hotel to watch it. There was me, a friend of mine Graham Bell and Hunter, and the hotel was full of our koori mates. The place was wall to wall with people, and we said, "If Rose loses here, we're going to have to get out

of here as quick as we can". Rose won the fight, but in America there was an all-in brawl. The whole crowd erupted. One of the trainers was hospitalised and so were half a dozen other people. The brawl was there, not here, so the right man won the fight, and he was the champion.

Chucho Castillo was a great fighter, a great Mexican battle horse. I think he had only lost one or two fights at the time Rose fought him. Then Rose fought Alan Rudkin in Melbourne. I did not go there to watch the fight—we never had any money in those days—and so I watched it on television. It was a tough, hard fight with a guy who had a reputation—he would fight anyone and everyone—with almost an impeccable record, only a couple of fights lost and 30 or 40 fights under his belt. Rose won, and I felt he was a convincing winner. Ray Mitchell, the foremost judge, agreed with that decision. Rose fought everyone and anyone, a bit like Kostya Tszyu. He fought all the greats so he could make one title. There was only one title then and Rose fought all the greats. He fought Ruben Olivares, who is in the Boxing Hall of Fame as one of the greatest fighters ever.

Rose was struggling with his weight when he went over there. He was stopped in five rounds, he put up a good effort, but it was obvious that he was struggling. At that time also he had had those hit singles *I Thank You* and *Please Remember Me* and of course the classic one for him, especially after that fight—they may have even played it on the night, I am not sure—*Pick Me Up On Your Way Down*. It was a very apt song title. He had a real Australian Aboriginal singing voice. He had the husky Jimmy Little sort of voice—not as good as Jimmy Little, but good enough to get away with it for a few songs. While a champion, make hay while the sun shines, and Lionel did that, putting out three hits, and they were all pretty well right at the top. Two reached No. 1 and *Pick Me Up On Your Way Down* was right up there as well.

It was an incredible life. Jack Rennie had been investing a certain percentage of his winnings to make sure that he had a career after boxing, so he had investments, but there was a bit of a downturn in the market. I am told money was needed and properties were sold at the wrong time. Lionel was not a great businessman in the handling of money, because of the generosity that is natural to most of our indigenous population towards their family. Whether that was the reason I do not know, but he was a very generous, happy, good man. When I met him I was 17 and he was 19 and even though he was a little fellow he was a giant and it was nice just to shake his hand and to think, "Wow, this man is a great fighter", and it was great to see him win a world title, when every Australian was behind him. There was no mug in Lionel Rose, none whatsoever. He was humble in victory and gracious in defeat. He was a great Australian. He was a great ambassador for the Aboriginal community in Australia and a great ambassador for sport in Australia. He was a great ambassador for Australian people as a whole.

His passing was a shock to many. He was only two years older than me and you expect someone like that to be around for a long time. Lionel has left a legacy. He has left records that will not be matched. At the time there was talk about Johnny Famechon and Rose fighting. Famechon won the world featherweight title. He beat Jose Legra in England. Famechon also won that world title by going overseas, but that was at the time of the IBF, the WBC, the WBA and another organisation, so it was a split title. When he came back I thought Johnny Famechon was the greatest defensive fighter the world had ever seen. He hardly got hit. When he retired he had no marks on him whatsoever. It was an accident in which a car hit him as a pedestrian that caused him problems later in life. There was an exhibition at a shopping centre in Melbourne at one time and the word was that Famechon looked better or was hardly hit, but Rose looked classy.

He was sparring a division higher and against one of the best defensive boxers in the world. If ever you wanted a fighter with any ability at all you would pick Lionel Rose. Thinking about kids that came off the street, I remember when Jeff Harding, who went on to win a world heavyweight title, first walked into the gym at Grafton. The first time he sparred I said to the guys, "Sign him up. This guy has got the ability of Lionel Rose." He did not have Rose's ability although he had a lot of ability. He had the toughness of 10 Lionel Roses but there is only one Lionel Rose in this world and only one Lionel Rose who will go down in history. Vale Lionel Rose, a great Australian, a great athlete and a great Aboriginal man.

**Mrs BARBARA PERRY** (Auburn) [5.00 p.m.]: Today I join with all members in honouring the truly incredible life of a remarkable Australian and a remarkable Aboriginal, Lionel Rose. On Sunday this great nation lost a great Australian. We have heard many contributions to this motion in the Parliament, with eloquent speeches from the Premier and the Leader of the Opposition. The Leader of the Opposition said in his speech that some of the touching things about Lionel Rose were not just his incredible boxing talent and athleticism. One of the most remarkable things about Lionel as a man, as we know from his biographies and life history, is that he was one of the first sportspersons anywhere in the world to make a personal stand against apartheid. He did not worry about the money and what it would mean for his future career. This was a man who put principle

before money. That is often so hard to do in life when one has many commitments. To stand up for what you believe in and say, "I am not going to go along with this; I am going to stand up for my people" is just incredible. That is what Lionel Rose did.

The Premier referred to Lionel's contribution and remarked what an incredible first Australian Lionel was. He said Lionel Rose was a great fighter, a great Australian and a great first Australian. I very much concur with that. What we see from Lionel Rose's life is that in times of adversity resilience, courage and strength are very important attributes. Lionel Rose had those attributes in great measure. To lose such an incredible man is a great tragedy, not just for his family but for all of us. Lionel Rose can be proud of the legacy he has left his family and all Australians. Lionel suffered from several health problems during the last years of his life, including a stroke in 2007. I saw on the news the other night the effects of that stroke. He was wheelchair bound and unable to talk, in front of a monument that he was clearly very proud of. He was still courageous in those days and indeed right up to his death. It is very sad that in his later years he suffered greatly.

Lionel Rose will always be remembered as a talented sportsman, a kind and generous man and a great Australian. Such was his kindness he gave away his most prized possession to a young child—his title in the form of his belt. That child is such a lucky person and I know that Tjandamura O'Shane will treasure that for the rest of his life and always gain strength and courage from it. I say to Lionel Rose's family members that there is great sadness at his passing but they should be proud of Lionel as an Aboriginal and an Australian, as all Australians are. His legacy will live on and that is something his family will always have.

**Mr STUART AYRES** (Penrith) [5.04 p.m.]: I rise to make a short contribution to the condolence motion for Lionel Rose. We have already heard from a number of members on both sides of the House. One thing has struck me over the past few days since Lionel's passing. If members look at any of the online stories or any of the publications right across the country they will see a number of photos of Lionel. The recurring theme in every one of the photos is his smile, a cheeky little grin. Anyone who got to see Lionel close up or on TV or even heard him on radio could always see, or hear in his voice, that little grin.

For me Lionel Rose was a dining table story. I grew up listening to my father's stories of Lionel Rose's great boxing victories. The member for Clarence and the member for Hawkesbury have referred to a number of other boxers who have followed in Lionel's footsteps, but today, when we are offering condolences to his family and friends, I think they would like us to remember Lionel as that happy Australian who did so much to raise the profile of indigenous Australians across the country and pave the way for other athletes to represent this country on the world stage.

Perhaps the timing of his great fight in Japan was one of those moments that just coincided with history. Only 12 months earlier our nation had had the opportunity to pass a referendum to allow the indigenous people of this country to participate in our great democracy. The timing of his fight gave him an aura or a mystique that he probably had to carry for a very long period of time. I dare say that if Lionel had the opportunity to speak to us now he would talk about the challenge he faced in living up to the legend when he was merely a man.

Lionel came from a small poverty-stricken hamlet called Jacksons Track, near Warragul in Victoria. He became amateur flyweight champion at the age of 15 and, four years later, at the age of 19, he became a world champion. He was fighting as the underdog, perhaps another component that allowed him to build such an Australian legend. He went as the underdog all the way to Japan, fought against the world champion and came back as the victor. I was reading only yesterday some of the stories about his trip to Japan. He had to drive to Sydney because there were no flights from Melbourne to Japan in 1968. He got in the car and drove up with his trainer. He ran into another guy that we have come to know, Johnny Lewis, and spent a few days training at Lewis's gym. Johnny was just starting out as a trainer at that time. Only a few people, Johnny included, saw Lionel off to Japan for that particular fight. He came back a few days later and had to fight his way through thousands of people who had lined the streets. He returned as a national hero.

I think it probably says something about a man who never sought or chased a headline that some of the headlines in the national publications have described him as a boxing champion who was hailed as a national hero. He was described in the *Australian* as "a man who transcended his sport". The headline on Mike Gibson's article in the *Daily Telegraph* yesterday said "Rose an inspiration to all Australians". We use the terms such as "great Australian", "legend" and "champion" so often in this place and in our everyday lives.

But there are very few times when we have the opportunity to recognise someone who epitomises the Australian spirit and who really represents everything that we want people to be when they are a champion. In

today's society sportspeople are often asked to be role models. Lionel would have struggled with that concept because not only was he quite a young champion but also he battled with ill-health and had an odd run-in with the law as well as a little bit of engagement with alcohol. But he was always able to pick himself up and carry on as that humble and graceful person we all knew, and it is that person we wish to acknowledge by this motion of condolence.

One of the things we recognise about Lionel is that through just being the type of person he was, he was able to do more for reconciliation and more for harmonisation of Australian society in the sixties and seventies than could any other person, and not as a political activist but just as a decent and solid human being. We remember with pride those characteristics when we speak about Lionel Rose. I take this opportunity to speak about Lionel when he returned from Japan. When he arrived at the airport, he was picked up by a limousine, which was probably something he had never seen before. He asked his trainer, Jack Rennie, who the thousands of people had turned up to see. He thought that all the people lining the streets meant that someone important was around, such as the Queen or a King or the Prime Minister. Jack Rennie turned to him and said, "No, Lionel. They're here for you."

At that point in our nation's history, in the sixties and seventies, Australia needed someone to stand up and take the next generation of Indigenous people forward and galvanise the historic referendum result. More importantly, Australia needed a champion as equally as did our Indigenous people, and Lionel Rose stepped up to be that champion. Lionel became the first indigenous Australian of the Year following his victory in Japan and he became a fantastic Australian representative in boxing tournaments. He defended his title three times. In recent days some obituaries have accurately described Lionel Rose. Well-known sporting commentator Mike Gibson stated:

Many people have asked me who's the best Australian fighter I've seen. Jeff Fenech was the most relentless, walk-up thrashing machine of them all. Kostya Tszyu was all class, with a hammer in each glove.

But Lionel Rose was the absolute embodiment of the sweet science.

So many fans of boxing regard boxing as a sweet science—not something linked to brutality, but rather something associated with skill, mastery, dedication and discipline. He went on to state:

Beautifully balanced, he was possessed of a straight left hand that left opponents convinced they'd been hit by a Melbourne tram.

That is the type of fighter Lionel Rose was and it is a fairly apt description of the type of human being Lionel was too when we think about his attributes in the context of the way we live. Warwick Hadfield summed up Lionel as well as any person possibly could. He said that Lionel was not only a cheeky young man from the rural districts of Victoria who played footy in grades well above his age group and often ran into bigger and stronger players, but also he was able to give a little rib tickler just to let players know he was still around. But when it comes to capturing Lionel's character and talent, what Warwick Hadfield wrote in the *Australian* is a fitting conclusion to any description of Lionel Rose. He stated:

That was essentially what Rose did: gave us a shining shared moment. So the sadness of his death is mixed with a great wave of nostalgia for a time of optimism and ultimately of that great confirmation we still need and want to value so much in this country: that you can come from just about anywhere to be champion of the world.

**Debate adjourned on motion by Mr John Williams and set down as an order of the day for a future day.**

### ASSENT TO BILLS

Assent to the following bills reported:

Local Government (Shellharbour and Wollongong Elections) Bill 2011  
Miscellaneous Acts Amendment (Directors' Liability) Bill 2011

### LOBBYING OF GOVERNMENT OFFICIALS BILL 2011

**Message received from the Legislative Council returning the bill with amendments.**

**Consideration of Legislative Council's amendments set down as an order of the day for a future day.**

**The ASSISTANT-SPEAKER (Mr Andrew Fraser):** Order! Government business having concluded, pursuant to resolution the House will proceed with Notices of Motions.

## BUSINESS OF THE HOUSE

### Notices of Motions

#### General Business Notices of Motions (General Notices) given.

### VOLUNTEERING

#### Matter of Public Importance

**Ms CHERIE BURTON** (Kogarah) [5.20 p.m.]: New South Wales has many things to love and our society has many things about which we can be proud. Today we celebrate one of the greatest elements of our social fabric: volunteering. New South Wales is at its best socially, culturally and economically when all of us get a fair go, especially the most vulnerable in our communities. We are a nation of tough people, with an even tougher landscape. Hard times can strike any of us. Do we get a fair go? Do we get the support we need? The answer is that volunteering is one of the most important aspects of any democratic government—certainly a priority of any Labor government. No democratic government can manage on its own as it requires partnerships with businesses, communities and non-government organisations, all of which rely heavily on volunteering.

We all know the phrase "a volunteer is worth a thousand pressed men or women" but none of us fully appreciates the truth until we do volunteer work. Those experiences teach us that it is impossible to put a monetary value on volunteer work; a price cannot be put on passion and commitment. Those people we celebrate today continue a tradition of volunteer service that pervades the community and underpins the fair go we all admire. By our reckoning New South Wales alone has 1.7 million volunteers who give more than 241 million hours of voluntary work to New South Wales communities each year. During the election campaign I addressed many community organisations in my electorate and discussed the contribution of volunteers. I had heard that nationally volunteers save governments around \$5 billion a year in services that would need to be provided by taxpayer funds.

Certainly, it is commendable that we have so many volunteers willing to help those less fortunate and to contribute to society. Of course, we rely on volunteers for many local community activities. Without volunteers there would be enormous gaps in sport, the arts, and cultural and environmental activities that give our local communities so much of their life and identity. We also rely on volunteers in emergencies. We know that high rates of volunteering and community participation mean stronger and more cohesive communities. Volunteering brings people together across generations and cultures, and harnesses their skills and experience. Volunteering also offers personal value, and the quiet but deep satisfaction is well known to our volunteers.

After all, volunteering is an essential expression of the characteristic of mateship that we all admire in this country. Not surprisingly, Australia's level of volunteering is particularly high, nowhere more so than in New South Wales. Who could forget how our volunteers brought Sydney alive with Olympic fever. Many modern Olympic Games have been supported by volunteers, but in Sydney's case they were a defining feature of the Games experience. I remember recently a 10-year anniversary was held when all the volunteers reunited. It was magnificent to see that they still proudly had their volunteer uniforms. It was a great day with great memories being recalled and stories being told of how we had delivered the best Olympic Games ever. That could not have been possible without the volunteers.

Volunteers were a defining feature of the Games experience. Almost 47,000 volunteers participated in the Olympics and Paralympics. Incentives used at other Games, such as payments or offering credit points towards university degrees, were not needed in Sydney. People were breaking down the doors to volunteer and be a part of the event. People from all walks of life, ages and occupations happily joined in and strengthened our Games spirit. Our volunteers proved to be the heart and soul of the Games. Sydney took Olympic volunteering to a new level. Each Games since has endeavoured to follow in our footsteps. Volunteers were the face of Sydney when it was on show to the world, and they did us more than proud.

New South Wales is proud of its volunteering record. Our volunteers represent one-third of our population. The value of their contribution is estimated at approximately \$2.4 billion of the State's economy. Volunteers know that members in this place acknowledge that volunteering is rewarding and fun, and creates lifelong friendships. Volunteering is an essential support for the great life we enjoy in New South Wales. As this week is National Volunteer Week it is important that the House, through this matter of public importance, acknowledges volunteering and the contribution of volunteers. On behalf of the New South Wales Labor

Opposition I place on the record our sincere gratitude to the volunteers across New South Wales. This is your week. I hope you enjoy it with all the activities and ceremonies that will be held to acknowledge your contribution. I hope this motion goes some way towards letting volunteers know that we very much appreciate what they do and acknowledge how much commitment display and contribution they make to all of our local communities.

**Mr VICTOR DOMINELLO** (Ryde—Minister for Citizenship and Communities, and Minister for Aboriginal Affairs) [5.27 p.m.]: Volunteers are the unsung heroes of our society, which is said often, and needs to be because it is fundamentally true. In my inaugural speech in this place I quoted Javier Perez de Cuellar, the former United Nations Secretary General:

Let all bear in mind that a society is judged not so much by the standards attained by its more affluent and privileged members as by the quality of life which it is able to assure for its weakest members.

This is an ambitious statement. I note also that my esteemed colleague the Minister for Education referred to a compassionate society. Volunteers are vital to the creation of a compassionate, vibrant and cohesive society. Volunteers so often provide vital care and services to the most vulnerable in our society through organisations such as the St Vincent de Paul Society, Mission Australia, the Red Cross and the Salvation Army, to name a few. In another part of our society volunteer firefighters, lifeguards, and disability and aged carers, among many others, actually save the lives of others. Volunteers improve the lives of the people around them, from a small helping hand to around-the-clock support.

Each year more than 1.7 million volunteers contribute over 235 million hours of voluntary work in New South Wales. Volunteering is estimated to be worth \$2.4 billion to the New South Wales economy each year. It is true to say we are a State of volunteers. As I discussed earlier in Parliament today, this week across Australia we celebrate and recognise the vital role that volunteers play in our society through National Volunteer Week. It is timely to note that our volunteering sector is evolving to meet the demands of the modern era, as should government policy. The Australian Bureau of Statistics census data to be collected later this year should help us to better understand the changing demographics and structure of the sector, as the last census was done in 2006.

But we already know there are some interesting trends in volunteering in Australia. For instance, it seems that younger Australians like to volunteer in the same way they work—often for shorter periods or in one-off roles. This presents both opportunities and challenges for the sector. Social media engagement will be a key tool in connecting with young people interested in volunteering, and I note that the Centre for Volunteering has created a dedicated Youth Volunteering website. The website provides young people with invaluable information about getting started as a volunteer, as well as interesting further opportunities for what might be termed online or digital volunteering.

Another important demographic relates to our baby boomers. According to research, seniors spend more time volunteering than young people do. Among 65- to 84 year-olds the median time was 2.0 per week and 1.5 per week for those aged 55 to 64 years. With more baby boomers reaching retirement age we need to look at ways to encourage more of them to utilise their vast experience and skills and relatively good health in volunteering roles. We also know that people with higher educational attainment levels are more likely to volunteer—45 per cent of those with a diploma, bachelor degree or higher volunteer, compared with the average of 34 per cent. We need to look at innovative ways to encourage volunteering through vocational education and training. New South Wales has volunteering participation rates of approximately 32 per cent in Sydney and 38 per cent in regional New South Wales, which underscores its importance in the bush. According to 2006 data we know that New South Wales needs to improve to catch up to other States if we are to lead the way in volunteering.

I would like to think that my own community is a leader. Last night I had the opportunity to attend Ryde council's annual volunteer recognition awards ceremony. I congratulate all the nominees and in particular the category winners: Achieve Australia-Vintage and Value Enterprises Team, group volunteers; Kim Rodgers, young volunteer; and Joan Graham, individual volunteer. No doubt the amazing stories of tireless service to the Ryde community are replicated across the other 92 electorates represented in this Parliament. A key component of National Volunteer Week is the launch of the New South Wales volunteer of the year awards, which showcase community members' contributions. The O'Farrell Government is financially supporting the Centre for Volunteering to run the nomination process, which closes on 30 August. I encourage all people to think of somebody in their lives who is working towards making our community a better place through their volunteering and then nominate them.

As we move forward, as Minister responsible for volunteering I am keen to hear firsthand from organisations that rely on volunteers to support their activities and deliver essential services. Therefore, I will be holding a roundtable in the coming months that will include some additional aspects and voices. For example, it is important to understand: how we better recognise and harness volunteering from our growing multicultural communities; how we promote more civic participation from young people, including recognising how they like to make their community contribution; and how we better leverage the growing area of corporate volunteering. And I am going to strongly examine the connection between volunteering and employment opportunity for disadvantaged people, including Aboriginal people, who have an employment rate of nearly 21 per cent.

Equally, we need to look into and respond to the emerging challenges that volunteer organisations report. Those include: cost and complexity in volunteer management and meeting regulatory requirements; the difficulties of retaining volunteers once trained, and the time and costs associated with continuously needing to recruit and retrain others; and adapting volunteering models and practices to meet changing community needs and local requirements. Indeed, everywhere I go I look forward to hearing from volunteer organisations at both the peak organisation and grass-roots levels, including in the Macarthur region next Monday as part of our Community Cabinet. And, I am delighted that later this week the Premier will also be hosting leaders from the volunteering sector to show the Government's appreciation for their efforts.

Indeed, the O'Farrell Government knows that often non-government organisations have many of the approaches and answers that the health of our civil society relies upon. This is embodied by the volunteering sector, and we are committed to developing strategies that encourage and nurture our more than 1.7 million volunteers in their dedicated and amazing work. The O'Farrell Government's commitment contrasts with the record of those opposite, who repeatedly promised a volunteering strategy, only to end up with a further promise in a media release in the middle of an election campaign. After 5,845 days they had no strategy, only a revolving door of volunteering Ministers since 2005, Ministers Meagher, Burney, West and Primrose—all promises and no delivery. We put substance over spin, and have already taken a number of initiatives in this regard, including funding commitments to community transport and Lifeline. And that is only the beginning. I look forward to the remainder of National Volunteer Week and I am excited about what our Government can achieve in this portfolio.

**Mrs BARBARA PERRY** (Auburn) [5.34 p.m.]: I am pleased to speak on this matter of public importance. I am very proud of the great lengths that the former Government in this State went to in order to strengthen this great aspect of Australian life. I want to place on record, on behalf of those on this side of the House, my thanks as well as those of members on the other side of the House for the countless hours and contributions that volunteers make in this State and across the country to Australians who may be disadvantaged, or to sporting life or to other countless things that volunteers support. Volunteering is the great Australian spirit. I have always said that, and I will continue to do so.

I am proud of what we did in government. We introduced projects and initiatives to increase the number of people from culturally and linguistically diverse communities and members of the Aboriginal community in volunteering. That was designed as part of the Labor Government's State Plan goal to increase the number of volunteers in New South Wales by 10 per cent by 2016. At the time we left office we were well on the way to achieving that goal. Despite the negativity of the Minister for Communities—not the Minister for volunteering but the Minister for Communities—I really hope that the new Coalition Government has a goal, and that it is the same as Labor's goal, which was to increase the number of volunteers in this State by another 10 per cent by 2016. But we have not heard about that. Today we have heard about a round table. It really concerns me that such an important matter was viewed in such a negative way.

Labor also developed a New South Wales volunteering strategy to support volunteers and increase participation across generations and communities. If one does not have strategies there is nothing to aim for. Not only did we have a strategy; we were well on the way to increasing participation. We also promoted volunteering to segments of the community that have low participation rates, and we worked hard with cultural, sporting, environmental, educational, community welfare and emergency service groups and organisations to provide appropriate training and support to attract and retain volunteers. We established a Volunteering Unit to coordinate the implementation of strategies to meet the State Plan targets to which I referred. We worked with non-government and volunteering sectors in developing the volunteering strategy for New South Wales. We introduced mechanisms to encourage and support volunteering across generations and communities, and we implemented initiatives to support and provide appropriate training and to attract and retain volunteers.

Labor worked with other State governments, the Federal Government and local government to develop the volunteering strategy. The Volunteering Unit was established by the Department of Premier and Cabinet in

September 2007 to implement the volunteering commitments that were made in the 2006 State Plan. The unit became part of Communities NSW when that department was established in July 2009. Of course, our efforts went beyond just the Volunteering Unit. Volunteering was a whole-of-government priority. I have not heard that today from the Minister for Communities. For example, the Premier's Student Volunteering Awards Program also recognised and celebrated the contribution of year 9 and year 10 students to their school and community through volunteering. In 2010 more than 110,000 hours of student volunteering were acknowledged.

There was also significant government investment in making volunteering easier and broadening the volunteer base. For example, as part of the former Government's 10-year plan for disability services, Stronger Together, \$8.5 million was invested in strategies to attract and retain staff in the sector, including volunteers. This included a significant investment in learning and development tools to support better governance and financial management for voluntary boards of management in non-government organisations. So the commitment of Labor whilst in government to celebrating volunteers and their contribution to the New South Wales economy was across the board and was ongoing.

It deeply concerned me that there is not a recognised Minister for volunteers as there was when we were in government. That is quite sad. It ends, in my view, an era of volunteers having a dedicated place at the New South Wales Government Cabinet table. We have heard that the Minister is now the Minister responsible for volunteers, but he is not the Minister for volunteering. I would like to end on a positive note by thanking the volunteers for the countless hours and services that they give to New South Wales.

**The ASSISTANT-SPEAKER (Mr Andrew Fraser):** Before I call the member for Kogarah I acknowledge the volunteers in my electorate of Coffs Harbour, be it the State Emergency Service or the service clubs, Probus, Rotary, Lions, the Country Women's Association and the Red Cross. I am sure I have left out dozens of volunteer organisations. I am sure all members appreciate that, as the Minister indicated, volunteers in our communities give an estimated \$2.1 billion of monetary worth back to the New South Wales economy. All volunteers should be congratulated, as should the member for Kogarah for bringing this matter before the House today.

**Ms CHERIE BURTON (Kogarah)** [5.40 p.m.], in reply: I thank the member for Auburn and the Minister for Citizenship and Communities, and Minister for Aboriginal Affairs for their contributions. However, I am disappointed—it seems to be the way of things to come—that the Government has used such an auspicious occasion to try to score cheap political points. I apologise to the volunteers of New South Wales: as I said, this week is their week. It is their week to celebrate and to be recognised for the contribution they make. They should not be used as an excuse to score a few political points in the evening in Parliament House.

As the Assistant-Speaker said, hopefully members will spend some time in their electorates this week to spend time with local volunteers and show them that the community appreciates the work they do. My electorate of Kogarah has a number of groups that support volunteers. I have been able to maintain and build a strong relationship with my local volunteers over the past 12 years of my representation. It is great to see volunteers get together and share their volunteering stories—there is a lot of networking—and to see the community support for the volunteers, not just the work they do.

The Volunteering Australia website lists the four most common types of organisations for which people volunteer. No. 1 was sport and physical recreation. In our electorates we have many sporting groups, and many mums and dads give up countless hours to help ensure that those sports function every week and that our kids are getting good exercise and perhaps training to become champions. Another type is education and training. Volunteers in my electorate participate in the Reading Recovery Program and help out in school canteens and all of those sorts of things to provide schools with a strong local community and additional services and support.

Another type is community and welfare. We all have community organisations in our electorates. Christmas time is great because we get to visit all the volunteer groups at their Christmas functions and to thank them for the great work they do. Another type is religious groups, which are prominent in my electorate of Kogarah. The four most common volunteering activities are fundraising, preparing and serving of food, teaching and providing information, and administration. The website shows that 57 per cent of people volunteer to help others or the community, followed by 44 per cent who volunteer for personal satisfaction and 36 per cent who volunteer to do something worthwhile.

On behalf of all members I reiterate our support for and commitment to our volunteers. Obviously, we will work with the Government on initiatives to increase volunteering. I join the member for Auburn in saying

that I am proud of our record. I am the shadow Minister for volunteering, and I am proud of the Labor Government's record in terms of supporting volunteers and increasing volunteer participation. We do not shy away from that. As the shadow Minister I want to work with the Government to ensure that we continue to increase volunteer participation in New South Wales. On behalf of all members I say to our volunteers: Enjoy your week. It is your week. We pay tribute to our volunteers in New South Wales.

**Discussion concluded.**

## **PRIVATE MEMBERS' STATEMENTS**

### **NEWCASTLE INNER-CITY BYPASS**

**Ms SONIA HORNER** (Wallsend) [5.45 p.m.]: Which project is paramount to improving the quality of life of Hunter residents? During the election campaign, which project was repeatedly raised by the Wallsend community as a very high priority for the Fifty-fifth Parliament to fund and build? One stand-out plan is the Newcastle inner-city bypass, also known as State Highway 23. The inner-city bypass is an orbital road that creates a more direct route for commuters between Maitland and Newcastle and to the south. I am pleased to report that stages 1, 2, and 3 are complete. Stage 4 is on track, under construction and funded by the previous Labor Government. Stage 5, which is Rankin Park to Jesmond, the final section, now needs our attention. The building of stage 5 is not only important in itself; it is pivotal because of its geography.

On the route of the final section of the bypass is John Hunter Hospital, which was built when the plan for the inner-city bypass was first mooted. This facility is the largest hospital in the Hunter-New England area, housing the largest trauma unit in New South Wales. From June 2009 to June 2010 John Hunter Hospital had more than 75,000 admissions and well over 500,000 non-admitted patients. It is busy 24 hours a day. At present both entrances to John Hunter Hospital are situated on the eastern side of the hospital and in peak times there is virtual gridlock. No doubt John Hunter Hospital will continue to expand its services. So the completion of stage 5 will open the much-needed western entrance to John Hunter Hospital.

As well as improving traffic flow to and from John Hunter Hospital, stage 5 of the bypass will alleviate traffic congestion to the University of Newcastle Callaghan campus from the south. The economic, social and cultural contribution to the Hunter of the University of Newcastle cannot be underestimated. Over 28,000 students are currently enrolled, including approximately 7,000 international students, and this number will grow. In fact, student numbers were at a record high in the past year. Let us be clear about this: this road is not only about John Hunter Hospital and the university; it is about expanding the local economy and creating greater opportunity for businesses, large and small, in the Hunter. It is about shortening travel times for workers so they can spend more time with their families. In short, this bypass will benefit many from all walks of life and from many areas.

Last year I moved to congratulate the previous Government on its commitment to fund stage 4, the Shortland to Sandgate section of the Newcastle inner-city bypass. Now that the Liberal Party has formed Government it is timely to remind the House of what the member for Port Stephens said on the day I congratulated the Labor Government on building stage 4. He said:

... when the Sandgate to Shortland link has been completed, the central part of the Newcastle inner-city bypass will still be undeveloped, unfunded and unplanned. It is a bit like the M2 coming to a dead stop at Strathfield.

I was glad he understood the importance of the completion of stage 5. On that day I formally invited the member for Port Stephens to arrange a meeting with the then Minister for Roads. I said then that I would be happy to meet with the member for Port Stephens. I meant it then and I reiterate it now. This issue is too important to the people of the Hunter to get involved in petty politics. Let me finish by saying this. I have no doubt that everybody who enters into public life does so to improve the lives of those they represent. So I ask all the members who represent the Hunter to join with me in lobbying the new Minister to complete this vital piece of infrastructure. This is not only for the people of the Wallsend electorate, but for the betterment of all who live in the Hunter region.

### **MAI-WEL GROUP FIFTIETH ANNIVERSARY**

**Ms ROBYN PARKER** (Maitland—Minister for the Environment, and Minister for Heritage) [5.50 p.m.]: I draw to the attention of the House a very important anniversary that is occurring within the

electorate of Maitland this year. For the past 50 years, the Mai-Wel group has provided vital disability services to people throughout the Hunter. Fifty years is a milestone to be noted for any organisation. However, when it is an organisation that performs such an important function in a local community such as Maitland, it is a milestone that deserves to be celebrated. Mai-Wel was born in the 1960s from the vision of a few families who wanted to provide an outlet for education, opportunity and meaningful employment for their children with a disability. Fifty years on, I am pleased to report that the Mai-Wel Group is a thriving, client focused, not-for-profit company that provides a diverse range of services across the Hunter. The group is focused on developing opportunities that advance the lives of people with a disability, allowing the individual to realise their goals for life and provide access, integration and opportunity for all.

Not only is Mai-Wel one of the larger disability service providers in the lower Hunter region, but the company is now a major employer within the Hunter with more than 290 full- and part-time staff employed to provide services and support to more than 800 people with a disability. Over the years it has been the tireless efforts of community groups, families and individuals that have seen the group's humble beginnings evolve into the independent organisation that exists today. One of the most important people in the success of the organisation is the current chief executive, Pennie Kearney. I thank her for her tireless work and her vision. I also thank all the staff whose remarkable commitment has improved opportunities for people with a disability in my electorate and those of my Hunter colleagues. This Friday the group will conclude its year-long celebrations with a gala ball at the Maitland Showground. I am very pleased to say that I will be in attendance. I look forward to helping the people of Maitland celebrate the wonderful work this organisation has done over the past 50 years.

The New South Wales Government is committed to giving disability service providers such as Mai-Wel the support and assistance they need. In our first term in Government we intend to put in place the strongest client-focused service arrangements for ageing and disability in Australia. When the current Minister for Disability Services was the shadow Minister he visited Mai-Wel with me. I know he was impressed with the work that Mai-Wel undertook. He was very keen to engage with, support and work with Mai-Wel and other disability providers in the Hunter region. He has started very well by talking with representatives of disability groups not only in Maitland but also in other parts of the Hunter, particularly Newcastle and Stockton. Under the second phase of the Stronger Together plan, the Government is committed to expanding and enhancing the community care and disability service system. We are committed to advancing the reforms that have already occurred under the Stronger Together plan over the past five years. Through the Stronger Together plan we will not only deliver the places, but also offer individualised funding packages.

Where possible we will seek to make individuals with a disability, their families and their carers the decision-makers about the services and support they use. The Government's approach to disability services will focus on four priorities: delivering of Stronger Together, the 10-year disability service plan; implementing a person-centred approach; working in partnership with the non-government sector to deliver the best possible outcomes for people with a disability, their families and carers; and providing more support to carers and families. The Government is committed to a disability service system that increases choice, voice and control for people with disability and their carers. That will deliver quality outcomes for people with a disability. It is central to our plan. It is not about a one-size-fits-all approach when it comes to delivery of services for people with a disability.

It is a tribute to Mai-Wel, its staff and the board that they have provided such brilliant services. They have done a great job without government funding and by engaging the community. Maitland is very proud of Mai-Wel. I am very proud to represent Maitland and encourage and support Mai-Wel. I certainly congratulate Mai-Wel on 50 years. It is a great service and I look forward to helping it celebrate those 50 years.

#### **CLARENCE VALLEY INDUSTRY EDUCATION FORUM**

**Mr STEVE CANSDELL** (Clarence—Parliamentary Secretary) [5.55 p.m.]: Before 26 March, together with the then shadow Minister for Aboriginal Affairs, I met with the Clarence Valley Industry Education Forum which is a local government and business partnership group that aims to help indigenous youth transition from education through to employment. The chair, Ron Phillips, and a director and also general manager of Clarence Valley Council Des Schroder also attended. We were at the meeting to explore possible government resource support for the Clarence Valley Industry Education Forum Fresh Start Program. The Clarence Valley Industry Education Forum is a pioneering community collaboration. Through innovative partnerships between students, parents, educators, training providers, business and the wider community and by engineering new programs, the forum is working to close the gap for Aboriginal young people.

The acclaimed Fresh Start Program is an initiative of the forum. This groundbreaking national first is attracting interest from government, educational institutions and the philanthropic sector. This week it was announced as the winner of the 2011 Nanga Mai Award for outstanding regional innovation. Ron Phillips, the chair of the forum, is also director of North Coast Education and is seeking our support for Clarence Futures Bank, a key component of Fresh Start. The Futures Bank is a community solution to work, education and employment transitioning for Aboriginal students in years 9 to 12 in Clarence Valley high schools. The Futures Bank comprises three integrated modules of skills development: enterprise learning in year 9, pre-employment in year 10, and school to employment transitions in years 11 and 12.

The aim of the enterprise learning program is to introduce work, industry and business concepts to students through applied learning. Enterprise learning is delivered by industry specialists. Targeting year 9 students, the program makes linkages between curriculum and the local economy and inspires students in their preparation for pre-employment activities. Students develop a resume inclusive of skills developed in enterprise learning events. Enterprise learning involves more than 150 students annually. The pre-employment program targets year 10. It seeks to support Clarence businesses to provide students with a positive workplace experience. Employers will have access to cross-cultural training and workplace mentoring, and they will be helped to develop a reconciliation action plan and inclusive employment policies. Employers who have participated in the pre-employment modules will then self-select to be part of the program in response to a marketing campaign. The aim is to create an initial employer pool of 20 with 10 per cent growth each year thereafter. Students complete an intensive pre-employment workshop as preparation for this module. Students update their resume on completion of this module.

School to employment transitions is tied to Careerlink and school-based apprenticeships and traineeships [SbAT] targeting year 10, for completion in years 11 and 12, that are either sourced directly by Aboriginal students, using skills, workplace knowledge and confidence developed in modules one and two, or through SbAT opportunities marketed by careers advisers. SbAT placement is not guaranteed but based on merit selection. Aboriginal students are assisted and supported in developing resumes and the SbAT process by a transitions officer. In relation to Futures Bank targets, there are 337 Aboriginal student enrolments in participating forum high schools as at January 2011, or 10 per cent of the total student enrolment. The Futures Bank will support each student between year 9 and year 12.

The target is to get the 337 Aboriginal students enrolled participating in the forum through the high school, and to encourage them to follow through in order to get trainee positions out of school and into the workplace one day a week. That would go towards their Higher School Certificate and when they leave school it will possibly lead to an apprenticeship or traineeship in nursing or other trades and jobs. It is a great initiative. The Aboriginal unemployment rate is around 37 per cent on the North Coast, which is way above the national average. I encourage this Government to support the Fresh Start Program of Clarence Valley Industry Education Forum to get Aboriginal youth into employment to give them a future that their families could not conceive.

**Mr DONALD PAGE** (Ballina—Minister for Local Government, and Minister for the North Coast) [5.59 p.m.], in reply: As the Minister for the North Coast, I congratulate the member for Clarence on his re-election and say how encouraging it is to see him always looking at innovative ways of improving conditions for the people in his electorate. He notes that the Aboriginal unemployment rate is 37 per cent on the North Coast of New South Wales and I commend him for taking the initiative of forming the Clarence Valley Industry Education Forum and the Fresh Start Program. I am sure that these initiatives, if implemented, will do a lot to further the advancement of Aboriginal employment on the North Coast.

**Private members' statements concluded.**

**GOVERNOR'S SPEECH: ADDRESS-IN-REPLY**

**Third Day's Debate**

**Debate resumed from an earlier hour.**

**Mr BRYAN DOYLE** (Campbelltown) [6.00 p.m.] (Inaugural Speech): As the member for Campbelltown, I extend my heartfelt thanks to the people of Campbelltown who have placed their trust in me to represent them. Having once been described as the "face of policing" in Campbelltown, I have now become the face of Campbelltown in this Parliament. At the outset I acknowledge the outgoing member for Campbelltown, the Hon. Graham West, who retired from politics before the last historic election. I wish him well in his new career as the Chief Executive Officer of the St Vincent de Paul Society.

As I told the people of Campbelltown during the last election, it was all about leadership. For far too long they had been taken for granted and the term "south west Sydney" was generally used in the media as a by-word for neglect. That neglect has now come to an end and I will ensure that the people of Campbelltown are never, ever, taken for granted again. I know that having our Premier, Barry O'Farrell, leader of the Liberal-Nationals Government, as Minister for Western Sydney means that we have the full support of the new Government. Instead of being neglected, Campbelltown has now become the opal of the south west of Sydney, the benchmark for the best that we have to offer. As the member for Campbelltown, it will be my privilege today to share some stories of the wonderful place that is my home, the great character of the city of Campbelltown and our future direction, and of my debt of honour to my parents, my family and my friends, my Catholic faith, and all those who have helped make the member of Campbelltown who stands before you today.

The Campbelltown and State election was about the need for leadership. Recently, in this very Chamber, I hosted a delegation of our local school leaders from schools such as Thomas Reddall High School, Ingleburn High School, Leumeah High School and Campbelltown Performing Arts High School—and I note we have a representative from St Gregory's high school in the gallery. I outlined to them three aspects of leadership that I considered important throughout the election: values, service and durability. I told them that good leaders must have strong values and personal integrity. That is vital as, if you stand for nothing, you will fall for anything. I told them that leadership must be about service to others lest they fall to the perils of self-interest. I also told them the importance of durability; that they must never, ever, ever give up. It is about making a difference for the better and not accepting indifferent service from people who have a job to provide services to our community.

Madam Speaker, I learned many of these leadership principles from my family and educators, and I know from your background that you would be well aware of the value of educators. I had the great fortune to be raised in a large Catholic family where the concepts of love of God, family and community, and the value of service above self were taught in large slices in the humble surroundings of a suburban family. In my education by the Christian Brothers at St Patrick's College, Strathfield, the motto of "luceat lux vestra"—loosely translated as "let your light shine"—was emblazoned into the hearts of all the boys there who graduated as Catholic men, determined to do and love the right and to make a difference for the better. I am proud to say that that spirit of service remains with me today as the Liberal member for Campbelltown.

These were the leadership principles that I brought to bear upon my policing career at Campbelltown and now as the member for Campbelltown. It was a great privilege to serve my community as a Chief Inspector of Police. I have always maintained that policing was best done for and with the community, not to and against them. I had always been taught the golden rule that you treat others the way that you would like them to treat you. It boils down to respect. My community focus was such that I became known as an officer who cared for his people and ultimately became the face of policing in Campbelltown. Strangely, I was often accused of being more for the community than for the police, but the community are the police and the police are the community.

In that role I was able to improve the relationship between the police and the community through my many personal friendships and community partnerships. I enjoined government departments into these partnerships—some willingly; others not so willingly, but I was more than happy to persuade them. Some of those projects included restoring public order by working with community elders and renewing housing estates, tackling offences like trail bike riding that infringes on the ability of people to live their lives and also riding in public parks, targeting graffiti criminals, supporting the Australian Pacific and Maori Community Services volunteer patrols at Macarthur Square, and reducing alcohol-fuelled violence. All of those initiatives assisted in improving the life of my community and making a change for the better.

It should be noted that none of these victories would have been possible without the support of our wonderful, professional local media, the *Macarthur Advertiser*, the *Macarthur Chronicle*, and C91.3 FM radio. We are most fortunate to be served by such dedicated and professional local newspapers and radio that just live and breathe Campbelltown. Having served the New South Wales police for 27 years, achieving the rank of Chief Inspector, serving in general duties, public order, detectives, prosecuting, and legal services, spending three years in the great city of Broken Hill, and finally serving my own people of Campbelltown, I saw that there was a need for better representation for Campbelltown in State politics. I could hear the cries from the suburbs as people opened their power bills, contrasted by the silence of the infrastructure projects that never happened.

Such a major career change—which seems to me now as the most senior police officer to have ever entered politics—by a husband and father requires extensive consultation with the family and elders. My

daughters Sarah and Lauren were initially quite concerned. After all, they told me, I was well respected as a chief inspector in the community, but they were of the opinion that a career in politics was not so highly regarded. However, in the end, they were satisfied that I could make a difference for the better in politics. My wife, Sharon, took more convincing. As with most serious family discussions, it was continued with a trip to the shops. While purchasing some premium mince from the Rosemeadow butcher, young Nathan the butcher said, "Mr. Doyle, when are you going to run for politics, because I want to vote for you?" My wife, Sharon, concluded that, if Nathan was going to vote for me, I had better start running.

I was then endorsed as the Liberal candidate for Campbelltown and took leave from my policing duties. It was a leap of faith, leaving the security of a lifelong policing career and launching into a political career. I was given little or no chance at all, as the seat had not changed hands for 40 years. I knew it would be a record-breaking task to win the seat, but I always quietly believed that the people of Campbelltown were ready for a change, and that I could better help my community. With my dedicated team of volunteers we planned and started the work necessary to achieve the impossible, and on a very limited budget.

I found that campaigning can improve one's health. I lost about seven kilos while walking on the campaign trail and talking with locals. Better still, my older sister, Karen, who is here tonight, reported that it was having a positive effect, not on my figure but on the election campaign. My niece and god-daughter, Clare, had attended a party where everyone was talking about the "bald man who talks to housing commission people", "Hey, that's Clare's uncle!", and how impressed they were that someone had taken the time to talk with them and to stand up for them. I think it can be understood that the reference to the bald man was to me.

During the campaign I attended another butcher's shop, this time at Ruse, although we have many lovely butcher shops in Campbelltown. Shayne, the butcher there, told me straight up that I was the first politician that had walked into his shop since 1995 and that if he ever saw me again he would be surprised. Further, he told me to tell Barry—I took that as a reference to the now Premier—to "get on with the job" when he became Premier. Two weeks later I returned to the Ruse shops and Shayne was impressed. I then told him I had brought a friend, and in walked Barry O'Farrell, complete with media contingent. While it pleased Shayne, the Sydney media was less impressed that I had taken Barry, the future Premier, to a quiet suburban shopping centre at Ruse. Barry rang me and told me not to worry, that the criticism was a badge of honour and highlighted exactly why it had been the right decision for me to invite him there. I valued his support and decency throughout the campaign.

The end result was that Campbelltown, for so long the neglected seat, became the highest-ranked seat on the pendulum to fall in the election. It was so historic that the political commentators, including Gladys Berejiklian, thought there was a problem with the computer. But no, it was not; a 21.8 per cent swing was in order, and Campbelltown had gone from being neglected to becoming the prized opal, the jewel of the south-west of Sydney. This is highlighted by the fact that the very first community Cabinet meeting of the O'Farrell-Stoner Government will be held at Campbelltown next week—the very first, and in the south-west of Sydney. [*Extension of time agreed to.*]

This demonstrates the importance of Campbelltown, the prized opal of the south-west, and gives long overdue attention to the growing needs of our regional city. When I refer to Campbelltown being the opal of the south-west it is because the people of Campbelltown are the greatest in Australia. We have come from the four corners of the world, but we are proud Australians and Campbelltownians, and we owe no other allegiance. It is important to remember that we all identify as Australian, regardless of our place of birth or heritage. Such a thought process profoundly alters how we think about ourselves and our fellow citizens. While I might have a heritage that includes Irish, English, Scottish and German bloodlines, I am Australian, and so it is for all who hold Australian citizenship, whether by birth or by naturalisation.

My family, too, has significant historical connections with Campbelltown, going back to the initial convict settlement of Campbelltown, an area that has a rich Aboriginal tradition with the Dharawal people. Some of my convict forebears were assigned to Thomas Rose's farm, which is now Rosemeadow. One of them, Thomas Lloyd, had his ticket of leave revoked for harbouring two convicts, presumably mates of his, who had recently absconded from the farm service of John Warby of Leumeah. By handwritten warrant he was committed to the Hyde Park Barracks, just down the road from here, to be held there at the "pleasure of his Excellency, the Governor". A copy of that historic warrant is proudly on display at the Campbelltown Police Station.

Some of the finest examples of community spirit and citizenship that lives at Campbelltown can be found in our annual festivals, especially the Fisher's Ghost Festival and the Ingleburn Alive Festival. These

community celebrations are some of the biggest community festivals in the country, and are the times when we gather to celebrate our shared heritage and look towards the future. Among the wonderful communities of Campbelltown I draw members' attention to the people of Ingleburn. The people of Ingleburn have a long history, which includes having their own local government up until 1948. The brick facade of the council chambers is still proudly on display in the city. When the police station was taken away from Ingleburn, the local community donated and built the Ingleburn Policing Centre to be used by their local police. This generous gesture demonstrated their close relationship with their local police, and I am determined to see that the generosity of those people is recognised.

Another wonderful group of people in our area is the Australian Polynesian elders who make up the Australian Pacific and Maori Community Services. These proud elders have donated their time for many years now to make our community safe. They come from all the islands of the Pacific. I invited these elders into Campbelltown Police Station, where they held their meetings and undertook TAFE training. I am proud of their level of commitment and the high success rate of their academic achievement. They have shared their values of faith, honour, respect and community pride, and as volunteers have freely given to our community. It is my privilege and honour to be their patron.

I must make special comment on one of these elders. I will always remember a farewell morning tea for granddad John Whiu last year, when he commented on the success of our partnerships, how amazing it was that "law and order" had been returned to them, how a senior police officer had walked their streets, and how the community could celebrate with their "favourite chief inspector of police". I never had the benefit of knowing my own grandfathers, but I hope they were a lot like my granddad John Whiu. As the member for Campbelltown, now emerging as the great opal of the south-west of Sydney, I look forward to a bright, vibrant future for Campbelltown as the hub city for the Macarthur region, a destination of choice for residents, businesses and tourism, serviced with effective infrastructure, especially transport, roads and rail that would help the community get on with their lives.

I must express my appreciation to my family and friends for their contribution to the making of the man who stands here before you as the member for Campbelltown. I give thanks to my lovely wife, Sharon, and our daughters Sarah and Lauren, my brothers and sisters John, Karen, Peter and Michelle and the extended Doyle family, who have supported me throughout my policing career and now as the member of Parliament for Campbelltown. They are my inspiration and I will always love them. Being the third of five children there are very few photos of me as a child, but I have made up for that in recent years. My father always told me that a good way to judge a man was by the quality of his friends. Just looking around at my many friends here tonight, from near and far, especially those from my volunteer campaign team, and my fellow members in this Chamber, I consider myself to be a very fortunate man.

I would also like to acknowledge the Clerk of the Legislative Assembly and his staff, including the officers present, the Hansard reporters and the security officers. I have always been impressed by their professionalism, impartiality and care for the traditions of our great Parliament. These I have taken on while sitting here in the Chamber, watching and observing prior to being allowed to speak. I am looking forward to speaking here on behalf of my people of Campbelltown. I would especially like to honour my mum and dad, John and Helen Doyle, who have both gone to their eternal reward. They taught me everything I needed to know about our faith in God, selfless love and service. To them I dedicate all the honour of my public service. To the people of Campbelltown, I thank them again for entrusting me to serve them as their local member of Parliament. I look forward to being the most effective member of Parliament that Campbelltown has ever had.

**Mr MARK SPEAKMAN** (Cronulla) [6.24 p.m.] (Inaugural Speech): For thousands of years the Gweagal clan of the Dharawal nation lived in what is today the Cronulla electorate. Then in 1770 Captain Cook landed at Kurnell and, as they say, the rest is history. Two hundred and forty-one years later, Cronulla is a vibrant community in the Sutherland shire—a microcosm of middle Australia. Its backbone is hardworking families from all walks of life. It has a strong sporting culture and a strong culture of volunteerism. One in four adults regularly contributes in this way—in surf clubs, sports clubs, parents and citizens associations, RSLs, aged care, motherhood support, disabled support, bush care, precinct committees and many, many more activities.

A new member of Parliament customarily waxes lyrical about his or her electorate. But let's face it: it is hard to think of any other electorate in New South Wales as blessed by nature as Cronulla. Most, but sadly not

all, of the natural beauty the Gweagal people knew remains. The electorate is surrounded by water on three sides, with Sydney's largest and most spectacular beach to the east, magnificent waterways to the north and south, and the world's second oldest national park just across Port Hacking. The Kurnell peninsula is home to the Kamay Botany Bay National Park and to the internationally listed Towra Point Nature Reserve.

It is now my honour and privilege to represent the people of Cronulla. Cronulla is where I grew up, where I spent most of my adult life and where I have returned to live. I have been in the Cronulla electorate for many milestones in its history—and sadly we are still waiting for others. Firstly, I was there in 1965 when I went across the Captain Cook Bridge the day it opened. But 46 years later, we are still waiting for the rest of the F6! Secondly, I was there in 1970, when I saw the Queen drive down the Kingsway in Caringbah after the 200th anniversary re-enactment of Captain Cook's landing at Kurnell. But 41 years later, we are still waiting for Kurnell, the birthplace of modern Australia and the meeting place of two cultures, to be given the respect and funding that it deserves. And, thirdly, while I have watched other grand finals on TV, in 1978 I saw the Cronulla Sharks play in the rugby league grand final replay at the Sydney Cricket Ground. But alas, 33 years later, we are still waiting for a Sharks grand final win!

As to the first of those milestones, traffic congestion for Cronulla commuters is worse than ever and I will fight for the F6 extension. As to the second, I will fight for proper funding for Kurnell as in 2020 it approaches the 250th anniversary of the meeting of two cultures. But, following on from the third milestone, unlike some members of the national Parliament who left open the remotest possibility of playing full forward for the Bulldogs or captaining the Broncos, I can categorically rule out ever playing for the Sharks.

And I was in the Cronulla electorate for a fourth milestone—election night 1984. Now some people say that "Cronulla" is an old Aboriginal word that means "Malcolm Kerr". Election night 1984 was when Cronulla became the most marginal seat in New South Wales after Malcolm won it from Labor. Then over the next 27 years, "Killer" Kerr, who is here tonight in the gallery, set about transforming Cronulla into the jewel in the Liberal crown in Sydney's south. As we all know, Malcolm is widely respected for the quiet, unassuming and dignified manner in which he has served his constituents with enormous diligence over those 27 years.

I cannot possibly name all of the many supporters who worked hard on the Cronulla election campaign. At the risk of overlooking someone, I will name a few. Much of the heavy lifting was carried in particular by Hassan Awada, Marie Bonney, Margaret Driver, Tom Croucher, Matthew Daniel, Alex Gibson, Rhonda Holt, Karen Johns, Kent Johns, Fay Samuel and Kevin Schreiber. However, two people deserve extra special mention. First, my campaign manager, Michael Douglas, who is a veteran of over 30 years of shire campaigns and one of nature's true gentlemen. Second, David Begg from the Liberal Party state executive, who has supported me in every preselection battle I have fought, including my eventual victory in Cronulla. Above all I thank my family members here today—my wife Caroline, whom I met in this building in 1987, my daughter Kate, my son Matthew, my mother Beryl, my sister Dianne, and my late father Ray. Without their love and support none of this would be possible. They are and remain my number one priority.

I arrive here as a Liberal in the tradition of Sir Robert Menzies. Menzian liberalism has two limbs. First, liberalism stands for freedom. In 1964 Menzies spoke of the "Liberal Creed" as follows:

... men and women are not just ciphers in a calculation, but are individual human beings whose individual welfare and development must be the main concern of government ... We have learned that the right answer is to set the individual free, to aim at equality of opportunity, to protect the individual against oppression, to create a society in which rights and duties are recognized and made effective.

The second limb of Menzian liberalism is open-mindedness and decision-making based on facts. Menzies famously said that we took the name "Liberal" because we were determined to be a progressive party, willing to make experiments, in no sense reactionary. Menzies wrote:

If I were to become leader of a great non-socialist party, I must look at everything in a practical way,

This involves pragmatism. But that pragmatism does not equal ad hocery or expediency. It means being empirical, discovering the facts by observation or experiment, and then deciding the most practical approach. As Menzies noted in 1970, Australia inherited the British nature of mind, which is predominantly not deductive but inductive. Principles, if and when they evolve, are the result of experience and practice. That is the process by which the English common law has evolved over a course of centuries.

The day-to-day application of that liberal philosophy with its two limbs may change. Particular policies that suited the time of Menzies may be outdated today, but the golden thread of liberalism remains: freedom empowering individuals and open-minded fact-based practical decision-making. Critical to my world view is a

Christian faith. But I emphatically believe in the separation of church and State. I know that I have been elected to represent people of all faiths and none. I know that I am in no position to judge myself as morally superior to others, but I know that my Christian faith is the context in which in this Parliament I will seek to serve others.

My time here will be guided by, among others, four applications of Menzian liberalism. First is application to the main function of State Government, which is very simple. It is to deliver the best possible services at the lowest price to the consumer and the taxpayer. Second is the application to ensuring housing affordability for all our citizens. Third is the application to protecting our environment. Fourth is the application to improving our federal system.

Returning to the first matter, best services at lowest price to the taxpayer and the consumer involves the Menzian liberal tenet of looking at what works. Best services at lowest price means a strong public education system as a way of empowering individuals and promoting equality of opportunity. All my education was at comprehensive public schools in the electorate that were attended by children of doctors and children from caravan parks. Best services at lowest price means equipping all students with the skills they need for the workforce and life, and not merely with a politically correct agenda. Best services at lowest price means an expert body like Infrastructure New South Wales determining infrastructure-spending priorities in the public interest. Best services at lowest price means fixing the blowout in public transport commuter times. In particular, train journeys between Cronulla and the city are now often slower than 50 years ago.

Best services at lowest price means involving the private sector in service delivery, but only if the sums add up. Lowest price not just to the taxpayer but also the consumer means that if we consider private-public partnerships or privatisation, we have to ask not only what maximises the sale price for consolidated revenue, but also what delivers the best deal for consumers. Replacing a public monopoly with a private one may not make any difference at all to consumers.

The second matter I mentioned was housing affordability. The Annual Demographia International Housing Affordability Survey compares median incomes with median house prices in housing markets in the English speaking world. It describes the Sydney housing market as "severely unaffordable". The latest survey shows Sydney is second only to Hong Kong as the most expensive city out of 82 major metropolitan housing markets surveyed. [*Extension of time agreed to.*]

The median house price in Sydney is 9½ times the median household income. That multiple of 9½ is to be contrasted with, for example, London, which is around 7, New York and Los Angeles, which are around 6, and Toronto and Montreal, which are around 5. Members should not think the problem is Sydney-centric; Newcastle and Wollongong share a multiple of around 7 with London. In my view, this is a major failure of public policy. It is a betrayal of ordinary workers—nurses, policemen, teachers and the like—if they cannot afford to live here or, if they can afford to live here they just do so but have to struggle to make ends meet for purchasing other goods and services.

Of course, housing prices are a function of supply and demand. On the supply side, we could probably solve the problem of exorbitant housing prices by allowing either unlimited urban sprawl or rampant urban consolidation ruining established neighbourhoods, or both, but neither is acceptable.

It is an enormous paradox that city real estate is so expensive when Australia is one of the largest countries in the world and is relatively sparsely populated. No doubt some land releases on the city edges and some in-fill in existing localities will continue to be necessary, but there is a compelling case for far greater reliance on decentralisation. That does not just involve tax incentives; it requires government leading the way by relocating, over time, many departments and agencies which, in the era of the information revolution, can operate just as effectively—and probably at less cost to the taxpayer—in regional locations. An effective decentralisation policy also means lessening our reliance on stamp duty. Stamp duty impedes a mobile labour force and is a disincentive to relocation. Trying to move jobs to Dubbo or Tamworth or Bathurst or Albury in the face of exorbitant stamp duty may be futile if workers will not relocate to those areas because it will cost them tens, or even many tens of thousands, of dollars to relocate.

The third matter I mentioned was the environment. The Menzian liberal approach is to look at the facts. That liberal approach means that we must approach climate change on the available evidence. Much in science can never be certain. Some sincere and highly qualified people will hold dissenting views. The available evidence may change in the future. But we must loudly and unequivocally formulate environmental policy on the basis that most evidence points to human activity being the principal cause of potentially very significant climate change.

That evidence could eventually turn out to be wrong. But I'd rather be safe than sorry. That of course does not mean that Australia or New South Wales should adopt policies that will simply drive polluting industries offshore and cripple our international competitiveness, with no discernible impact on global emissions. Ultimately a global solution is required. But so long as Australia remains one of the world's highest per capita emitters of greenhouse gases, we will have little moral suasion when we tell China, India, Brazil and the like what they should be doing. Reducing our carbon footprint here in New South Wales of itself will make only a negligible difference to world emissions. But every bit we can do in New South Wales to reduce Australia's emissions will help Australia's diplomatic efforts on the world stage to reach a comprehensive world approach to the problem.

The fourth and final matter I mentioned was federalism. The constitutional issue that attracts the greatest passion seems to be whether Australia should become a republic. But the most pressing governance issue is reform of our broken Federal system. State governments as an institution are now unpopular. Many perceive State governments to be an unnecessary duplication, a relic of colonial times. A common view is that the States should be abolished. A second view is that the Federal Constitution should be amended so that we give the national Parliament an open-ended law-making power. I disagree with both these views—not because I have some sentimental or crusty old belief in so-called States' rights, not because I think wasteful duplication between Federal and State governments is a good thing, but because there are many other reasons to disagree with those two views.

The first reason is the safety offered by a diffusion of power. Power corrupts: absolute power corrupts absolutely. Second, in a country as vast as Australia, those closest to a problem are best positioned to understand it and make better decisions. Witness in contrast the one-size-fits-all approach of Building the Education Revolution school halls. Third, the federal system allows States to compete with each other and to experiment. For example, when random breath testing cut the road toll in Victoria, other States followed. Fourth, there is no reason to think Canberra would be better at day-to-day administration of the basics—witness pink batts. Fifth, there is no reason to think that the regional governments that would presumably replace the States would be any better at service delivery. Sixth, quality is more important than uniformity. Seventh, where harmonisation is desirable, it does not require national control. Eighth, constitutionally the States are here to stay anyway. The referenda needed to abolish them will not pass, so we need to make the most of them.

If we are over-governed, it is because the feds have increasingly occupied the field. There is no need, in my view, to have a Federal education department second-guessing and increasingly directing what the States do. We do not need both the feds and the States looking after hospitals. There is no need for the feds to become involved in city planning. If cutting red tape in business regulation is desirable, as it is, harmonisation across the States, not national direction, will commonly be the answer. Nor should we accept that centralisation is an inevitable trend. It is not a worldwide trend—look at devolution in the United Kingdom and federal systems in Germany, Switzerland, Canada and the United States.

So that is all the theory. What can and should be done in practice? At the moment, it is a bit like the frog in boiling water. At the moment, to ask the feds, holding the cheque book, to butt out of education or hospitals would provoke a bemused or incredulous response. A reversal requires three things. First, it requires those in this Parliament and elsewhere to take up the cause of arguing for a clear demarcation of Federal and State responsibilities. Second, we must win the hearts and minds of the general public by governing with excellence and integrity. Part of the attitudinal problem to the States as a tier of government has been their chronic mismanagement, particularly here in New South Wales. But the governments of Greiner, Kennett and so on show that this need not be so. State governments of reforming zeal can leave lasting legacies. I am confident that the O'Farrell Government will be such a government.

Third, against the background of attitudinal change brought about by those two matters, we then need a constitutional convention that will explore constitutional amendments which create a vertical fiscal balance between the States and the Federal Government and which enact in the Constitution specific powers, such as in the area of education, where State law clearly prevails. And we need to cap in some way the external affairs power and the corporations power to the extent that they were originally intended. All political careers end in failure, or so the common misquotation of Enoch Powell goes. But success and failure are relative. The ambitions of a parliamentarian need to be measured and realistic. So when the time comes for me to leave this place, my hope is not that people will say he came, he saw, he conquered, but simply that New South Wales is a better place for his contribution.

**Debate adjourned on motion by Mr John Williams and set down as an order of the day for a future day.**

**The House adjourned, pursuant to resolution, at 6.47 p.m. until  
Wednesday 11 May 2011 at 10.00 a.m.**

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