

LEGISLATIVE ASSEMBLY

Wednesday 1 June 2011

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

The Speaker read the Prayer and acknowledgement of country.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Bills

Motion by Mr Brad Hazzard agreed to:

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 Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Inaugural Speeches

Motion by Mr Brad Hazzard agreed to:

That the business before the House be interrupted:

- (1) at 11.30 a.m. to permit the presentation of an inaugural speech by the member for Smithfield; and
- (2) at 6.20 p.m. to permit the presentation of inaugural speeches by the member for Wollondilly, the member for Heathcote and the member for Drummoyne.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Routine of Business

Motion by Mr Brad Hazzard agreed to:

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

- (1) Government business;
- (2) Notices of Motions (General Notices);
- (3) order of the day (petitions);
- (4) private members' statements;
- (5) at 6.20 p.m. inaugural speeches; and
- (6) the House to adjourn without motion moved at the conclusion of inaugural speeches.

CREDIT (COMMONWEALTH POWERS) AMENDMENT (MAXIMUM ANNUAL PERCENTAGE RATE) BILL 2011

Agreement in Principle

Debate resumed from 27 May 2011.

Ms CHERIE BURTON (Kogarah) [10.07 a.m.]: The Opposition will not oppose the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011. The object of the bill is

to amend the Credit (Commonwealth Powers) Act 2010 to allow for the repeal of provisions of that Act that provide for the maximum annual percentage rate for credit contracts when appropriate legislation has been enacted by the Commonwealth to address that matter. This morning I was informed that the Commonwealth had indicated it would enact this legislation in its spring session later this year. Accordingly, this bill removes the current expiry date of 1 July 2011 for provisions that specify a maximum annual percentage rate for credit contracts and enables those provisions to be repealed by the Governor by proclamation. Essentially, as the Minister said in his agreement in principle speech, last year when Labor was in government the Parliament passed legislation to transfer regulatory responsibility for consumer credit from New South Wales to the Commonwealth.

In her speech the Minister of the day commented on the importance of allowing a single regulator to act quickly and decisively to protect consumers as the need arose. A streamlined approach is important also when dealing with credit and lending. Dating back to 1994 there has been a maximum annual percentage rate in New South Wales; however, not all States adopted it. New South Wales has also the most inclusive cap, which includes fees and charges and fees paid to third parties such as brokers, and it protects those most vulnerable in the community from short-term lenders who often are referred to as shonks. This morning I was advised that not all short-term lenders are shonks; that some of them run reputable businesses to help those who are experiencing short-term financial strife. However, there will always be lenders in the community who choose to exploit those who are vulnerable and desperate. The aim of this legislation is to protect those disadvantaged and vulnerable consumers from excessive costs.

The Opposition recognises the urgency of this legislation and, as such, will not oppose it. The Act provides a deadline of 1 July 2011, and unless the legislation is amended the 48 per cent cap would not apply beyond that date, which would expose vulnerable people to shonks in the industry. The Government proposes to extend the operation of the annual percentage rate beyond 12 months, which will maintain consumer protection and certainty in New South Wales, whilst awaiting the Commonwealth's regulatory enforcement measures. The Opposition believes that this legislation does protect those in our community who are vulnerable and desperate. I commend the Government for dealing with this matter expeditiously. When the Commonwealth legislation is enacted by proclamation by the Governor—which I understand will be in its spring session—the State legislation will fall into line with Commonwealth legislation. The Opposition supports the bill because people need to be protected. Opposition members are proud of the fact that consumers in New South Wales enjoy the best protection, and we support the continuance of that protection. I commend the bill to the House.

Mr DAVID ELLIOTT (Baulkham Hills) [10.13 a.m.]: I support the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011. It is refreshing to see the Opposition take such a proactive response to this important piece of legislation, which was introduced by the Minister for Fair Trading. Credit and credit powers are an important part of our Federal Constitution. At a State level government departments and State-based charities normally pick up the pieces when credit laws allow for such pain and suffering in our community and when consumers have no option other than to resort to the short-term lending industry. The Credit (Commonwealth Powers) Act 2010 provided for the maximum annual percentage rate to sunset 12 months after 1 July 2010—one month from today—in the expectation that Commonwealth laws would be in place. However, the Commonwealth Government is still consulting with stakeholders and developing options for the increased regulation of payday and other short-term small amount lenders. Whatever is decided, it is not likely to commence until 2012.

The short-term lending industry has three main arguments against the interest rate cap: it cannot recover costs and will go out of business, low-income consumers will then be denied access to credit, and the national credit laws provide sufficient protection as it is. We can debate these claims, but there are strong counter arguments. Despite the cap some short-term small amount lenders operate lawfully in New South Wales—a matter to which I will return later—and others continue to operate but use avoidance techniques, which is common in the financial services industry. A quick scan of the internet or suburban shopping centres shows there is no shortage of offers to vulnerable consumers. National credit laws require lenders to have an Australian credit licence, importantly, to belong to an external dispute resolution body, and to engage in responsible lending. Some payday lenders admit to structuring their businesses so they operate outside the National Credit Code and its associated protections.

Community legal centres and financial counsellors who see clients caught up in the debt spiral and other negative effects of high-cost lending maintain that despite the avoidance mechanisms the New South Wales the interest rate cap is an effective consumer-protection mechanism. The 48 per cent maximum annual percentage rate, inclusive of fees and charges, sends a clear signal to the market about what constitutes lawful or

unlawful lending. Advocates are able to negotiate remedies for their clients on the basis of an alleged breach of the cap. I do not think many members in this place would not have seen at some stage in their lives people who have been caught up in a debt spiral. Growing up in western Sydney I was exposed to many people who unfortunately had been let down by employers or business operators and who were unable able to get access to cash that they were either rightfully owed, or that they expected to be in receipt of.

In my former role I was the Chief Executive Officer of the Civil Contractors Federation, which was responsible for an organisation called Gold Buckets—an industry association that had as its members a number of micro businesses: mums and dads who might have owned one bobcat and a few shovels and whose main clients were small businesses, local councils, principal contractors or even subcontractors. There is nothing wrong with that. As micro businesses they operated quite well but if a local council, a principal contractor, a subcontractor or any client did not pay on the day—there was an expectation for these operators to be paid—they would find themselves in dire straits. They could not even afford to pay for petrol to fill the bobcats, which could have resulted in dire consequences to their businesses if they were under contract to complete some work.

The Acting-Speaker, Mr Gareth Ward, who is a solicitor, would appreciate that those two considerations were not interdependent. They could not rely on the fact that they had insufficient money to maintain their plant and machinery because they had not been paid by another contractor, subcontractor or private client. Consequently, we would see those small businesses borrow extraordinary amounts from payday lenders. For example, they might borrow \$100 to fill their bobcats with petrol so the operations of their businesses could continue. That was not an uncommon practice. In the early days of the global financial crisis in particular, when these businesses were working for principal contractors that had major overnight cash-flow problems, unfortunately they would resort to borrowing from these unscrupulous payday lenders. It was a tragic time.

In my electorate of Baulkham Hills and in the area in which I grew up, Bankstown, a few unscrupulous payday lenders are operating outside the realms of industry norms. Many people in those areas are relying on this Parliament to put this legislation through as quickly as possible so that we can send back to the Commonwealth a message that these are issues that the State Government is monitoring. Consumer Credit Legal Centre (New South Wales) Principal Solicitor Katherine Lane said the centre strongly supported the New South Wales Government's decision to extend the 48 per cent per annum interest rate cap as a fundamental protection for vulnerable and disadvantaged consumers in New South Wales. Catholic Care financial counsellor coordinator David Bell said the cap helped to protect vulnerable people in a market where the forces of competition were far outweighed by desperation and other factors. He explained that many of the people seen by financial counsellors have borrowed short-term money at exorbitant and unreasonable cost, to their significant detriment—hence my previous comments about small businessmen.

No-one is saying that short-term lending is a bad thing. It is certainly convenient. The Minister said that, and the Opposition alluded to the fact that these businesses should continue. When I first discussed this legislation with the Minister for Fair Trading I, too, said, "Isn't 48 per cent reasonably high?" That rate is not as high as some figures that have been bandied around and that have been forced upon members of a community by unscrupulous lenders who are operating outside industry protections. But interest at the rate of 48 per cent on a one-week loan does not amount to a lot of money. As the Minister explained to me in a private briefing, the interest on a \$100 loan over the duration of a seven-day contract is about \$6 or \$7. Those in the financial services sector are entitled to make money; nobody is denying that. We are saying that those who operate in small markets need to know that somebody is monitoring their business activities, and this legislation is designed to do that.

One of the organisations that has regular contact with victims of unscrupulous lenders is the Salvation Army. The Salvation Army's Tony Devlin has said that some people struggle to repay high-interest, short-term loans and had to cut back on basics such as food and rent to make repayments. How many times have we heard that people have had to forgo a meal or heating their homes because of their financial position? It is tragic that pensioners and small businessmen are eating baked beans and are unable to keep warm in winter months simply because they committed to the terms of unscrupulous lenders. Mr Devlin commented that high-interest, short-term loans can cause undue stress and anxiety for people who are often already in hardship and welcomed the move by the new Government. He certainly commended the interest of the Minister for Fair Trading in this important matter.

Again, no-one on this side of the House begrudges anyone the right to earn a dollar, or would argue that convenient and available short-term lenders have no place in the finance market. We are saying that, because of

the unique nature of the finance market, and the desperation of those who are regularly exposed to their services, the fairness of their operations needs to be monitored. The finance industry and the community need to know that there is a level playing field in the financial services market of this State. We want to make sure that this legislation is put through. I mentioned in opening that the Opposition is to be commended for its interest in this matter. I suspect that these types of financial businesses are just as prevalent, if not more prevalent, in the electorates of many members opposite than they are in the more affluent electorates. Therefore I commend the bill to the House. I look forward to it being referred back to the Commonwealth for appropriate action.

Mr RICHARD AMERY (Mount Druitt) [10.24 a.m.]: I will make a brief contribution to debate on the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011. As this is the first opportunity I have had to debate in this Parliament legislation introduced by the new Minister for Fair Trading, I offer our congratulations to him on picking up what is a very important portfolio, and one that I shadowed when in opposition many years ago. So I have a very keen interest in this bill. As the overview of the bill states, the object of the bill is to amend the Credit (Commonwealth Powers) Act 2010 to allow for the repeal of provisions of that Act that provide for the maximum annual percentage rate for credit contracts when appropriate legislation has been enacted by the Commonwealth to address that matter.

Accordingly, the bill removes the current expiry date of 1 July this year for provisions that specify a maximum annual percentage rate for credit contracts, and enables those provisions to be repealed by the Governor by proclamation. In his agreement in principle speech the Minister explained that delay at the Commonwealth level required an extension of the current expiry date by legislation. Some references have been made to the history of maximum interest rate legislation in this State. It is a shame that the Minister for Fair Trading got the history wrong on the first occasion that he has referred to the history of legislation. However, I recognise what he told the House when he said this about Kerry Chikarovski, who was Minister at the relevant time:

Kerry Chikarovski was responsible for such innovation when she proposed an amendment to the Credit Act 1984 to provide for a maximum annual percentage rate, which took effect on 1 July 1994.

That statement, along with a number of other comments in the Minister's speech, sought to assert that the Coalition had been the champion of maximum interest rate legislation in this State. Whilst an amending Act was made in 1994 by a Coalition government, to suggest that the Coalition pioneered this legislation would be to mislead and rewrite history to the extreme. The issue of maximum interest rates is very interesting; it is in the process of being ceded to the Commonwealth. However, its history in this Parliament goes back two or three decades. As a matter of fact, when I spoke on this matter in 1993 I started my speech on a bill that I introduced to amend the Credit (Maximum Annual Percentage Rate) Amendment Bill by stating:

This bill reflects yet another example of the [Coalition] Government's inability to address real problems within our community.

So it is hardly a historical fact that the Coalition championed this type of legislation. Some terrible stories had been put around, with some continuing in the unregulated area, of borrowers being hit by interest rates of 88 to 104 per cent. If people who are unable to manage their finances are being hit with those sorts of interest payments, one really starts to realise how they get themselves into what is called a debt spiral. Of course, the enforcement of this sort of legislation can vary according to the type of lender from whom the borrower got the money.

The background to this type of legislation goes back to 1984. These types of matters were brought to the attention of the Wran and Unsworth Labor governments, and it was on 2 December 1987 that the then Minister for Consumer Affairs—the forerunner portfolio of Fair Trading—the Hon. Deirdre Grusovin, MLC, established an inquiry by the Commercial Tribunal of New South Wales under the chairmanship of Mr Hans Heilpern. Basically, the terms of reference were to ascertain whether the adoption of a maximum interest rate of 48 per cent would have any adverse effect on borrowers and whether it would be achievable. Interestingly, it was in March 1988—at a time of a change of government—that the tribunal concluded:

... while there are some potential adverse effects which could flow from the introduction of a maximum annual percentage rate of 48 per cent, those effects are far outweighed by the advantages which will flow to potential borrowers, including those who are low income earners.

The report of the Commercial Tribunal continued:

The Tribunal is satisfied that the setting of a maximum annual percentage rate of 48 per cent will not deny access to credit on reasonable terms to any class of borrowers.

That report was submitted back in 1988. However, by the time the report was submitted the Liberal-National Party Coalition had been elected to Government and on this matter, as with many others, it started to drag its feet. The then Minister, the Hon. Peter Collins, ordered the Commercial Tribunal to again conduct an inquiry into the matter. This report, undertaken by Mr Cavanagh, was submitted in April 1992. The Minister has told the House that the former Minister introduced the bill in 1994. The terms of reference of the report were whether or not a maximum annual percentage rate should be fixed in respect of all regulated contracts and whether any other measures should be adopted that might reduce the need for consumers to resort to high-interest credit contracts. This report was submitted to the then Coalition Government but again no action was taken.

With that background, the Opposition—and I was the Opposition spokesman on consumer affairs—on 1 April 1993 introduced the Credit (Maximum Annual Percentage Rate) Amendment Bill 1993. We did so following a push by consumer groups, the Australian Consumers Association and welfare organisations that were concerned about the interest rates being charged to borrowers as a result of the unregulated component of these contracts. In about March 1993 the then director of the Australian Consumers Association, Ms Louise Sylvan, wrote to the Minister for Consumer Affairs stating:

Dear Minister

The Consumers' Association is concerned about the failure of the Government to implement the recommendations of the two Maximum Interest Rate Inquiries conducted by the Commercial Tribunal.

For too long small finance companies used exorbitant interest rates to exploit consumers who are unaware of cheaper sources of finance or unaware they can pay off creditors in instalments.

Modesty will not prevent me from quoting the next paragraph:

Richard Amery has sent the Consumers' Association a draft of the Credit (Amendment) Bill to impose a 48 per cent ceiling on personal loans, with some exceptions. Apparently notice of this Bill has already been given.

We urge you to support this Bill in Parliament.

Substantial debate was occurring in the community among credit providers and welfare organisations and bodies such as the Australian Consumers Association to lobby in support of this bill. This is where I refer to the history given by the Minister in his agreement in principle speech. Former members of the Opposition now in Government would realise that private members' bills take some time to be brought before Parliament. The then Government, under the guidance of then Minister Kerry Chikarovski, introduced its bill. As the Government's bill was similar to the one that we were introducing at the time, the private member's bill was withdrawn. That is the history of the matter. I did not want the Minister in his first agreement in principle speech to rewrite the history of this legislation.

The shadow Minister said that when we discuss maximum interest rates we often talk about the charlatans in the industry. This legislation does not relate to those who give short-term loans from the docks or the wharves and have a not-so-quaint way of enforcing repayment. They have never been subject to legislation and will never come under any regulatory framework. In recent years, certainly in my electorate, in western Sydney and in north-west Sydney, we have seen the establishment of a small industry of moneylenders. They do not operate out of the back of cars in car parks or factories; they operate out of shopfronts and employ staff. They provide loans to people who are unable to obtain a credit card or a short-term loan. Various no interest-type loans are available through the Government to assist in areas of need. Over the past couple of years I made representations to the former Minister for Fair Trading on behalf of constituents who had approached me. The member for Baulkham Hills said that the amount of money paid on small loans is minimal but the percentage rate may be high. The shadow Minister said that New South Wales is more inclusive of the set-up charges and fees than are other States.

In the ongoing review of this area, which will be shifted to the Commonwealth, it should be recognised that there is a market for valid financial lending. The rates paid are small amounts over a short period. Some of my constituents are regular users of such a service when they need to pay for repairs to their hot water system, refrigerator or washing machine, or for car registration. They do not have credit card facilities and do not have a credit rating with the banks. They will be disadvantaged by overregulation in this area. However, the Minister will have little control over that once the new expiry date is exhausted and the legislation is ceded to the Commonwealth. This legislation relates to a procedural matter, but I wanted to make sure that the history of the political trail of the introduction of this legislation to the House was not rewritten by the Minister in one of the first pieces of legislation he has introduced to the Parliament.

Mr CHRIS SPENCE (The Entrance) [10.36 a.m.]: I could have sworn I heard the member for Mount Druitt say 15 minutes ago that he would make a brief contribution to this debate.

Mr Anthony Roberts: That was brief for him.

Mr CHRIS SPENCE: I am sure it was. I support the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011. The object of the bill is to amend the Credit (Commonwealth Powers) Act 2010 to allow for the repeal of provisions of that Act that provide for the maximum annual percentage rate for credit contracts when appropriate legislation has been enacted by the Commonwealth to address that matter. This bill removes the current expiry date of 1 July 2011 for provisions that specify a maximum annual percentage rate for credit contracts and enables those provisions to be repealed by the Governor by proclamation. The main purpose of this bill is to amend the Act in order to retain the maximum lending interest rate for consumer credit cards, contracts or loans in New South Wales. It is necessary to make these amendments now to ensure financial consumers within New South Wales are protected until appropriate protection is provided through phase two of the Council of Australian Governments national credit reforms.

The bill extends the existing protection to all those within our society, particularly those most vulnerable—a philosophy that the O'Farrell Government is committed to and one that was so neglected by the former Government that they were historically and resoundingly dumped by the good people of New South Wales on 26 March this year. The maximum annual percentage rate, better known as the interest rate cap, was introduced in New South Wales by the Fahey Government in 1994. That is another example of solid financial management that comes from Coalition governments. In today's age of rising interest rates, increased cost of living, increased cost of petrol, increased cost of groceries—that is before taking into account the effect of the Labor-Greens Federal Government's huge new carbon tax—New South Wales families face huge pressures. The O'Farrell Government is committed to defending these hardworking families of New South Wales. This legislative proposal ensures that will take place.

In today's age I know that amongst the good people of my electorate of The Entrance many families live from pay cheque to pay cheque. On occasions these families, who are working their hardest to give their children the best opportunities, experience what I call a speed hump in life. A speed hump in life is one of those instances we will all experience at some stage that is not particularly pleasant. A speed hump in life includes sudden and unexpected unemployment, separation or divorce, loss of housing, a medical emergency or protracted medical condition of a family member or, most tragically, a death within a family. One of these unfortunate circumstances, one of these speed humps, compounds the usual day-to-day pressures experienced by the people of New South Wales, such as rising interest rates. Like rising interest rates, rising petrol costs and rising food bills, these give rise to the need for an individual to visit a short-term or payday lender.

Payday lenders and lenders offer short-term loans at high interest rates. People who use payday lenders usually go to the lender because they are not eligible for a credit card, bank overdraft or the usual extension of credit someone can seek from their bank. As the term "payday" implies, this payday lending generally means that a lender gives out cash advances, at high interest rates, to people with the understanding that the person will pay it back the next time that they are paid. Naturally, the people who are most vulnerable, most at risk of being preyed upon, most in desperation because of one of the speed humps of life occurring, sign up for these high-interest loans and they simply cannot afford the repayments. Their suffering is added to when they are hit with high fees such as establishment fees, transaction fees, handling fees, brokerage fees and late payment fees. The most vulnerable people of our society end up in a debt cycle or a debt trap where they need to borrow from one lender in order to make payments to another.

This can be seen in the way that some of our financial institutions will offer low-interest loans to transfer credit card debt so that you can pay out one credit card and lend to another for a short period of time. When that interest rate or that time period expires, often people cannot afford the repayments that they have now agreed to. Secondly, if in their goodwill or in their sense of desperation to get money they do not close the previous credit cards they can find themselves doubling up with double the debt, double the interest rate repayments and find that their situation has not improved but has actually become worse. A media release that was issued by the Consumer Action Law Centre on Tuesday 14 September 2010 identified problems with this scheme. It states:

"These loans cost a staggering amount by any standard. And unlike the picture painted by industry advertising, it appears most consumers are using payday loans to fill an income shortfall, with the vast majority of payday loans being spent on the basics of day to day living, such as food, rent and bills and basic vehicle maintenance..."

"It's an attractive market for lenders because borrowers aren't in a position to argue over the cost and only a few Australian States have usury limits in place that put an upper cap on what Australian borrowers can reasonably be charged.

"It's lucrative because these lenders take a first stake in their customer's income by debiting repayments the day their salary or pension is deposited. This leaves little money for other essentials and can lead to one of the most destructive aspects of this form of credit-repeat borrowing. If a person can't afford recurring living expenses, they're probably not going to be able to afford to repay such as an expensive loan so quickly either.

"No wonder it's grown to an estimated \$204 million loaned out in Australia every year to around 379,000 customers. Cash Converters alone was lending \$11.6 million in 2002 but last financial year lent out over \$124.5 million.

"The Australian Government needs to learn a lesson from the United States experience where payday lending exploded during the 1990s. There are now more payday lending stores in the US than McDonalds and Starbucks outlets combined."

It is the speed humps in life that occur that might lead someone to a payday lender and it is these particularly vulnerable people that need the support and protection of this legislation. As previously mentioned, it was the Fahey Government that introduced the interest rate cap in 1994. In 1996 the Consumer Credit Code took effect in each State and Territory. New South Wales chose to retain the interest rate cap. This cap was set at 48 per cent. Naturally, the consumer credit market has changed since 1996. There has been rapid growth of payday lenders and other short-term small amount lending categorised by high interest charges and exploitative fees, and marketed to the disadvantaged and those consumers most vulnerable. Adjustments have been made over the years to combat the innovative avoidance techniques that fringe lenders have adopted to deny consumers the protection of the cap. The most recent adjustment was in July 2010 when New South Wales introduced a cap of 48 per cent inclusive of fees and charges and including fees paid to third parties such as brokers and introducers.

Not all payday lenders are dodgy or feel ill will towards the people that they are lending money to, but some of them are certainly innovative in the way in which they get around the cap. For example, the lender gives less cash to the borrower than the amount shown in the loan contract. Fees are taken in cash from the borrower without any record of the amount being recorded on the contract. These lenders avoid the cap by claiming that the National Consumer Credit Protection Act 2009 does not apply at all because the amounts are under the relevant thresholds: for instance, credit provided for a period of 62 days or less, establishment fees greater than 5 per cent and interest under 24 per cent.

Another example is card for cash draw downs whereby borrowers are charged very little under the loan contract but are required to first purchase a card worth around \$100 each time they borrow. Another example is cheque cashing fees. Borrowers are charged fees not listed in the contract such as cheque cashing fees and the lender claims that the loan is not caught by the National Credit Code because listed loan charges are less than the relevant thresholds. Another example is the sham consumer lease whereby the borrower is given cash and told that certain goods they already own have been offered as security. In fact, the contract is written as a consumer lease with the consumer leasing their own goods. Repayments are listed as rental payment in an attempt to avoid both the interest rate cap, proper disclosure and the prohibition on taking household goods as security. Last but not least is DVD purchase. Loan costs are low but the borrower must purchase DVDs at a cost of a couple of hundred dollars as part of the deal.

Those arrangements are not in accordance with the legislation and they are not in accordance with the cap. Many within the industry are arguing that taking away the extension and continuing with the 48 per cent cap will lead to losses of jobs and lenders will not be able to afford to keep running their businesses. Some lenders operate lawfully and have not gone out of business as a result of this cap. They have continued to operate since its introduction. Others appear to have developed innovative avoidance techniques and continue to operate. If the current 48 per cent cap is so bad why are these people still in business? Jobs cannot be lost and businesses will not close if we merely retain the status quo.

The 48 per cent cap was due to expire on 1 July 2011 and was retained for 12 months in New South Wales whilst the Commonwealth Government decided whether to adopt a similar mechanism as part of national credit reforms. These reforms began on 1 July 2010 when the States and Territories referred power to the Commonwealth to regulate consumer credit. The Consumer Credit Code was transferred to the Commonwealth and is now known as the National Credit Code. The Commonwealth introduced an Australian credit licence, with membership of an external dispute resolution body a mandatory condition of obtaining a licence. Responsible lending requirements were part of the package of reforms. This transfer did not extend to interest rate caps. It was agreed that States and Territories with caps could keep them whilst an assessment was made of

their effectiveness in addressing predatory fringe lending. The Commonwealth Government is still consulting with stakeholders and developing options for the increased regulation of payday and other short-term small amount lenders. Regardless of what is decided, this is unlikely to commence until 2012.

Obviously, there is some resistance from the payday lending industry on these measures. The industry opposed the retention of the cap, arguing that the lenders cannot recover costs and will go out of business and the low-income consumers will then be denied access to credit, and that the national credit laws provide sufficient protection. However, these claims are not supported by the market. The Commonwealth Government, in consultation with industry and consumer stakeholders, is actively working on enhanced regulation of payday and other short-term small amount lending. Until that day the O'Farrell Government will retain the comprehensive interest rate cap in New South Wales, and it will be retained until we are satisfied that the disadvantaged and most vulnerable financial consumers in New South Wales cannot be preyed upon and will be adequately protected by national credit laws.

Many people who have had to use the service of payday lenders would not necessarily be in their dire financial position if it was not for the lack of support from their Government. I would like to mention the Good Shepherd group, who do outstanding work in relation to dealing with those disadvantaged in the community. In 1981 the Good Shepherd Sisters of Victoria provided funds to the Good Shepherd Youth and Family Service to commence the first no interest loan scheme, or NILS. Since then Good Shepherd have supported the provision of the No Interest Loan Scheme to low-income earners throughout Australia. Good Shepherd has developed the No Interest Loan Scheme and supplied training in common principles and standards which underpin the No Interest Loan Scheme practice.

The No Interest Loan Scheme New South Wales Network was set up in 1998 to assist organisations in New South Wales with setting up and running their no interest loan scheme program. The network also provides annual training and information forums. Many low-income households face a major problem if they need to buy an essential household item but do not have savings and cannot access affordable credit. Community groups such as neighbourhood centres or charities run no-interest loan schemes to assist with this problem. A typical no-interest loan is around \$800 to \$1,200 for white goods, furniture, medical appliances or any other essential household items. As loans are repaid over 12 to 18 months, the money is recycled and lent out again to other people in the community.

I strongly support the work of the No Interest Loans Scheme Network. If people are in desperate need of finance there are many groups that can assist with financial counselling—the Salvation Army was mentioned earlier in this debate—instead of entering into no-interest loans, because the loans are a compounding debt and if people continually enter into such arrangements with payday lenders their financial situation will become more difficult. The common theme across my electorate and New South Wales is that many people would not be in this position if it were not for the former Government and its 16 years of mismanagement in New South Wales.

Ms Noreen Hay: Point of order: Mr Acting-Speaker, making outrageous comments such as that is not acceptable during debate on this legislation and I ask that you bring the member for The Entrance back to the leave of the bill.

Mr CHRIS SPENCE: To the point of order: I am speaking in relation to the bill, because this bill is about people seeking credit because of what the former Government did. I commend the bill to the House.

ACTING-SPEAKER (Mr Geoff Provest): Order! The speaking time of the member for the Entrance has expired.

Mr RYAN PARK (Keira) [10.51 a.m.]: The Opposition supports the Credit (Commonwealth Powers) Management (Maximum Annual Percentage Rate) Bill 2011. We commend the Government for bringing the legislation on quickly. I acknowledge that the Minister for Fair Trading is in the Chamber, which is important, as the shadow Minister stated in her opening remarks. This is an important issue that does not affect everyone in our local communities but it affects the most vulnerable members of our communities, who rely on us in this place to put through legislation and develop policies, initiatives and programs to support and protect them.

Many of us will never have to rely on this legislation or use it in our daily lives. I note that the member for Wollongong is in the Chamber and I know that there are a number of these types of lenders in her electorate. The Keira electorate also has a couple of emergency lenders. People in both our electorates and in the Illawarra broadly rely on us as members of Parliament to enact laws that protect them. This important piece of legislation will do that. It demonstrates that both sides of the House understand the importance of protecting those people in the community who need protecting.

As the member for Mount Druitt said, not all of the people who operate in the credit business environment are shonks, but we know that there are people who take advantage of those less fortunate in our community. It is important that pieces of legislation such as this are put in place to protect people even if it is only temporarily while the Commonwealth makes arrangements to pass legislation at a later stage. The former Minister for Fair Trading said in her agreement in principle speech that as a society we came through the global financial crisis pretty well and that that was due to the robustness of our credit regulations, the robustness of our banking regulations and the robustness of protections that governments had put in place.

This legislation is designed to help people who are doing it tough and living in difficult circumstances and need credit, unlike those of us who have the good fortune to be employed and have full-time wages. We should all recognise that there are people in our communities—a higher percentage in some communities than in others—who rely on a robust, well-regulated, emergency credit relief industry to provide them with financial help when they need it, and that we have to ensure that there are adequate protections for them. The former Minister for Fair Trading concluded her speech by saying:

... State and Territory governments can be proud of the legislation, which has struck a balance between protecting the rights and interests of consumers while not impeding the legitimate business goals of the industry.

We all agree with that statement. Everyone knows that profit is not a dirty word and that business needs to make a buck, but we need to ensure that unscrupulous people do not take advantage of those in the community who rely on our protection. I commend the Government and the Minister for Fair Trading for bringing forward this important legislation. People in the electorate of Keira and the broader Illawarra region will be grateful that both sides of this House support the legislation.

Mr GREG APLIN (Albury) [10.56 a.m.]: I speak in support of the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011. The proposed amendment to the Credit (Commonwealth Powers) Act 2010 will repeal the existing sunset provision and extend the transitional application of the maximum annual percentage rate until the implementation of appropriate protection in phase two of the national credit reforms. In the absence of a fixed date for commencement of the Commonwealth legislation, the maximum annual percentage rate provisions will be repealed on a date to be fixed by proclamation.

This bill gives New South Wales the discretion to decide whether the interest rate cap should be removed and, if so, when. The other jurisdictions that have interest rate caps have this discretion. When they referred power to the Commonwealth to regulate consumer credit they kept their rate caps and did not include a sunset provision. New South Wales has the most comprehensive cap and consequently the most vehement opposition from the industry. Both Queensland and the Australian Capital Territory have a 48 per cent interest rate cap inclusive of fees and charges. New South Wales was the first to introduce such a cap in order to capture those lenders who were exploiting consumers by charging an apparently low interest rate but adding excessive establishment and administrative fees.

Many of the short-term or payday lenders responded by restructuring their business. They artificially divided their operations into broker and lender in order to charge an additional brokerage fee on top of the 48 per cent annual interest rate, inclusive of fees and charges, permitted under New South Wales law. To charge a broking fee when the only credit available is from a single lender, and that lender is the same or a related legal entity to the broker, is to charge a consumer for a non-existent service. Clearly, unscrupulous lenders were exploiting a loophole in the legislation. That loophole was closed with the passing of the Credit (Commonwealth Powers) Act 2010, which we supported and of which I spoke in favour last year. The closing of the loophole made payments to third parties inclusive within the interest rate cap.

Payday lenders emphasise that their services can help meet the needs of people who do not have ready access to mainstream financial services. There are good reasons why some consumers cannot get credit from such lenders. They may be already overcommitted or have no repayment capacity on top of their everyday expenses. We recognise that those consumers need assistance that does not involve more unmanageable debt. The Government's decision to retain the interest rate cap will help to curb excessive costs. The question arises: Why does New South Wales retain an interest cap if responsibility for consumer credit has been transferred to the Commonwealth?

When the uniform Consumer Credit Code commenced in 1996 there were some regulatory arrangements that fell outside the uniformity agreement, including interest rate caps. New South Wales, as we know, kept its cap, introducing a maximum rate of 48 per cent. When governments agreed to transfer the

Consumer Credit Code to the Commonwealth interest rate caps were not part of the package. The Commonwealth Government accepted the fact that States with caps intended to retain them, at least until the effectiveness of the national credit reforms could be assessed. That is the important aspect here; there has to be some objective assessment. The Commonwealth has made it clear that it is looking to further regulate predatory and fringe lending practices. Removing the cap now, before the Commonwealth has announced details of this regulation, will leave consumers at risk from exploitative credit, hence the need to introduce this amendment.

Another question arises: The Commonwealth, which licences credit providers, including payday lenders, has introduced responsible lending requirements, so why do we need an interest rate cap as well? Licensing and responsible lending are part of phase one of the national credit reforms. It has always been made clear that phase two of the reforms would look at issues such as predatory and fringe lending and the effectiveness of interest rate caps. Although applications for licensing began in 2010, full licensing of credit providers does not commence until 1 July 2011. The effects of licensing credit providers will not be known until after the licensing program is operational and all industry participants are licensed.

To offset any impacts from the delayed introduction of licensing each credit provider must be a member of an Australian Securities and Investments Commission approved external dispute resolution scheme, and is subject to responsible lending provisions, including a requirement to assess each credit applicant's capacity to repay, and a prohibition on providing unsuitable products. Evidence from community legal centres and financial counsellors indicates that the clients of payday and other short-term small amount lenders are overwhelmingly low-income consumers, many of whom are trapped in inappropriate loans.

Consumer advocates are adamant that the maintenance of the maximum rate is essential to their prospects of challenging fringe and predatory loans, and they have compelling case studies to support their argument. Also uppermost in our minds is that keeping the interest rate cap could put lenders out of business and deny low-income consumers credit. The Government is not in favour of achieving such a result. The fringe lending industry has mounted a vigorous campaign in favour of allowing the cap to expire. It argues that the fixed costs and risk associated with arranging short-term small amount loans are higher than for other forms of credit, and consequently it is unable to recover costs under a comprehensive interest rate cap.

Research tends to show that the cost of providing these loans is variable, depending on the efficiency and scale of the business and the amount and term of the loans, as well as the impact of regulatory arrangements. Marketplace evidence indicates that there are lenders who operate lawfully and have not gone out of business as a result of the cap. Lenders claim that the cap is designed to deny credit to low-income consumers and will force them to turn to unlicensed offshore lenders and loan sharks. The irony of this argument is that some lenders admit to restructuring their businesses so that they not only avoid the cap but do not have to comply with the National Credit Code, thus denying their borrowers all the protections under the national credit laws.

No government seeks to deny access to credit. The fundamental issue is whether consumers have the capacity to repay. Some consumers in receipt of benefits, for example, have no margin above basic living costs available for credit. Government encourages these consumers to use alternatives, such as Centrelink advances, utility hardship programs and community-based no-interest loans, and of course government also funds financial counsellors. In the electorate of Albury, which I represent, the Government funds St David's Care, which is a financial counselling body. Barry Prater heads up that organisation and is kept reasonably busy. Only recently I opened a new no-interest loan scheme, along with Good Shepherd Youth and Family Service representatives from Victoria, at the women's centre in my electorate. This scheme will be directed exclusively at women.

There are several providers of no-interest schemes within the Albury electorate and it occurs to me that this is not an industry that we want to see growing. Unfortunately, New South Wales is the largest growth area for no-interest loans in this country—a late uptake, admittedly, but now the fastest growing. It is an indication of the problems faced, and therefore the need for this amendment, that we have the largest uptake and the greatest demand. It is not an industry that we want to see growing because it represents a problem that needs to be addressed. Fortunately, the Government is on top of that by continuing to fund financial counsellors and by addressing that particular area of credit and the need of people who access no-interest loans in a most dynamic manner. I credit the Minister for that particular achievement and for his recent announcements.

What would happen if the Commonwealth did not provide appropriate protection in phase two of the national credit reforms? The Commonwealth Government published a green paper in July 2010. Its objectives were to examine State and Territory approaches to interest rate caps and consider the need for further intervention in relation to high-cost, short-term small amount loans as a contributor to over-indebtedness.

Industry and consumer consultation continues and all the indications are that there will be a comprehensive package of reforms, and of course we will welcome those. However, despite the referral of powers to the Commonwealth to regulate consumer credit, the relevant legislation provides for the concurrent operation of Commonwealth and State laws, except where there is a direct inconsistency.

If the Commonwealth does not introduce an interest rate cap, it will be possible for the New South Wales law to continue to operate. That is a safeguard that is built into this amendment. What effect has the comprehensive rate had on the New South Wales market? A quick scan of the internet or suburban shopping centres shows that there is no shortage of offers to low-income consumers who have difficulty accessing funds in an emergency or who struggle to meet regular household payments and expenses. Evidence from compliance programs conducted by NSW Fair Trading indicates that there are lenders who operate lawfully and have not gone out of business as a result of the interest rate cap, and others who appear to have developed innovative avoidance techniques.

Fair Trading is undertaking further investigations with respect to these lenders. We were pleased to speak in support of the bill last year and I commend this amendment, the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011, to the House. It is required, and hopefully we will soon find the Commonwealth has come to the party and this bill may in fact phase itself out if the evidence is presented to us by the Commonwealth. In the interim, I commend the bill to the House.

Mrs ROZA SAGE (Blue Mountains) [11.07 a.m.]: I speak on the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011. It is heartening to know that both sides of the House support the bill, which protects the more vulnerable people in our community. The bill will be particularly welcomed by community legal centres and financial counsellors who work long and hard to support vulnerable consumers trapped in situations of unmanageable debt. The Consumer Credit Legal Centre (NSW) Inc. runs the credit and debt hotline that is funded by NSW Fair Trading. The centre strongly supports retention of the maximum interest rate cap in New South Wales. It is also very welcome that the Commonwealth has made it clear that it is looking to further regulate predatory and fringe lending practices.

However, removing the cap now before the Commonwealth has announced details of this regulation will leave consumers at risk from exploitative credit. The cap represents vital protection for vulnerable borrowers who are unable to take advantage of competitive mainstream rates. In my electorate of Blue Mountains I have been talking with community centres, who say that more and more they are experiencing increased numbers of people asking for emergency assistance for rent, food and other things. Many consumers get a loan only to find they are charged a fee for a brokerage they have never seen. For this reason, the comprehensive rate in New South Wales is important as it requires these fees to be included in the calculation of the interest rate cap.

In the experience of consumer advocates, the national responsible lending laws are welcome, but they alone cannot address the problem of high-cost credit because enforcement is far too dependent on the facts of each case. The Act allows some fringe lending to continue but places a clear line in the sand to show how much is too much. It has been stated during debate that there are two sides to the industry. On the one hand, there are micro lenders who operate lawfully in the market and who comply with the cap. Without charging excessive costs, they are assisting people who do not have ready access to mainstream financial services, such as those who fall short on paydays or who do not get paid, and who find it difficult to manage large bills and sudden emergencies. Those borrowers appreciate the accessibility, convenience and customer service they receive.

On the other hand, vulnerable and disadvantaged consumers, many of whom receive government benefits, are being given credit they cannot repay within the contract term. In default they incur significant debt as well as rollover fees, and that causes considerable financial hardship. Those consumers are trapped in a debt cycle from which they cannot escape. The terms of repayment can leave them without sufficient money for basic needs. Consequently greater numbers of requests are being received by community centres and welfare groups, such as the Salvation Army, for food hampers.

Unfortunately, many consumers do not know of, or do not consider, alternatives to taking out available high-cost credit when they are experiencing financial problems. The New South Wales Government encourages those consumers to use alternatives, such as Centrelink advances, utility hardship programs and the community-based No Interest Loans Scheme. I know from speaking with many community centre organisers in the Blue Mountains that the service is very valuable and that there is a great uptake by application. Currently the service is administered through local community centres and provides loans for the purchase of essential commodities, such as refrigerators, washing machines and other white goods. Borrowers who are experiencing

difficulty can obtain help through the Financial Counselling Services Program, which receives annual funding of \$5.56 million from NSW Fair Trading. Through financial counselling, consumers can gain the ability, skills and knowledge to successfully manage their financial affairs. In support of all vulnerable people, especially those who are financially vulnerable, I commend the bill to the House.

Mr ANDREW CORNWELL (Charlestown) [11.12 a.m.]: I support the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011. The object of the bill is to amend the Credit (Commonwealth Powers) Act 2010 to allow for the repeal of provisions of the Act that provide for the maximum annual percentage rate for credit contracts when appropriate legislation has been enacted by the Commonwealth to address that matter. Accordingly, the bill removes the current expiry date of 1 July 2011 for provisions that specify a maximum annual percentage rate for credit contracts, and enables those provisions to be repealed by the Governor by proclamation.

Why is New South Wales retaining the interest rate cap if responsibility for consumer credit has been transferred to the Commonwealth? When the uniform Consumer Credit Code commenced in 1996, some regulatory arrangements fell outside the uniformity agreement, including interest rate caps. New South Wales kept its cap, introducing a maximum rate of 48 per cent. When governments agreed to transfer the Consumer Credit Code to the Commonwealth, interest rate caps were not part of the package. The Commonwealth Government accepted that States with caps intended to retain them, at least until the effectiveness of the national credit laws could be assessed.

The Commonwealth has made it clear that it is considering further regulation of predatory and fringe lending practices. Removing the cap now, before the Commonwealth has announced details of the regulation, will put consumers at risk from exploitative credit. We must protect the most vulnerable people in our community and stop them from falling through those cracks. If the Commonwealth licenses credit providers, including payday lenders, why does New South Wales need an interest rate cap as well? Licensing and responsible lending are part of phase one of the national credit reforms. It has always been made clear that phase two of the reforms would examine issues such as predatory and fringe lending and the effectiveness of interest rate caps.

Although applications for licensing began in 2010, full licensing of credit providers does not commence until 1 July 2011. The effects of licensing credit providers will not be known until after the licensing program is operational and all industry participants are licensed. To offset any impacts from the delayed introduction of licensing, each credit provider must be a member of an Australian Securities and Investments Commission approved external dispute resolution scheme and is subject to responsible lending provisions, including a requirement to assess each credit applicant's capacity to repay and a prohibition on providing unsuitable products.

Evidence from community legal centres and financial counsellors indicates that the clients of payday lenders and other short-term small amount lenders overwhelmingly are low-income consumers who become trapped in inappropriate loans. Consumer advocates are adamant that the maintenance of the maximum credit rate is essential to their prospects of challenging fringe and predatory loans. They have compelling case studies to support their arguments. Payday lenders prey on people by advertising a daily rate, but if compound interest is taken into account, the daily rate can suddenly blow out to what is an effective annual interest rate of hundreds of per cent. That will be prevented by maintenance of the credit rate cap.

Arguments have been advanced that question how the Government can justify retention of the cap and whether its retention will put lenders out of business. The fringe lending industry has mounted a vigorous campaign in favour of allowing the cap to expire. It argues that the fixed costs and risk associated with arranging short-term small amount loans are higher than for other forms of credit. Consequently the industry claims that it is unable to recover costs under a comprehensive interest rate cap. However, research shows that the cost of providing those loans is variable depending on the efficiency and scale of the business and the amount and term of the loans as well as the impact of regulatory arrangements. Marketplace evidence indicates that there are lenders who operate lawfully and have not gone out of business as a result of the cap.

Lenders also claim that the cap is designed to deny credit to low-income consumers and that that will force them to turn to unlicensed offshore lenders and loan sharks. The irony of that argument is that some lenders admit to restructuring their businesses so that not only do they avoid the cap but also they do not have to comply with the National Credit Code, thereby denying their borrowers all the protections under the national credit laws. No government seeks to deny access to credit. The fundamental issue is whether consumers have the capacity to repay. For example, some consumers who are in receipt of benefits have no margin above basic living costs available for credit. The Government encourages those consumers to use alternatives, such as Centrelink advances, utility hardship programs and community-based no interest loans, as well as funds financial counsellors.

What will happen if the Commonwealth does not provide appropriate protection in phase two of the national credit reforms? The Commonwealth Government published a green paper in July 2010. Its objectives were to examine State and Territory approaches to interest rate caps and consider the need for further intervention in relation to high-cost, short-term loan amounts as a contributor to over-indebtedness. Industry and consumer consultation continues. All the indications suggest that there will be a comprehensive package of reforms. However, despite the referral of powers to the Commonwealth to regulate consumer credit, the relevant legislation provides for the concurrent operation of Commonwealth and State laws, except when there is a direct inconsistency. If the Commonwealth does not introduce an interest rate cap, it will be possible for the New South Wales law to continue in operation.

What effect has the cap had on the New South Wales market? A quick scan of the internet or suburban shopping centres shows that there is no shortage of offers to low-income consumers who have difficulty accessing funds in an emergency, or who struggle to meet regular household payments. Evidence from compliance programs conducted by NSW Fair Trading under its new Minister, Mr Anthony Roberts, indicates that there are lenders who operate lawfully and who have not gone out of business as a result of the interest rate cap and others appear to have developed innovative avoidance techniques. Fair Trading is undertaking further investigations with respect to these lenders.

One example of these avoidance techniques is where a credit provider grants a loan to a borrower and documents for the loan period—for example, 12 to 24 months—repayment amounts that, *prima facie*, do not breach the cap. Then the borrower is told that the loan is actually for a shorter period and must be paid out early. The borrower is then liable for a deferred establishment fee imposed by the contract, taking the total loan cost to well above the cap. A direct debit may be made on the spot for the higher amount. Another example is when consumers have entered into loans that are structured more like charge cards with lenders of small amounts. The loan is granted for a particular amount and at any time the borrower can withdraw money up to the loan limit. The lender imposes a charge each time an amount is drawn in addition to a weekly account-keeping fee, regardless of the loan amount payable.

Mr Chris Spence: Shame.

Mr ANDREW CORNWELL: I agree; it is a shameful practice. A further example is when a lender grants a loan to a New South Wales borrower, but unknown to that borrower the lender has already signed up with another borrower in Western Australia for the same loan on a split-liability basis. The lender then argues that the West Australian laws apply—that State has no 48 per cent cap—rather than New South Wales laws. The Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011 will provide continued protection for some of the most vulnerable people in our community. Predatory lending generally preys on those least able to cope with a punitive interest rate. It is no coincidence that pawnbrokers tend to be located in lower socioeconomic areas. In my electorate one pawnbroker opened for business directly opposite Centrelink, and others are located in Windale and Cardiff.

These businesses are conducting legitimate transactions and serve a community need. The bill is not designed to undermine their business, but it provides safeguards for consumers against less scrupulous operators. The location of these businesses highlights the direct link between those who require emergency or short-term credit and the demographics. We must protect the most vulnerable in our community from predatory lending. Credit cards are one of the most common forms of credit, but the people accessing these types of lenders cannot qualify for them. For many years we have effectively been living beyond our means in New South Wales. I am reminded of the old MasterCard commercial: scrapping the Tillegra Dam, \$180 million; scrapping the inner-city metro, \$500 million; the result on 26 March, priceless. I commend the bill to the House.

Mr STEVE CANSDELL (Clarence—Parliamentary Secretary) [11.22 a.m.]: I am pleased to contribute to debate on the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011, and congratulate the Minister for Fair Trading on introducing this important amending bill. This short bill preserves an important consumer protection measure that was introduced by the Fahey Government in 1994. Last year Parliament passed legislation to transfer regulatory responsibility for consumer credit from New South Wales to the Commonwealth. These protections are important. Previous speakers have mentioned that the bill will protect the vulnerable in our communities. We have all seen the signs that say, "Instant Cash. No credit ratings required. No reference. Nothing." If something sounds too good to be true, it is. These usurers are lending money to people who cannot afford to repay. Loans with interest rates sometimes of up to 1,000 per cent merely take advantage of desperate people. Some unscrupulous lenders have daily late-payment fees of \$75 and sometimes the application fee equals up to 50 per cent of the loan amount.

This bill is a vital measure that will once again assure protection for the vulnerable members of our society until the Commonwealth ratifies national legislation. This bill is the first phase of national credit reforms agreed to by the Council of Australian Governments and corrects an anomaly by which the Commonwealth could regulate all financial products and services except consumer credit and finance broking. The credit marketplace is very much a national marketplace and all parties welcome the introduction of consistent national laws. New South Wales has always been a leader in consumer protection for borrowers. I pay tribute to a former leader of the Liberal Party, Kerry Chikarovski, who was also a former Minister for Consumer Affairs. She played a leading role in developing the Consumer Credit Code when the Coalition was in government prior to 1994. It is important to include consumer credit codes in legislation.

Many lenders are above board and honest and fill a needy void, but we must ensure that vulnerable people are protected. The O'Farrell Government is not prepared to leave vulnerable and disadvantaged consumers at risk of exploitation by unscrupulous lenders. The loan amounts involved vary from \$100 to \$5,000, with repayment periods ranging from a week to two years. They are commonly referred to as payday loans and generally are for amounts under \$1,000, with repayment periods of less than three months. Consumers on low incomes make up a significant proportion of the borrowers. Research shows that between 50 per cent and 74 per cent of borrowers have annual incomes of less than \$36,000, with up to 25 per cent falling beneath the Henderson Poverty Line.

Approximately 70 per cent of loans are to meet recurrent or basic living expenses, including utility bills, food, rent, car repairs et cetera. People will be under more pressure with the foreshadowed introduction of a carbon tax and expected electricity price increases in addition to increases that have gone through the roof by up to 60 per cent in the past five years under Labor. There is no way in the world they will catch up. They will end up borrowing more money to pay additional debt, and then borrow more. People will spiral down into a bigger financial hole, especially when massive daily penalties are imposed for not paying their loans. People become suicidal when faced with an insurmountable financial crisis. Unscrupulous lenders take advantage of people who are in a desperate plight.

Some market micro lenders operate lawfully and comply with the interest rate cap. Without charging excessive costs, they assist those who do not have ready access to mainstream financial services and face difficulty managing large bills and sudden emergencies. I have much more information about this topic, but the people in the public gallery are not here to listen to me: they are here to listen to one of the greatest and best members of the new O'Farrell-Stoner Government. Once again, I praise the Minister for Fair Trading for introducing this protection for the most vulnerable in our society.

Mr ANTHONY ROBERTS (Lane Cove—Minister for Fair Trading) [11.27 a.m.], in reply: Before commencing my remarks, I take this opportunity to bring to the House's attention that a constituent of mine, Mr Keneally, is very ill. The House acknowledges that the member for Heffron has been absent this week because Mr Keneally is ill. I pass on the prayers and thoughts of all members of the House to Mr Keneally, his wife and to family of the member for Heffron during this difficult time.

As members have heard, the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011 makes it possible for New South Wales to retain a comprehensive interest rate cap for consumer credit contracts while national regulation is being developed. As I outlined previously, in 2010 all States and Territories transferred their regulatory power to the Commonwealth with respect to consumer credit. This transfer did not extend to the imposition of maximum annual percentage rates. The understanding was that States and Territories could retain their interest rate caps and the Commonwealth would examine the impact of those caps as part of the second phase of national credit reforms. The latest information from the Commonwealth is that these second-wave reforms will not be ready before the end of 2011.

As members have heard, the Credit (Commonwealth Powers) Amendment (Maximum Annual Percentage Rate) Bill 2011 makes it possible for New South Wales to retain a comprehensive interest rate cap for consumer credit contracts while national regulation is developed. As I have outlined, in 2010 all States and Territories transferred their regulatory power to the Commonwealth with respect to consumer credit. This transfer did not extend to the imposition of maximum annual percentage rates, the understanding being that States and Territories with interest rate caps could retain them and the Commonwealth would examine their impact as part of the second phase of national credit reforms.

The latest information we have from the Commonwealth is that these second wave reforms will not be ready before the end of 2011. The O'Farrell-Stoner Government is not prepared to allow the interest cap to

sunset when there is no equivalent protection in place. For this reason the bill amends the Credit (Commonwealth Powers) Act 2010 to remove the current expiry provisions and replace them with provisions that permit the interest rate cap to be repealed by proclamation. The New South Wales Government's primary concern is the protection of consumers, particularly vulnerable and disadvantaged consumers. If national reforms provide this protection there will be no need to retain a State-based cap. On that basis, the power to repeal would be exercised on the date on which substitute Commonwealth legislation commenced.

I thank members representing the electorates of Kogarah, Baulkham Hills, Mount Druitt, The Entrance, Keira, Albury, Blue Mountains, Charlestown and Clarence for their contributions. I pay tribute and extend my thanks to the hardworking, diligent and professional staff of the Office of Fair Trading who are passionate about protecting consumers in this State. A number of issues were raised, but in general the House is supportive of the protection of consumers and certainly of the provision of a comprehensive credit cap in New South Wales. With a great deal of pride I commend this 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.

Pursuant to resolution business interrupted for the presentation of an inaugural speech.

INAUGURAL SPEECHES

Mr ANDREW ROHAN (Smithfield) [11.32 a.m.] (Inaugural Speech): Madam Speaker, I commence by congratulating you on your appointment as the Speaker of this House. It is a marvellous achievement and I wish you every success. I am profoundly grateful and touched by the great honour accorded to me by the voters of my electorate of Smithfield. And I am deeply conscious of the historic victory in being elected the first Liberal member for Smithfield as I deliver my inaugural speech. It is my first speech in Australia's first Parliament, a speech I never imagined I would one day have the honour and privilege to deliver, and a speech that I hope will be as extraordinary as my journey into this place; a journey that started in the summer of 1918 when my father was just a teenager and my mother a young child.

They and their families were among 90,000 Assyrian Christian refugees fleeing their ancestral homeland to escape persecution. My parents and the other refugees were fleeing from the Ottoman Empire to escape what would later be known as the "Armenian, Assyrian and Pontic Greek Genocide". By the grace of God my parents survived, for the reason they were protected, and protected by none other than an Australian soldier. Lieutenant General Sir Stanley George Savige, KBE, CB, DSO, MC, ED, at that time a 28-year-old captain, was selected to join "Dunsterforce", an elite task force assigned to resupplying the Assyrians fighting in Persia. Unable to complete the task due to the fall of Urmia, he persuaded his British commander that he should stay back with the remaining refugees.

For six weeks, Captain Savige used all the means at his disposal to protect the refugees against the perpetual onslaught of the Ottoman forces. Reasoning that the Turkish commander would concentrate on killing him before harming the refugees, he strategically placed his command at the rear of the refugee procession and deliberately drew enemy fire. By offering his command as a target, even though he was outnumbered 100 to one, Captain Savige managed to slow the enemy advance long enough for most of the refugees to flee. This act of courage and self-sacrifice was far beyond what was expected of a junior officer in the field. Captain Savige was subsequently decorated with the Distinguished Service Order for his efforts. Australian journalist, historian and official war correspondent, Charles Bean, wrote:

The stand made by Savige and his eight companions that evening and during half of the next day against hundreds of the enemy thirsting like wolves to get at the defenceless throng was as fine as any episode known to the present writer in the history of this war.

My parents survived the Genocide because of the heroic actions of Sir Stanley George Savige and I, as the newly elected Liberal member for Smithfield, pay tribute to him today in this House. My parents having

survived and eventually meeting some years later married and had six children. I was born in 1948 in Habbaniya, a small town on the banks of the Euphrates River in central Iraq and the location of a British airbase—RAF Habbaniya—where my father was employed. At the age of 11 my family moved to Baghdad and settled in the south-western suburb of Dora where I completed my schooling.

My parents valued a good education and they valued hard work. They provided me, my brother and four sisters with all the necessities and encouragement to attain a higher education. I clearly remember the struggle my parents went through to raise us. They instilled in me a sound work ethic and taught me to take nothing for granted. Thanks to them, in 1970 I graduated from the University of Baghdad with a Bachelor of Science in Geology and in 1975 a Master of Science in Petroleum Geology. After completing my Masters Degree, I began working as a geologist with the National Minerals Corporation, where I supervised mineral exploration programs.

My parents, Baijan and Panna Rohan, have recently passed on, but I know they would have been proud of their son becoming the State member for Smithfield and I know they are watching from a better place. Our family is very close. I would like to thank my brother, Youaow Rohan, my sisters Albania Darmo, Rebecca Youkhana, Sara Rohan, Ramzia Rohan, my brothers-in-law Leon Darmo and Andrew Youkhanna, and my sister-in-law, Khanna Rohan, for their great support throughout the campaign. Five years after completing my postgraduate degree, I was awarded a scholarship to undertake a Doctorate in the United States of America. I declined the offer and made the decision to instead leave Iraq forever. I left everything behind, including my teenage sweetheart and future wife, Janet Simon.

I arrived in Sydney in September 1979 and settled in the south-western suburb of Bossley Park, in the State electorate of Smithfield—it's where I still live today. Shortly after my arrival, I enrolled at the University of New South Wales to continue my studies under the supervision of Professor Phillip Evans. However, in 1981 I was offered a position with Robertson Research Australia as a geologist in North Sydney. It was an offer I could not resist. At Robertson Research I obtained eight more years of experience as a geologist, overseeing oil and coal exploration programs in Australia and abroad. I had the privilege of working with some of the most prominent members of the industry as well as consummate professionals. The late John Harrison, our chief geologist, who contributed immensely to my professional development, is one such example.

Fate played a role in reuniting me with my teenage sweetheart, Janet. In 1982, after her family had settled in the United Kingdom a year earlier, she came to Sydney accompanied by her father, Andrew Simon. We were married in January 1983 at the St Mary's Church in Fairfield and we were blessed with two boys, Sargon Rohan and Luka Rohan. Both were educated in local public schools and both have now graduated from university and are busy climbing the corporate ladder in their chosen fields. My two sons are my pride and joy. I love them dearly and I am honoured to have them here today with my wife, Janet. I cannot thank my wife, Janet, enough for looking after her three boys—I know it was not easy to manage—it needed special talent from you and for that I say thank you.

In 1988, despite drastically cutting staff, my employer did not survive the recession that Australia had to have. It was tough enough being unemployed but, to make matters more difficult, my unemployment coincided with the birth of my two sons. Simply put, I lost my income at the worst possible time: when I needed to support my growing family. However, I was determined to work hard and provide for my family. I started a small printing business and, having owned and operated this small business for the past 17 years, I know the pressure facing other small business owners. My firsthand experience as a small business owner has taught me the need for greater local employment and investment opportunities, especially for our youth.

As an active member of my local community I helped migrant families resettle and establish themselves in Australia. For more than 26 years I worked hard to promote the importance of education, cultural awareness and sporting activities in my local community. It was through this voluntary community service that I was introduced to and inspired by a number of individuals. Many of them are here today, but I wish to single out one person in particular, His Beatitude Mar Meelis Zaia, AM, Archbishop of the Assyrian Church of the East in Australia and New Zealand. His Beatitude Mar Meelis Zaia has dedicated his life to the church and is responsible for the transformation of Australia's Assyrian community by building new churches, cathedrals and schools, as well as social centres and a retirement village. His Beatitude sends his apologies as unfortunately he could not be with us, but I am sure he is with us in spirit. I acknowledge that Mr Youaw T. Kanna, a founding member of the Assyrian Australian Association and a pioneer of Australia's Assyrian community, is also here in the public gallery.

After the recession Australia had to have I decided to join the Liberal Party. The Liberal Party's conservative values and sound economic policies truly resonated with me following the experience of losing my job due to Labor's economic incompetence and reckless spending. When I joined the Liberal Party I had no interest in nominating for any public office, including local government, let alone any idea that one day I would be a State member of Parliament. My interest at the time was simply to fly the Liberal flag in a Labor Party stronghold, to support local Liberal Party candidates with their election campaigns and to help the local community engage the Liberal Party. Since then I have held almost every position at a local branch and conference level. I have had the pleasure of meeting many good people and faithful party members.

I am indebted to the Liberal Party for providing me with the opportunity to represent its ideals in this historic Parliament. At this point I acknowledge Mr Bob Robertson, who introduced me to the Liberal Party some 20 years ago. I acknowledge all the members of the Smithfield SEC for their support throughout my election campaign, especially Robert Joseph, Nabeel Mirad, Anwar Osman, Samy Ishak and Caroline Ishak, as well as members of other local Liberal Party branches such as Charbel Saliba, Dai Le, Markus Lambert, Thomas Dang, Gwen Riley, Annette Wilton and Robert Jacobucci. I am very fortunate to know each one of them. I acknowledge my Fairfield City Council colleagues Councillor Zaya Toma, as well as councillors Joe Molluso and Frank Oliveri, who have been with me in the Liberal Party for more than 20 years. I thank them for their support during my campaign.

As a councillor on Fairfield City Council over the past two years I have done my best to be a voice for the residents of Fairfield city. I am most proud of fighting for a youth centre in Fairfield, as well as fighting to keep the Fairfield City Farm open, demanding more car parking spaces in the town centres and making the council more accountable to the residents. I acknowledge our council's General Manager, Alan Young, who is here in the public gallery. He has a tough job pleasing all the councillors from the various sides of politics on Fairfield council, but he does a good job. [*Extension of time agreed to.*]

I express my great appreciation to the people of Smithfield who elected me on 26 March 2011 with an overwhelming swing of 20.3 per cent to represent them. I know that many of them voted Liberal for the first time in their lives. I thank them for putting their faith in me and in the Liberal Party. To them I make this pledge: I will always put you first. I will dedicate the next four years of my term in office to proving to you, my constituents, that your trust in me was well placed, because for me, first and foremost, politics is about serving people. The State electorate of Smithfield is part of the greater western Sydney region and is 135 square kilometres in area. It is a typical working class community. Its boundaries extend from the western M4 in Greystanes to Elizabeth Drive in Edensor Park and from South Creek in Erskine Park to the Cumberland Highway in Fairfield West.

My electorate of Smithfield takes its name from the suburb of Smithfield, which was originally known as Chilsholm's Bush. In 1867 Smithfield was a semi-rural settlement populated by vine growers, gardeners, and wood timber cutters as well as orchards and tanneries. John Ryan Brenan, an attorney who was appointed Police Magistrate, named it Smithfield after the meat markets of London and Dublin. Smithfield has become a thriving commercial centre, and the once rural township is now a mixture of semi-rural, residential, commercial and industrial lands. The State electorate of Smithfield is within the boundaries of the Fairfield, Holroyd, Penrith and Blacktown council areas and comprises the suburbs of Abbotsbury, Bossley Park, Cecil Park, Eastern Creek, Edensor Park, Erskine Park, Greenfield Park, Greystanes, Horsley Park, Kemps Creek, Mount Vernon, Prairiewood, Prospect, Smithfield, Fairfield West and Wetherill Park.

Smithfield is a microcosm of multicultural Australia. Almost half of my constituents were born overseas. Almost 60 per cent of my constituents speak a language other than English at home. In fact, more than 100 different languages are spoken by my constituents in the electorate of Smithfield. I recognise the many Assyrian, Chaldean, Arabic, Italian, Mandaean, Vietnamese, Croatian, Serbian and Chinese community leaders here in the public gallery today. I thank them for coming. Smithfield is home to many attractions, including the Western Sydney Parklands, the Fairfield City Showground and the Eastern Creek Raceway. Smithfield is also well known for its large industrial area. The Smithfield-Wetherill Park Industrial Estate is the largest industrial estate in the Southern Hemisphere, and is the hub of manufacturing and distribution in the greater western Sydney region. With more than 1,000 manufacturing, wholesale, transport and service firms providing more than 20,000 jobs, the Smithfield-Wetherill Park Industrial Estate plays a key role in the State's economy.

Five public high schools and 13 primary schools are located in my electorate. As is common with public schools throughout New South Wales, most have suffered greatly over the past 16 years, with an increased workload for teachers, larger class sizes for students and a blowout in the school maintenance

backlog, leaving schoolteachers and students to work in nineteenth century conditions. That is why, during the election campaign, the now education Minister, the Hon. Adrian Piccoli, and I met with parents and teachers at William Stimson Public School in Wetherill Park to announce that we would inject more than \$60 million into school maintenance funding and restore local decision-making to school communities.

Although there are a number of hospitals relatively close to my electorate, which my constituents may use as the need arises, there is only one hospital within my electorate's boundaries and that is Fairfield Hospital in Prairiewood. I was pleased to welcome the now Premier and the now health Minister, the Hon. Barry O'Farrell and the Hon. Jillian Skinner, to Fairfield Hospital, where they announced that the Coalition would deliver 100 more beds and 25 more nurses to the local area health district as part of our More Beds, More Nurses, Real Reform health plan. This was a great win for patients at Fairfield Hospital and a great win for Sydney's south-west. My electorate is home to only one police station, at Wetherill Park, and I will certainly be pressing for increased police numbers and more support for local Neighbourhood Watch programs. I thank the now police Minister, the Hon. Michael Gallacher, MLC, for visiting Wetherill Park police station and announcing more funding for police resources in my electorate, as well as more support for the Bossley Park Neighbourhood Watch.

I take this opportunity to express my appreciation to police officers all over New South Wales, but in particular to the Fairfield Local Area Command, under the leadership of Commander Peter Lennon, APM, for their commitment and service to my electorate of Smithfield. On the question of transport, it is quite interesting that the last time the Coalition was in government a substantial allocation was made to complete the overpass on the Cumberland Highway at Fairfield West, and now that the Coalition is back in government we will deliver the long-awaited and much-needed upgrade to the Polding Street and Smithfield Road intersection. The intersection under that same overpass in Fairfield West was ignored by the Labor Party, for the entire 16 years it was in government. Visiting the site, with the then shadow Minister for Roads and the now Deputy Premier, the Hon. Andrew Stoner, we committed \$3 million to this vital project in order to ease traffic congestion in the area. As members may be aware, this is one of the worst accident spots in Sydney as identified by both the New South Wales Roads and Traffic Authority and the NRMA.

During the campaign I said my priority would be to stop the increasing cost of electricity. The greatest threat to the increasing cost of electricity today is the current Prime Minister's and Labor Party's carbon tax. As a geologist, I know that the Earth's climate is constantly changing owing to natural variability in the Earth's processes. Why do geologists tend to be sceptics? A geologist has a much longer perspective. Geologists study the Earth and its history; they realise that the climate has changed often in the past due to natural causes. The Earth's climate naturally varies constantly, in both directions, at varying rates and on many scales. In recent decades global temperatures have risen. Yet many times in the past our planet has been far warmer and far cooler than today. Labor's carbon tax will hurt local families in my electorate by raising the cost of living even further and it will hurt industry and investment. I am opposed to any carbon tax and will continue to campaign against its introduction.

The campaign to win Smithfield was not easy. In fact, it was really hard. I was lucky; I had a small but dedicated campaign team. Without their help victory would not have been possible. During the election campaign we embraced technology and in particular social media. In fact, the number of fans on my Facebook page is second only to our Premier's Facebook page. We doorknocked just under 18,000 homes, we held more than 100 street stalls, letterboxed the entire electorate several times, put up hundreds of posters and called thousands of homes. One day, while doorknocking in the suburb of Smithfield, I came to a house where a gentleman was sitting under the front veranda. As I began to introduce myself to him he stood up and said, "You're Mr. Rohan, aren't you?" I said, "Yes sir, I am." He then proceeded to tell me that he and his family had been voting Labor for more than 40 years, but not anymore. He also said that I was the first politician to ever visit him. He was angry about the mismanagement of the State and felt betrayed by the so-called "working man's party". I believe this really summed up the feeling of voters right across the electorate, which was reflected by the result we achieved on election night.

I acknowledge and thank our leader, the Premier, the Hon. Barry O'Farrell. He united our party and paved the way for the Coalition's resounding victory on 26 March 2011. I thank the Deputy Premier, the Hon. Andrew Stoner, and Ministers the Hon. Jillian Skinner, the Hon. Michael Gallacher, the Hon. Chris Hartcher, the Hon. Anthony Roberts, the Hon. Adrian Piccoli, the Hon. Brad Hazzard and the Hon. Gladys Berejiklian for visiting my electorate during the election campaign. I thank my campaign team members: Nina Kiwarkis, Gaby Kiwarkis, Joseph Mirza, Adeeb Khoshaba, Matthew Hana, Councillor Ross Grove, Doug Calleja, Youhan Daryoush, Vince Ripepi, Stuart Smith, Adrian Pryke, Andrew Osman, Elias Shamoon, Jamal Elishe, Najah

Namrood, Patrick Osman, Dalia Yousif, Vivian Mirza, Dalia Mirza, Ashie Mikeal, Hedra Moshy, Ross and Robert Candelori, Lujana Youkhana, Karim David, Brian Zammit, Laurel and Ellis Noak, Vincent De Luca and Jackie Wall, as well as my 120 election day volunteers; all this would not have been possible without their contribution.

Special thanks go to the Hon. Anthony Roberts for being so supportive during my campaign, and providing me with an army of volunteers from Lane Cove. I wish to acknowledge the contribution of the Young Liberal flying squads and their coordinators, Abi Shead and Charles Perrottet as well as the many Young Liberal campaigners involved in my campaign. I place on record my sincere thanks to the Liberal Party secretariat for their invaluable expertise, guidance and role in my success, in particular our State Director, Mark Neeham, our Campaign Director, Penny George, but more generally, all the staff at the secretariat.

I want to acknowledge the support of my parliamentary colleagues who have helped guide and support the local branches in the Smithfield area over the years, in particular, the Hon. David Clarke, MLC, the Hon. Marie Ficarra, MLC, the Hon. Matthew Mason-Cox, MLC, and the Hon. Senator Concetta Fierravanti-Wells. I want to pay a special tribute to the Hon. Charlie Lynn, MLC, and especially thank him for his support as the duty MLC for south-western Sydney. Without his guidance and assistance, it would have not been possible to win Smithfield. I want to thank Councillor Zaya Toma. He was the maestro of this campaign and to whom I credit a significant part in this victory.

As my campaign manager, Zaya demonstrated great leadership, strategic thinking and vision. Zaya spearheaded the campaign to expose the failures of the Labor Party in the Fairfield area over the past two years. This has helped convert the once Labor heartland into Liberal territory. I acknowledge Zaya's parents, Yoniya and Benjamin Toma, who are here in the public gallery. I thank my staff, Joseph Adams, Katrine Oliveri, Emmanuel Brikha and Zaya Toma for their hard work and loyal service to me and to the community at large, thus far and into the future. We have campaigned together for many years in the local area and it is an incredible honour finally to be in a position to be able to serve the community, for all of us. And finally, I congratulate all members on the success of their election to this place. I look forward to working with you over the coming term.

WORK HEALTH AND SAFETY BILL 2011

OCCUPATIONAL HEALTH AND SAFETY AMENDMENT BILL 2011

Message received from the Legislative Council returning the bills with amendments.

Consideration in Detail

Consideration of the Legislative Council amendments.

Schedule of amendments to the Work Health and Safety Bill referred to in message of 27 May 2011

No. 1 Page 4, clause 4. Insert after line 20:

Industrial Court means the Industrial Court of New South Wales.

No. 2 Page 115, clause 229B, lines 16–28. Omit all words on those lines. Insert instead:

229B Summary procedure for offences

- (1) Except as provided by this section, proceedings for an offence against this Act or the regulations are to be dealt with summarily:
 - (a) before the Local Court, or
 - (b) before the District Court in its summary jurisdiction.
- (2) Proceedings for a Category 3 offence are to be dealt with summarily:
 - (a) before the Local Court, or
 - (b) before the Industrial Court.
- (3) Proceedings for a Category 1 offence committed by an individual are to be taken on indictment.
- (4) The maximum monetary penalty that may be imposed by the Local Court in proceedings for an offence against this Act is \$50,000, despite any higher maximum monetary penalty provided in respect of the offence.

- (5) Part 5 of Chapter 4 of the Criminal Procedure Act 1986 applies to proceedings for an offence taken before the District Court in its summary jurisdiction.
- (6) The provisions of the Industrial Relations Act 1996, and of the regulations under that Act, relating to appeals from the Local Court to the Industrial Court in connection with offences against that Act apply to proceedings before the Local Court for Category 3 offences.

Note. Section 197 of the Industrial Relations Act 1996 deals with appeals against convictions or penalties in connection with offences against that Act.

No. 3 Page 115, clause 230. Insert at the end of line 34:

, or

- (c) the secretary of an industrial organisation of employees any member or members of which are concerned in the matter to which the proceedings relate, but only as permitted by subsection (3) if the offence concerned is a Category 1 offence or a Category 2 offence.

No. 4 Page 116, clause 230. Insert after line 3:

- (3) The secretary of an industrial organisation of employees can bring proceedings for a Category 1 offence or a Category 2 offence only if the regulator has (after referral of the matter to the regulator and the Director of Public Prosecutions under section 231) declined to follow the advice of the Director of Public Prosecutions to bring the proceedings.

No. 5 Page 116, clause 230. Insert after line 9:

- (5) The court before which proceedings for an offence against this Act are brought by the secretary of an industrial organisation of employees must not direct that any portion of a fine or other penalty imposed in the proceedings be paid to the prosecutor (despite section 122 of the Fines Act 1996).

No. 6 Pages 121–123, proposed Division 2A of Part 13, line 1 on page 121 to line 4 on page 123. Omit all words on those lines.

No. 7 Page 128, clause 255, line 10. Omit "District Court". Insert instead "Industrial Court".

No. 8 Page 144, proposed clause 8 of schedule 4, lines 30–33. Omit all words on those lines.

No. 9 Page 146, schedule 5.1, lines 2–5. Omit all words on those lines.

*Schedule of amendments to the Occupational Health and Safety Amendment Bill referred to in message of
27 May 2011*

No. 1 Page 6, schedule 1 [14], lines 26–28. Omit all words on those lines.

No. 2 Pages 7 and 8, schedule 1 [16], line 28 on page 7 to line 6 on page 8. Omit all words on those lines.

Mr BRAD HAZZARD (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [12.01 p.m.], on behalf of Mr Andrew Stoner, I move:

That this House agree to the Legislative Council amendments.

The Work Health and Safety Bill 2011 and the Occupational Health and Safety Amendment Bill 2011 are cognate bills that were dealt with by the upper House. The Government expresses concern about the outcomes of a number of amendments that were made in the upper House, but it does not intend to oppose those amendments. Unfortunately, certain outcomes were achieved as a result of current arrangements in the upper House and the Government remains concerned that the most satisfactory outcome has not been achieved for employers and employees in New South Wales. The Work Health and Safety Bill 2011 and the Occupational Health and Safety Amendment Bill were not brought in lightly: they are the product of two years of intense negotiations with representatives from Safe Work Australia, through the Council of Australian Governments.

As I have said, this legislation was considered in great depth over two years under a Federal umbrella and consideration was given to the issues that the unions raised. The Government is committed to ensuring that employees are and will continue to be appropriately and properly protected. However, the outcomes achieved in the upper House are not in the best interests of businesses or employees in this State. It has been said that the unions right to prosecute, which resulted in these amendments in the upper House, has in some way been changed and that unions will continue to have an unfettered right regarding less serious offences—an issue that the unions were keen to pursue. The Government is not keen on going down that path. Category 1 and

category 2 offences—the more serious offences—will now involve a rather convoluted process. WorkCover will consider the issue, which will then be considered by the Director of Public Prosecutions and subsequently unions will have the right to prosecute.

Those amendments were agreed to in the upper House as a result of the minor parties joining forces and pushing this issue. We are talking about prosecuting someone for committing a criminal offence. Because of the nature of our legal system, cases such as that should be heard by a court that understands, and that has the capacity to deal with, such criminal prosecutions. It is not appropriate for industrial courts to deal with such matters or for the unions to have the right to prosecute, but that is the position that we have reached. From the Government's point of view, one of the benefits arising from these amendments is that the unions will no longer receive a proportion of the fines, or what are referred to as union moieties. Unions were able to access a share of these fines and they were making money out of prosecuting people, which was a constraint on objective decision-making. Those sorts of decisions should be made by an independent body—an issue that has now been addressed through these amendments.

Finally, let me make an observation relating to the jurisdiction of criminal proceedings. In the Government's view it is nonsensical and inappropriate for prosecutions of criminal matters to be undertaken by the Industrial Court. The Industrial Court has a job to do and that should not include prosecutions of criminal offences. Because of amendments moved in the upper House by the Shooters and Fishers Party and The Greens—an approach that does not have the support of the Government—some matters will be dealt with in the Industrial Court and other matters will be dealt with in the Local Court. In effect, that will promote forum shopping. It means that category 3 offences can commence in and be prosecuted by the Local Court, and the appeals process will be dealt with not in the District Court or the Supreme Court but in the Industrial Court, which does not make a lot of sense.

The Government remains concerned as this is not in the best interests of employers or employees, and it will not promote growth in this State. This is an issue that should be addressed but the cards have fallen where they have because of an alliance between the Shooters and Fishers Party and The Greens. The Government does not oppose these amended bills but it is concerned as this does not provide the best environment for employees, employers or businesses in this State.

Mr MICHAEL DALEY (Maroubra) [12.07 p.m.]: Naturally enough, Opposition members support these amendments. In response to the contribution of the Minister for Planning, who spoke earlier in debate on these amendments, not just The Greens and the Shooters and Fishers Party in the upper House combined to effect these amendments: the Christian Democrats and the Labor Party—all non-government parties in the other place—combined to effect these amendments. I welcome these amendments but I express concern also about several issues. We managed to preserve some of the things in this regime that we hold dear but we also lost some of them. I say "we" because it is not simply members of the Labor Party, the unions or the union movement—all working men and women in New South Wales want to go to work and to come home safely. I will not repeat statistics that are already in *Hansard* as a result of the many offerings that I have made in this place. However, we must continue to strive for the best workplace health and safety regime that we can in this State.

On many occasions the former Labor Government said that it supported the harmonisation of this legislation. On two occasions we took propositions to ministerial councils that we ought to have a jurisdictional carve-out in New South Wales in respect of the unions right to prosecute and the reverse onus of proof. We accept that the reverse onus of proof has been lost but all we wanted to do was maintain those rights in New South Wales. We were not asking for them to be dealt with by any other jurisdiction.

We welcome the effect of these amendments, which ameliorate an attack—I think I called it a declaration of hostility—on working men and women in New South Wales and their conditions of work. That declaration of hostility that accompanied the introduction of these bills into this place has now been transformed into a full-blown declaration of war, and I am not being dramatic, with the Industrial Relations Amendment (Public Sector Conditions of Employment) Bill 2011 that is currently before the other place. It is a declaration of war. The public servants and government employees, all 300,000 of them, know that. The attack was aggravated as recently as yesterday when we heard that there are too many police, too many ambulance workers, too many fireys and too many people in New South Wales serving the public.

The bills that came before this place and that have been amended were very salient. They attempted to do three things: do away with the union right to prosecute, do away with the Industrial Relations Commission in

its entirety in respect of matters it heard, and do away with the reverse onus of proof. They were introduced eight months earlier than they needed to be. The contention by the Leader of the House today when speaking to the bills that they were not brought in lightly is incorrect. They were introduced with haste and malice. He said they were introduced after consultation with unions. No, we consulted with unions when we were in government but the Coalition introduced these bills after having consulted with no-one. The Coalition introduced the bills without even consulting the President of the Industrial Relations Commission and in contravention of election promises by the now Minister for Finance and Services, who told the *Australian* newspaper on 11 March 2011:

Our system will remain with WorkCover and the Industrial Relations Commission playing their roles.

Wrong. That was a lie. It is another broken promise. It is worthwhile noting the comments of the President of the Industrial Relations Commission, Justice Boland, in an address that he gave to the Industrial Relations Society annual convention in Kiama on 13 May 2011. He said:

There is no question that the NSW parliament has every right to enact the proposed legislation. My concern was the fact that I was advised in April that with the exception of the category 1 offence the jurisdiction was not going to be transferred, there was a public statement that the Commission's role in relation to OHS would continue, only to find the government did just the opposite and without extending to the head of jurisdiction the courtesy of advising him of the change of heart ...

The rationale for its transfer has not been explained to me and I have not seen any satisfactory explanation. The jurisdiction has been with the Commission since 1987 when it was transferred from the Supreme Court. It is a criminal jurisdiction and in many ways a special jurisdiction, the jurisprudence of which has been developed over a quarter of a century.

It is now proposed that the jurisdiction will go to the so-called mainstream courts ... which have no background, body of law of expertise in occupational health and safety law.

In 2007 a review headed by a senior Supreme Court judge, Justice Stein, specifically addressed the question of whether prosecutions should remain with the Industrial Court. On this matter the Stein report concluded:

The expertise of 20 years in the Industrial Court dealing with the occupational health and safety proceedings outweighs the general expertise in mainstream criminal law of the District and Supreme Courts.

Occupational health and safety law is very specialised and the generalist courts do not have that experience and expertise. I recommend that the jurisdiction for serious occupational health and safety proceedings remain with the Industrial Relations Court of New South Wales.

Justice Boland said:

It seems from the government's point of view that it is necessary to retain WorkCover as the prosecuting authority because it has the necessary expertise in this specialist area, but not the court that has the necessary experience and expertise in dealing with the prosecutions.

We have some concerns for the Industrial Relations Commission and with the greatest of respect to the members of the other place, particularly the crossbench members who received many delegations and who negotiated for many hours and consulted, learned and applied their minds to the question about jurisdiction, it has inadvertently resulted in the Industrial Relations Commission being gutted in any event. Category 1 prosecutions will go to the Supreme Court. To my knowledge no category 1 proceedings have ever been lodged. Category 2 and category 3 prosecutions will go to the Local Court and the District Court. The Local Court only has jurisdiction to award damages up to \$75,000. My real concern is with the District Court, which is not set up to handle these matters.

It has a very long waiting list already and if the bulk of the work from the Industrial Relations Commission and court go to the District Court—that is, the category 2 offences—the Government will have to provide the court with a massive increase in funding, resources, judges and courts and all the things that are needed to expeditiously and efficiently hear those matters. Otherwise people on either side of the ledger—that is, businesses that are being prosecuted for breaches of the Act or people who have been injured and are waiting for redress—will wait for years and years. That is one of my great concerns with these amendments. It is true to say that category 3 offences will remain with the Industrial Court and will be heard as well in the Local Court.

To my knowledge, there have been very few, if any, category 3 offences filed in the Industrial Relations Commission in the past three years. The message is that the bulk, the overwhelming majority, of the cases that were filed and heard in the Industrial Relations Commission were category 2 and they will now go to a court that is ill-equipped at present to deal with them. On this side of the House we welcome the retention of the union right to prosecute. It has been a feature of the law that has been used sparingly and responsibly by unions. I do not have the figure in front of me but it has been used perhaps 20 times in the last decade, with some success.

The comments by the Leader of the House this morning in relation to the bills show that he misunderstands the way it will work. Of course the unions would never seek to prosecute if WorkCover was going to do it in the first place. They would not seek to prosecute if the Director of Public Prosecutions was going to do it in the first place. All they wanted was to see that if a prosecution had to be brought as a last resort there was some person who could do it. They were not interested in the moiety; they accept that that has gone. They want retention of the ability for someone to prosecute. We welcome that. It is a good outcome for working people and a good outcome for the community at large.

We say that the other place played its role as a House of review and recognised the legitimate role trade unions play in protecting workplace safety. On this issue, the gentlemen in the Shooters and Fishers Party and the gentlemen in the Christian Democrats Party have acted as men of good conscience. These bills are a picnic compared to the Industrial Relations Amendment (Public Sector Conditions of Employment) Bill and we call on them once again to review that bill in earnest and to act as men of good conscience in protecting the rights of the very valuable workers in this State who do so much to keep our society in the shape it is in and always has been.

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

Motion agreed to.

Legislative Council amendments agreed to.

Message sent to the Legislative Council advising it of the resolution.

INFRASTRUCTURE NSW BILL 2011

Agreement in Principle

Debate resumed from 26 May 2011.

Ms LINDA BURNEY (Canterbury) [12.19 p.m.]: As the shadow Minister for Planning, Infrastructure and Heritage, I lead for the New South Wales Opposition in debate on the Infrastructure NSW Bill 2011. While Opposition members support the bill in principle, we reserve the right to move amendments in the other place as we have some very real concerns relating to this bill. It is true that the bill creates an infrastructure agency, but it does not take the politics out of infrastructure decision-making. This bill could be dubbed the "Barry Bill". Infrastructure NSW is not independent and certainly not above political interference. We need only to read between the lines to find out that it is not as transparent as the Premier stated on 26 May in this House. He stated that this bill allows for the creation of an independent agency that will "take the politics out" of infrastructure decision-making and place infrastructure planning and decision-making "in the hands of experts".

In truth "Barry's Bill" is very well crafted and manipulative. From the outset, as part 2, clause 7 states, "Infrastructure NSW is subject to the control and direction of the Premier in the exercise of its functions." Part 3 clause 11 sets out the general and specific functions of Infrastructure NSW, which include the preparation of infrastructure strategies, plans and statements for submission to the Premier, who oversees and monitors the delivery of major infrastructure projects. That includes the State's 20-year infrastructure strategies and the New South Wales five-year strategic infrastructure plans. Therefore, the entirety of the State's infrastructure comes to a bottleneck, which is the discretion of the Premier. The Premier has the ability to pick what infrastructure developments will be delivered. Part 3, clause 11 (2) states:

Infrastructure NSW is to exercise its functions with a view to achieving the objects of this Act.

That means the State's infrastructure will go ahead only if the Premier says so. In relation to transparency, the Premier stated last week during his agreement in principle speech that the reporting of this process will happen through a Cabinet subcommittee and through public scrutiny. However, the process he indicated is not set out in the bill. The only clear public scrutiny provided in the bill for the Premier is "adopted" strategies and plans that are to be submitted to the Premier for consideration and adoption, with or without amendments. According to part 4, clauses 18 to 21, once adopted, Infrastructure NSW must make the adopted strategy, plan or statement publicly available.

However, that is blurred by part 2, clause 8 (4), which states that should Infrastructure NSW not agree with the Premier's amendment, the board of Infrastructure NSW "may advise" the Premier that it does not agree

with the amendment and make that advice available to the public. The Premier claimed during his agreement in principle speech that this was a clear indication of a transparent process. However "may" is not definitive and "make that advice available" is not a clear direction that information must be made available. Any advice regarding infrastructure plans and strategies should and must be made available for public view.

The current bill does not leave the Premier or the board of Infrastructure NSW open to accountability or transparency. There should be a definitive checks and balances process—not a Barry's-word-is-final process. Indeed the bill also states that any project over \$100 million will be commandeered by Infrastructure NSW, and that would be the majority of projects. It does not allow for a community consultation process through Infrastructure NSW. Rather, through commandeering projects Infrastructure NSW also commandeers any facilities of government agencies to enable Infrastructure NSW to exercise its function. Part 5, clause 32 (b) states:

- (b) the government agency may not exercise any functions in relation to the project except with the consent of Infrastructure NSW

Subclause 32 (d) states:

- (d) the government agency must comply with any such directions given to it by Infrastructure NSW.

Moreover, at the direction of the Premier, Infrastructure NSW will step in to ensure the delivery or postponement of projects, as stated in part 5, clause 30 (3):

A project authorisation order may be made on such terms and conditions as the Premier determines ...

This demonstrates that the planning process is not going back to local government, as the Premier stated in his Action Plan, but that a new overarching entity will exist to implement the State's infrastructure, and that will be at the direction and discretion of the Premier. Indeed, without a visible community consultation process, the community will not be able to voice its concerns over the implantation of particular infrastructure projects. There needs to be a stronger level of accountability for the community and the relevant department to allow for a checks and balances process. The State should not stop and go when the Premier says so. The State's infrastructure is in the hands of Barry, who has a giant rubber stamp. Moreover, according to part 3, clause 12 (1), the Infrastructure NSW Bill does not commit any new funding for infrastructure programs; rather, it uses the functions of government agencies relating to the planning, funding, delivery or maintenance of infrastructure.

Since this legislation does not allow for any new staff members to be acquired, all processes required—from assessing project plans to implementing them—will fall within the appropriate government agency portfolios, or government agencies will be stripped of staff to provide staff for Infrastructure NSW, thereby placing more burden on departments. More importantly, if the Minister for Finance and Services will not rule out cutting public service jobs, that could create an infrastructure backlog. The commitment to deliver 20-year State infrastructure strategies and five-year infrastructure plans is an admirable commitment. However, the strategies are to be prepared within such time as the Premier directs. That allows the Premier to defer implementation of a 20-year strategy until a time that he regards as appropriate. That begs the questions: What will the Minister for Planning and Infrastructure be doing? Why would we have a Minister for Planning and Infrastructure?

Indeed the bill dictates that Infrastructure NSW is to review the strategy every five years and at such other times as the Premier directs or considers appropriate. The strategy reviews should happen more frequently on an annual basis and should be made public, not just when the Premier feels it is appropriate. This provision could lead to the Premier hiding information that should be public knowledge. Part 4, division 2, clause 22 states that the Premier could add plans for other projects to the five-year infrastructure plans, or remove them and place them in other plans. This could overload one five-year plan and therefore make the Government commit to projects that it cannot deliver. Part 2, division 2, clause 19 (3) states:

Infrastructure NSW is to review the plan each year (and at such other times as the Premier directs or it considers appropriate) and submit a revised plan to the Premier.

Once again, this information must be made available for public review. Indeed I mention in passing that part 4, division 4, clause 26 (4) of the bill states, "The Treasurer is to be consulted on the preparation of a project implementation plan." I do not see the necessity for this provision since the Treasurer has to seek advice from the Minister for Finance and Services, so the Treasurer's involvement in the process is irrelevant. Part 2, clause

8 defines the make-up of the Board of Infrastructure New South Wales, which will include a chairperson. We already know that the selection of the chairperson was decided well before introduction of the bill. That person is Nick Greiner, a former disgraced Premier of New South Wales.

Mr Andrew Stoner: Oh, you have got to be kidding.

Mr Daryl Maguire: Nonsense.

Mr Troy Grant: Shame.

Ms LINDA BURNEY: How did he go at the Independent Commission Against Corruption? To come back to my point about the appointment of Nick Greiner, we all remember when Nick Greiner came out late last year and said that in 1988 when he won government there were policies that he announced before the election that would go down well with voters. Then there were policies that the Premier saved to announce after the election—the sorts of policies that the Liberal Party and The Nationals always save until after they con the people of New South Wales into putting them in government. When Mr Greiner said that he kept policies in the bottom drawer until after he had won government, we all knew he was telling Mr O'Farrell to do the same. Clearly that is what has happened.

The Premier failed to tell us—as did Mr Greiner—that he had something in his bottom drawer regarding the announcement of the chairman of Infrastructure NSW. Barry had Nick Greiner in his bottom drawer, and he brought him out after the March election as the new chairman of Infrastructure NSW. The board of Infrastructure NSW also comprises various appointed public servants. As indicated in the bill, they are the chief executive officer, the Director General of the Department of Premier and Cabinet, the Secretary of the Treasury, the Director General of the Department of Trade and Investment, Regional Infrastructure and Services, and the Director General of the Department of Planning and Infrastructure. It is important to note also that not one service delivery department is represented on the Infrastructure NSW board—that is, transport, health, education or ports.

If these officials are at the behest of the Premier and Mr Greiner, what is the point of having a Minister responsible for these relevant departments? What is the point of having a Minister for Planning if every decision bypasses him and goes straight to the Premier? This includes the authorisation powers section of the bill that allows the Premier and Infrastructure NSW to take over key parts of the implementation and decision-making process of government agencies. If a member of the board—for example, the Director General of the Department of Premier and Cabinet or the Secretary of the Treasury—disagrees with the Premier on an infrastructure strategy, plan or project, will they be replaced?

[Interruption]

I have been here too long for your talking to upset me. Finally, the Infrastructure NSW board consists of five persons appointed by the Premier from the private sector, whose remuneration is at the discretion of the Premier. The Independent Commission Against Corruption Act refers to the body as being "an independent and accountable body, where the Governor appoints the Commissioner and Assistant Commissioners." How can these five members be held accountable when they have only to register in a book their interest in a topic being discussed? Greater scrutiny and accountability is required of the independent members of Infrastructure NSW.

This bill is an absolute failure by the Liberal-Nationals Government to deliver on an election promise. Did we expect anything else from the Government? Of course, we did not. The O'Farrell-Stoner Government has not even been in office for 100 days and already it has appointed one of its Liberal mates to a top government position. The former Labor Government was committed to implementing infrastructure in New South Wales. I shall outline some of its achievements. For example, in 2009-10 total State capital expenditure was \$18 billion. That is a record level—something the new members opposite might take note of—and more than 2½ times that of the 1990s in real terms.

[Interruption]

Be quiet, Hollywood. Having made the tough decisions in the Mini-Budget we maintained the State's triple-A credit rating, and New South Wales still has the largest infrastructure investment program of any State Government over the four years to 2012-13. Over this period the estimated State capital expenditure will total \$62.9 billion—48 per cent higher than in the previous four years. This level of capital spending will support up to 160,000 jobs each year. Between 1995-96 and 2008-09 the former Labor Government spent \$120.2 billion on infrastructure in real terms—or \$8.6 billion a year. In contrast, between 1988-89 and 1994-95, the Coalition Government spent only \$44 billion on infrastructure, or \$6.3 billion a year in real terms.

Labor committed to delivering infrastructure to this State. Some examples in public transport include opening the Epping to Chatswood rail line in February 2009, at a cost of \$2.3 billion; 81 new outer suburban carriages, \$268 million; and the acquisition of 368 new buses for State Transit and private operators, \$194 million. Roads infrastructure included the Bonville Bypass upgrade of the Pacific Highway, at a cost of \$233 million. Health infrastructure included four major hospital projects at Auburn Hospital, the Long Bay Prison and Forensic Hospitals, and the Newcastle Mater Hospital, totalling \$471 million.

Education infrastructure included 21 school projects that provided upgraded and refurbished teaching and learning facilities, new halls and gyms, and trade school facilities, including major upgrades at Caringbah High School, Helensburgh Public School and The Hills Sports High School; and eight TAFE projects, totalling \$186 million. The New South Wales Police Force gained five new police stations, station refurbishments, officer accommodation, information and communications technology, training facilities, and other building works totalling \$117 million. Housing infrastructure included 1,411 public housing dwellings, which cost \$342 million. Electricity infrastructure included the construction of new cogeneration power plants at Broadwater and Condong, which cost \$100 million. Ports infrastructure included the redevelopment of Port Kembla's inner harbour, which accommodates all motor vehicle imports, at a cost of \$100 million.

Since 2001 the former Labor Government worked successfully in partnership with the private sector to deliver parts of our capital works program by procuring about \$9.6 billion in new public infrastructure through public-private partnerships. Alongside the record four-year \$62.9 billion investment in infrastructure, the Labor Government invested in targeted measures to support jobs and economic prosperity in New South Wales. These included the important New South Wales Community Building Partnership project, which all members of this House welcomed. The \$200 million Local Infrastructure Fund provided interest-free loans to councils to bring forward investment in local infrastructure. It provided an immediate economic stimulus, supporting jobs and new housing developments, and unlocked council funds held for future new projects.

The Building the Country package was an \$85 million five-year program to assist country businesses and communities. The package included funding for local infrastructure, community broadband development, water adjustment and support for local chambers of commerce, country halls and libraries. Of course, the Major Investment Attraction Scheme was part of our response to the Jobs Summit, and delivered \$70 million over four years to continue financial incentives to attract major investments to New South Wales. The New South Wales Labor Government's support attracted projects worth \$2.2 billion to this State, generating around 8,000 jobs.

Mention must be made of the planning system reforms, particularly in light of this bill. Labor's reforms included removing some 1,300 concurrences and referrals, introducing project delivery managers in the Department of Planning, and meeting clear deadlines—85 per cent of projects to be determined in three months, 95 per cent to be finalised within five months, and no project assessment to exceed eight months—a gateway process for up-front and early decisions for rezoning, integrate the Growth Centres Commission into the Department of Planning to expand its focus on statewide land release and meet new rezoning time frames, the newly created Planning Assessment Commission, and joint regional planning panels. I fear that the provisions of the Infrastructure NSW Bill 2011 will place some of those achievements in danger.

Infrastructure NSW—or Barry's bill—has the potential to be the Premier's agency and not an independent decision-making body of experts. The bill provides for no restraints on the power of the Premier to decide which infrastructure projects in New South Wales should be adopted and what information is made public regarding the 20-year and five-year proposed plans or sectoral plans. This Government has already broken several promises it made to the people of New South Wales. Before the election, on 10 March, the Premier promised that Infrastructure NSW would be an independent body and that he would ensure that it could, and would, blow the whistle if the Government failed to meet those commitments. This bill makes that impossible. With the introduction and passage of this bill, the occupational health and safety harmonisation bill, and the industrial relations amendment bill, New South Wales is slowly turning into the one-man State of Barry O'Farrell. The Opposition does not oppose the bill but will seek to amend it in the other place.

Mr ANDREW STONER (Oxley—Deputy Premier, Minister for Trade and Investment, and Minister for Regional Infrastructure and Services) [12.39 p.m.]: The Infrastructure NSW Bill 2011 reflects the New South Wales Liberal-Nationals Government's commitment to restoring integrity, proper planning and the efficient delivery of infrastructure in New South Wales after 16 long years of Labor failure.

Ms Linda Burney: Didn't you listen to a word I just said?

Mr ANDREW STONER: I must confess to the member for Canterbury that I was nodding off towards the end as she tried to reinvent history, telling us what a wonderful job New South Wales Labor did in relation to infrastructure. However, the verdict delivered by the people of New South Wales on 26 March is proof that they beg to differ. They are stuck in traffic congestion every day and have no real transport options for travelling to work, to education or to other necessary appointments. They have seen the failures of New South Wales Labor over the past 16 years. That is why this State needs a specialised body called Infrastructure NSW, with a board drawn from the business, finance and government sectors, to improve the identification, prioritisation and delivery of critical public infrastructure across our great State.

Infrastructure NSW will deliver a robust arms-length infrastructure decision-making process built not on political motivations but upon delivering the infrastructure that provides for the long-term social, economic and environmental needs of New South Wales. This bill is absolutely necessary because we have seen a litany of failures from the mob opposite over the past 16 years. We have seen a lack of integration or planning, unnecessary costs, widespread inefficiency and extensive budget overruns. Many projects were serially delayed or announced and then not delivered. The series of failures that we witnessed has resulted in increased urban congestion, poor or non-existent public transport and impediments to investment, jobs and economic growth. Congestion in the city of Sydney alone costs our economy \$3.5 billion every year.

We have seen a failure to plan for the renewal and maintenance of ageing infrastructure. We have seen greater stress put on existing infrastructure that is inadequate to meet the needs of the twenty-first century. One example that springs to mind is, of course, the Rozelle metro. This was a political decision, a thought bubble of Premier No. 41 and the former Government. But it was a "Spruce Goose" from the start: it was never going to get off the ground. Despite that, the former Government poured—

Mr Mark Coure: How much was wasted?

Mr ANDREW STONER: Half a billion dollars went down the gurgler and not one centimetre of rail line was ever delivered. The former Government managed to alienate and upset small business people and residents of the inner west, and \$500 million in taxpayers' money went down the gurgler. I am sorry to say that that is not the only story. Former transport Ministers promised 12 rail lines but only half of one was delivered in 16 years. The M4 east extension was promised at least three times that I am aware of—there were different versions each time—but it was never ever delivered. People travelling from the Blue Mountains and Penrith to the city hit a brick wall of congestion near Strathfield because in 16 years the former Government could not deliver a darn thing. Perhaps Labor pulled the project because it upset the former members for Drummoyne and for Balmain. A fat lot of good it did them because in the end the voters got them anyway because they wanted to see improvements to infrastructure in this State.

The poor people of the south-west trying to make their way to the city along the car park known as the M5 East would love to have intermodal hubs. The containers could come in on trucks, be loaded onto rail and, whooshka, off they go to Port Botany. That would take all the trucks off the M5 and avoid terrible pollution in the M5 East tunnel. But, no, that was in the never-ever as well because the former Government was worried about political issues, such as marginal seats or whatever—"Forget good planning and economic growth in New South Wales; we're worried about the political considerations." Karl Bitar or Sam Dastyari, the intern, would say, "No, the polling is not good in those areas, so can that project. Don't worry about the efficient movement of goods, freight and people—can it, we are worried about that seat." That is no way to plan infrastructure in this State. We ought to have a strategic and integrated view of infrastructure planning in our State, and that is what Infrastructure NSW will deliver.

I am forced to mention a couple of other examples. Remember the decision to shut down Sydney Harbour as a working harbour? That was another thought bubble. We were told about a port strategic plan but we have looked for it and made freedom of information applications but all we could find was a one-page press release. That was the extent of the planning. The former Government said that all machinery exports would go to Port Kembla. That was not a great idea because 80 per cent of them have to come back to Sydney by road. The trucks struggle up Mount Ousley, spewing diesel fumes—that decision was great for the environment. Now that is good planning. I turn now to the White Bay fiasco to which the Minister for Planning and Infrastructure referred yesterday. One of the conditions of approval for the Barangaroo development was that it had to have a passenger ship terminal.

Just before Christmas 2008, I think, not the then Minister for Ports and Waterways, Joe Tripodi, but the then Minister for Infrastructure, Kristina Keneally, announced by press release that the passenger ship terminal would be at White Bay, not Barangaroo. So much for community consultation and proper planning. Those decisions were made on the basis of politics and mates. That is what hurt this State, its economy and the

community, and that is why there was an historic election result on 26 March 2011. In the absence of strategic, integrated infrastructure planning, the former Government completely lacked credibility. The public never believed anything it said. So during the Federal election campaign when Julia Gillard weighed in and said, "We will give so many billions of the dollars for the Parramatta-to-Epping rail link", nobody believed her because there had been no planning in this State.

When the Federal Government offered billions of dollars in infrastructure funding as part of its economic stimulus package, New South Wales could not mount a coherent argument for that funding. Victoria cleaned up, but the largest State in the nation got a very small percentage of the transport funding available from the Federal body, Infrastructure Australia. The former Government's submissions were embarrassing. We accessed them through a freedom of information application, and a year 12 student could have done better. Half the projects were not properly planned or costed and the submissions contained spelling errors. Infrastructure NSW will fix all that.

When I talked from time to time to private sector entities interested in becoming involved in infrastructure development they would refer to sovereign risk in New South Wales. The "sovereign risk" was that the former Government would promise one thing, promise another thing and deliver none of them. The private sector would put in tenders and submissions that cost a lot of money and nothing would happen. The private sector could not work with a jurisdiction that had not done its homework or its planning. There was a lack of certainty—the private sector was reluctant even to bid for projects in this State. Of course, the public were also affected by that lack of certainty. People who based their decision about where to live in Sydney on the promise of a north-west or a south-west rail link were burned. We want to end that uncertainty.

Mr Ryan Park: Like the solar bonus?

Mr ANDREW STONER: I acknowledge the interjection of the member for Keira. Now there is a story: He started with nothing and he still has most of it left. This bill establishes Infrastructure NSW as a statutory corporation, a New South Wales Government agency with dedicated responsibility for infrastructure provision. It also establishes an expert board to ensure that decisions about infrastructure projects are informed by expert professional analysis and advice, and an arms-length decision-making process. The member for Canterbury made some ill-informed—indeed, disgraceful—accusations about the chair of that board. Nick Greiner is not just a successful former Premier of this State; he was also successful in the business sector. He brings to the role exactly the sorts of qualifications and experience that we want to see to get on with the job of fixing the mess that we have been left by members opposite.

Mr Troy Grant: A regional image problem.

Mr ANDREW STONER: The board of Infrastructure NSW will have at least one regional member. Nick Greiner left politics and was completely exonerated of any wrongdoing during his time as Premier. It is scurrilous for the member for Canterbury to use parliamentary privilege to make absolutely unsubstantiated, unfounded and indeed unproven allegations about Nick Greiner. He will be an outstanding chair of the board of Infrastructure NSW. The member for Canterbury mentioned that the Director General of the Department of Trade and Investment, Regional Infrastructure and Services will be a member of that board. I am pleased to advise the House today that the new director general of that department, Mark Paterson, has commenced today.

Mark Paterson has extensive experience in the business world and in the public sector. He was a top secretary of a Federal Government department in Canberra. He was the head of a department under the former Howard Government and was retained by both the Rudd and Gillard Labor governments. That is some proof of his capabilities. He formerly headed the Australian Chamber of Commerce and Industry, and has runs on the board both in business and in government. I think he will be another outstanding member of the board of Infrastructure NSW. Under the bill, Infrastructure NSW will prepare long-term infrastructure plans and strategies for this State, including a 20-year State infrastructure strategy, a costed five-year infrastructure plan with a firm time frame, and sectoral State infrastructure strategy statements.

For the first time in years our State will have a robust and independent infrastructure plan based on the best interests of our State and the broader community. There will also be a Cabinet infrastructure committee, chaired by the Premier, to provide long-term oversight and monitoring of major infrastructure projects. As Minister for Trade and Investment, and Minister for Regional Infrastructure and Services, I will serve on this committee, along with the Treasurer and the Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW. Recently in this place the Leader of the Opposition attacked the Premier and questioned the arms-length process that Infrastructure NSW will deliver. Infrastructure NSW will recommend items in its 20-year and five-year plans for infrastructure in this State, and it is up to the government of the day to implement those plans or to justify why it might select slightly different priorities.

That is what governments do. Governments are elected to govern. We will get the best possible advice and we will take the decisions in the best interests of the people of this State. At the time, the Premier rightly referred to the Leader of the Opposition as Sergeant Sloppy because he is living proof that it is not necessary to understand something in order to argue about it. The Leader of the Opposition made some factual mistakes. The board can publish its advice if it disagrees with the New South Wales Government's decision to amend the infrastructure plans it recommends.

Mr Troy Grant: That's fair.

Mr ANDREW STONER: Correct. This process will be completely transparent, open and accountable. The board will put forward its plans, the Government will make its decisions, and that information will be available to the public. As I said, governments are elected to govern. We will get the best possible advice and make decisions in the best interests of the people of New South Wales. That is ultimate accountability. However, if the Government errs in terms of its priority for infrastructure for this State it will receive the same treatment as members opposite received on 26 March. At the end of the day the people of New South Wales will have their say, and that is the Government's additional accountability in terms of its infrastructure decisions. After so many failures that have let down our State badly, we are getting on with the job of the proper planning and delivery of infrastructure in New South Wales. I commend the bill to the House.

Mr RYAN PARK (Keira) [12.55 p.m.]: I could not agree more with the Deputy Premier that the Government is here to govern. Governments are meant to govern. That is why I cannot understand why Nick Greiner is in charge of the decision-making process for infrastructure in New South Wales. The Deputy Leader of the Opposition called this bill the "Barry bill". But in reality it could also be called the "Barry needs help, call Nick" bill. During the election campaign members opposite said, "We're going to be the infrastructure government", and the Premier said, "I'm going to be the infrastructure Premier". Yet this bill puts the Labor-hating Liberal Party hack, Nick Greiner, in control of the show.

Mr Mark Speakman: Are you for or against the bill?

Mr RYAN PARK: We have already said that we will not oppose the bill, but we reserve the right to move amendments in the other place, and we intend to do so. There can be only two reasons that Nick Greiner has been brought in: either the Premier is not confident of doing the job of Premier and he has reached out to his mate, Nick; or, if the scuttlebutt around this place is true, the Liberal Party has been worried from day one about the Premier and has called on Nick to ensure that the ship gets guided along the right path. One of those reasons must be the answer. Either Liberal members and the Premier are not confident about his performance as Premier, or the Liberal Party is saying that it needs help and has got on the phone to Nick. If the bill is not about politics, why is Greiner in charge? Why has the Government appointed a disgraced former Premier to run the board of Infrastructure NSW?

Mr Troy Grant: Apologise.

Mr RYAN PARK: I will never apologise to members opposite. Let us look at the bill more closely so that we can judge the ability of members opposite to deliver for the community as they promised before the election. When talking about infrastructure, most members would say that Transport takes the most expenditure. Most people would consider that Transport gets the most bucks from Treasury, and is the highest-profile portfolio. Having worked in transport, we understand that that is definitely the case. Indeed, according to the most recent infrastructure statement, Transport accounted for about 34.8 per cent, or more than one-third, of the infrastructure spend. If that is the case, why is Transport not represented on the board? If Transport accounts for more than one-third of infrastructure expenditure in this State, why does the Government not want someone with transport expertise on the board? How can members opposite explain that Transport accounts for more than one-third of the budget but it will not have someone with transport expertise on the board? What will the Government do?

Government members talk about transport, but what will those within the Transport portfolio do? Will they get the highlighter out and draw a few lines? Who will they consult? If there is not on the board of Infrastructure NSW someone who has transport expertise, what will happen with transport infrastructure? Why would the Government not want on the Infrastructure NSW board someone with expertise in the Transport portfolio? One can only assume that the Minister for Transport has been relegated to a yes person to Greiner—she cannot yell and scream to get more for transport infrastructure because she is not on the board of Infrastructure NSW. This bill does not have the Minister for Transport on the board; it does not even have her director general on the board.

Under the proposal before the House, the Minister will have no say in major transport infrastructure development—and that means no say in future motorways and rail projects, which the Coalition has been promising the community. Members opposite may criticise and carp, but this is their Government's bill. They are the ones who are saying: we don't want Transport represented on our Infrastructure NSW board. Are they aware they are saying that they do not want Transport represented on the Infrastructure NSW board? Are they saying that, even though Transport accounts for more than one-third of infrastructure expenditure?

ACTING-SPEAKER (Ms Sonia Horner): Order! Government members will constrain their enthusiasm.

Mr RYAN PARK: My second question is: How can the Government explain not having the biggest policy area of infrastructure investment on the Infrastructure NSW board, and are the rumours around this place true that the Minister for Transport is now seen as a leadership threat to Barry O'Farrell? Given the high profile that the member for Willoughby has had in this place, and given her role on election night and as campaign spokesperson, is it true that now, as Minister for Transport, she has been relegated from the board of Infrastructure NSW even though her portfolio accounts for more than one-third of infrastructure expenditure?

Is it true that she is considered a threat to Barry O'Farrell and therefore he has taken her off that board? How will the Minister for Transport deliver on the long list of promises if she does not have a seat at the board table of Infrastructure NSW? Let me say something about the proposed staffing arrangements for Infrastructure NSW. Once again, those on the Government frontbench and the Transport director general must be very concerned, because when Nick calls them up they will be required to hand over their staff, hand over control of the office and hand over control of the agency, and that will be the end of that.

It will not matter at all whether they are staff of the Roads and Traffic Authority, Transport NSW, NSW Health, Planning NSW or the Department of Housing, because if Nick wants those staff, Nick gets those staff. That is the reality. That is why very few Government frontbench members are in the Chamber; they know that when Nick picks up the phone, their staff go. My question is a simple one: If staff are transferred to Infrastructure NSW and come under the control of Nick Greiner, what happens to the important projects that those staff were doing for their own agencies? What about the regional road projects they were working on? What about the regional education projects they were working on?

Mr Bryan Doyle: What projects are they working on?

Mr RYAN PARK: Well, they do not have any now because you lot will put them under the control of Nick Greiner. Labor will not do that; you lot will. Let us be clear about this. My question to those on the frontbench is a very simple one: How will the Government continue to deliver on vital regional infrastructure projects when staff working on those projects will be taken away and put under the control of Nick Greiner, not to be seen again? That is not my proposal; it is the proposal put forward by the bill. It is also in the bill that the person responsible for one-third of government infrastructure expenditure is not represented on the Infrastructure NSW board? Though the question is simple, what did Dopey Duncan in the other place say in answer to a question on Friday last week about the Infrastructure NSW bill? He told the Legislative Council:

We will have to wait for the legislation to be introduced into Parliament. The problem was that it had been introduced the day before. Then he turned to Hansard and said: Look, I'm out of date; I admit I am a day out of date. Then he said: The first time that I had an understanding of who was on Infrastructure NSW was in Cabinet. So the first time the Minister for Roads and Ports knew who was on Infrastructure NSW was when he was in Cabinet.

This is the Minister whose roads and traffic agency spends more on infrastructure than any other agency of government, more than many other agencies combined, yet he was not even given the courtesy of being consulted about who was to be on the board of Infrastructure NSW. He was not given the courtesy of a position on the board. He was not even given the courtesy of having his director general take a position on the board of Infrastructure NSW. The reality is that the Government cannot have a board called Infrastructure NSW and look the public in the eye and say: Despite the fact that more than one-third of our entire State infrastructure budget is spent on transport, despite the fact that the Roads and Traffic Authority and Transport New South Wales have the two largest infrastructure expenditures in this State they will not be getting a seat at the table.

It is no wonder that the Minister for Transport is not in the Chamber. It is also no wonder that the Treasurer is not in the Chamber. Though Government members are promising everything to the world, the Treasurer knows he will not be able to deliver on those promises—just as members opposite will not be able to deliver on promises in their regional areas—because, under this bill, staff working on those projects will be taken over by Nick Greiner.

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

[The Acting-Speaker (Ms Sonia Horner) left the chair at 1.08 p.m. The House resumed at 2.15 p.m.]

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

The SPEAKER: I report the receipt of the following message from the Administrator:

T. F. BATHURST
Administrator

Office of the Governor
Sydney, 1 June 2011

The Honourable Thomas Frederick Bathurst, Chief Justice of New South Wales, Administrator of the State of New South Wales, has the honour to inform the Legislative Assembly that, consequent on the Governor of New South Wales, Professor Marie Bashir, having assumed the administration of the government of the Commonwealth of Australia, he has this day assumed the administration of the government of the State.

REPRESENTATION OF MINISTER ABSENT DURING QUESTIONS

Mr BARRY O'FARRELL: I inform the House that in the absence of the Minister for Tourism, Major Events, Hospitality and Racing, and Minister for the Arts I will answer the Minister's questions today.

QUESTION TIME

[Question time commenced at 2.18 p.m.]

PUBLIC SECTOR WAGES AND CONDITIONS

Mr JOHN ROBERTSON: My question is directed to the Premier. Why does he continue to mislead the people of New South Wales by attempting to deny that his amendments to the Industrial Relations Act 1996 give him unprecedented powers to override the Industrial Relations Commission to cut the wages and conditions of police, nurses and other public sector employees?

The SPEAKER: Order! Opposition members will listen to the answer in silence.

Mr BARRY O'FARRELL: As the Deputy Leader of the Opposition learned yesterday, entitlements, conditions and awards that are covered by our wages policy are precisely the entitlements, conditions and awards covered by the wages policy of those opposite because indeed the wages policy that we are seeking to give effect to--

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

Mr BARRY O'FARRELL: —is the wages policy they put in place in 2007—

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

Mr BARRY O'FARRELL: —when the Leader of the Opposition was indeed the head of Unions NSW. So once again we have classic Labor hypocrisy

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

Mr BARRY O'FARRELL: It is okay for them to do it; it is not okay for us to do it. But there are two changes. There are two changes that I have acknowledged repeatedly in this House and that is for those wage increases that are negotiated over and above inflation against productivity savings, we will insist that the productivity savings are delivered.

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

Mr BARRY O'FARRELL: Because over the past four years they have paid higher wages on the basis of productivity savings but those productivity savings were not delivered, or at least 46 per cent of them were not delivered, leaving taxpayers with a bill of \$900 million. A Government that is elected to fix the mess that New South Wales was put in by those opposite is going to do so. A Government that is determined to ensure that when promises are made they are delivered is going to do so.

The SPEAKER: Order! The member for Keira and the member for Wollongong will come to order.

Mr BARRY O'FARRELL: That includes agreements that reflect the productivity savings upon which—

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

Mr BARRY O'FARRELL: —wages higher than inflation have been paid. The second issue is that we are going to, as the former Labor Government tried to in 2004, ensure that the Industrial Relations Commission has regard to that wages policy. Why? Because, in the words of the former Labor Treasurer, Michael Egan, the failure to do so has led to an additional half a billion dollars a year being—

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

Mr BARRY O'FARRELL: —added to the wages bill of New South Wales. A half billion dollars a year, or \$900 million over the past four years, that would have been better invested in schools, in hospitals, in police stations, in those services that people across this State rely upon.

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

Mr BARRY O'FARRELL: The hypocrisy today knows no bounds because the Leader of the Opposition accuses those of us on this side of not wanting to engage in this debate. I have answered every question that has been put to me on this.

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

Mr BARRY O'FARRELL: In the next sitting week there will be a debate on this issue. Why? Because this side of politics introduced a provision that when petitions with more than 10,000 signatures are received by this Parliament there will be a debate.

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

Mr BARRY O'FARRELL: That is an initiative by this side of Parliament. Those who have sat in this place for as long as I have—there are not many of us; Dumbledore's younger brother and Brad Hazzard—will know that over 16 years under members opposite petitions in this place were downgraded to the extent that whereas once before question time the subject matter and name of the member who had lodged the petition were read out the situation changed so that the poor Clerk, under the orders of members opposite, would stand at the end of question time and say certain petitions had been received from certain members. I hope, Madam Speaker, you have noticed that the Clerk has gone back to reading out the subject matter of petitions, because those of us on this side of politics want the voices of those outside heard whether we agree with them or not. This is meant to be the people's place.

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

Mr BARRY O'FARRELL: I look forward to that debate next week.

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

OCCUPATIONAL HEALTH AND SAFETY

Mr CRAIG BAUMANN: My question is directed to the Premier. What impact will the occupational health and safety legislation have on businesses and workers in New South Wales?

Mr BARRY O'FARRELL: I thank the member for Port Stephens for his question.

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

Mr BARRY O'FARRELL: This is another issue that highlights those divisions that exist within the Labor Party. Last August, no less than the shadow Treasurer, or shadow Minister for Finance—

Mr John Robertson: He does both.

Mr BARRY O'FARRELL: I know he does both; he has a bob each way on most issues. The fact is in August last year the member for Maroubra actually supported Julia Gillard's push for national harmonised occupational health and safety laws across this country.

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

Mr BARRY O'FARRELL: Of course he was soon shot down in flames by No. 42, the member for Heffron, who again put the best interests of New South Wales and its workers aside in the interests of trying to get the union movement on board in the lead-up to the 26 March election. I understand why the Leader of the Opposition is laughing, because it was hard to get the union movement on board with the Labor Party on 26 March.

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

Mr BARRY O'FARRELL: It was the sort of grubby political deal that people across this State—

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

Mr BARRY O'FARRELL: —had got used to over 16 years and it is one of the reasons they voted in record numbers against Labor at the March election.

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

Mr BARRY O'FARRELL: When the former Premier ripped up the former agreement between her Government and the Federal Government it did not seem to worry her that she was putting at risk \$144 million of Federal funding and thousands of jobs. That is a bit like her becoming the first Premier ever to hand back money to the Federal Government—\$81 million handed back to the Federal Government that had been given to this State for a Parramatta metro, but handed back by No. 42 because they had changed the plans once again. The only thing that mattered when the member for Heffron ripped up that agreement to have national uniform occupational health and safety laws apply in New South Wales was pandering to the union movement, which put so much money into her State election campaign.

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

Mr BARRY O'FARRELL: The member should keep writing his letters. I am pleased to say that the occupational health and safety legislation has now passed through both Houses of Parliament despite the sabotage attempts of those opposite. We need these reforms because under Labor we had not only more occupational health and safety inspectors than most States and more fines than other States but also the highest incidence of workplace injuries above national average compared to other States.

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

Mr BARRY O'FARRELL: That is why these new laws are required, to make our workplaces safer and to introduce those uniform laws that Kevin Rudd and Julia Gillard, hardly members of my party, have been pushing federally for the past four years. There will be more consultation, more inspections of workplaces and more onus on employers to ensure that workplaces are safe. If those measures fail to ensure safe workplaces there will be tougher penalties for any breaches. It makes you wonder how the member for Heffron could possibly lead the charge against this legislation.

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

Mr BARRY O'FARRELL: I understand the member for Heffron was in Parliament this morning, reading the Lonely Planet guide. I do not know whether she was planning her next trip or whether she was engaging in something else—

Ms Kristina Keneally: Point of order: With your indulgence, Madam Speaker, I would like to apologise to the House for my absence yesterday.

The SPEAKER: Order! That is not a point of order.

Ms Kristina Keneally: The Premier, and the Leader of the House yesterday, raised as a debating point that I was not in the Chamber and I would like to apologise to the House. I was called away urgently to help care for a family member. I would like to thank the member for Lane Cove and other members of the House who have provided support to my family in this difficult time.

Mr BARRY O'FARRELL: As I said, New South Wales is required to implement—

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

Mr BARRY O'FARRELL: —at least 26 of the 27 deregulation reforms put forward by the Federal Labor Government to be eligible for funding under this implementation plan. It must implement the 10 top priority reforms. Occupational health and safety is one of those reforms and today's outcome means we are on track to receive our full share of the \$144 million in funding, which we can use to improve services for the people of this State. That is \$144 million that members opposite wanted to throw away as part of their campaign to sabotage our attempts to fix up the State. Nothing could be more important than the safety of people working in businesses across the State. The new occupational health and safety laws will ensure we have better workplace safety throughout New South Wales.

MEMBER FOR ROCKDALE

Mr MICHAEL DALEY: My question is directed to the Special Minister of State. By what means and when did he first become aware that the member for Rockdale was in receipt of a breakdown pension and possibly ineligible to sit as a member of this House?

The SPEAKER: Order! The member for Canterbury will listen to the answer in silence.

Mr CHRIS HARTCHER: It is unfortunate that members opposite come into the House and seek not to advance policies or question the Government on what is happening in New South Wales, but to pick on a single individual and ridicule that individual without any grounds or substance at all. The matter of the member for Rockdale has been dealt with in this House. It was determined by the State Superannuation Board which consists of union official, after union official, after union official.

Mr John Robertson: Answer the question.

Mr CHRIS HARTCHER: All the mates of John Robertson and all the mates of the Labor Party were the people who made the decision in relation to the member for Rockdale.

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

Mr CHRIS HARTCHER: At the Australian Labor Party's first opportunity during question time, it did not address the issues facing New South Wales, such as the \$5.2 billion budget blowout and the \$1.9 billion blowout for which the Leader of the Opposition is personally responsible.

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

Mr CHRIS HARTCHER: Labor members could focus only on a single individual who achieved a 16.2 per cent swing at the 26 March election. Well done! The victory of the member for Rockdale was another achievement for the O'Farrell Government. That is what is happening in New South Wales. The people spoke, and Labor was not prepared to listen. As the former Premier said, the people of New South Wales did not walk away from Labor—Labor walked away from the people of New South Wales.

Mr Michael Daley: Point of order: Almost two minutes into the answer, there is no hint of a response to a very simple question.

Mr Brad Hazzard: What's your point of order?

Mr Michael Daley: It is a very simple point of order. My point of order relates to Standing Order 129. The question is: How and when did the Special Minister of State first become aware?

The SPEAKER: Order! The member for Maroubra will resume his seat. The member for Maroubra demanded an answer within 10 seconds of the Minister commencing his response. Ministers are permitted to make relevant introductory remarks. I am sure the Minister will provide an answer to the question, but members must not begin caterwauling for an answer within 10 seconds of a response. I remind members that a Minister is allowed five minutes in which to respond to a question.

Mr CHRIS HARTCHER: It is no surprise that the Opposition, led by the Leader of the Opposition, attacks the rights of injured workers, which is what is at stake. It is no surprise because Labor is the political party that does not care about injured workers. Labor is being led by the Leader of the Opposition who never turned up to Workers Compensation Board meetings although he took the salary. His duty was to represent the workers of the State and he accepted the salary for being a member of the board, but he never fronted up to the board. Two days ago the Premier read his record of non-attendance at the Workers Compensation Board when he was the Unions NSW representative. His duty was to protect the workers of this State, but what did he do? He ran away.

Mr John Robertson: Answer the question. Just answer the question.

Mr CHRIS HARTCHER: He took the money, but he did not do the work.

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

Mr CHRIS HARTCHER: That typifies the attitude of the Leader of the Opposition to what is happening in the State, such as the \$1.9 billion blowout that he dumped on the much-loved member for Liverpool.

Mr Richard Amery: Point of order—

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

Mr Richard Amery: My point of order relates to Standing Order 129. The Minister has had sufficient time to make his introductory remarks. Could he now provide the answer—the time, date and place when he knew?

The SPEAKER: Order! The member for Mount Druitt is not asking the question. He is taking a point of order. The Minister will answer the question.

Mr CHRIS HARTCHER: The issue before the House is simple: Do the Australian Labor Party and members opposite support the rights of injured workers in New South Wales, or do they not? That is the issue before the House. Injured workers are entitled to proper consideration and will get that under this Government. Injured workers are entitled to get the appropriate level of compensation, and that is what will happen under this Government. Injured workers will not be subject to attack for exercising their rights as they have been attacked by the Australian Labor Party.

It is extraordinary that the political party that is alleged to represent the workers of the State is attacking the rights of workers. Moreover, that political party is being led by a man who year after year never even fronted up to the Workers Compensation Board. Would he like me to bring his record to the House? We will bring to this House the record of his non-attendance. When he was supposed to be there for the workers of this State, he ran away from them. [*Time expired.*]

100 DAY ACTION PLAN

Mr KEVIN ANDERSON: My question is directed to the Deputy Premier. How is the Government delivering on its 100 Day Action Plan commitment to begin an economic assessment of mining-affected communities?

Mr ANDREW STONER: I thank the member for Tamworth for that well-delivered question. What a local champion. Already the member for Tamworth is taking up the cudgels on behalf of an electorate that is affected by mining—communities such as Gunnedah, Boggabri and Werris Creek. The member for Tamworth is

down here in Macquarie Street and leading the way on behalf of those communities. Of course, mining activity delivers significant revenues to our State. On the one hand it creates lots of jobs and income for the State Government. On the other hand it leaves regional communities in which mining activity occurs with increased demands on infrastructure, particularly transport infrastructure such as roads.

One would have thought that that would not exactly be rocket science, especially for a government that had been in office for 16 years, and that this is a matter a government would have taken on board. However, I must inform the House that that did not happen. All Labor did during its 16 years in office, apart from accept mining royalties and exploration licence fees, was set up a Cabinet subcommittee of five Ministers. That took Labor about 15½ years to achieve. Labor made an announcement after the Liberals and Nationals began working with stakeholders to develop a strategic land-use policy. Labor came up with an announcement of a Cabinet subcommittee, and the other key part of the announcement was that the then Minister for Planning, Tony Kelly, would "meet Camberwell residents". Now there's a man of action.

The former Minister for Planning could have spoken to the member for the Upper Hunter, George Souris, who gladly would have taken him around the Upper Hunter to show him the impacts of mining in that electorate. After all the flurry of activity that began in July last year, Labor did not deliver what had been promised, which was a strategic plan by the end of 2010. Nothing happened, so it is no wonder that so-called Country Labor has been wiped from the electoral map. Where's Blackie? Where's Napping Neville? Where's the Bundy Bear? Where is Steve "The Whiteboard" Whan?

Government members: Gone.

Mr ANDREW STONER: They are all gone. Country Labor still exists in the minds of apparatchiks in Sussex Street that were using it as a vehicle to get around the campaign finance laws. That is what Country Labor has been reduced to because it ignored and neglected the needs of regional communities. In stark contrast to that, prior to the election the Liberals and Nationals began work on a strategic land-use policy and a resources for regions policy. As part of our 100 Day Action Plan, we are underway and we are taking the first step towards that policy of resources for the regions.

Mr Nathan Rees: Are you going to hypothecate?

Mr ANDREW STONER: I beg your pardon?

Mr Nathan Rees: Are you going to hypothecate?

Mr ANDREW STONER: Does the member for Toongabbie understand what that word means? The first step is an assessment of the economic impact on mining-affected regions and on the contribution they make to the State in economic activity and production of revenue. Already a working group has been established. It is chaired by the Department of Trade and Investment, Regional Infrastructure and Services and comprises representatives of other key agencies.

Mr Nathan Rees: Boring.

Mr ANDREW STONER: This might be boring to the member for Toongabbie, but it is important to mining communities in New South Wales. All Labor was interested in was taking revenue in the 15½ years it took to do anything about this issue.

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

Mr ANDREW STONER: We have established this working party, which includes the resources and energy office under the very good Minister for Resources and Energy, the Department of Premier and Cabinet, the Department of Planning and Infrastructure, New South Wales Treasury, the Department of Finance and Services, and a nominee of the Minister for Roads. Roads are a key issue, as demonstrated to me by the member for Tamworth when I visited Gunnedah during the election campaign. The working group will assess State revenue and expenditure data, as well as funding from Federal and local government sources, and provide the information to an external expert who will review and contribute expert advice and oversight the process. On this side action; on that side nothing. [*Time expired.*]

MEMBER FOR ROCKDALE

Mr JOHN ROBERTSON: My question is directed to the Attorney General. Why did the Attorney General mislead the House yesterday when he said he took no steps to inform other Cabinet members on becoming aware of the member for Rockdale's predicament, given his admission in today's *Daily Telegraph* that he attempted to call his factional ally the member for Terrigal?

Mr GREG SMITH: I thank the Leader of the Opposition for his question. At least he is consistent in a slimy scheme: he has been lower than the sewers in the *Teenage Mutant Ninja Turtles*. I gave an accurate answer in response to the question asked. I did not take any steps to inform the Premier or other Cabinet members that Mr Flowers was in receipt of an invalidity pension, or a breakdown pension as the Leader of the Opposition wrongly calls it. I took no steps. I left a message for him, but that was not to do that.

FERRY SERVICES

Dr GEOFF LEE: My question is addressed to the Minister for Transport. What has been the response to the Government's call for registration from companies interested in providing ferry services on Sydney Harbour and Parramatta River?

Ms GLADYS BEREJIKLIAN: I thank the member for Parramatta for his question and acknowledge his continuing interest in public transport. He shares my determination for our State to have the best public transport system it deserves. It gives me great pleasure to inform the House that 28 registrations of interest in running Sydney Ferries have been lodged with the Department of Transport—a great number. How many did those opposite get when they started the process? I will get to that later. How many companies registered an interest in working with the Labor Government? I will get to that later. Was it 20?

Government members: No.

Ms GLADYS BEREJIKLIAN: Was it 15?

Government members: No.

Ms GLADYS BEREJIKLIAN: How many did it get? I will come back to that later. I am pleased to inform the House that after registrations of interest closed at 4.00 p.m. yesterday it became apparent that there is no shortage of Australian and international companies keen to deliver improved and expanded ferry services on Sydney Harbour and up the Parramatta River to our commuters, our day trippers, and our domestic and international visitors. It is great news for the future of ferry services. This is a massive and exciting vote of confidence in the O'Farrell Government's determination and ability to finally give Sydney the world-class ferry service it deserves. Responses were received from a range of local, national and international ferry operators. These included ferry operators running services in Brisbane, north Queensland and South Australia, as well as local ferry operators on Sydney Harbour.

International interest has been shown from companies operating in New Zealand, France, Britain, the Netherlands, Norway and Sweden. It is a great result. These firms cover the full range of ferry operations, including commuter and tourist services. Other experienced public transport operators have also shown interest in the opportunity to run Sydney Ferries. These include firms involved in providing commuter rail, long-distance rail, bus, tram and metro services around the world. Submissions were also received from a number of local and international companies with specialist skills in the maintenance of passenger ferries as well as commercial and defence vessels. Companies from a wide range of sectors, including vessel design, shipbuilding and financing industries, have also shown an interest in providing support for the Government's ferry reform program.

I am delighted that so many companies have registered an interest, particularly as only 10—yes, only 10—did so when Labor launched its bid to franchise Sydney Ferries in 2008. We all remember what happened then. The sinking ship of Labor sunk the ferries franchise because it did not have the ticker to bring in long-overdue reforms. In 2007 the New South Wales Government, then led by the Labor Party, commissioned the Walker inquiry to look into Sydney Ferries. What did the Labor Government do? It ignored all the inquiry's recommendations. It started the process of franchising ferries, spent and wasted \$6 million and, as usual, did not have the vision, ability or the guts to see it through. As the Walker inquiry recommended, our model will mean ongoing State Government ownership of the vessels while allowing a non-government operator to lease,

maintain and operate the fleet. We know the Leader of the Opposition backs this model because it is the same one he used to increase private sector involvement at Parklea prison when he was the Minister for Corrective Services. In fact, he wrote to the Labor Party's administrative committee, of which I have the details.

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

Ms GLADYS BEREJIKLIAN: He does not want to hear this. He wrote to his own Labor Party administrative committee speaking about the virtues of the franchise model, which is the model we are using. To justify that model, in a *Sydney Morning Herald* article on 9 April 2009 he said:

The beds, bricks and land will remain owned by NSW taxpayers. The changes are not privatisation. The Government is of the view that it has not initiated "private contract management" ... in a manner which will place us in breach of ALP policy.

Obviously the Leader of the Opposition embraces our plans for Sydney Ferries because the model he advocated in 2009 is the model we are using. In an act of breathtaking but not surprising hypocrisy, the Leader of the Opposition forgot his party policy on these matters when he said, "The O'Farrell Government's ferry franchising plans were a sad day for Sydneysiders." [*Time expired.*]

MEMBER FOR ROCKDALE

Mr JOHN ROBERTSON: My question is directed to the Attorney General. In response to an earlier question the Attorney General said, "I left a message, but that was not to do that." What was it to do?

Mr GREG SMITH: The message was to give me a ring.

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

EARLY CHILDHOOD EDUCATION AND CARE

Mrs TANYA DAVIES: My question is addressed to the Minister for Education. What action has the Government taken to deliver on commitments on early childhood education and care in New South Wales?

Mr ADRIAN PICCOLI: I thank the member for her question and interest in early childhood education and care, given that she has a four-year-old in a quality early childhood setting in New South Wales. I have a three-year-old in similar care. We on this side of the House know that quality early childhood education and care give children the best start in life. After 16 years of neglect by successive Labor governments New South Wales, which once led the way in early childhood education and care, now lags behind every other State and Territory, and the Commonwealth. Our Government has taken one of the first steps to fix Labor's mess. One of our key election commitments was to move responsibility for preschools to the education portfolio. I am pleased to say that not only have we done that; we have gone even further.

We have moved responsibility for the entire early childhood education and care sector, including out-of-school-hours care, vacation care, occasional care and mobile services, and family day care, into the Department of Education and Communities. We did this because it no longer is appropriate for early childhood education and care to be within the Community Services portfolio. Many stakeholders raised this issue with the previous Government and wrote to the previous Premier, No. 41, seeking to be moved into the education portfolio. In typical Labor fashion, nothing happened.

We on this side of the House believe that early childhood education and care services are, first and foremost, universal mainstream education services available to all children and families. That is why we believe that placing early childhood education and care into the education department is the right thing to do. This means that I, as the Minister for Education, am responsible for lifelong learning in New South Wales—from young schoolchildren through to higher and vocational education. In contrast, yesterday the Parliamentary Secretary for Tertiary Education and Training and I met with representatives from the vice-chancellor's committee. This morning I had a terrific meeting with peak bodies from the early childhood sector.

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

Mr ADRIAN PICCOLI: This long-awaited change brings us into line with the rest of Australia. Despite being in government for 16 years, and despite having its Labor mates in government in Canberra for the

past four years, the former Government was not able to bring New South Wales into line with the rest of Australia. Having lifelong learning services all located together, one department will give us better outcomes and result in consistent government policy and implementation. As my department is very large it is critical for early childhood education to have its own recognised high-level presence and separate status. We have therefore established a new directorate of Early Childhood Education and Care within the strategic planning and regulation division. All children's services functions have been transferred from Community Services to this directorate in the Department of Education and Communities.

There will be no push down of curriculum frameworks from school into early childhood. The Department of Education and Communities preschools will remain completely separate from the Early Childhood Education and Care directorate. We understand it is critical to ensure that the department's role, as a provider of preschools, is kept completely separate from the policy, regulation and funding of the role of the Early Childhood Education and Care directorate to ensure that there is no conflict of interest. We know that early childhood services play an important role in early intervention and support of vulnerable families and children; supporting the inclusion of children with high-support needs in mainstream early education services; enabling women to return to work; and helping children transition from early childhood settings to primary and then to secondary settings.

I remind the House that this Government is committed to the Council of Australian Governments national quality reforms for early childhood education and care. However, we have concerns about the implementation process of the reforms. We want to ensure that implementing these reforms does not place an excessive burden on families or providers by raising the cost of living. These reforms make it clear that the primary role of preschools and long day care services is the provision of early childhood education and care. I also advise that I and many other members in this Chamber who have children in a quality service are aware of the importance of quality early childhood care. I know also that successive Labor governments have failed to fund preschools sufficiently, so New South Wales has the most expensive preschools in Australia. What a fantastic legacy from New South Wales Labor.

ILLEGAL DUMPING

Mr GREG PIPER: My question is directed to the Minister for the Environment. Will the Minister respond to anecdotal evidence that suggests that the growing costs associated with regulation of landfills and the waste levy encourages illegal dumping of household and commercial waste, and outline any plans of the Government to address those problems?

Ms ROBYN PARKER: I am aware that the member for Lake Macquarie has an interest in this issue also in his dual role as Mayor of Lake Macquarie. Illegal dumping is a matter of concern for a number of communities and for local government. I take this opportunity to congratulate my fellow Hunter-based member of Parliament and acknowledge his commitment to the region. I congratulate him also on his victory in March; I know we will work together very well.

Ms Linda Burney: Answer the question.

Ms ROBYN PARKER: Just wait, petal. Illegal dumping of waste is a criminal activity and a nuisance. It can cause serious pollution of the environment and risk to human health, and can impact on local amenities and cost the community. Illegal dumping is a real and present issue—it was for a long time under a Labor Government that did nothing about it. The cost of disposal is only one of many factors leading to illegal dumping. Other factors include people not understanding the consequences, thinking they will save time, and wondering how to get rid of their rubbish without understanding that dumping is illegal. Substantial fines can be imposed by the courts for illegal dumping in New South Wales. This Government intends to impose further fines and to police illegal dumping. Recently a serial dumper in western Sydney was convicted of four offences for waste dumping, resulting in \$104,000 in fines being imposed by the Land and Environment Court.

The O'Farrell Government is committed to strengthening the hand of the Environment Protection Authority. We will regulate and help police and local councils to combat illegal dumping and to catch, name and shame rogue illegal waste dumpers. The Government has identified illegal waste dumping as a priority for strong action. We are about doing something about illegal dumping. We are beefing-up our compliance and enforcement programs and we are starting a series of rolling enforcement campaigns to crack down on illegal dumping in the next two weeks through the Environment Protection Authority. The first of these campaigns will target the illegal dumping of waste in western Sydney and on the Central Coast. I am certain that Lake Macquarie will be included.

Ms Linda Burney: We've had enough.

Ms ROBYN PARKER: The member for Canterbury might not be interested in my reply, but I am sure that the member for Lake Macquarie and other members are.

The SPEAKER: Order! I place the member for Maroubra on two calls to order.

Ms ROBYN PARKER: The Environment Protection Authority is working in partnership with other councils to conduct aerial surveillance. I intend reviewing the waste and environment levy to ensure that that levy is used to support innovative industry and local council programs. We want to support local councils. We want to ensure that illegal dumping does not occur, through strict regulation, the imposition of fines and the provision of council squads. We support local councils such as Lake Macquarie City Council engaging with their communities on waste management and environmental sustainability issues.

PROTECTING OUR NATURAL ENVIRONMENT POLICY

Mrs LESLIE WILLIAMS: My question is addressed to the Minister for the Environment. What is the Government doing to deliver on its commitment to protect our natural environment?

Ms ROBYN PARKER: The member for Port Macquarie and I have had a number of chats about the natural environment and she has a great passion for it. Having listened to her inaugural speech I know that she will deliver for her community and that she has a strong interest in the environment. The interest of the member for Port Macquarie in working to protect and conserve our natural environment is shared by the O'Farrell-Stoner Government. There were certainly failures on the other side after 16 years and seven environment Ministers who did nothing but ignore it. After 16 long years Labor's track record on the environment was littered with lost opportunities.

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

Ms ROBYN PARKER: Under the previous Government our State's natural environment suffered from a lack of funding and inadequate protection. However, unlike those opposite this Government is committed to preserving our natural environment for future generations. Just listen to an election commitment that was made in March 2011. The New South Wales Government announced its Protecting our Natural Environment policy and made a commitment to add Crown land at Crescent Head to Goolawah National Park. This beautiful land, which is highly valued as an ecological refuge for a number of threatened species, is a vital link in the wildlife corridor between the Hastings River and Macleay River catchments.

What did former Premier No. 42, who is hiding on the backbenches, want to do with this land? She wanted to rezone it for a \$21 million development. After creating a \$5.2 billion black hole, the former Government was so ethically and fiscally bankrupt it was looking to flog off one of the State's most important ecological areas to developers. Unlike those opposite, this Government will not sell off our natural environment to the highest bidder and it will never put profit ahead of protection. It gives me great pleasure to inform the House that today the New South Wales Government ensured that this land will never be sold off to developers. I have signed off on the formal process to protect this important land, and now it will be incorporated into the Bullawa national park.

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

Ms ROBYN PARKER: It is an election commitment delivered. The Government's action in this area will continue to play a vital role in the preservation of a number of threatened species. The threatened species opposite are down to two rows now.

The SPEAKER: Order! Opposition members will come to order.

Ms ROBYN PARKER: The Deputy Premier will be interested in this because he has fought long and hard. While members opposite wanted to send in bulldozers, the Leader of The Nationals was fighting tirelessly on behalf of his constituents and the people of New South Wales.

Mr Andrew Stoner: Eco warrior.

Ms ROBYN PARKER: The eco warrior has fought to have this wildlife area protected. This Government has delivered on an election commitment. Tick election commitment delivered, thanks to members such as the Deputy Premier.

DRUNK AND DISORDERLY OFFENCE

Mrs BARBARA PERRY: My question is addressed to the Attorney General, and Minister for Justice. In light of the fact that abolition of the offence of drunk and disorderly was a key recommendation of the Royal Commission into Aboriginal Deaths in Custody, what safeguards will the Attorney General put in place to protect Aboriginal people when he reintroduces this offence?

Mr GREG SMITH: We have an enormous problem in our streets of a weekend, and the riot squad is brought in regularly to break up the trouble. Labor's solutions have not worked, so we must find a way of fixing the problem. One way is to bring back an offence. It is not aimed at Aboriginals; it is aimed at the troublemakers in the entertainment areas of Sydney and around Sydney beaches.

Ms Linda Burney: Who do you think it's going to affect?

Mr GREG SMITH: It is aimed at those people, and precautions will be put in place to protect Aboriginals.

Ms Linda Burney: Who do you think it's going to affect?

Mr GREG SMITH: I am answering one question—and one question only. Last night I gave up the opportunity to go entertaining, as others do when members have delivered their inaugural speeches and celebrate the good things about a person being elected to Parliament, and I went and spoke to a reconciliation group at Gladesville. I spoke to them about the efforts that had been made in this country to try to help Aboriginals, particularly juveniles, who get into trouble with the justice system, because far too many of them go into detention centres and far too many of them have convictions so they will not get jobs. I do not blame the previous Government, because the previous Government made an effort—just as every government in this country has made an effort.

This Government and I are making even greater efforts to help solve this massive problem. We will not cause further problems with any policies we introduce. One point is that we will seek to employ more Aboriginal youth in country areas. The Government can give them a start. My department is already employing Aboriginals at Bourke—there are four Aboriginal employees at the Bourke courthouse—and in various other places. We will also try to bring in some elements of the Noetic report that members opposite want to distance themselves from, which recommended that there be attempts to assist Aboriginal youth to learn more about their culture and to respect their elders.

Ms Linda Burney: We asked about deaths in custody.

Mr GREG SMITH: Those are the sorts of things we are trying to do. We are trying to help the Aboriginals. The Aboriginal people are a proud people who deserve the opportunity to pull themselves up. Some have—some have been great achievers. The member for Canterbury and Noel Pearson are great achievers. However, many of them have not been given the opportunity to achieve. The Government is intent on assisting them. Unfortunately, Labor failed to provide the opportunities, despite its attempts. The previous Government had good Ministers such as Graham West, who tried hard and was so disgusted with the lack of support from his Labor Cabinet colleagues that he resigned. He left and has gone to work, thank God, for the St Vincent de Paul Society, where he may be able to do more good than he could in the Labor Government because he did not get the support he should have received. He was stabbed in the back; he had the carpet pulled from under him.

Mr Nathan Rees: No, it was only gravity.

Mr GREG SMITH: Whether it was gravity or not, he was a great member and a great Minister who was never given a chance.

[Interruption]

Will we now get into a debate about the merits of Graham West? Will we now attack him? The member for Liverpool has attacked many people in the past, particularly in his maiden speech. He may have raised funds for various causes down at the Gaelic Club and things of that sort, but I am supporting the Aboriginals. I hope that the member for Liverpool can continue to support the Aboriginals—

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

Mr GREG SMITH: —because he might have been big on talk but there was no action.

Question time concluded at 3.05 p.m.

PROFESSOR PATRICK TAM

Ministerial Statement

Mrs JILLIAN SKINNER (North Shore—Minister for Health, and Minister for Medical Research) [3.05 p.m.]: I wish to advise the House of the election of Professor Patrick Tam of the Children's Medical Research Institute as a Fellow of the Royal Society of London for his outstanding scientific achievement and career-long contribution to science. This is a singular honour for this outstanding medical research scientist, who joined the Children's Medical Research Institute at Westmead in 1991 to establish a research program on mammalian embryology. The Royal Society is the world's oldest scientific academy in continuous existence. Professor Tam is currently the Deputy Director and Head of the Embryology Research Unit of the institute, a Professor in the Discipline of Medicine at the Sydney Medical School, the University of Sydney, and an honorary Professor of the University of Hong Kong. He is also a senior Principal Research Fellow of the National Health and Medical Research Council of Australia.

Fellows of the Royal Society are elected for life through a peer review process on the basis of excellence in science. To be elected as a fellow of the Royal Society is a great honour and public recognition of Professor Tam's outstanding scientific achievements and career-long contribution to science. The award places him in a group of about 30 leading scientists in developmental biology who are contemporary Royal Society fellows. Past fellows have included Isaac Newton, Charles Darwin, Albert Einstein and Stephen Hawking—so he is in distinguished company. Professor Tam was cited by the society for his contributions to mammalian embryology that have been fundamentally important for understanding early embryonic development and the origin of birth defects. His research focuses on understanding the organisation of the basic body plan upon which the embryo is built.

I am pleased to make this announcement to the House because it further enforces our commitment to medical research. The Government has indicated its commitment to health and medical research through establishing a separate Office of Medical Research within the Health portfolio; commissioning Mr Peter Wills, AM, to develop a 10-year health and medical research strategic plan for New South Wales; increasing funding to support research; and, particularly in the context of Professor Tam's election to the Royal Society, providing \$20 million to redevelop the Children's Medical Research Institute as part of the \$50 million investment in the Westmead research hub. On behalf of the New South Wales Parliament, I congratulate Professor Tam.

Dr ANDREW McDONALD (Macquarie Fields) [3.08 p.m.]: To be elected as a Fellow of the Royal Society is an amazing achievement. To be elected by one's peers for life on the basis of one's excellence in science—one of only 30 scientists in developmental biology world wide—is truly a groundbreaking achievement for a humble man. When I spoke to his office he simply wanted to have it acknowledged that the work of the Children's Medical Research Institute and his team is vital; he did not want credit for himself. He is known to be a mentor to many Australian researchers and was previously awarded the highest level of the National Health and Medical Research Fellowship in 2011.

Professor Tam's research is groundbreaking; it focuses on how cells within the embryo develop into different parts of the body and how that development is controlled. His research examines stem cells from early mouse embryos, which are grown outside the body and then made to differentiate into many different types of adult cells. His work aims to understand how that process is regulated by genetic signals. Professor Tam and his colleagues are working on the genetic causes of Rett syndrome, which is a devastating cause of progressive development disability that occurs only in girls. One day this may allow for the development of gene therapy for diseases such as Rett syndrome. Professor Tam also works on the development of the head and face, looking at genes that cause malformations such as cleft lip and palate. But, as I said before, he is primarily a humble man who has been internationally recognised for his pioneering work of 28 years. I join all in commending him to the House.

ABSENCE OF MEMBERS

Mr BRAD HAZZARD (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [3.10 p.m.]: Earlier today the member for Heffron raised a matter by way of what she said was a point of order—it clearly was not a point of order. However, the Government allowed the

member to proceed because it was a matter of personal concern to her. I indicate to members on both sides that there is a longstanding practice in this House to cover circumstances similar to that raised by the member. That practice, which is based on courtesy and understanding, is that any member—Opposition or Government—who has a matter of personal concern can seek leave. Without knowing the full circumstances of the matter intimated by the member for Heffron today, I am sure that leave would have been granted, without any comment or assertion being made about her non-attendance at Parliament. I ask members to adopt this practice and to ensure that the Government and the Opposition Whips are aware of their departure from the Parliament for personal reasons.

PETITIONS

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

Public Sector Wages and Conditions

Petition opposing the proposed Industrial Relations Amendments (Public Sector Conditions of Employment) Bill 2011 and requesting that public sector workers have access to pay rises relative to cost of living increases, the Industrial Relations Commission and good faith bargaining, received from **Mr John Robertson**.

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

PETITIONS

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

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**.

Pet Shops

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

Tenancy Agreement Pet Bans

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

Community Housing Mental Health Services

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

CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY

Graffiti

Mr BRYAN DOYLE (Campbelltown) [3.12 p.m.]: The motion regarding graffiti should be debated as a matter of priority because the scourge of graffiti touches everyone in our community and every one of our electorates. My colleague Victor Dominello, the member for Ryde, has made known his concern about this matter, as have our colleagues the member for Camden, Chris Patterson, and the member for Wollondilly, Jai Rowell, who will make his inaugural speech tonight. Graffiti vandalism imposes a very real cost on businesses, individuals and local councils. Community members, some of whom are present in the public gallery today, would agree that graffiti is an issue that impacts deeply on everyone. In relation to businesses, especially small businesses, it is a terrible impost. One can think of nothing worse than to be a proud business owner, only to come to the workplace one morning and find that someone has sprayed graffiti on the front of the premises.

Not only is there a considerable cost involved for small businesses in removing the graffiti, but it has another impact in that graffiti scares off business. It can drive small businesses to the wall. At shopping centres graffiti creates an environment of fear, deterring people from going to the shops and creating an environment that breeds crime. Graffiti impacts on individuals and owners of homes and cars. At Campbelltown I responded to an incident where four streets were attacked by a graffiti group. For no reason other than a thrill-seeking spree, the group dusted four whole streets. I was proud that officers rounded them up and helped to restore the community back to its former state.

However, residents who come out of a morning and find that their fences, cars, utes, trucks and work tools have been sprayed with paint start to think negatively about their neighbourhoods, because graffiti strikes at the heart of our communities. It also impacts on local councils. I know that many of my colleagues in the Chamber have served, and still serve, on local councils. Local councils are the primary combat agency that removes graffiti. Campbelltown council spends upwards of half a million dollars annually removing graffiti. That money could have been much better spent on other services for the community.

The Government's initiatives will help drive down graffiti crime. They are based on a fairly simple philosophy—what I call the three Es—education, eradication and enforcement. The crackdown clearly identifies that graffiti is a crime; it is not art, it is not an artistic pursuit. It is vandalism of public property and the property of individuals. The crackdown involves eradication—the swift removal of graffiti from our community. It is also about enforcement—making sure that those who commit graffiti crime are treated as criminals and are brought to account for their crimes. The motion that I seek to have accorded priority is very important; it addresses many of the issues that the people of New South Wales are concerned about. Graffiti is a crime against one's own community; it steals the goodwill of the community and detracts from the honour of our suburbs and communities. I urge members to afford this motion priority.

Public Sector Wages and Conditions

Mr JOHN ROBERTSON (Blacktown—Leader of the Opposition) [3.17 p.m.]: This is the fourth occasion in the short tenure of this Parliament that the Opposition has sought to have public sector pay and conditions debated. So far, every single time the Government has used its numbers to run and hide. There they go—running off to hide.

The SPEAKER: Order! Members will leave the Chamber quietly.

Mr JOHN ROBERTSON: They are running off to hide. Instead of debating this important issue, the time of this House has been consumed with poker machine reform, the carbon tax, the Federal budget, and other issues that lie beyond the remit of the New South Wales Parliament. One would think those opposite would be more interested in issues that are a priority for New South Wales. One would think they would be keen to debate one of the most significant and radical changes on their agenda, or on the agenda of any State government in this nation, ever—but they are not.

The SPEAKER: Order! Members will leave quietly and conduct their conversations outside the Chamber.

Mr JOHN ROBERTSON: You would think Government members would be prepared to debate a matter that will profoundly affect every single nurse, teacher, police officer and other officers in government employment—but they are not. One would think they would welcome the chance to defend the Government's outrageous attack on the conditions on which these workers and their families depend. But they do not. Instead, they want to talk about whatever it is Tony Abbott tells them to talk about. Well, those matters should not be the priority of this Parliament. This is the New South Wales Parliament.

But this Government prefers to behave as though it is still in Opposition. Members opposite just want to debate issues that are the domain of the Federal Government. In the meantime, those who deliver services on the front line get no answers and no debate on this critical issue. Now those public servants have brought their voice to Parliament. Without doubt, they are frustrated and concerned. They are concerned about the Premier giving himself unprecedented powers so that, with the flick of a pen, he can rip away wages and conditions, move police officers who work 12-hour shifts back to eight-hour shifts, rip away shift penalties and remove maternity leave. I see the member for Bathurst—

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

Mr JOHN ROBERTSON: The member for Bathurst says it is a good idea that we move police officers from 12-hour to eight-hour shifts. I wonder what the member for Campbelltown and his mates think

about that. Nurses are going to see their conditions ripped away. Ratios that were agreed will be ripped away simply because this Government wants to rewrite the way that we negotiate employment conditions and wages in this State. Mr O'Farrell went to the election saying, "Don't worry if you're in the public sector, it will all be okay; you've got nothing to worry about." But following his election he comes into Parliament and says something completely different—just as he did with the Solar Bonus Scheme. These laws are absolutely unheard of in this country.

And what do we see? We see a Premier who constantly uses his numbers to avoid debate. Those on the other side scurry away like cockroaches, looking for somewhere to hide because they cannot front up. They talk themselves up in their electorates, saying how tough they are, and then they just run away. The public service is frustrated at this Government's numerous attempts to hide from this issue. Public servants are no doubt appalled at the Premier's numerous attempts to spin, vulgarise and falsify what he is attempting to do—and this is a Premier who said he would do away with spin. But he comes in here and looks like he is inside a tumble drier—spinning round and round, trying to avoid this debate.

People are enraged at this massive broken promise to our public sector workers—the workers that the Premier needs to deliver the improved services he promised the people of New South Wales. Because the Premier refuses to act and Government members refuse to act, the public sector workers have come to us. This is meant to be the people's House. I heard the Premier say today that he was interested in hearing from the people. Well, the people are interested in hearing from him on this issue. The people want us to talk about this issue. They are worried about the conditions that protect them every day of their working life. If those opposite had any concern or any spine at all they would do their duty and give this motion priority.

Question—That the motion of the member for Campbelltown be accorded priority—put.

The House divided.

Ayes, 65

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| Mr Anderson | Mr Evans | Mr Piccoli |
| Mr Annesley | Mr Flowers | Mr Provest |
| Mr Aplin | Mr Gee | Mr Roberts |
| Mr Ayres | Mr George | Mr Rohan |
| Mr Baird | Ms Gibbons | Mr Rowell |
| Mr Barilaro | Ms Goward | Mrs Sage |
| Mr Bassett | Mr Grant | Mr Sidoti |
| Mr Baumann | Mr Hartcher | Mrs Skinner |
| Ms Berejiklian | Mr Hazzard | Mr Smith |
| Mr Bromhead | Ms Hodgkinson | Mr Speakman |
| Mr Brookes | Mr Holstein | Mr Spence |
| Mr Cansdell | Mr Issa | Mr Stokes |
| Mr Casuscelli | Mr Kean | Mr Stoner |
| Mr Conolly | Dr Lee | Mr Toole |
| Mr Constance | Mr Notley-Smith | Ms Upton |
| Mr Cornwell | Mr O'Dea | Mr Ward |
| Mr Coure | Mr O'Farrell | Mr Webber |
| Mrs Davies | Mr Owen | Mr R. C. Williams |
| Mr Dominello | Mr Page | Mrs Williams |
| Mr Doyle | Ms Parker | <i>Tellers,</i> |
| Mr Edwards | Mr Patterson | Mr Maguire |
| Mr Elliott | Mr Perrottet | Mr J. D. Williams |

Noes, 23

| | | |
|-------------|-------------|-----------------|
| Mr Barr | Mr Lalich | Mr Robertson |
| Ms Burney | Mr Lynch | Ms Tebbutt |
| Ms Burton | Dr McDonald | Mr Torbay |
| Mr Daley | Ms Mihailuk | Ms Watson |
| Mr Furolo | Mr Parker | Mr Zangari |
| Ms Hay | Mrs Perry | <i>Tellers,</i> |
| Ms Hornery | Mr Piper | Mr Amery |
| Ms Keneally | Mr Rees | Mr Park |

Question resolved in the affirmative.

GRAFFITI

Motion Accorded Priority

Mr BRYAN DOYLE (Campbelltown) [3.33 p.m.]: I move:

That this House:

- (1) notes graffiti vandalism imposes a real cost on businesses, individuals and local councils;
- (2) supports the Government's crackdown on graffiti offending; and
- (3) condemns the former Government for ignoring community anger about graffiti for 16 years.

Graffiti is a growing blemish on our communities. The public are sick and tired of waking up to find their trains, schools, fences and buildings marred by ugly graffiti tags. Graffiti imposes a real cost on our homes and neighbourhoods. It costs small businesses that are left to clean up the mess. It makes our streets feel less safe. Statistics available to the Government of the financial costs to the community are that they are well in excess of \$100 million. I know that RailCorp's estimate alone is about \$50 million of that total. Even Campbelltown, the opal of the south-west, and my neighbouring seats of Camden, Wollondilly and Macquarie Fields have been adversely affected by graffiti crime. I note that the member for Toongabbie's electorate also has been affected and I know it is a matter of concern to him as well.

As a police officer of 27 years standing I have seen the evil that is graffiti crime and the adverse effect it has on our communities. Graffiti is a crime and, much more than that, a pathway to more crime. When you speak with the community about things that concern them, graffiti, alcohol-fuelled violence, trail bikes, motorised pushbikes and noise complaints are all high on the list, but graffiti is always their number one concern. We have listened to their concerns. Graffiti is an offence that strikes the community in the face; it is a calculated swipe at the goodwill of our communities. It is a total disrespect for the property of others and for public property. It causes the community to become fearful. It has an adverse impact on business and tourism. It has to stop.

At Campbelltown I was proud to head up the fight against graffiti crime in partnership with the council and the community. The local media—the *Macarthur Advertiser*, the *Macarthur Chronicle* and C91.3FM radio—all strongly supported the community push. In fact, the police officer of the year in 2010, Detective Senior Constable Mick Kelly, received the award principally on the basis of his fight against graffiti. However, due to inaction over the past 16 years graffiti has grown unabated across New South Wales. We have listened to the community. This Government is delivering on another election policy by offering real action to give courts better and tougher sentencing options for dealing with graffiti offenders.

The Graffiti Legislation Amendment Bill 2011 that the Government will introduce later today is built on three key elements that I call the three Es—education, eradication and enforcement: education that graffiti is a crime, not art, and the people involved are not artists. It is a crime to perpetrate graffiti, possess graffiti implements and improperly sell graffiti implements. Eradication is the rapid removal of graffiti, and enforcement means that if you commit graffiti crime you are a criminal and you will be treated as a criminal. The bill will deliver on the Government's election promise by requiring juvenile graffiti vandals to appear before the court for committing a graffiti offence. Appearing before the court emphasises the seriousness of the offence in the community's eyes. Requiring juveniles to appear before a court for committing graffiti offences emphasises that damaging or defacing property, public or private, is not a trivial matter, it is a crime.

In particular, this bill will give courts the power to make graffiti offenders, graffiti criminals, clean up their graffiti. The bill will require courts imposing community service orders on graffiti offenders to make graffiti clean-up a condition of the community service order. That is a very important lesson for people to learn, especially when they find out that graffiti always takes much longer to come off than it does to put on. The bill also will give the courts the ability to impact on an offender's driver licence. They can suspend a driver licence of any class, extend the time a graffiti offender has to spend on a learner or provisional licence, or impose a limit on the number of demerit points the offender is able to accrue over a certain period.

The Government is committed to expanding the sentencing options for courts when dealing with graffiti offenders. For that reason the Government, through this bill, will create a new penalty of a driver licence order for offences of damaging property by means of a graffiti implement and possession of a graffiti implement under sections 4 and 5 respectively of the Graffiti Control Act 2008. Limiting the application of this penalty to offences under sections 4 and 5 of the Graffiti Control Act 2008 will enforce the primacy of these offences as

appropriate charges for graffiti offences. It avoids the potential evidentiary problems of establishing a graffiti offence under broader property damage provisions of the Crimes Act that were in force before the additional graffiti penalties became available.

Driver licence orders will operate either by extending the period for which an offender holds a learner or provisional licence for up to six months or by suspending a driver licence of any class for up to six months. The bill to be introduced will provide an alternative to suspension for unrestricted licence holders and impose a limit on the number of demerit points accrued over a specified period up to six months. A driver licence order, including a graffiti licence order, is a penalty that may be imposed on its own, just like a fine or a sentence of imprisonment, or it may be imposed in addition to any other penalty. The bill will minimise the risk of secondary offending by ensuring that suspension of a licence is one of the penalty options. [*Time expired.*]

Mr NATHAN REES (Toongabbie) [3.40 p.m.]: In response to the motion, I move:

That the motion be amended by leaving out paragraphs (2) and (3) with a view to inserting instead:

(2) recognises the significant efforts of the previous Government to tackle graffiti.

It is outrageous that members opposite suggest that the former Labor Government did nothing to address the issue of graffiti or, more generally, law and order. That is the same team that gave us Bob Askin and the same team that gave us Joh Bjelke-Petersen. Locally, before the time of some members opposite, we had Barry Morris, Phillip Smiles and Tony Packard, who was done under the Listening Devices Act 1984; we had Pickard swanning his way around the United Kingdom; we had Matt Singleton who, if my memory serves me correctly, was part of the original white-shoe brigade; and we had Wal Murray, who almost single-handedly introduced that terrific phrase into New South Wales legal jurisdictions of "a climate conducive to crime".

Members opposite forget that it was the former Government that had to rebuild law and order in this State. When we reasserted ourselves 16 years ago in this place, the first thing we did was pull out Maslow's hierarchy of needs. We decided that the first thing we needed to do was create an absence of danger. Such was the State we inherited at that time that that was the first thing we had to do. No government did more to tackle crime in New South Wales than the former Labor Government. As a result, property crime was halved and 17 out of 17 categories of major crime that we inherited decreased. We took an underfunded and depleted Police Force and rebuilt it into the best equipped, best paid, best trained, most successful and fourth-largest police force in the world.

We tackled the crime of graffiti. We agree that graffiti is a serious crime. It is not a victimless crime. It gives rise to the concerns referred to by the member for Campbelltown. It makes people feel unsafe, chips away at community pride and creates a sense of unease. We understand that. We understand that it destroys property and costs taxpayers and property owners hundreds of thousands of dollars each year to clean it up. We condemn those who engage in and perpetrate graffiti. We know that it can be a precursor to more serious acts of crime and violence. We want to prevent that. That is why Labor adopted tough and decisive action against graffiti vandalism.

Time and again when I toured New South Wales with members of the Cabinet and backbenchers, local people would raise graffiti as an issue. We took it seriously and invested more than \$10 million to prevent it, remove it, and prosecute the perpetrators, and that included more than \$4 million in new initiatives. We developed a comprehensive Graffiti Action Plan to tackle graffiti on all fronts. To tackle a complex problem, we need a complex solution. Too often simple solutions do not work, although they have been tried before. Victims of crime representatives do not think that the Government's moves will work. Ken Marslew, who is hardly a man who could be described as soft on crime, is questioning the Government's policy. Members opposite may wish to pause to consider that. Ken stated:

I can't see how suspending a licence is going to change a graffiti vandal's attitude. It won't stop them from doing graffiti. We should be forcing graffiti vandals to clean up their and other people's mess.

Howard Brown from the Victims of Crime Assistance League stated:

People are joking if they think graffiti offenders will be deterred by the prospect of losing their licence; if anything, it will encourage them to commit a second illegal action of driving without a licence because the punishment has no correlation with the initial offence.

Graffiti clean-up orders are a far better approach because they bring vandals face to face with the consequences of the crime.

Indeed, I will cite what the member for Pittwater, who is a very competent and hardworking member, stated in the House in November 2008.

Mr Paul Lynch: He keeps carrying the load.

Mr NATHAN REES: That is my point. I cannot think why he is not on the frontbench. The member for Pittwater stated:

It is difficult to see the link between a penalty that places controls on the freedom of a young person to operate a motor vehicle and the offence of using false identification documents. Surely the nature of the penalty should be linked to the nature of the offence.

That was said by one of the Government's own—one of its more prominent thinkers. Labor initiatives that targeted graffiti vandalism included a ban on the possession of spray cans for young people unless they had a legitimate reason for having them in their possession, doubling of imprisonment penalties for graffiti vandalism and possession of graffiti implements, a designing-out of graffiti by introducing principles for planners throughout the State, launching a \$1 million graffiti hot spot annual grants program, and introducing under my Premiership new clean-up orders for graffiti offenders, which meant that they would clean up graffiti instead of paying a fine. That was an Australian first.

Ms Robyn Parker: So it was all fine under Labor then?

Mr NATHAN REES: I am not suggesting it was all fine. We are saying that the Government's pretence that nothing was done is clearly fallacious. A penalty of cleaning up graffiti instead of paying a fine was an Australian first and it was supported by victims' groups. From the swath of material I have collected, I will choose the best examples that produce the best effect in demonstrating that the former Government's action plan was welcomed by a number of community and business representatives. The Chief Executive Officer of the New South Wales Business Chamber, Stephen Cartwright, stated:

The ... Government is sending the right message with these changes. Graffiti is not a victimless crime ...

The President and founder of Enough is Enough, Ken Marslew, congratulated the former Government at that time.

Ms Robyn Parker: You have already mentioned that.

Mr NATHAN REES: This is an entirely separate quote. Ken Marslew congratulated the former Government on its "... focused action on the issue of graffiti". We will not be lectured by members opposite on Labor's efforts to deal with graffiti. It will come as no surprise, except for newly elected members, that graffiti is an issue that has not been successfully resolved in any jurisdiction in the world. All of us have an ongoing role to ensure that graffiti is prevented and that we educate people. The offenders should clean it up and should be prosecuted. Mr Howard Brown welcomed the former Government's approach and said, "... this fresh and innovative approach is welcomed". On 25 November 2009, the member for Epping stated:

No doubt increasing penalties will deter offenders. Having to clean up graffiti will also act as a significant deterrent.

The current Attorney General was at that time wholeheartedly endorsing the former Government's approach to cleaning up graffiti and bringing some of the failed artists to book. He said that we should start sending people to jail, so he must now reconcile that approach with his more publicly stated position of not engaging law and order options. The Opposition supports the first part of the motion, but obviously not the last two parts. I commend the Opposition's amendment to the House.

Mr ANDREW GEE (Orange) [3.47 p.m.]: I congratulate the member for Campbelltown on moving the motion. His interest in the topic stems from his long service to the law and I congratulate him on that service. The member for Toongabbie used this opportunity to talk up the Opposition's record on graffiti. He referred to all the plans and initiatives of the former Labor Government, but evidence of Labor's failure is not to be found in this House. It is out on the streets where the blight of graffiti and vandalism curses too many city and regional communities. The member for Toongabbie talks it up, but Labor just did not deliver.

My reasons for fully supporting the motion moved by the member for Campbelltown are that the first part of the motion notes graffiti vandalism imposes a real cost on businesses, individuals and local councils. That is an important point. Earlier today I was speaking to a journalist from that great metropolis, Orange, which is one of the jewels of the west. She said, "But isn't graffiti a victimless crime?" The point made by the motion is that graffiti is not a victimless crime but, rather, has many victims. The first category of victims is individuals

who have to pay to have their walls, fences, cars and other property cleaned up. The victims are business people who need to divert valuable resources from their businesses, from production and from helping the State develop to cleaning up graffiti. The victims also are council ratepayers and the taxpayers of this State because the cost of cleaning up graffiti is imposed on them. Orange City Council has a policy that enables the payment of a \$2,000 reward for information leading to the conviction of anyone vandalising council property. These are the victims of this crime.

I fully support the proposal because it costs this State well over \$100 million a year to clean up graffiti vandalism. The highlight of the bill to be introduced is that courts will have the power to suspend a driver licence, extend the period of time an offender will be on a learner's permit or provisional licence and limit the number of demerit points that can be accumulated. These provisions are proposed because two-thirds of graffiti offenders are aged under 18 years and over half are young males. The one thing that young people want is their freedom. Removing or limiting that freedom means something to young people; it is more than just a slap on the wrist. The message to anyone contemplating being a graffiti offender is that his or her freedom to drive will be limited.

The provisions of the proposed graffiti bill will require offenders to appear before the courts, thus emphasising the seriousness of the offence. That approach was not taken in the past and is one of the failures of that side of the House. The courts will have their powers strengthened to make offenders clean up graffiti as part of community service orders—unless the offender establishes an extremely good reason to not have such an order imposed. The proposed bill will establish graffiti hot lines to make reporting easier. Currently, people do not know where they should report any incidence of graffiti. The bill will centralise the reporting system, thus making the clean-up process much easier. The failure of the previous Government to deal with the graffiti blight is plain for all to see. People have become desensitised to the problem, which was one reason for the overwhelming March election result. Labor missed the detail of public policy. Graffiti is not art, it is vandalism; it is a crime that this Government is determined to address. I commend the motion to the House.

Ms TANIA MIHAILUK (Bankstown) [3.52 p.m.]: It is refreshing to make a contribution about a State issue. For the past couple of days we have been discussing the carbon tax and a host of other Federal issues. I concur with the member for Campbelltown's concerns about graffiti. The cost to the community is estimated at \$100 million per year and is incurred particularly by utilities and councils in cleaning up graffiti, and in providing costly prevention and surveillance strategies. Coming from a local government background I sympathise that a council, such as Bankstown, annually spends about \$500,000 of ratepayer money on removing graffiti. I have some concerns about the proposals to tackle the graffiti problem. Graffiti removal and vandalism require a real and serious solution. The proposal outlined today to further overburden our courts and clog them with graffiti cases raises alarms. Instead of redirecting graffiti cases to courts, we would be better to direct resources to appropriate youth services and educational opportunities.

The member for Orange highlighted that young people value most their freedom. Young people also value employment and expect their Government to provide such opportunities. Nothing has been proposed to tackle the crux of the graffiti and vandalism problem. I note that nothing has been proposed to assist councils to tackle the issue. Much has been said about the establishment of a graffiti hotline, but I point out that in an effort to remove graffiti councils believe that the best way to tackle the problem is to take speedy action within a 12- to 24-hour period. I hope the hotline will deliver quick results because the member for Campbelltown and other members may not understand that residents and businesses affected by graffiti contact either police or council. Bankstown council, for example, immediately responds to the call and removes the graffiti. I hope the hotline does not affect current local government processes that address the issue.

As the member for Toongabbie said, the Opposition agrees with paragraph (1) of the motion, but seeks to amend paragraphs (2) and (3). There are better ways to remove graffiti and graffiti vandalism. Sadly, the indication from the proposed bill is that we are going down the wrong path. My hint for members opposite is that most graffiti offenders probably do not have a driver licence and more than likely commit this crime while walking around. They are kids who hang around hot spots: train stations and town centres. I do not understand how depriving these kids of a licence that can be obtained only at 17 years of age is the answer. Clearly, young people will not be given any opportunity under this Government.

Mr BRYAN DOYLE (Campbelltown) [3.57 p.m.], in reply: I thank the members representing the electorates of Toongabbie, Orange and Bankstown for their contributions. The member for Toongabbie stated that he was concerned about graffiti, but would not support the motion in its present form. It would be interesting to know how many people were fined, jailed or given community service orders under the previous

Government's reign. The member for Toongabbie admitted that the problem had not been solved in the previous 16 years and that community service orders requiring offenders to clean up their graffiti is an effective punishment. One of the key aspects of the O'Farrell Government's proposed policy is to address graffiti crime. Unfortunately, in his remarks the member for Toongabbie referred to art and artists in the context of graffiti. That reflects the fundamental problem of Labor's understanding and why it never successfully addressed the problem. Graffiti is not art or the work of artists; it is a crime.

If it were art, the member for Bankstown is wasting council's money by scrubbing it off people's fences and community buildings. They commit graffiti crime as criminals or vandals, not artists. Bankstown and Campbelltown councils spend a lot of money having that scourge removed from their communities. The Government also spends a lot of money removing graffiti from trains. The member for Orange correctly noted that graffiti is a blight on the community and a real cost to businesses, community members and councils. He noted also that it is not a victimless crime as it affects the whole community and individuals. When graffiti is placed on private or public property there certainly is always a victim.

A drivers licence is a privilege that is granted to every citizen, so the loss of a drivers licence would be a real punishment to these criminals. The member for Bankstown said that a licence is issued to drivers at the age of 18, but as the father of two daughters I know that they get their learner's permit at 16 and that plenty of hours are spent in training them. When the kids of the member for Bankstown grow up I am sure she will have lots of fun teaching them how to drive. Originally I came from Bankstown, which is a great place. However, the member for Bankstown concurred with my concerns about graffiti crime. I am sure that the ratepayers of Bankstown are looking forward to being able to spend the money that council now spends on graffiti removal.

Ms Tania Mihailuk: We will probably keep spending on graffiti removal.

Mr BRYAN DOYLE: The quick removal of graffiti is a key and important strategy. The underlying strategy behind this bill is what I call the three "Es"—education that graffiti is a crime and not art; eradication, as the more rapidly graffiti is removed the less likely it is to return; and enforcement, the recognition that graffiti is a crime and therefore graffiti perpetrators will be treated as criminals. Graffiti is a matter of great community concern which is why the community gave the Labor Party a collective move-on direction because it failed to address this issue. I commend this legislation to the House.

Question—That the words stand—put.

Motion agreed to.

Amendment negatived.

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

Motion agreed to.

LAW ENFORCEMENT (POWERS AND RESPONSIBILITIES) AMENDMENT (MOVE ON DIRECTIONS) BILL 2011

Agreement in Principle

Debate resumed from 31 May 2011.

Mr STEPHEN BROMHEAD (Myall Lakes) [4.03 p.m.]: I have great pleasure in speaking in debate on the Law Enforcement (Powers and Responsibilities) Amendment (Move On Directions) Bill 2011, and I commend the Attorney General for introducing it. Having been a police officer and a defence lawyer I bring some experience to this matter. To illustrate the importance of this amendment, immediately before the last election we announced locally in Myall Lakes that we would seek to give police the power to move on one or two people rather than restricting the power to moving on three or more people. At the time I spoke to some police officers who were extremely concerned about that announcement as it effectively informed hoodlums and no-hopers in the electorate that police did not have the power to move them on—something that in practice they had been doing for some time.

The police supported the amendment and sought my assurance that I would not re-announce the move-on powers in case they were circulated throughout the community, which shows the importance of the

amendment. The police were restricted as they were able to move on only three or more people when often only one person is the troublemaker. Yesterday the former Minister for Police, the member for Maroubra, said there was no need for this legislation. Police need this power to move on one or more people. The member for Maroubra referred also to crime statistics and said that there was less street crime, which is a concoction and a misuse of statistics. As the member for Parramatta said, it is just lies, damned lies and statistics. On 26 March, when the Labor Party lost the election, the biggest concerns in regional New South Wales were police powers, law and order and street crime. On 26 March the people of New South Wales voted.

Government members are aware that this lack of police powers relating to street crime and law and order commenced under the Wran Government when Frank Walker was Attorney General. He repealed the Summary Offences Act and replaced it with the Offences in Public Places Act, which was a shemozzle. Once standards are dropped it is hard to restore them but that is what this Government is attempting to do by giving police more powers to enable them to fight street crime and maintain law and order. The comic act of the member for Toongabbie showed just how out of touch he is. When contributing to debate on this bill he referred to it as embarrassing, but what he said was embarrassing and what Labor did in its 16 years in office is embarrassing. Public reaction to what Labor did over the past 16 years culminated in the 26 March election when Labor was wiped out and annihilated.

The member for Toongabbie and the member for Keira tried to explain what Labor did during its 16 years in office. We all know that in 16 years it did absolutely nothing. It wasted \$500 million on the Rozelle metro and \$100 million on Tillegra Dam. How many police officers would that have employed? How many police stations would it have built? Opposition members said that this Government has done nothing since its election to office. In the eight weeks in which this Government has been in office it has repealed part 3A of the Environmental Planning and Assessment Act and prevented lobbyists from lobbying the Government and receiving donations—a form of corruption and graft in which the former Labor Government participated for years. One of the important things that this Government has done is clean up that Act. The member for Liverpool is shaking his head. He said that giving police too many powers and the Independent Commission Against Corruption—

Mr Paul Lynch: I am wondering what that has to do with giving police more powers, just out of curiosity.

Mr STEPHEN BROMHEAD: These matters were raised by Labor members when speaking in debate on this bill. The member for Maroubra could not see a reason for the bill but said that Labor would support it because it was a good thing. So one Labor member said one thing and another Labor member said something entirely different. In 16 years what did we get? Everybody knows that crime is rising. There is a rise in anti-social conduct, the streets are not safe and there is a rise in alcohol-fuelled crimes. Week in and week out the overwhelming majority of people are in court because of alcohol. An overwhelming number of people go before the Family Court because alcohol has broken up their relationships. Move-on powers are not simply about arrest; they are the first step. Asking someone to move on is a form of crime prevention. If the person who is asked to move on abides by that direction, it saves the police from having to arrest him or her and do the paperwork.

If the police wait for a person to do something and then go in, there is assault of police, resist arrest and all the other things the defence lawyers often refer to as the three-card trick. This important move-on power stops that. Yesterday a Labor member described the bill as an insignificant piece of nothing, not worthy of this House and a joke. How wrong Opposition members are. Obviously they have absolutely no idea what it is like to be a law enforcement officer on the streets in regional New South Wales, in Lismore, Grafton, Taree, Forster or Port Macquarie, or down in Monaro. Police hands are tied, and this legislation will help them. When I worked at Phillip Street police station years ago—

Mr Greg Smith: That's going back.

Mr STEPHEN BROMHEAD: It is going back; the building is now a museum. That shows how long ago that was. Back in those days—

Mr Greg Smith: Pre Menzies?

Mr STEPHEN BROMHEAD: It was post Frank Walker doing away with the Summary Offences Act and introducing the Offences in Public Places Act. What a joke that was. I remember one time being on duty at the cricket test. There was a fellow playing around on the hill.

[*Interruption*]

It was extremely hard work. One of the guys on the hill decided to—

Mr Richard Amery: Come on, don't break the code.

Mr STEPHEN BROMHEAD: I am not talking about the member for Mount Druitt's paper bag. The fellow decided to run around in the nude.

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

Mr STEPHEN BROMHEAD: We were on the hill and about to make an arrest. We arrested the fellow and charged him under the Offences in Public Places Act. Of course, the magistrate said not guilty because no person had been seriously affronted by that type of behaviour on the hill at the Sydney Cricket Ground. That is how hard it was to enforce law and order under Labor. Under this legislation, we would have been able to say to the fellow, "Get your clothes on and move on." If he had objected we would have arrested him. Returning to the bill, the Bureau of Crime Statistics and Research has identified a significant increase in alcohol-related incidents of offensive behaviour, and move-on powers will help in that process. I commend the bill.

Mr GUY ZANGARI (Fairfield) [4.14 p.m.]: I am pleased to speak about the Law Enforcement (Powers and Responsibilities) Amendment (Move On Directions) Bill 2011. No doubt members on both sides of the House would not tolerate antisocial behaviour in their electorates. In our local electorates we have wonderful clubs and pubs that do an excellent job. We need to ensure that people walking around these areas—usually main shopping districts—feel safe and that there is no fear of intimidation by other people who might be intoxicated, might have had too much to drink or might have been abusing substances. Many pubs and clubs in our electorates—in Fairfield we have some great clubs and watering holes—have programs to stop and discourage binge drinking, which has been a problem for a number of years. Governments have been addressing this issue, with the Last Drinks campaign and the responsible service of alcohol. In our electorates the clubs do a great job of supporting the community with their various activities, well supported by the law and the police.

The police in the Fairfield Local Area Command do a great job. They are tireless workers, as are the police in all electorates. The police are the backbone of law and order in our electorates and they do a wonderful job. The Government is amending the legislation to give police the power to move on intoxicated people in public places. I am sure all members agree that police need to be supported by the Government to ensure that community safety is not compromised. Therefore police must be given this power, totally supported by the Government. In saying that, however, education is the key. The clubs and pubs in our electorates provide money to community groups, network groups, support groups and social justice groups, to help people in the community who are struggling as a result of binge drinking, alcoholism and substance abuse. As a former schoolteacher, I know that all the schools in the Fairfield district have great pastoral programs and have integrated curriculum programs to teach children the effects of binge drinking and substance abuse.

Not only that, it is important to get parents on board. Through school consultative committees, parents can teach their children about these particular social issues. We know that move-on directions already exist, and the police do a fine job in this area. So let us get serious about this issue. I am not here to oppose the bill. The police already do a great job of moving people. Under this bill, they will now have the power to move on not three people but one person in a particular area. Let us give police a fair go. Let us ensure that police are not forced to accept cuts in take-home pay, because, as I said, they are at the forefront and they are the backbone of law and order. They do an outstanding job and should be affirmed accordingly.

Mr ANDREW FRASER (Coffs Harbour—The Assistant-Speaker) [4.18 p.m.]: There are two secrets we like to keep in the Coffs Harbour electorate. One is the fact that Bob Brown was born in Bellingen; the other is that Frank Walker was born in Sawtell. In the late 1980s Frank Walker got rid of the Summary Offences Act and created the problems that I believe this bill addresses today. The Summary Offences Act should not have been repealed. Speak to any long-serving police officer about this issue, and one will be told that repeal of the Summary Offences Act created the majority of the problems suffered by our communities these days. One of the greatest problems faced by coastal communities is the number of itinerants who live on creek banks, in parks and on the beaches, either casually overnight or sometimes for longer periods. Unfortunately, these people indulge or over-indulge in alcohol.

The Law Enforcement (Powers and Responsibilities) Amendment (Move On Directions) Bill 2011 is specific in its provisions. It authorises a police officer to direct an intoxicated person to move on from a public place. This is a move in the right direction, and it will be welcomed by police in the Coffs Harbour electorate. Members opposite have tried to sheet home the blame to the clubs and hotels. It is not necessarily the clubs and pubs that this legislation is aimed at: it is aimed at those who might get a cask of Coolabah wine and sit on the beach or another public place, consume most of the contents of the cask and then possibly go up the street to see whether Woolworths is still open so that they can get another cask. On the way there, in quite a number of instances they will toss a garbage tin lid or throw a rock through the window of one of the town's businesses.

I get many complaints from business people in Coffs Harbour that these people have defecated in the front of their premises and slept there overnight, leaving the business owners to clean up the mess the next morning. In the past, police officers could do very little about that. Now, with the power given those officers under this bill to move on such people, the officers have the opportunity to reduce the problems that we have seen develop over many years, especially since Frank Walker decided to reduce the powers that police had back in the late 1980s. I commend the bill. The police officers who work so hard in my electorate will welcome this initiative. I spoke to a number of officers today, and they welcome this bill. Whilst I agree that education is part and parcel of the solution to the problem, I am sure many members of this House would agree that the education afforded by police officers to young people in our younger days to encourage them to stop misbehaving, move on, obey the laws and behave in a manner expected of them was an education in itself. This bill should be fully supported by this House.

Mr ANDREW CORNWELL (Charlestown) [4.22 p.m.]: It is a privilege to speak in debate on the Law Enforcement (Powers and Responsibilities) Amendment (Move On Directions) Bill 2011, which will amend the Law Enforcement (Powers and Responsibilities) Act 2002 to authorise a police officer to direct an intoxicated person to move on from a public place. At present, such a direction may be given only to an intoxicated person who is in a group of three or more intoxicated persons. This amendment may seem to some to be a minor change to the existing Act; however it will provide far greater discretionary powers to New South Wales police. Too often, mindless damage is done to our community by individuals, not groups. This damage ranges from assaults, to graffiti, to other forms of wilful damage or noise and nuisance issues.

Recently I attended a community meeting organised by the Warners Bay Chamber of Commerce, which is considering hiring a private security guard 24 hours a day, seven days a week, to patrol the community to assist police. It only takes a couple of individuals to wreak terrible damage, and this is enormously costly to the community. I will take a moment to commend the Lake Macquarie Local Area Command for its recent efforts to combat crime at one of our largest retail hubs, Charlestown Square shopping centre. These new powers will provide our local hardworking police with an extra tool to help reduce problems in these crime hot spots caused by some intoxicated persons in our communities.

The *Newcastle Herald* reported on one of the recent operations at Charlestown Square. Police made two sweeps on a Thursday and a Saturday and 37 people were arrested, most of them juveniles, resulting in 13 charges, 19 young offender cautions, 4 young offender warnings and 7 infringement notices. The police operation recovered thousands of dollars worth of allegedly stolen property. The charges included offensive behaviour, assaulting police, resisting police, and possessing prohibited drugs. Police say they will continue with this action to clear shopping centres of troublemakers. The strategy has been welcomed by Business Charlestown president, Jason Pauling. Mr Pauling said it was understandable that Charlestown Square attracted large numbers of young people out to enjoy themselves, but that it only takes a few to become involved in antisocial or criminal behaviour.

These powers will assist police in their duties where a drunken youth or two hang around outside the shopping centre, as opposed to larger groups. Cardiff Town Centre, which is also in my electorate, is another area where we have problems with antisocial behaviour, in particular graffiti. We have been lucky to have a graffiti removal program run by Robert Denton, supported by the Cardiff Chamber of Commerce, in conjunction with the Revival Fellowship church. He was frustrated over a long period under the former Government by the inadequacy of the legal tools available to police to help combat this scourge. These move-on powers will assist police in getting some perpetrators off the street.

Recently we had an incident where a 23-year-old offender had two graffiti charges dismissed because the offender had completed a drug rehabilitation program. I am not in the business of attacking the former Labor Government for the sake of it, but too many of these cases have not been addressed appropriately. Graffiti crime has a very low conviction rate at the best of times, but when a perpetrator is brought before the court it must be very disheartening for police to see him or her walk away unpunished because of a so-called mitigating circumstance.

Under the previous Government there was a heavy focus on the responsible service of alcohol. In my opinion we also need to look at responsible consumption of alcohol. Recently, the State's most violent pubs list had a couple of Hunter pubs added to it. Again, this was something of a blunt instrument. Many of the perpetrators have not purchased alcohol from a hotel but have pre-fuelled before going out. Much of this alcohol is purchased by siblings or by older friends. This is because many of these people are under-age and therefore are unable to enter licensed premises. Nonetheless, they are still drawn to nightlife areas because of the bright lights and the fact that other people are around. This bill will enable police to move those youths on.

Too often, our community wakes up to tipped-over garbage bins, snapped trees, broken shop windows and bent signposts. This not only causes inconvenience but has serious social and financial costs to our

community. These powers will assist the police in moving these perpetrators off the street, thus providing substantial social and financial benefit for our community. The issue of under-age drinking still remains, and there is much more work to do in relation to bottle shop sales finding their way into the hands of under-age drinkers. All too frequently we see tragedies involving 16-year-olds and 17-year-olds with various levels of intoxication either driving or travelling in vehicles as passengers. These powers will play a small but vital role in changing public behaviour. One other point needs to be made: these powers will assist not only the general community but the people who are moved on. Too often, intoxicated people are the victims of crime, not just the perpetrators of crime. I commend the Law Enforcement (Powers and Responsibilities) Amendment (Move On Directions) Bill 2011 to the House.

Mr GREG SMITH (Epping—Attorney General, and Minister for Justice) [4.27 p.m.], in reply: I thank the members for Liverpool, Oatley, Toongabbie, Clarence, Keira, Port Macquarie, Balmain, Albury, Maroubra, Penrith, Northern Tablelands, Campbelltown, Parramatta, Lake Macquarie, Pittwater, Tweed, Myall Lakes, Fairfield, Coffs Harbour and Charlestown for their contributions to the debate on the Law Enforcement (Powers and Responsibilities) Amendment (Move On Directions) Bill 2011. The member for Liverpool, the shadow Attorney General, raised an issue with regard to the 1999 Ombudsman review dealing with move-on powers. He suggested that these powers were being used too much for Indigenous people at that stage.

Of course, the previous Government kept the move-on powers, changing them to some extent, but nevertheless did not abolish them. The amendment before the House is not aimed at vulnerable groups such as Aboriginal people, the homeless, the mentally ill or the intellectually disabled. The protocol for homeless people has been endorsed by the NSW Police Force as well as other agencies, such as NSW Health, RailCorp and the Sydney Harbour Foreshore Authority—groups that have an operational presence in public places. The protocol states that a homeless person should be left alone unless they request assistance, appear to be distressed or in need of assistance, their behaviour threatens their safety or the safety of those around them, or their behaviour is likely to result in damage to property or the environment.

If the homeless person requires assistance, police are to involve services directly or provide them with information about services that can assist them. So far as Aborigines are concerned, first, if they are causing trouble in a place where there are hotels, they have to be moved on just like anybody else. This is not aimed at them. In fact, the police show great sensitivity when dealing with Aborigines and Indigenous people, and they will certainly be encouraged to do so by this Government. The bill provides police with an effective enforcement tool to deal with intoxicated persons who engage in antisocial behaviour. It represents the first step in honouring the Government's election commitment to make the streets of New South Wales safer, which is something I think we all want. 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 returned to the Legislative Council without amendment.

GRAFFITI LEGISLATION AMENDMENT BILL 2011

Bill introduced on motion by Mr Greg Smith.

Agreement in Principle

Mr GREG SMITH (Epping—Attorney General, and Minister for Justice) [4.35 p.m.]: I move:

That this bill be now agreed to in principle.

The Government is pleased to introduce the Graffiti Legislation Amendment Bill 2011. The bill gives effect to commitments that the Government made during the election campaign to target graffiti vandals. The bill strengthens the penalties available for courts when sentencing graffiti offenders, provides courts with an increased range of sentencing options for graffiti offenders, and ensures that young offenders have to appear before a court when charged with graffiti offences. Graffiti is a significant and costly problem. In 2010 the Standing Committee on Public Works tabled its report entitled "Graffiti and Public Infrastructure". The

committee reported that 11,691 graffiti incidents were reported to police in New South Wales in 2009. The report also estimated that the overall cost of graffiti to New South Wales is in the hundreds of millions of dollars. The committee also heard evidence from RailCorp estimating that graffiti was costing the authority \$55 million a year.

The Government is determined to tackle this unsightly and costly problem through the initiatives it is introducing in this bill. The Government is committed to ensuring that when a graffiti offender is sentenced they can be required to undertake graffiti clean-up work. Currently section 91 of the Crimes (Sentencing Procedure) Act 1999 allows for a recommendation that an offender perform graffiti-removal work as a condition of a community service order. This bill strengthens the provisions relating to community service orders in schedule 1.2 by ensuring that where an offender has been found guilty of an offence under the Graffiti Control Act 2008 and has been sentenced to a community service order, the court must impose a condition requiring graffiti clean-up work to be performed.

The bill provides that a court will not be required to impose the condition if the court considers in the circumstances of the case that it is not reasonably practicable for graffiti clean-up work to be performed. Where the court does not impose such a condition, it must make a record of its reasons for not doing so. There will be occasions where it will not be reasonably practicable for a court to impose a condition of graffiti clean-up work. When that is the case, requiring the court to provide reasons for not imposing such a condition will allow action to be taken in the future to identify any obstacles to imposing such conditions. These provisions build upon existing graffiti clean-up orders that can be imposed for Graffiti Control Act 2008 offences in order to satisfy a fine.

The bill strengthens not only the existing provisions in relation to adult community service orders but also community service orders imposed on young offenders. Schedule 1.1 inserts a similar provision into the Children (Community Service Orders) Act 1987. This will ensure consistent application of the proposal so that when a community service order is imposed for a Graffiti Control Act 2008 offence, regardless of whether you are a young offender or an adult, graffiti clean-up work must be a condition of that community service order where reasonably practicable. The Government is committed to providing courts dealing with graffiti offenders with an increased range of sentencing options that can act as real deterrents.

To achieve this objective the bill creates a new penalty option in the form of driver licence orders specifically for offences of damaging or defacing property by means of a graffiti implement under section 4 and possession of a graffiti implement under section 5 of the Graffiti Control Act 2008. These new penalty options implement an election commitment that graffiti offenders should have action taken against them in respect of their driver's licence for graffiti offences. Schedule 1.4 to the bill creates the new penalty of driver licence orders. Where an offender is convicted of an offence under sections 4 or 5 of the Graffiti Control Act, the court will now be able to sentence the offender in the following ways.

Where an offender is the holder of a learner or a provisional licence, the order will extend the minimum period that that person must hold a learner or a provisional licence before progressing to another licence for a period of up to six months. The power to impose licence conditions is similar to that available under the Road Transport Driver Licensing Regulation 2008 that allows for a provisional licence period to be extended for an offence of a minor using false identification to obtain entry into licensed premises. A court will also be able to suspend a person's driver licence of any class for a period of up to six months on and from the day on which the order is made. The court will have an alternative to suspending an unrestricted licence holder for a specified period up to six months by imposing a graffiti licence order.

The graffiti licence order will limit at four the number of demerit points that a person subject to the order can accrue for the specified period of the order. If a person subject to a graffiti licence order incurs four or more demerit points during the period specified in the order, the Roads and Traffic Authority must give the person a notice suspending all driver licences held by the person for an equivalent period of suspension that would have applied had the person been suspended when this penalty was originally imposed. There will be no capacity to appeal the decision of the Roads and Traffic Authority to suspend a licence pursuant to these provisions. These provisions allow a court to give an offender a warning and therefore a serious deterrent, without automatically suspending the offender's licence and potentially affecting the person's capacity to earn a livelihood. These provisions will not be available where an offender has three points or less remaining on their licence.

During the election campaign the Government made a clear commitment that young offenders charged with graffiti offences should appear before a court. The Government wants young offenders charged with graffiti offences to realise that what may seem a trivial matter to them, is a serious and costly offence. To that end, this bill will ensure that a young offender charged with a graffiti offence will not be diverted from the courts by the operation of the Young Offenders Act 1987. The amendments to the Young Offenders Act 1987 at

schedule 1.7 to the bill achieve the Government's objective by no longer allowing an offence under the Graffiti Control Act to be the subject of a warning or caution. In addition to these amendments the bill also prevents the Director of Public Prosecutions and police from being able to refer a young offender to a youth justice conference for a Graffiti Control Act offence. The effect of these amendments will be that pre-court diversion for a graffiti offender will no longer be an option. The bill will still allow a court to refer a young offender to a youth justice conference but that is only after they have appeared in court and where the child admits the offence and the court is of the opinion that a conference should be held.

By retaining the power to refer a child to a youth justice conference the court also retains the ability under the Young Offenders Regulation 2010 to require a graffiti offender under a conference outcome plan to undertake graffiti-removal work, other community service work or participate in personal development programs. These particular amendments achieve the Government's objective of making young offenders realise the seriousness of their offences whilst continuing to give the court discretion to deal with the offender as appropriate. This bill delivers on the Government's election commitment to tackle graffiti in local communities. The bill will strengthen the capacity of the courts to sentence graffiti offenders to do graffiti clean-up work. The bill expands the penalties available to a court for graffiti by providing for driving licence sanctions. The bill will ensure that young offenders realise the seriousness of graffiti offences by requiring them to appear before a court. I commend the bill to the House.

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

APPROPRIATION (SUPPLY AND BUDGET VARIATIONS) BILL 2011

Bill introduced on motion by Mr Mike Baird.

Agreement in Principle

Mr MIKE BAIRD (Manly—Treasurer) [4.43 p.m.]: I move:

That this bill be now agreed to in principle.

The Appropriation (Supply and Budget Variations) Bill 2011 has three main objectives: to give the Treasurer authority to make payments from the Consolidated Fund until the end of October or enactment of an appropriation Act, to set out payments from the Treasurer's Advance for recurrent services since the last appropriation bills, and to appropriate amounts from the Consolidated Fund for the exigencies of government under section 22 of the Public Finance and Audit Act 1983. First, the bill permits the Treasurer to make payments from the Consolidated Fund during the months of July, August, September and October 2011, until enactment of a 2011 appropriation Act. With the 2011-12 budget set for release in September 2011, there will be no appropriation Act passed by the start of the 2011-12 financial year.

In the absence of an appropriation Act, the Public Finance and Audit Act 1983 empowers the Treasurer to pay amounts from the Consolidated Fund for the financial year. The Treasurer's authority under the Public Finance and Audit Act 1983 is restricted to one-quarter of the 2010-11 appropriation, indexed by two-thirds of the consumer price index, and ends on 30 September 2011. However the need for cash appropriations by a number of government agencies in the first few months of the financial year considerably exceeds the amount allowable under the Public Finance and Audit Act 1983. For example, the Department of Education provides bi-annual grants to the non-government sector in July every year. The bill will address this need by appropriating \$18.3 billion for recurrent expenses and \$600 million for capital expenditure for the months of July, August, September and October 2011.

These amounts compare with the \$17.6 billion for recurrent expenses and \$1 billion for capital expenditure for the same period in 2010-11 and have been calculated based on lower capital spending under the Commonwealth fiscal stimulus package than occurred in 2010-11, thus the difference between the \$600 million and the \$1 billion, and the impact of inflation as well as a modest buffer. The appropriation will be provided to the Treasurer rather than to individual Ministers pending finalisation of agency budgets for 2011-12, which is currently underway. All payments made under the authority of this bill will be regarded as payments made out of the subsequent 2011 budget appropriation bill. In addition, the bill gives the Treasurer authority to make payments from the Consolidated Fund for the legislature and special offices of Parliament—the Independent Commission Against Corruption, the Ombudsman, the Electoral Commission and the Director of Public Prosecutions—until the end of October or enactment of an appropriation Act.

Secondly, the bill sets out recurrent services and capital works and services expended from the "Advance to the Treasurer". The bill reports payments totalling \$279,511,000 from the Treasurer's Advance for recurrent expenses made during 2010-11—I remember enjoying these amounts coming forward over many years—\$76,133,000 for capital expenditure made from that advance during 2010-11, and \$281,066,000 from the Treasurer's Advance made during 2009-10 that have not previously been reported, thus ensuring a transparent and accountable process to Parliament.

Thirdly, the bill appropriates payments totalling \$157,900,000 to provide for the exigencies of government during 2010-11, and \$54 million to provide for those exigencies during 2009-10 that have not yet been reported. These amounts were paid by the Treasurer pursuant to section 22 of the Public Finance and Audit Act 1983. Finally, the practice of introducing further appropriation bills has enhanced accountability for the expenditure of public moneys from the Consolidated Fund. It is evidence of the Government's commitment to transparent and full financial reporting to the Parliament and to the community. I commend the bill to the House.

Debate adjourned on motion by Dr Andrew McDonald and set down as an order of the day for a future day.

DISTINGUISHED VISITORS

The DEPUTY-SPEAKER (Mr Thomas George): I welcome the presence in the gallery of the Hon. Ian Armstrong, AM, OBE, a former member for Lachlan, a former Minister for Agriculture and Rural Affairs and a former Deputy Premier of New South Wales. It is appropriate that he is present when the Gene Technology (GM Crop Moratorium) Amendment (Postponement of Expiry) Bill 2011 is introduced.

GENE TECHNOLOGY (GM CROP MORATORIUM) AMENDMENT (POSTPONEMENT OF EXPIRY) BILL 2011

Bill introduced on motion by Ms Katrina Hodgkinson.

Agreement in Principle

Ms KATRINA HODGKINSON (Burrinjuck—Minister for Primary Industries, and Minister for Small Business) [4.49 p.m.]: I move:

That this bill be now agreed to in principle.

The bill seeks to extend the operation of the Gene Technology (GM Crops Moratorium) Act 2003 for a further 10-year period. The Act is due to expire on 1 July this year. If the Act expires on 1 July, it will mean that genetically modified [GM] food crops approved by the Commonwealth Government will be able to be cultivated in New South Wales without needing approval by this Government. The cultivation of genetically modified food crops is strongly regulated by both State and Commonwealth governments. It is important to note that the Commonwealth Government and the New South Wales Government have clear and distinct roles when it comes to the regulation of genetically modified, or GM, crops in New South Wales. The Gene Technology Agreement, signed by the Commonwealth and all Australian States and Territories in 2001, defines these roles.

It is the Commonwealth Government's role to ensure that genetically modified organisms are safe for people and the environment. It is the role of the New South Wales Government, together with industry, to manage market or trade issues affecting genetically modified crops. The approval process for a genetically modified food crop happens at two levels. First, the Commonwealth must grant a licence for commercial release. Secondly, the genetically modified food crop must be approved for commercial cultivation in New South Wales by the New South Wales Minister for Primary Industries. The New South Wales Gene Technology (GM Crop Moratorium) Act 2003 provides a blanket prohibition on the cultivation of all genetically modified food crops in New South Wales, except those that have been specifically approved. The Act ensures a balanced approach to the management of genetically modified food crop cultivation in this State.

The blanket prohibition on the commercial cultivation of genetically modified food plants affords substantial protection to New South Wales growers, industry and the community. To obtain approval for a specific genetically modified food crop, the Act requires a detailed assessment of industry's capacity to manage cultivation in accordance with market requirements. That means that the requirements of key domestic and international markets must be met, and relevant supply chain management processes must be in place before approval will be granted. The Act provides an extra mechanism of an expert committee on gene technology to provide advice on whether an applicant met the criteria and is ready to cultivate a genetically modified crop.

The Act was last reviewed and amended in July 2007, when the former Government established an independent panel to review the Act. The review panel was chaired by the Hon. Ian Armstrong, AM, OBE, who is a well-respected former New South Wales Minister for Agriculture and Rural Affairs, and a former Deputy Premier. The panel was asked to provide advice on the best way forward for the regulation of genetically modified food crops in New South Wales. The review process included extensive public consultation. The panel recommended that the Act be amended to remove the moratorium orders on the cultivation of genetically modified canola and to provide a clear "path to market" for genetically modified food products. As a result, amendments removed the moratorium orders on genetically modified canola but introduced a blanket moratorium on the commercial cultivation of all genetically modified food plants, except those approved by the Minister.

This approach was taken as it was considered to be the best outcome for all stakeholders. Further, the amendments extended the expiry date for the Act from 3 March 2008 to 1 July 2011. Genetically modified canola is the only genetically modified food crop grown commercially in New South Wales. It is designed to be herbicide resistant and to provide some increased yield. Genetically modified canola was approved for commercial cultivation in New South Wales in March 2008. The first canola crops were sown at that time. In 2010, 24,000 thousand hectares were under genetically modified canola cultivation out of a total canola crop of 308,000 hectares. Genetically modified canola accounted for approximately 7.6 per cent of the total canola harvest. Market conditions have changed since 2003, which is when the Act first came into force.

Genetically modified canola now represents 70 per cent of the global trade in canola. Canola is a significant agricultural crop for the State and contributes to the economic development of regional and rural New South Wales. The ability of New South Wales canola growers to access and utilise genetically modified canola varieties provides them with choice in their production systems. My electorate of Burrinjuck is a prolific canola-growing area. The bill before the House will provide for the Act to operate for a further 10 years. The New South Wales Farmers Association supports this approach. In a letter to the Director General of the Department of Primary Industries on this issue, the association states that its priority always will be to provide choice for growers to produce whichever crop they desire.

The association believes that in 10 years time it may be appropriate to reconsider the need for the legislation to continue. By that time the community and other stakeholders might be more open to removing the legislation and relying on industry self-regulation. The bill will maintain the current regulatory framework for the commercial cultivation of genetically modified food crops in New South Wales until 1 July 2021. It will provide certainty and confidence to industry to continue to invest in these valuable crops while being cognisant of concerns held by certain members of the community. Most importantly, the bill will continue to offer growers a choice, which means that our rural and regional communities will continue to benefit from being able to cultivate approved genetically modified food crops. I commend the bill to the House.

Debate adjourned on motion by Dr Andrew McDonald and set down as an order of the day for a future day.

INFRASTRUCTURE NSW BILL 2011

Agreement in Principle

Debate resumed from an earlier hour.

Mr BRYAN DOYLE (Campbelltown) [4.56 p.m.]: I support the Infrastructure NSW Bill 2011. Recently when I was a candidate for election in the Campbelltown electorate, constituents consistently raised with me the problems associated with a lack of infrastructure delivery in New South Wales. One of the reasons I nominated for election was the cries I heard from people as they opened envelopes containing their power bills and their complete silence over infrastructure works that never were commenced. I was pleased to tell my constituents that the New South Wales Liberal-Nationals Government will do something about infrastructure. One of the Coalition's five election priorities during the election campaign was to renovate infrastructure.

The 100 Day Action Plan starts the change that the New South Wales community has been calling for. The action plan will result in introduction of legislation for the creation of Infrastructure NSW and for the appointment of its board. I am very proud to state for the record that I am one of the members of Parliament who will make a contribution to the implementation of the 100 Day Action Plan and to establishing Infrastructure NSW. Infrastructure NSW will provide identification, prioritisation and delivery of critical public infrastructure across New South Wales. It will ensure that roads, rail, hospitals, ports and other upgrades that the State so desperately needs are delivered according to need, on time and on budget.

The politics surrounding projects in this State must be constrained. Experts will be drawing the plans and lines on maps, not politicians. Infrastructure NSW will deliver certainty and confidence that both Government and business need to be able to get on and build major projects that our State needs for growth, prosperity and improvement in quality of life for all our citizens. It is clear that the establishment of Infrastructure NSW is already more than what the previous Labor Government did for infrastructure in 16 years. Labor's years of neglect were well summarised by one of its own when, on 7 February 2011, Liverpool Labor councillor Jim McGoldrick said, "South-west Sydney and western Sydney has been neglected and taken for granted for too many years by a lazy government." That neglect has come to an end.

Of course, Campbelltown, the opal of the south-west, has experienced some infrastructure delays and the South West Rail Link is but one. It is more like a mirage that was vanishing into the distance. Labor first promised the South West Rail Link in December 2004. The project was costed at \$688 million at that time and projected to be completed by 2012. However, in March 2008 Labor re-announced the South West Rail Link at a cost of \$1.36 billion. Later that year in November the South West Rail Link was inexplicably axed under Labor. A year later in November 2009 Labor re-announced the project, but by this time the completion date had blown out by four years to 2016. Three months later Labor revealed that the total cost had blown out to \$2.1 billion. In other words, Labor promised this link three times to the people of New South Wales and the south-west. It will take a New South Wales Liberal-Nationals Government to deliver this much-needed link. I am proud to advise that the railway tracks have been laid already.

Campbelltown being the opal of the south-west certainly is a regional hub city that will figure importantly in the infrastructure needs of south-western Sydney. It is all about connectivity and enabling people to get on with their lives and businesses, and being able to generate true productivity for the people of New South Wales. During the election campaign we made the commitment to refer the M5 East duplication to Infrastructure NSW for urgent assessment. I very much look forward to making that referral in the near future. The New South Wales Liberal-Nationals Government has also committed \$100 million to upgrade western Sydney roads. Importantly, this includes \$15.4 million for Narellan Road and \$12 million for Picton Road. These major roads in the Macarthur region enable the people of Campbelltown, Picton and the Wollondilly area to link with the rest of Sydney. These projects demonstrate our Government's clear commitment to upgrade the important roads in south-west Sydney.

Earlier this year the Premier confirmed that the Government would invest in another important arterial link: the M5 West by widening it from four lanes to six. The M5 probably is the cheapest car park in Sydney. On Monday the M5 was so clogged with traffic that it took me 2½ hours to get this place. Widening that road will assist tremendously in getting the people of south-western Sydney in to work and back home. These important road projects will deliver concrete outcomes for south-western Sydney motorists. Infrastructure is all about families. The fact that the first meeting of the Community Cabinet was held at Campbelltown last month demonstrates that this Government listens to the community. My colleague the member for Ryde and Minister for Citizenship and Communities, and Minister for Aboriginal Affairs was fully booked by people wanting to speak to him. He was not alone—all Cabinet members listened and spoke to the people of Campbelltown, the opal of the south-west.

For the first time the people of Campbelltown had the opportunity to meet Cabinet members without having to depend on how much money they had in their pockets, as occurred with the previous Government. No-one had to pay to talk to the best New South Wales Cabinet. It was a pleasure to host the Community Cabinet at Campbelltown. Labor had 16 years to deliver the infrastructure that New South Wales needs, but it failed. A New South Wales Liberal-Nationals Government will create Infrastructure NSW, a body independent of government that will be charged with framing infrastructure priorities and working with government to deliver them. For far too long road infrastructure projects, such as the M5, were promised by the previous Government but never started. The incompetent way of running government and major projects of the past has gone. The change has started and we will deliver infrastructure for the people of New South Wales, for south-west Sydney and for the people of Campbelltown. I commend the bill to the House.

Mr CHARLES CASUSCELLI (Strathfield) [5.06 p.m.]: For the first time in more than 16 years the people of New South Wales will have a dedicated body looking after its interests in the medium- and long-term. There are many reasons why New South Wales should rejoice. All the people in rural or urban areas should stand and clap that after 16 years the professional advice of a body of experts that the former Government refused to listen to, if the Government ever existed, will be listened to. We know that professional advice from the New South Wales public service more often than not was ignored by the former Government. That led to an exodus of the most talented individuals in the New South Wales public service. Those same individuals are in

the private sector offering their services, or did, at three times the rate they were paid as a public servant. Let us examine the performance of the former Government in providing any important infrastructure in New South Wales. The term "waste" comes to mind.

Mr Victor Dominello: Is this going to be R-rated?

Mr CHARLES CASUSCELLI: I will not make it R-rated. I will classify it as parental guidance being required. Let me examine the Tcard project. It was the former Government's response to the need for an integrated public transport ticketing mechanism that enabled people, regardless of whether they used ferries, buses, light rail, heavy rail, or any form of public transport, to easily buy a ticket regardless of how many times they got on and of the different modes of transport. I joined the Roads and Traffic Authority in 1997 as a general manager of the transport management centre. I spoke to the then Minister for Roads—I believe it was Carl Scully—who assured many people in many forums that before the Olympic Games we would have a Tcard. Planning in the New South Wales public service in preparation for the Games proceeded on that premise.

Today in 2011 we still do not have a T-card. The following recounts the progress of that project. It was announced in 1996 in time for the Sydney Olympics. In 2008 Tcard mark I was terminated. In 2010 Tcard mark II was announced. It is 13 years behind schedule, \$100 million already has been wasted in direct costs to all involved in the project, and so far it has been nothing more than a disincentive for the New South Wales public to use public transport.

By the time it is finally delivered—and there is a chance of that under the new Government—it will have cost the New South Wales public through the former Labor Government an extra \$840 million from when it was first announced for the Olympics Games to its delivery in 2015, or the latest estimate. That is almost an extra \$1 billion. That is the first example of why we need a body to look after our infrastructure. The widening of the Spit Bridge was first promised in 2002. It took four years to convert that promise into an announcement in 2006, and then it was scrapped in 2007 because the costs in the intervening period had shot through the roof. I would not say that is a sterling example of infrastructure planning success.

One of the things that might remotely be considered successful—the former Government built something—is the Iron Cove Bridge extension. Perhaps it was supposed to be the Spit Bridge and they went to the wrong location. I cannot find many people who supported the building of the Iron Cove Bridge extension. My wife used to leave home at 6.00 a.m. to go to her business just around the corner but her journey has been extended, courtesy of the former Government's Iron Cove Bridge project, by 20 minutes every morning. She is one of 10,000 users of Victoria Road travelling from the west to the central business district. I call that an outstanding example of a \$176 million investment: They got a return on investment period that has gone back to a glacial age—40,000 years for a return on investment on the Iron Cove Bridge.

Mr Mark Coure: It would be quicker to walk.

Mr CHARLES CASUSCELLI: Absolutely. However, to be fair, the Iron Cove Bridge may have cost \$135 million and may have increased the average travel time by 20 minutes for 10,000 motorists going to the central business district, but it has provided a wonderful walkway for those who do the Bay Walk of a morning. Mind you, it is a little bit expensive for the 200 or 300 people who walk over it every day. That was the Iron Cove Bridge story.

Mr Mark Coure: Is there another story?

Mr CHARLES CASUSCELLI: There is another story. Would you like to hear another story?

Mr Mark Coure: Yes.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! Members will direct all their comments through the Chair.

Mr CHARLES CASUSCELLI: Do members remember the announcement of the M4 east extension? I will give some alarming facts that the former Government was offered by professionals in government, not by the people in the media units of Ministers' offices. Traffic congestion in the State costs the New South Wales economy more than \$4 billion a year—they are not my statistics, they are well known throughout roads and transport forums. Guess how much of that \$4 billion a year is avoidable. It is \$1 billion dollars a year, which means it is within the power of government—

Mr Mark Coure: It could be spent in Strathfield.

Mr CHARLES CASUSCELLI: It could be. It is within the power of government to take that \$1 billion of lost opportunity for the New South Wales economy and convert it to opportunity. A very simple premise is that approximately 100,000 road-based incidents that occur on New South Wales roads every year require a tow-truck response. Of those 100,000 incidents, the Roads and Traffic Authority monitors 30,000 of the worst incidents—the big ones that make people really annoyed. If we were to take two-thirds of 30,000, that is 20,000 of those incidents, and respond 15 minutes earlier and start clearing the road, what impact would that have on this State? It would produce \$800 million of added productivity to the New South Wales economy and save the people of New South Wales about \$60 million in wasted fuel costs.

When the M4 east extension is built it will be a prime opportunity not only to reduce the direct costs of traffic congestion on the New South Wales economy that could approach hundreds of millions of dollars but also to increase the amenity of Sydney's inner west. It will enable people in the north-west, west and south-west of Sydney to get onto a motorway network and actually go to a destination without having to impinge on local communities, such as Strathfield. During the course of the next five to 10 years it is predicted that the large economy, known as the western suburbs economy of Sydney, will grow very dramatically.

Unless we build the M4 east extension, which will enable trucks and traffic that is generated on the western side of Strathfield to get to Port Botany, the airport or the eastern suburbs, the people of not only the Strathfield electorate but also the electorates of Drummoyne, Marrickville and Balmain will have traffic mayhem. The M4 east extension must be built. Did the M4 east extension have any chance of being built under the former administration? I do not think so. Will it actually get at least a fair hearing in terms of its benefit under Infrastructure NSW? Absolutely. All I can say, it is about time, isn't it folks?

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

Mr MARK COURE (Oatley) [5.16 p.m.]: During the past 16 years, Labor has failed to develop rigorous, integrated and real plans for the future and has failed to build key infrastructure projects. During the past 16 years Labor has not got it right and still, I was surprised that the shadow Minister for Planning Infrastructure and Heritage, the Deputy Leader of the Opposition, the member for Canterbury, spoke earlier today in favour of the Government's legislation. She is also the shadow Minister for Sport and Recreation, shadow Minister for the Hunter—she lives in Canterbury—and shadow Minister for the Central Coast. She seems to be shadow Minister for everything.

Mr Ryan Park: She is hard working.

Mr MARK COURE: I will get to you in a second. You're next. I was surprised that the member for Canterbury spoke in favour of our legislation because in the three months that she has held the position of Deputy Leader of the Opposition and shadow Minister for Planning Infrastructure, how many media releases has she issued? On the New South Wales Labor Party website—

Ms Sonia Hornery: Point of order: My point of order is relevance. We are talking about Infrastructure NSW, not the Deputy Leader of the Opposition and her press releases. The member for Oatley should return to the leave of the bill.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! I am sure the debate on infrastructure is wide ranging. The member for Oatley will return to the leave of the bill.

Mr MARK COURE: The shadow Minister for Planning Infrastructure has issued only one media release, "Labor gets back to basics", but it does not mention infrastructure. However, I found Labor's policy on infrastructure. It is a blank piece of paper, which I am more than happy to table. It was in the budget reply speech in June 2009 that the then Leader of the Opposition, Barry O'Farrell, outlined a plan to establish a new body of independent specialists to be known as Infrastructure NSW. This independent body would use the expertise from the public and private sectors to identify public infrastructure needs, establish priorities and recommend timelines for delivery; advise on project procurement, contractual arrangements, best practice, delivery and funding models; and ensure that government is armed with the necessary information to give the green light to the State's infrastructure recovery program.

The New South Wales Liberals and Nationals then, and now, are about addressing the need to rebuild this State and make New South Wales number one again, which Labor failed to do. Infrastructure NSW will reduce the time it takes to deliver vital major projects, through better planning and co-ordination and reduced delays; ensure better value for money for communities and taxpayers by minimising the cost over-runs and delays—I will talk about the metro in a second—restore the reputation of New South Wales as a State where the right projects are undertaken in a timely and professional manner; make decisions in the public interest and on the advice of experts, not for political purposes; attract investment to New South Wales by providing greater certainty over project delivery—members opposite might want to take note of this—and be accountable with a State infrastructure strategy tabled in Parliament and subject to debate. What will Infrastructure NSW do for my electorate? In my election campaign I made a commitment to refer the M5 east duplication project to the new Infrastructure NSW for urgent assessment.

Traffic congestion on major arterial roads has increased. Why? Because Labor failed to build major public transport infrastructure in New South Wales. From 2007 to 2009 traffic on the M5 increased by more than 5 per cent. In 2008 the average travel time on the M5 in the morning peak was 34 kilometres an hour, and an average of more than 50,000 cars are now using the M5 in peak times. In relation to public transport, the 12 rail lines Labor promised and axed, which would have assisted Oatley constituents, include the Hurstville to Strathfield Rail Link. Do we all remember that? Is the member for Strathfield in the Chamber? The Hurstville to Strathfield Rail Link was promised in 1998 and axed. Money was wasted and mismanaged on infrastructure projects, thanks to the previous Government and the former member for Keira. According to the *Sydney Morning Herald*, the former member for Keira was a former chief of staff to David Campbell.

Mr Ryan Park: He's not the former member; he's the current member for Keira.

Mr MARK COURE: The current member for Keira is the former chief of staff to David Campbell. After David Campbell was demoted what happened to the current member for Keira?

Mr Ryan Park: What happened? Tell me.

Mr MARK COURE: He got a job with the Department of Transport.

Ms Melanie Gibbons: The Ryan Park story.

Mr MARK COURE: It is the Ryan Park story. He was appointed on a salary of \$250,000, according to the *Sydney Morning Herald*.

Ms Sonia Hornery: Point of order: My point of order is Standing Order 129, relevance. We are talking about the Infrastructure NSW bill, not individual members. The member for Oatley should return to the leave of the bill.

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

Mr MARK COURE: It all has to do with transport. The Hurstville to Strathfield Rail Link was promised in 1998 but it was axed and never delivered. We all remember Action for Transport 2010. In 1998 the New South Wales Government released a position paper on various road and public transport projects to be delivered before 2010. Perhaps the member for Keira wrote it; I do not know. One project was extension of the eastern suburbs line to Bondi Beach to be completed by 2002. That was never delivered. The rail link between Parramatta and Chatswood was to be completed by 2006. That was never delivered. The Hornsby to Newcastle high-speed rail line was to have started by 2010. That was never delivered. The NorthWest Rail Link between Epping and Castle Hill was to be completed by 2010. Do members remember that project? It was never delivered.

The Sutherland to Wollongong high-speed rail line—the member for Keira would have benefitted from this project—was to be built by 2010. That was never delivered. I have already mentioned the Hurstville to Strathfield Rail Link. The Liverpool Y link was to start by 2010. It was promised but never delivered. The money wasted and mismanaged on infrastructure projects that could have gone to my electorate include the Tcard project. New South Wales Labor first announced an integrated ticketing card in 1997, ready to be used at the Sydney Olympics in 2000. Do members remember that? It was promised but never delivered. The project was axed in 2008, costing taxpayers \$95 million. Legal action is currently underway by both the New South Wales Labor Government and the provider.

Was the Rozelle Metro the idea of the member for Keira? As he was the chief of staff to the then transport Minister, it was probably his idea. The Rozelle Metro, which was announced in 2008, was to be the hallmark of the Rees Labor Government. It was axed by New South Wales Labor in 2010, costing taxpayers \$500 million, with nothing to show for it. That \$500 million could have gone to my electorate and, indeed, many other electorates in New South Wales and could have been used for worthwhile infrastructure projects that would positively impact the lives of people, especially those in the Oatley electorate.

Recent comments have been made about Nick Greiner being appointed to chair Infrastructure NSW. There are few areas more symbolic of the failure of the former New South Wales Labor Government than infrastructure. The public threw out the Labor Government because in 16 years it did nothing about improving roads, rail, hospitals and schools. Labor had billions of dollars in windfall profits during that time, which would have been enough to build rail lines to the north- and south-west, decent freeways and a decent hospital network. But none of that was delivered—not one bit. During those 16 years of Labor we were promised 12 rail lines. How many did the Labor Government deliver?

Mr Tony Issa: Half.

Mr MARK COURE: The member for Granville got it right—only half. The Chatswood to Epping Rail Link was three years late and \$1 billion over budget. Something has to change. That is why the New South Wales Liberal-Nationals Government is creating Infrastructure NSW. It will prepare, first, a 20-year State infrastructure strategy with a detailed five-year infrastructure plan funded in budget forward estimates; secondly, advise on project procurement, arrangements, best practice delivery and funding models; thirdly, create a project pipeline; and, fourthly, maximise New South Wales funding opportunities from Infrastructure Australia. I will deliver on my commitment to refer the M5 east duplication project to Infrastructure NSW for urgent assessment. That is why I am supporting this bill. I look forward to being part of a government that has infrastructure plans for projects that are realistic and achievable. In 16 years Labor failed to deliver on any of its projects. Only a New South Wales Liberal-Nationals Government can deliver Infrastructure NSW and the vital projects our State needs to make New South Wales and Oatley number one again.

Dr GEOFF LEE (Parramatta) [5.28 p.m.]: I am pleased to contribute to debate on the Infrastructure NSW Bill 2011. Infrastructure NSW will be a professional and independently chaired body that will be used to improve the identification, prioritisation and delivery of critical public infrastructure projects across the State. Infrastructure NSW will ensure that roads, rail, hospitals, ports and other upgrades within New South Wales are delivered on time, to budget and on specification. Rebuilding core infrastructure is the only way that New South Wales can reverse its recent decline and lay the foundation for economic recovery. The election of a New South Wales Liberal-Nationals Government will usher in a new way to plan, procure and deliver infrastructure projects to restore our prosperity and our position as the number one State and the premier State in Australia.

If we look back over time we see where Labor has failed in the past. The shortfall of infrastructure in New South Wales is obvious, but it is also very costly. It is estimated that urban congestion costs New South Wales more than \$4 billion in lost productivity each year. Such congestion causes problems not only for residents but also for businesses. A friend of mine who runs a small business at Seven Hills has to organise his staff to leave at 6 o'clock in the morning so that they can make 9 o'clock appointments in the city. That is costing him hundreds of thousands of dollars a year in lost productivity and overtime alone.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! If the member for Keira wishes to make a contribution to the debate, he should follow the proper forms of the House. Interjections are disorderly at all times.

Dr GEOFF LEE: Clogged freight networks have significant economic costs and the failure to renew hospitals, schools and public facilities means that the best efforts of dedicated nurses, teachers and public servants are hampered by tired old facilities. The problems are many, but the root cause is common. For too long, New South Wales has failed to develop rigorous, integrated and real plans for the future and has failed to build key projects. That is why the New South Wales Liberal-Nationals have committed to the creation of an effective coordination and strategic planning body—Infrastructure NSW—to address these tasks of rebuilding the whole State.

In relation to roads, the people of Parramatta expected infrastructure—especially on the congested Parramatta Road from the end of the M4 Motorway, from Concord Road at Strathfield and Broadway at Glebe. Living in Parramatta certainly gives one an appreciation of the congestion on that stretch of road. Every morning, thousands of people use the M4, only to be deposited onto Parramatta Road, creating congestion on the streets of Strathfield. My experience is that at night the problems get much worse. The M4 East will solve the congestion that so many of my constituents face every day. In fact, I face congestion problems each day

I travel to Parliament. On average, 40,000 motorists use Parramatta Road daily. Those who live in Parramatta had come to expect these delays under the inept Labor Government. But it is the same for other arterial roads. Within the Parramatta electorate, some 40,000 people wake up every morning to face the prospect of travelling on those arterial roads to work outside the electorate; another 90,000 people from other electorates drive the clogged arterial roads—Victoria Road, Pennant Hills Road, Windsor Road and the Great Western Highway—to come to Parramatta.

I turn to public transport. Of the 12 rail lines promised, and axed, seven were in western Sydney. In respect of Parramatta, they include the Chatswood to Parramatta Rail Link. In 1999, as part of Action for Transport 2010, Labor promised to build the Chatswood to Parramatta Rail Link by 2006. Instead, Labor managed to deliver only half the rail link—three years late and at twice the cost. People in the electorate say Labor delivered half the project at twice the cost, and they are still waiting. The Epping to Parramatta Rail Link is an essential piece of infrastructure for three reasons. First, it allows workers in the Parramatta region to travel to the North Shore and access Macquarie Park and North Shore jobs. Second, it allows access for North Shore workers to come to Parramatta, and that will encourage more companies to move to Parramatta.

As members heard me say in my inaugural speech, Parramatta is the service centre for greater western Sydney. Third, it provides a critical loop of infrastructure away from a radial configuration of rail. Rather than all trains having to go through Central, trains can be looped if there is an incident on the rail lines. This will relieve some of the congestion that may be experienced in harbour crossings, or on the train line between Strathfield and the city. The Epping to Parramatta Rail Link will be one of those projects that Infrastructure Australia will evaluate. That will provide an assessment of the project so that we can plan, prioritise and build essential infrastructure, not only for the benefit of Parramatta but for the whole of western Sydney as well as the State.

And I will be the champion of the Epping to Parramatta link with Infrastructure NSW. Let me take this opportunity to congratulate the Liberal-Nationals Government on delivering on an election commitment in starting the process of building the NorthWest Rail Link. Once built, that will alleviate some of the traffic congestion along Windsor Road, Victoria Road and the M4. I turn my attention now to the West Metro. Only last year the Keneally Labor Government axed the so-called West Metro and handed back \$80 million in funding to the Federal Government. This was after Infrastructure Australia panned the former New South Wales Labor Government for the poor quality of its submissions. Those submissions lacked detail on benefits and costings—after 16 years of Labor playing politics with desperately-needed transport infrastructure.

I turn my attention to transitways. In 1998 Labor promised to build seven transitways but managed to deliver only 2½ of them. Among those that Labor failed to deliver were the Parramatta to Blacktown transitway, promised in 1998 and then axed, and the Parramatta to Strathfield transitway, also promised in 1998 and then axed. Labor has let down the people of New South Wales, which is clearly evident in western Sydney. Greater western Sydney has one of the largest and most diverse economies and it is considered one of the fastest growing regional economies. The importance of greater western Sydney to the State economy continues to increase, with the region growing nearly twice as fast as the State average. This represents over one-third of the Sydney gross regional product and over one-fifth, or 22 per cent, of the New South Wales gross State product.

The greater western Sydney economy is fuelled by a labour force of more than 900,000 people, with all ranges of educational and vocational attainment. My electorate of Parramatta is located in the heart of metropolitan Sydney, not only geographically but economically. It is close to the river, and is a densely populated and job-rich area. The local area has more than 43,000 jobs and 160,000 people. From 2005 to 2010 the average population growth was 2.4 per cent, compared to that of New South Wales of 1.5 per cent. Key indicators of Parramatta's flourishing growth are its economic output, which is currently valued at more than \$14.2 billion, growing employment numbers, and the expansion of commercial floor space.

The city's 90,000-strong workforce is projected to grow by 30,000 over the next 25 years across a range of industry sectors. Parramatta's annual growth rate is 3 per cent, compared to the New South Wales average of 1.4 per cent. The City of Parramatta's growing population, low employment and large skilled workforce offer a number of distinct advantages for business. Planned expansion of the University of Western Sydney at Rydalmere will mean an additional 17,000 students who need to be catered for, and that will be done under Infrastructure NSW. The proposed innovation business park alongside the University of Western Sydney at Rydalmere will put another 11,000 knowledge jobs into the area.

In my inaugural speech I spelt out how Parramatta will service western Sydney—an area that will grow by two million people over the next several decades. Decentralised services will move from the Sydney central business district to Parramatta to cope with the development of western Sydney. Parramatta also has significant hubs for Parramatta, greater western Sydney and the whole of Sydney. It has the historic hub, with buildings

such as Old Government House, the experimental farm, Hambledon cottage and Parramatta Park and the old King Street school, as well as the Parramatta Female Factory. It has an educational precinct which is centred by the University of Western Sydney and it has seven other educational institutions.

It has a law precinct with approximately 4,000 people working in that area. It has Westmead Hospital, the largest health precinct in Australia. It has a strong finance, business and property services precinct. It has an ideal shopping centre precinct on the main street, with one of the largest Westfield shopping centres in the Southern Hemisphere. It has a brilliant cultural centres and entertainment precinct that is anchored by the Riverside Theatres. Future developments such as Civic Place, a \$1.4 billion development, will create approximately 8,000 new jobs. Several other housing developments are valued at over \$100 million—some up to \$200 million. In the past this lack of infrastructure hurt the people of Parramatta.

Infrastructure NSW will provide strategic planning and prioritisation and deliver essential infrastructure in an integrated way. Under the New South Wales Liberal-Nationals Government, Infrastructure NSW will be a professional and independently chaired body that will improve the identification, prioritisation and delivery of critical public infrastructure across the State, and not make politically-based planning decisions. I am proud to be a member of the New South Wales Liberal-Nationals Government that is committed to infrastructure and to making New South Wales and Parramatta number one again.

Mr GUY ZANGARI (Fairfield) [5.41 p.m.]: Under the Infrastructure NSW Bill 2011 all infrastructure projects will be subject to the control and direction of the Premier. This bill will allow for the creation of an independent agency that will take the politics out of infrastructure decision-making and place infrastructure planning and decision-making into the hands of the experts, which is akin to jobs for the boys. At the outset, part 2 clause 7 states that Infrastructure NSW, in the exercise of its functions, will be subject to the control and direction of the Premier. Therefore, the entirety of the State's infrastructure comes to a bottleneck which is at the discretion of the Premier. The Premier has the ability to pick what infrastructure developments will be delivered. Part 3 clause 11 (2) states:

Infrastructure NSW is to exercise its functions with a view to achieving the objects of this Act.

The legislation states also that any other project over \$100 million will be commandeered by Infrastructure NSW and does not allow for a community consultation process through Infrastructure NSW. Rather, through commandeering projects over \$100 million, Infrastructure NSW commandeers any facilities of a government agency to enable it to exercise its function. However, this is blurred by part 2 clause 8 (4) which states that should Infrastructure NSW not agree with the Premier's amendment, the board may advise the Premier that it does not agree with the amendment and make the advice available to the public. The Premier claimed in his agreement in principle speech that there was a clear indication of a transparent process. However "may" is not definitive and "make that advice available" is not a clear direction that information must be made available.

This Government's commitment to the delivery of 20-year State infrastructure strategies and five-year infrastructure plans is admirable. However, these strategies are to be prepared within the time frame directed by the Premier. Part 4 clause 16 will enable the Premier to defer the implementation of a 20-year strategy until such time as he deems it appropriate. Part 2 clause 22 states that the Premier could add extra plans for other projects into the five-year infrastructure plans, remove them, or place them into other plans. This could overload one five-year plan and, therefore, make the Government commit to projects that it cannot deliver. Clause 8 states that the board of Infrastructure NSW will consist of a chairman. In this case we all know that the chairman will be Nick Greiner—once again, jobs for the boys. Premier Barry O'Farrell used as his lifeline the former Premier.

He picked up the phone, dialled a number and called Nick Greiner. Clause 8 stipulates also that the board of Infrastructure NSW shall consist of various appointed representatives from the public service and five persons appointed by the Premier from the private sector whose remuneration will be at the discretion of the Premier—yet this board allegedly is to be independent. The Independent Commission Against Corruption Act 1988 refers to this body as being an independent and accountable body, and the Governor appoints the commissioner and assistant commissioners. Those five members will be held accountable only if they let down their mate the Premier. Will Premier Barry O'Farrell do a Benji Marshall flick pass to those five members?

This Government has broken several promises that it made to the people of New South Wales before the election. On 10 March the Premier promised that Infrastructure NSW would have an independent board and that he would ensure the board could and would blow the whistle if the Government failed to meet these commitments—as if. How can board members blow a whistle that has no ball? With the culmination of this legislation, the Occupational Health and Safety Amendment Bill 2011 and the Industrial Relations Amendment (Public Sector Conditions of Employment) Bill 2011, New South Wales is slowly turning into a one-man State, the Barry O'Farrell State—Barry and his lonely hearts club band.

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

BUSINESS OF THE HOUSE**Notices of Motions****General Business Notices of Motions (General Notices) given.****BUSINESS OF THE HOUSE****Order of Business**

Mr BRAD HAZZARD (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [5.51 p.m.]: By way of clarification I indicate to members that tomorrow morning we would normally commence with General Business Notices of Motions (for Bills) but I have had discussions with the member for Lake Macquarie and I understand that will not be proceeding. We will proceed at 10.00 a.m. with notices of motions. The first, which is partially heard, I think, is Mr John Williams' motion relating to public water supplies. That will be followed by a motion to be moved by the member for Auburn, Barbara Perry, followed by the member for Lake Macquarie. Members should refer to the business paper for further information.

ROYAL NORTH SHORE HOSPITAL SITE**Discussion on Petition Signed by 10,000 or More Persons**

Mrs JILLIAN SKINNER (North Shore—Minister for Health, and Minister for Medical Research) [5.52 p.m.]: I speak in relation to the petition about Royal North Shore Hospital signed by more than 13,000 people. The petition reads as follows:

The petition of citizens of New South WalesBrings to the attention of the House:

The sale of land on the Royal North Shore Hospital Campus to fund the construction of the new hospital. The high density commercial and residential developments that will occur on these lands.

The undersigned petitioners therefore ask the Legislative Assembly to:

1. Retain lands currently planned for sale
2. Preserve the land for future expansion of the campus and as open space which can be used by patients, their visitors and the local community.

As I said, this petition was signed by over 13,000 residents and as a result of the commitment made by the O'Farrell Government this is now a matter to be debated in the Parliament. I have followed the redevelopment of Royal North Shore Hospital for many years. It is a litany of failures and total incompetence by the former Labor Government. The flawed Royal North Shore Hospital redevelopment that was inherited from the previous Labor Government was described in a letter handed to me yesterday by the hospital medical staff and councils rallying outside the hospital that spelled out the total incompetence of a government that really had no concern for the health of people of the North Shore electorate and beyond.

The history of the redevelopment tells us that the original concept master plan came out in 2007 but the parliamentary review of the hospital in that year heard numerous allegations about budget problems, patient care problems, bed shortages and emergency department blockages. However, the thing that really struck everybody on that committee was the fact that there was no proper clinical services plan. That was another indication of the sheer incompetence of the former Labor Government. How could one possibly develop a plan to build a new hospital when one did not know what clinical services were going there? There was no proper planning for Royal North Shore Hospital, just total incompetence.

There was a lack of real engagement of clinicians in the planning and redevelopment of Royal North Shore. There were concerns about the detail of the redevelopment, particularly the lack of sufficient bed capacity. This was raised by Dr Tony Joseph, the director of trauma and chair of the Medical Staff Council, who handed me the letter yesterday. Many examples were given in that inquiry about the shortcomings of the planning process even in the 2007 concept plan. Everybody should read in *Hansard* the evidence given to that inquiry if they want an illustration of the total incompetence of the former Labor Government relating to the development of the site.

After that inquiry another concept plan was drawn up for 2010. That plan led to requests for tender and the redevelopment we now have as a consequence of that. The problem is that a poor brief by the former Labor Government led to the many problems that arose. I have had meetings with InfraShore, the consortium that was contracted to deliver the building, on a number of occasions. On the very first day I was told, "If you've got any problems with the shortcomings of this building, don't blame us. Blame the incompetent Labor Government because they were the ones that drew up the brief." Members of the former Labor Government were the ones who designed a project where, for example, the theatres would be too small and too few, and where the helipad was originally going to be on the Douglas building, which has a shonky lift anyway.

They would have had to bring critically ill patients who arrived by helicopter down in the lift to the ground floor and then around the block to an emergency department in the new building. No wonder the member for Keira is shaking his head at the incompetence of the former Labor Government. I just cannot believe it. It was proposed to keep the maternity unit in the same Douglas building and they suddenly realised they could not deal with patients who needed emergency caesareans and would have to trundle them across a 450-metre footbridge to the new building. The trouble is they could not build a footbridge because they had to pull down a building and that could not be done until after the new building was completed.

What a dog's breakfast. It was total incompetence. How many times do I have to say that they were incompetent? How do we solve these problems? The Medical Staff Council and others on the hospital staff, and the community, were absolutely disgusted with the former Government's commitment to talk to them. They worked like dogs to get their voice heard and I helped them as much as I could. We still ended up with too few beds. Currently there are 397 funded beds but there are 420 patients routinely in that hospital today. They are treated in treatment rooms and transit lounges and stuck in the emergency department. When we take out maternity, burns and mental health beds, which are not even going to be on site in the new building, the total falls to 434.

I have now discovered that 13 of those 434 beds are in the intensive care unit. That means there are 421 beds and the current patient load is 420, so there is one extra bed. This is supposed to be a hospital that can cater for the next 30 years. Total incompetence. Still to be accommodated in the new building are allied health and rehab. Where is rehab? It is off site and not even on the grounds of the hospital. There is also subacute care. Where is the child care for the nurses and other staff who work in the hospital? Gone, abolished. Where is the family accommodation, the Rotary lodge that was built? Gone, abolished. Where is the hydrotherapy pool? Gone, abolished. We promised to stop the land sale and we did on day one. We promised to develop a trauma plan. We are doing so. I hope we can solve the problems and meet the needs of these petitioners.

Dr ANDREW McDONALD (Macquarie Fields) [5.58 p.m.]: Even though it occasionally irritates the Minister when I say this I will repeat it: I am very proud to have trained at Royal North Shore. Royal North Shore is world famous for its standard of care and deserves to be because it is one of the world's great hospitals. The commitment to clinical excellence is a standard I have tried to live up to ever since. People such as Danny Stiel, Malcolm Fisher and Raymond Raper are true leaders of the profession. I was a medical student when the now obsolescent clinical block was commissioned in the mid-1970s. The fact it is now obsolescent after 35 years shows how quickly the requirements for health facilities change. The \$1 billion Royal North Shore redevelopment is the largest health capital works building ever commissioned in New South Wales.

Of that amount, \$721 million will be funded through a private-public partnership. When the hospital is completed, taxpayers will have the balance of a 28-year contract to pay back. The new hospital will have approximately 700 beds, which is an increase from the present number of 600 beds, a new acute services facility, community health and a clinical services building. Of the 700 beds, 434 will be overnight medical and surgical beds, which represents an increase from the current 397 beds, although the peak winter number is 420. Intensive care unit beds will increase from 38 to 45, with a built capacity to increase to 58.

Royal North Shore Hospital is a busy hospital. Its budget has increased from \$251.3 million in 2004-05 to \$347.6 million in 2010-11. Total separations increased from 46,720 in 2004-05 to 49,690 in 2010-11. During the same periods, bed days increased from 190,261 to 206,420 and emergency department attendances have gone through the roof, having increased from 42,291 to 55,169. In spite of that, Royal North Shore Hospital continues to provide excellent care. The final quarter Bureau of Health Information report for October to December 2010 assures us that Royal North Shore Hospital meets all its triage benchmarks in the emergency department, although difficulties remain with access block, which is measured by off-stretcher time from ambulances—71 per cent in Royal North Shore Hospital in 30 minutes whereas the benchmark is 90 per cent—and emergency admission performance at the hospital is 72 per cent whereas the benchmark is 80 per cent at eight hours. In spite of everything, Royal North Shore Hospital figures are still superior to those of most Sydney teaching hospitals.

In consultation with clinicians, Health Infrastructure has agreed to increase the size of 14 of the new theatres to 55 square metres and four theatres to 65 square metres. That will allow for 18 new theatres that are being provided at the redeveloped hospital to be a suitable size for the future. The longstanding concerns of the Medical Staff Council relate to two issues. The Medical Staff Council wants another 66 beds and the Government to recognise the need to preserve hospital land for future use. The need for additional storeys on the current building was first pitched to the Hon. John Della Bosca when he met with clinicians some years ago. The concerns expressed then were that beds were inadequate to meet the need.

Dr Tony Joseph, who is in the gallery, recommended the introduction of at least 70 acute care beds, and his recommendation was echoed at that stage by the current Minister for Health in her dissenting report on the Royal North Shore Hospital inquiry. One of the issues with Royal North Shore Hospital is that the northern beaches hospital was always designed to take up the shortfall. The Minister must confirm that the time line and funding for the northern beaches hospital will not be affected by any enhancement of Royal North Shore Hospital. The Minister should also take into account the effect on Ryde Hospital. As Dr Joseph said, "We have been saying for a number of years that Ryde probably should not be working as an acute hospital."

The main reason for the plan not going ahead at the stage at which they first approached the Minister was the effect on other hospitals that also needed to be expanded, such as Campbelltown and Blacktown hospitals, which it seems have had their planned enhancements significantly cut by the current Government. The pre-election commitment given by the Minister as a done deal was that the two additional storeys would be added to the Royal North Shore Hospital building and that the land sale would be frozen. The staff to whom I spoke yesterday would like to know for how long the land sale has been frozen. The Minister also said yesterday:

... we still need to accommodate patients in allied health, rehab, subacute care, child care, family accommodation because Rotary Lodge was demolished and the hydrotherapy pool.

Where will those facilities go, and when? As to the petition, experienced politicians like the Minister try never to get involved with, sign, or organise a petition that cannot be delivered on. This is a petition to Parliament signed by the Minister to which she can accede with a stroke of her ministerial pen. Many unanswered questions remain about the Royal North Shore Hospital development. Are the extra beds part of the additional 1,390 beds promised statewide by the Coalition prior to the election? The beds were to be 880 Council of Australian Governments beds, which is an agreement the Minister is yet to sign, and 450 subacute beds costing \$173 million.

Will the Minister guarantee that permanent recurrent funding for additional beds at Royal North Shore Hospital is permanently factored into Royal North Shore Hospital's budget? What will be the effect of those changes on the northern beaches and Ryde hospitals? Tonight the Minister must make a firm commitment to those hospitals. I understand that an announcement relating to the northern beaches will be made in the September budget, so why not now? How will the Minister add two storeys to Royal North Shore Hospital, permanently freeze the land sale, build hospitals at Wagga, Northern Beaches, Tamworth, Bega, Pambula, Dubbo and Forbes-Parkes, maintain agreed nurses wages and conditions, and still allow the Government to fulfil other commitments to a surplus budget and to building the North West Rail Link?

So far we have seen the Minister making promises with the hope of sending the bill to Nicola Roxon even though the Minister knows that the bill should be sent to Mike Baird. Freezing the land sale and adding two storeys to Royal North Shore Hospital are the right thing to do for the hospital. However, the people of the northern beaches and the people of Ryde have received no firm commitment. They need a commitment from the Government that their hospitals will not be downgraded in any way. The Minister must explain to the rest of the State how she will do what I have described for Royal North Shore Hospital while looking after the needs of all.

Mr JONATHAN O'DEA (Davidson) [6.05 p.m.]: As people age, the importance of a strong and balanced health system generally increases. Health is the most important public service priority to most New South Wales families, and my family is no exception. As a lifelong resident of Sydney's North Shore, various members of my family, including me, have called on the public facilities and dedicated staff of Royal North Shore Hospital. However, the reason I speak forcefully about health is because more than 13,000 people have signed a petition that rightly questions the sale of public land to assist in both funding the hospital's redevelopment and allowing high-density commercial and residential development. The thousands of petitioners represent more than 1.1 million people who rely on Royal North Shore Hospital's services and include people who live in my electorate of Davidson.

The petitioners request the Legislative Assembly to retain the lands that are planned for sale and to preserve the land for future expansion of the campus and use by patients, their visitors and the local community. The sale proposed by the former State Government will involve selling large chunks of public land around the

site of Royal North Shore Hospital in a way that will reduce the functional size of the hospital campus from 11.6 to 5.6 hectares. It will potentially hamper hospital operations and prevent future expansion—all to gain the equivalent of only three to four months of hospital operating costs. That, rightly, has been likened to a householder selling their backyard to pay three or four months of household bills.

The sale of hospital land will leave Royal North Shore Hospital with much less land than inner-city hospitals such as Royal Prince Alfred Hospital have, and will ignore the valuable role that open space plays in patients' recovery. In that respect, I note the importance of green open space in providing an optimal environment for patient health, care and recovery as well as providing staff and visitor respite. The former Government said that the land was being sold after planning consultants had identified it as surplus, and I wonder how many of Labor's developer mates were waiting in the wings. While the Willoughby City Council is not opposed to some development of the site, it has argued that the sale proposal was ill considered and that planned high-rise commercial development could get in the way of helicopters transporting patients to the hospital.

The redevelopment, which originally was due for completion this year, has been criticised roundly by doctors. I have spoken personally to several of them and I know that others are present in the gallery who, among others, are particularly angry about the former State Government's proposal to build the new hospital while at the same time increasing Royal North Shore Hospital's bed capacity by only 14 adult surgical beds at the expense of 13 intensive care beds. Labor's rushed process also jeopardises the future viability of the site as a major teaching hospital. We have seen too many disasters under the former Labor Government when it did not follow proper process—but the current Government will.

The Minister for Health, Jillian Skinner, called for a hospital campus plan prior to the election. Straight after the election, she promptly halted the sale. She has also confirmed that the new Government will open more beds. The increased need for beds is due not only to an increasing population but also to the fact that Labor repeatedly delayed commencing construction of the northern beaches hospital, which will be built. The Government has allocated \$125 million to its construction during its first term of government. I commend the Minister for her consultative approach and wise action. It is highly appropriate, although unusual, that she received three cheers of support from the rally outside New South Wales Parliament yesterday.

The campus master plan will be delivered with the involvement of clinicians in a focused, measurable and achievable manner. It should address issues previously not addressed, including child care, family accommodation, hydrotherapy, allied health, rehabilitation and subacute services. The ramifications of decisions made now will be felt by the local and broader community for decades. Short-term gain does not justify sacrificing long-term community needs. Public assets should be managed more carefully instead of flogging them off with inadequate attention to long-term planning. The New South Wales Liberal-Nationals Government is determined to implement a positive health agenda to ensure that we have world-class health and deliver people the quality care they deserve. At the same time we will attempt to address the many shortfalls inherited from the previous incompetent Labor Government. [*Time expired.*]

Mr BRAD HAZZARD (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [6.10 p.m.]: I make a contribution to the discussion on the petition that arose from the concerns of more than 10,000 citizens about the future of Royal North Shore Hospital and what the former Government did regarding not the management but mismanagement of that hospital's development. Each citizen has expressed clearly the frustration of many people on the North Shore, many medical practitioners and community members generally. Indeed, all staff at Royal North Shore Hospital will say privately that they are exceptionally frustrated by the processes adopted by the former Government. They will say privately that they were not engaged in the forward planning—medical practitioners, nursing staff and allied health staff were largely excluded. Indeed, honouring the presence of hospital staff was not on the radar.

Some staff worked in buildings as work was undertaken, including removal of parts of the building. Staff were told to pack their gear into boxes and moved around the place. They were not treated respectfully at any time during the process. As construction proceeded it became obvious from the planning shortcomings that the magnificent new facility would not deliver what was promised. The expenditure of an immense amount of taxpayers' money will produce a probable net increase of just one bed. Accommodation for allied health, rehabilitation and subacute staff remains an issue as it appears that childcare facilities, family accommodation and the hydrotherapy pool will not be located anywhere.

Sadly, the former Government failed to consult at any stage with the very people who could have helped the most to ensure an appropriate outcome. One shortcoming was the design model being predicated on the existence of the new northern beaches hospital. Members in this place know that the then Liberal-Nationals

Opposition fought tooth and nail to get the Labor Government to listen to its concerns about building the new northern beaches hospital—just planning for it. Privately, NSW Health officials and staff were frustrated. As finalisation of the new hospital approaches and we end up with only one extra bed, certainly we will not have the much-promised new northern beaches hospital. That means greater shortcomings in facilities needed to provide adequate medical care.

The new hospital was supposed to provide first-class medical care. The doctors, nurses, allied health and other medical staff at Royal North Shore Hospital are first class. For 16 long years we had a Government that was last rate. Unfortunately, it did not take notice or listen. Now we are stuck with this huge problem. The Liberal-Nationals Government has a different view—it will support staff, it will listen and it will do everything humanly possible. But it has been left with an almighty problem, compliments of an incompetent Labor Government. The challenges are great, but this is a great Government and it will do its darnedest to meet those challenges.

Discussion concluded.

CRIMES AMENDMENT (MURDER OF POLICE OFFICERS) BILL 2011

Bill received from the Legislative Council and introduced.

Agreement in principle set down as an order of the day for a future day.

PRIVATE MEMBERS' STATEMENTS

NATIONAL RECONCILIATION WEEK

Ms TANIA MIHAILUK (Bankstown) [6.15 p.m.]: This week is National Reconciliation Week and this year's chosen theme of "Let's Talk Recognition" is quite appropriate as it enables the Indigenous and wider Australian communities to recognise the broad achievements of Indigenous Australians in public and private disciplines. Increasingly, Australians are appreciating the depth and diversity of the Aboriginal and Torres Strait Islander communities and beginning to recognise the richness of our national life and identity thanks to the growing involvement of Indigenous Australians. This year's reconciliation campaign focuses on how as a government and community we can better recognise the status and contribution of Indigenous Australians' achievements.

One particular area to which attention is being directed is recognising Indigenous achievement in higher education and fostering initiatives that encourage higher school retention rates and tertiary studies. Reconciliation Australia has issued a study paper that recognises that more Indigenous students are participating in vocational education and training, and specialising in specific disciplines while university enrolments of Indigenous students continue to grow. Of course, National Reconciliation Week also marks two historically significant milestones for Australia. On 27 May we celebrate the anniversary of the 1967 referendum, which saw the vast majority of Australians vote to give the Commonwealth the power to remove clauses considered discriminatory within the Australian Constitution.

Essentially, this successful referendum finally gave Aboriginal and Torres Strait Islander people full citizenship rights, gave the Commonwealth power to make laws for Indigenous Australians, and recognised them in the national census. The referendum also resulted in the Council for Aboriginal Affairs being established. The 1967 referendum was the culmination of years of activism by civil rights campaigners in Australia. It took 10 years of petitions and lobbying of politicians before then Prime Minister Harold Holt finally set the date of 27 May for Australians to decide whether Aboriginal people should be counted in the census.

Today, almost 45 years later, it is difficult to fathom why, prior to the referendum, Indigenous Australians were shamefully recognised only under the flora and fauna legislation. National Reconciliation Week also serves to remind us of the anniversary on 3 June of the 1992 High Court of Australia landmark Mabo decision that recognised that Indigenous people had, and have, a special relationship to the land that existed prior to European settlement. This recognition paved the way for native title Indigenous land rights. The National Reconciliation Week's "Let's Talk Recognition" campaign provides an opportunity to recognise many achievements and reminds us also that, despite progress, Indigenous Australians continue to face many challenges.

Aboriginal and Torres Strait Islander people suffer from the challenges of shorter life expectancy, access to health, education, employment and various levels of disadvantage and disconnection to their culture. The campaign is organised by Reconciliation Australia, which is the peak national organisation that builds and

promotes reconciliation between Indigenous and non-Indigenous Australians. It is also responsible for many campaigns, including one to encourage respective communities and government to adopt recognition action plans across Australia. This campaign also serves to remind all members, corporations, businesses, local government and other organisations to develop their respective recognition action plans as a means of supporting continued reconciliation efforts. Bankstown council is about to sign a statement of commitment between the council and the local Aboriginal and Torres Islander committee to also take steps to develop its own recognition action plan. I congratulate Reconciliation Australia and the many Koori and community agencies and groups involved in organising the national campaign. I also recognise the contribution of the many sponsors and partners of Reconciliation Australia.

Private members' statements concluded.

INAUGURAL SPEECHES

ACTING-SPEAKER (Mr Gareth Ward): Order! Business is interrupted for the presentation of inaugural speeches. Before I call the member for Wollondilly I remind the House that this is the member's inaugural speech and I ask members to extend to him the usual courtesies.

Mr JAI ROWELL (Wollondilly) [6.21 p.m.] (Inaugural Speech): I stand before you today by the grace of God, humbled by this magnificent place, humbled by the trust that has been placed in me by the people of Wollondilly, and honoured to have the opportunity to create real change for my community and the people of New South Wales. My journey to this place has not been an easy one and my upbringing has taught me that one of the most important things is the notion of choice and the value of perseverance. The choices we make on a daily basis affect not only ourselves but those around us. They shape our path through life as we change and evolve. The choices we make are what define us. I have always believed that one measure of a man is how persistent he is to achieve what he sets out to accomplish and the choices he makes to get there.

I believe this sentiment to be of the utmost importance, especially in this place. We enter this place with the expectations of our own electorates and the expectations of the people of New South Wales that we will achieve what we set out to do. Perseverance to achieve our election promises, for the betterment of my constituents, is what drives me. My desire to serve the people began as a boy, raised in public housing. I have experienced firsthand what many treat with mild neglect. Department of Housing residents deserve greater recognition in our society, and I intend to make positive changes in this field.

There is a great need within these communities for better services, better support and coordination from both State and Federal governments, as well as for governments to give opportunities, not just slogans and rhetoric. Most people within these communities are hardworking mums and dads who have fallen on hard times, as was the case with my parents. Whilst my childhood was enjoyable, nurtured by a loving mother and father, I had a number of setbacks. When aged 15 I was declared clinically dead—albeit only briefly. I had slipped into anaphylactic shock followed by an adverse reaction to the medication used to treat me. Against the odds and after several months, I recovered. Motivated by this, I made a choice to make the most of my second chance and pursue life to the fullest.

Stories of sacrifice and examples of adversity can be found from one end of my electorate to the other. While the natural beauty and various landmarks in my electorate are the best in the world, so too are the people who reside there. For it is those individuals who are truly the heart of the Wollondilly electorate and it is them, as a group, who define it. We have families like the Lynchs and the Gillmartins from Silverdale and Warragamba, where many homes were decimated by the 2001 bushfires. Those families and many others made a choice to defend their homes, in many instances rebuilding what they had lost, demonstrating incredible courage and resilience. In Theresa Park we find Sarah Hilt. Whilst in her early years at university, Sarah went to bed one afternoon with a temperature and woke up from a coma, weeks later, with her limbs removed after contracting meningococcal. Sarah had a choice to give up her studies and become dependent on others, but she chose to persevere, finishing her studies with honours despite losing all fingers on both hands and both her legs.

Sarah is now a motivational speaker and meningococcal awareness campaigner. She has started the Sarah Hilt Foundation and is competing at the Para Pan Pacific Games later this year. Rosemeadow and Ambarvale are the home of the 3Ms—a place where three housing commission streets connect. It is also the place that saw the riots that featured on our television screens. Many residents, however, chose not to be typecast, such as Uncle Ivan and Granddad Whui, two elders who were instrumental in the peacemaking and rebuilding process. They are gentlemen in every sense of the word who persevered to make their community a better place. Picton, steeped in historic beauty, is home to one of the most influential and determined women I have ever met. Glenda Grabin, together with a band of local mums including Darien Gray, Angela Longbottom and Nicole Robinson, are an inspiration to us all. After their children were born with Down syndrome they made

a choice—a choice to fight every day to make a positive change in our society. From changing the name of the Birth Defects Register, to your endeavours to set up the first Down syndrome specific centre in Australia, you epitomise the word "persistent", and I look forward to working with you and everyone at The Right Start to achieve everything you set out to accomplish.

These local people and their stories, along with many others, inspire me each and every day, and together I am confident that we can do great things for our area. They are testament to fact that the choices we make on a daily basis affect the path our lives take and that we, present in this place, must take nothing for granted over these next four years. There are similar tales throughout the entire electorate of Wollondilly as it is a place as rich in spirit as it is rich in history. The town of Appin has just celebrated 200 years since settlement—one of only five towns to reach this great milestone. Menangle is home to Australia's first pastoral company, home of the Macarthur family's Camden Park Estate, which was renowned for its groundbreaking agricultural practices for many decades, including the famous Rotorlactor. Just as those towns have a proud history, so too does the seat of Wollondilly.

The Hon. Sir George Fuller and the Hon. Tom Lewis, both former conservative members for Wollondilly, ascended to the esteemed position of Premier and these great representatives of Wollondilly have had a strong influence on the evolution of this State. I wish to carry on their strong tradition of progress and conservation with determination to achieve for the people of Wollondilly. I will fight for the creation of the Dharawal national park. I will fight to upgrade Campbelltown Hospital, which is located in my electorate. I will fight for the widening of Narellan Road, the upgrade of rural roads and the delivery of vital infrastructure, including sewerage connection to rural towns that are desperate to ease the burden of pump-out fees.

As the fourteenth member for Wollondilly, I am honoured to stand before you tonight but I take this opportunity to pay my respects to the thirteenth member, the Hon. Phil Costa. I wish you well for the future and acknowledge your contribution. I am the product of a public education, starting my school years at Cartwright Public and finishing at Bowral High School. I am a proud alumni of the University of Western Sydney, Macarthur Campus, which is also located in my electorate, graduating with a Bachelor of Laws. It was at this fine institution that I was first introduced to the practical workings of politics, later becoming president of the Student Representative Council, where I instigated many programs such as free shuttle bus services and affordable food on campus.

From here my love of politics grew deeper and I have since progressed to hold many Liberal Party positions, including my current place on the New South Wales State Executive. It is true that the Liberal Party is the party that rewards hard work, and my upbringing has taught me that with hard work and perseverance anything is achievable. These sentiments were further developed during my years working for the Hon. Charlie Lynn, who took me across the Kokoda Track. Walking to Isurava Memorial located in the highlands of Papua New Guinea, as the sheets of rain drenched me to core, all I could think about was the sacrifice of those brave young men giving their lives and allowing me to stand before you today. I thank you, Charlie, and tonight I take this opportunity to salute our members of the armed forces.

My election to Campbelltown City Council allowed me the opportunity to make choices that affect the great people of Campbelltown. I was fortunate to meet the general manager, Paul Tosi, and current mayor, Paul Lake, and I thank them for their support and wisdom. I also take this opportunity to mention Les McMahon, General Manager of Wollondilly Shire Council, and Mayor Michael Banasik and thank them for their help and wealth of local knowledge. My time on council ensured that I was able to see firsthand the positive changes that I could make as an elected representative and where I developed a strong vision for our community. This vision is for Wollondilly thriving as a tourist destination, utilising the fantastic local attractions we have, including the redeveloped Trainworks Steam Train Museum in Thirlmere, Bargo's Wirrimbirra Wildlife Sanctuary, Mowbray Park Farm and the famous Warragamba Dam—one of five dams in my electorate that supply more than 80 per cent of Sydney's drinking water—to name but a few. Increased tourism will boost the local economy and help create more local jobs.

Job creation is another big issue that affects people throughout Wollondilly, from Bradbury to Bargo, from Warragamba to Wilton. There is a lack of local job opportunities, as well as a skills shortage, within the area. More than 70 per cent of my constituents travel outside the area for work each day. Therefore, it is essential that we as a Government invest not only to create local jobs but also to develop productivity centres, and business and technology parks in consultation with the local community to generate growth within the region. As I look around this Chamber I see my good friend Chris Patterson, the member for Camden, and Bryan Doyle, the member for Campbelltown, who both share my vision for our region.

Chris has worked tirelessly as the mayor of Camden and his knowledge of the local area is second to none. He has become a close friend over the years and I am glad to sit in this Chamber with him. Their election to this place is a testament to their hard work, perseverance and dedication. Finally, the Federal member for Macarthur, my very good friend Russell Matheson, a proud local member. When Russell made the choice to run in the 2010 Federal election, Macarthur gained an avid campaigner for job creation, infrastructure for a growing region and a dedicated local member of Parliament. Unfortunately, Federal Parliament is sitting tonight so he cannot be here, but his wife, Sharryn, and their two daughters, Alana and Jessica, who supported me are here tonight.

Finally, to my equally good friend the Federal member for Hume and his wife, Glo, I thank them for always encouraging me and strongly advocating for our local community. From the beginning we have made it very clear that we will be a Government that will govern for all of New South Wales. Already, we have seen alterations to the planning laws, giving local planning decisions back to the community. I commend the Government for this decision. I am grateful to serve under our Premier, Barry O'Farrell, who shows a strong commitment to south-western Sydney. I thank you, Premier, and your Ministers, together with my colleagues in both Houses, for their assistance during the campaign. Your help and advice were invaluable.

Election day on 26 March 2011 was one of the most rewarding, thrilling and exciting days of my life. It was a great day, and the community shared with me not just its frustrations with the previous Government, but also its vision, hopes and dreams for the future. Many people were voting Liberal for the first time and they told me not to take them for granted, as Labor had done for so many years. It was a great result and we will go on to do great things. But great things cannot be achieved by one individual alone. They are achieved by great teams, and I am most privileged to have the most talented and determined team working for me. You are all like family to me and many of you have been supporting me for well over a decade. I will never forget the sacrifice and hard work that each and every one of you made to my campaign. The journey we took together will be etched in my memory forever and I am forever grateful.

At the risk of failing to mention someone, I thank those who greatly contributed to my campaign. First, I must thank my campaign director, Michael Shaw, who is now my office manager. Mike, what can I say about you? I see you as a great friend, confidant and brother. You put your life on hold for an entire 18 months to make this election win possible. I thank you in advance for putting your life on hold for the next 25 years so that together we can achieve so much more for our community. To my deputy campaign director, Benn Banasik, your family may have forgotten what you look like, but hopefully your wife has now forgiven me for the fact that you were not home every night—but we did it. You were always there for me, and I thank you for your support. [*Extension of time agreed to.*]

To Jean Newton, my treasurer and my former conference president, I thank you for all you do for me. You have supported me from day one and I appreciate your counsel. By the way, your sabbatical is now cancelled. To Jeff Gray, my conference president, and his wife, Janet, words will never express the gratitude for all that you do. Jeff, you are like a brother to me, and I thank you for everything. To Councillor Paul Hawker and his wife, Sigrid, thank you. We both started our tilt at public life together and I am proud to work with you at a local level for our community. To Lou Amato, you have stood solid as a true friend and I thank you for your belief in me. To Joel Matthews, who took all his annual leave to work night and day on the campaign, thank you for being a true friend through good and bad.

To Matthew Mason-Cox, my former boss, my good friend and now colleague, I thank you for the countless hours and sleepless nights you gave to my campaign, ensuring its success. I appreciate your wise counsel in helping me to settle into this great place. Thanks must also go to the State director, Mark Neeham; my good friend, the deputy State campaign director, Richard Shields; Chris Stone; Lisa Maree-Schell; Simon McGuinness; Jen Havilah; Jeremy Vine; and all the staff at the secretariat. To the rest of my campaign team, I give you my heartfelt thanks and appreciation for everything you did. Tonight I acknowledge Michael and Anne Banasik for putting their lives on hold and assisting in every possible way to ensure that the job got done; Sharryn Hilton, the former Liberal candidate and her husband, John, who have supported me; Brooke Hilton; Toese Faapito and his extended family for their help and support; my aunty Dawn for assisting mum with the lunch-making duties to feed a massive army of volunteers, together with Julie Percival, Anne Shaw and Beryl Shaw.

To Paul Hilbrick, thank you for overseeing the polling booths. I thank Eleni Petinos, who has been helping me since we first met; Chairman of the Wollondilly branch of The Nationals, Mr Alan Hay; Kathryn Steinweiss, who constantly challenges my thoughts; Ashleigh Moss with her can-do attitude; Dr John Chew;

Tanya Harris; Jared Hilliard; Scott Percival; Zaya Toma; Anna Grace Millward; Reece White; Corey White; Lizzy Lambert; Brett McGrath; Jason Buschetti-Zanotti; Bruno and Marie Lopriato; Tony O'Toole; Debbie Stevens; David Gavin; Errol Gavin; Matthew Gould; Lorri and Richard Harrison; Dean Jones; George Greiss; Glenda Grabin; Nicole Robinson; Darien Gray; Nathan, Sam and Sharon Bishop; Karl Klein; Tony Higgs.

I also thank Senator the Hon. Concetta Feirravanti-Wells; Cr John Chedid; Chris Rath; Alex Clarke; Wayne Brown; Peter Poulos; the Hon. Dr Peter Phelps; Dominic Perrettot; Aaron Johnson; David; Anthony Spagnolo; Bill Gouritis; John Corrigan; Phil, Sam and Ricardo Abusail, who I have worked with since our university days; Eric and June Heise; my cousin Don Edmonds for his support; Paul Dangar; Clive and Lorraine Johnson; Anne and Mervyn Youl; Barry, Tony and Adita; Greg McCabe; Karina Ralston; Alan Buxton; Deidre Darcy; Roger Golding; and Jaymes Boland-Rudder, the go-to man who was always happy to answer the 100 questions we asked him every day. To my good mate and Aussie legend, Angry Anderson, who came out to campaign with me, thank you.

I also thank the flying squads that came out and to the rest of the 200-plus army—some of them are here tonight—who gave up their time to hand out on election day, scrutineer, organise booths and make election day run like clockwork. Although I have already mentioned them, I thank my staff: Mike, Kathryn, Ashleigh and Michael. You are doing a fantastic job, and I am so proud of what we are achieving already for our community. I am proud of each of you and I know the great lengths you go to each day in servicing our constituents. Special thanks must also go to my parents, Ted and Yvonne Rowell. From an early age you instilled a strong sense that you can achieve anything as long as you put in the hard work—an attitude that has greatly assisted me throughout my life.

I remember my mum sitting down with me every afternoon after school helping me with my homework, ensuring that I was given the best opportunity to succeed. My dad and I have enjoyed many a political conversation, and I recall these from an early age. Dad, you have always encouraged me politically and for that I am forever grateful. My parents have always supported me in my political endeavours at every election, including the old days of painting bed sheets for university elections, then driving around in the middle of the night to put them up. Thanks must also go to my dad for travelling with me on election day and to mum for organising the election-night party with my sister, Ebony. It was second to none and everyone in attendance was amazed at the quality of preparations, including the election posters and the election cake.

Also, thanks to my sister, Ebony, and her partner, Lutfi, who helped me throughout the campaign and worked very hard. Sis, you continue to make me proud. I give my heartfelt thanks to my in-laws, John and Annette Frisken. Your help and support meant more to me than you will ever know. To my brothers-in-law Daniel, Matthew and David, grandparents-in-law, Barbara Jolly and the Reverend Bob Frisken, for all their love, support and friendship; to my uncle-in-law Steven Frisken who handed out for me and had to change the colour of his political flavouring to support me. To paraphrase one of my favourite singers, Alan Jackson:

... the greatest contribution I will ever make is the ones I leave behind.

With that in mind, I thank my beautiful wife and my two best friends, our amazing sons, Will and Menzies. Their inspiration, love and support are the reason I wake up every day in an attempt to do them proud. My Mr Monkey, Will, aged almost nine, and my Mr Caterpillar, Menzies, aged 19 months, have shared in this journey with me. Will, you are turning into a fine young man with wisdom beyond your years. I love you very much and know that you will do great things. You continually amaze me and have taught me some of the most important things in life. Menzies, you are a great son and are very loving. Your daddy cuddles make me smile even at the end of a long drawn-out day. Your enthusiasm to do what the big people are doing is great to watch, and I know that you too will do great things. I love you. I look forward to being part of both your lives, watching you grow and doing the best job I have, and will ever be given, to be your dad. Everything I do will be to make this world a better place for you.

To my loving wife, Belinda, for reasons I will never understand, you chose me, put up with me and support me. You are my rock, and grow more beautiful each and every day. You are no doubt the best mum in the world and the greatest wife that has ever been. You have taught me how to love, and if it were not for you I would not be in this place. I share this victory with you. When we first got engaged I remember we said that our goal was to grow old together, leaving great footprints in the world in which we live. This still remains our goal, and I love you so, so much. The people of Wollondilly will also benefit from you, as we both share a passion for our community and are determined to make it a better place. Finally, to the people of Wollondilly, thank you for placing your trust in me. I will deliver. I will not let you down. I am immensely aware of the expectations you have of me and I will always have my arms and door open to you. Together, we can make a difference and together we will make Wollondilly an even greater place to live.

The ACTING-SPEAKER (Mr Gareth Ward): I congratulate the member for Wollondilly on his inaugural speech, and welcome him to the class of 2011.

Mr LEE EVANS (Heathcote) [6.46 p.m.] (Inaugural Speech): Madam Speaker, distinguished guests, friends and family: I recognise the Speaker of the House, the first woman to break through the mahogany ceiling. Congratulations on your ascendancy. I stand here before you today with a sense of mission accomplished. Every journey starts with a single step. The one that has led me here today began 49 years ago, when I was born in the suburb where I now live and have the privilege to represent. I am truly humbled by the people of Heathcote's support and their trust that I may represent them in the Fifty-fifth Parliament of New South Wales. I regret that both my parents, Keith and Rita Evans, are not here to witness me take my place in this Parliament; my father Keith passed away in February last year and my mother Rita suffers from dementia. I owe my father a great debt. Just one month before his death he reinforced his belief that I would win Heathcote. He made me promise not give up under any circumstances.

As a qualified chef the question might be asked, "How did you end up in this place?" My career up to now has been, some would say, diverse. I have worked in some of the best restaurants in Sydney as well as in food service sales; in 2000 I was fortunate enough to be the Supply/Purchasing Manager for the Sydney Olympic Village. I have taught Hospitality and Tourism at TAFE, and prior to entering this place I co-owned an Australian gourmet food distribution business. I was involved in the World's Longest Buffet Organising Committee, culminating in 140,000 people enjoying the event at Darling Harbour. I owe my business partner and best mate, Steve Fletcher, a great debt. He has supported me in my political endeavours—I am sure secretly wishing I would not succeed. I trust he will continue to build this small business into a much bigger one. To Steve and his wife, Cherise, thank you.

My first step, the first of many, was taken when I began helping my father campaign back in the Askin days. My father helped establish the Liberal Party in the Sutherland shire by doorknocking for Menzies with fellow stalwarts Evelyn Thompson and Jack Hicks. Sadly, we lost all three last year. My father, Keith, never took a backward step. Indeed, those who know me will attest that I may have inherited his tenacity. I have proven that anyone can do whatever they want to do in this country as long as they have passion. I have always stood by my belief that if I was going to be successful in politics I would have to stand for a seat I live in. This journey has taken a while, but it has been worth the wait to win my seat. This helped the Liberal Party to take Government.

I remember working on booths in every election since 1970 with my father. We worked at local council, State and Federal elections, not to mention by-elections and referendums. I officially joined the Liberal Party in 1996 after Nick Greiner left Government. I made the decision when my dad said, "Son, be a part of the solution, not part of the problem." I would like to acknowledge Mr Greiner, who helped on my campaign. He even manned a booth at Coledale. Despite that, we won Coledale. We thank him for his efforts. I thank him for his support. Unfortunately he cannot be here this evening. I live in the same suburb that I was born in and I have seen many changes, for better and for worse. In this place we represent the people. We must always remember the people we represent. I pledge to the people of Heathcote that I will consider everything that comes before me on the basis of how it will affect the people of Heathcote first, then the people of New South Wales.

The seat of Heathcote spans from Sutherland to Bulli taking in some of New South Wales most spectacular scenery and, arguably, the best in the world. Heathcote spans 458 square kilometres. Ninety-one per cent of my constituents speak English as their first language and 76 per cent live in a separate house on an individual block. The Grand Pacific Drive is one of New South Wales best kept secrets. I have heard many parliamentary representatives wax lyrical that their electorates are the best. There is no need to say it in Heathcote's case; Heathcote is the best kept secret in New South Wales. It is my task to tell the wider population of New South Wales to come to Heathcote electorate and to discover all she has to offer.

While speaking of Heathcote, the jewel of the south, I cannot go on without mentioning the past member, Paul McLeay. Without his vision and persistence I am sure we would not be enjoying one of this State's greatest assets, the Seacliff Bridge. Mr McLeay assisted in opening the Seacliff Bridge and the Grand Pacific Drive. I thank Paul for his service to the people of Heathcote, in the way he conducted the campaign and the way he went out of his way to make sure we had a smooth transition into the electorate office I wish Paul, Cassy and the family very well. The Seacliff Bridge is an example of thinking outside the square in the design of public assets and is an architectural statement applauded by international car companies around the world, whose advertising campaigns feature this spectacular bridge. I encourage all of you to experience the drive for yourselves.

The people of Heathcote expect me to deliver. During the campaign one of the subjects raised constantly was the Wollongong council elections. Just weeks into government I have already set the date for these elections. I am proud we have already given this commitment a big tick. New South Wales residents expect their Government to deliver infrastructure. That infrastructure needs to be in place before we release great tracts of land for housing. The Illawarra and the people of Heathcote need a better way to get to work. I have heard the people of Heathcote. The F6 extension needs to be and should be considered as soon as possible. We trust Infrastructure NSW will consider this project as a matter of urgency.

The Princes Highway's Heathcote Shopping Centre traffic bottleneck was another subject raised by everyone in Heathcote and even by those outside the Heathcote electorate. The impact of this traffic snarl on tens of thousands of commuters travelling to their work and home has been ignored by the previous Government. We, on the other hand, will make traffic on the entrance to Sydney from the south flow freely. Policing in Heathcote is like many other electorates; we need more resources. I would like to mention the growing area of Helensburgh, which has a police station that is not manned to levels that match demand. A fully functioning police station in the area would cover 18,000 constituents and run from Bundeena to Thirroul. Police would have quick access to the F6. Over the period of the Fifty-fifth Parliament I will fight for a fully manned police station for Helensburgh.

I was proud to walk Dharawal State Reserve with Barry O'Farrell when we made the commitment to make it a national park. This will preserve the headwaters of the Georges River and priceless Aboriginal rock carvings. It is the water catchment area for the Woronora Dam. This area, with its natural swamplands, filters our drinking water. The whole area needs careful management. I look forward to again joining Barry O'Farrell at the commitment ceremony. Many of my constituents have great concerns with methane gas exploration in our electorate. The water source for the Illawarra and Sutherland shire must be protected. I will represent the many concerns of my constituents and make their voices heard. My focus as the member for Heathcote is to encourage economic growth and environmental sustainability. These tasks are not taken lightly.

One of Heathcote's major sources of business and employment is coalmining, the history of which spans 120 years in Helensburgh. The coalmining industry is well established. We need to now develop a vibrant tourism industry focusing on the Grand Pacific Drive and other treasures that are waiting to be discovered. I imagine towns like Helensburgh, with its rich history of coalmining, being the start and finishing point of the Grand Pacific Drive, whilst villages like Stanwell Park, Coledale, Scarborough and Austinmer offer bed and breakfasts, cafes and restaurants, all employing locals. Thirroul and Bulli could have more shops with curios and antiques, encouraging visitors to spend their time and their money in our region.

It is traditional that in their inaugural speech new members lay out what they stand for. I believe that the community has the power. We as members of Parliament have just reached the pinnacle of our careers. We have just become the ultimate public servants. As a consequence, I have a great interest in making our communities' lives better. For those who do not have a voice—the homeless, the disabled and members of our communities who have fallen between the gaps—I look forward to making their lives better.

I also have a passion—and some might say a talent—for making things happen. For seven years I was the president of the parents and citizens group at my boys' school, Endeavour Sports High School. At my first parents and citizens meeting I was confronted with parents who had been lobbying for decades to get sports facilities. Their will to fight the system had extinguished. Funnily enough, Endeavour was a sporting school without any sporting facilities. State and international representatives used to make the best of a bad situation and go on to represent our State and our nation in their chosen sports. Students in the basketball program used the canteen to practise, yet some of these guys and girls have gone on to represent us at the Commonwealth Games and the Olympics. How hard could it be to get sporting facilities for a sporting school, I thought? The principal supported me in doing anything I could to get something. The revolving door of Labor education Ministers frustrated me for 18 months. Most would have given up.

I contacted Alan Jones and organised a meeting with the then education Minister. At the same time I wrote to the Federal education Minister, Brendan Nelson, asking for a direct grant to my school. The look on the Minister's face when Alan Jones walked in told the story. "We need sporting facilities at a sports school, don't we?" he said. "But there is no money," he said. I received a positive response from the Federal Minister and a direct grant was made to Endeavour Sports High School of \$2.5 million. With great fanfare the boffins from the department came out to make the announcement. They proudly announced that \$2.4 million had been granted directly to Endeavour Sports High School. Where the other \$100,000 went must be a story for another day. [*Extension of time agreed to.*]

A new sports basketball stadium, and multipurpose all-weather Astroturf fields and netball courts under lights was the result and cost the New South Wales taxpayer nothing; it was a public-private partnership with the company. It took only seven years to get through all of the red tape. Needless to say, when I am driving home past Endeavour now, it is starting to look like a sporting school. There are many firsts in the Fifty-fifth Parliament of New South Wales and I would like to indulge myself for just one moment. This year marks the passing of my fiftieth birthday. Fifty years ago there was a pharmacological disaster known as Thalidomide—a terrible drug prescribed to women to relieve morning sickness. I stand here before you as the first Thalidomide baby to be elected to Parliament, and appointed Acting-Speaker in any Parliament anywhere in the world. This is something that needs to be said but not dwelt on. I pray that a disaster of this magnitude will never happen again.

I turn now to those people without whose support I would not be standing before you. First, I acknowledge my wife, Gayle—to borrow a line from Danna Vale, the Heathcote patron and former member for Hughes, "My long-suffering wife". As all members understand, your partner can make or break your political career. Gayle has always supported me in all my endeavours as I do hers. Gayle, you have stood beside me ever since we met at school back in 1978. We support each other and we make an awesome team. We have been married for 26 years and have two great boys. You have succeeded in your chosen field and I am confident you will reach your ultimate career goal. Gayle, you complete me. I thank my boys, Cameron and Adam, and although they do not hold the same passion for politics as their old man, they still support Gayle and me. Cameron has chosen to work in one of the most difficult areas, the disability sector, and he does it without any fuss. Adam is turning into a fine young man. He is still studying at school and has great potential, if he takes it out for a run. Oh yes, Adam, we will get Foxtel; it is now in *Hansard*.

The Heathcote campaign team is an experienced one, a well oiled machine some say. When we decided to run our campaign as a military exercise it took on a life of its own. Because of the geographical footprint of Heathcote we set up four separate beachheads and "Operation Overlord Heathcote" was born. Four commanders were appointed. Sword was Bill Meehan, covering Sutherland to Yarrawarrah; Gold was Garry Law, Engadine to Heathcote; Juno was Peter Colacino, Helensburgh to Coalcliff; and Utah was Brian Beecroft, Scarborough to Bulli. It has been suggested that the former member for Heathcote was Omaha, where the Allies sustained massive casualties. Overlord supreme commander was Brett Thomas. Brett kept me grounded, dubbing me "Precious Candidate" if I ever inquired about anything that took my focus off campaigning. Thanks are not enough, Brett. I owe you a great debt.

The "Minister for the Exchequer", Peter Vermeer, was a former candidate in Heathcote in 2003. Without his first strike in 2003, this victory would have been less impressive. Peter had the hardest job, balancing the finances. Coral Slattery needs a special mention. Coral was our pre-poll coordinator and she did this difficult task thoroughly. Even though she endured a serious operation on her foot during the campaign, she battled on regardless. Thank you, Coral. Once endorsement was confirmed at the end of October the team swung into action. Like Operation Overlord we went for the "shock and awe" approach. Railway stations were a particular focus of course and I can attest that Thirroul railway station starts its day no later than 5.00 a.m. The morning crew need a special mention: supporters like Brett Thomas, Daniel McIlgorm, Bob Osborne, Marc Landrigan and Susan Kelly. I thank them for their early morning reveilles. My doorknocking team, Ian Kolln, Brett Thomas and John Ajaka, MLC, spent many uncomfortable hours accompanying me. I will single out John Ajaka for special mention. Thank you for your never-ending support, John.

Mention must be made also of Senator Marise Payne, whose quiet confidence in me gave me strength to achieve my goals. Susan Kelly came onto the team, helping not only Heathcote but Menai and Miranda. I thank her for her herculean efforts in keeping me on time. I thank all my booth workers, who are too many to mention individually. Mr O'Farrell warned me that without Heathcote we would not take government; Heathcote was the pivotal seat where the Coalition achieved the majority. I trust we did okay. Although some thought we could not do it, I hope the final results prove that one should never underestimate passion. We started behind with a margin to win of 8.8 per cent and achieved a final result of a 12.9 per cent margin, a turnaround of 21.8 per cent. This is a direct result of the campaign and booth workers hard work.

As I reflect on the outcome I must mention a few more people who made this result possible, such as Chris Hall, battleground director; thanks for a great campaign. I am sure campaigns are not supposed to be so much fun. Thanks also to Susan Kelly, fundraising-campaign coordinator; Jen Havilah, media handler, who was responsible for making me the most visible candidate ever known in Bundeena, which we won; and Craig Kelly, Federal member for Hughes. I thank him for his support. I also need to pause and to remember those Liberal members who have represented parts of the now Heathcote seat in the past: the Hon. Chris Downy, for whom

I spent many enjoyable hours campaigning back in the day; Allan Andrews, who was unfortunately redistributed out of his seat; and Lorna Stone, who had a brief dalliance with being a member, and has gone on serving her community with grace and tenacity. I would also like to mention the staff of Heathcote electorate office: Mrs Nancy Meehan whose decades of experience in administration and management make my job easy; and Robert Bates, whose journalistic experience is proving invaluable not only to me but also to my constituents.

During the campaign I met one interesting person on the hustings at a street stall in Thirroul. He bowled up to me accompanied by his wife, identifying himself as an Electrical Trades Union organiser. Dropping several expletives, he explained that he had voted Labor all his life and that his father and his grandfather before him had been Labor voters. They had supported the Labor Party all their lives. He explained he was never going to vote Labor again. "Why?" I asked. It was because he was responsible for cutting the power to those who could not pay their bills. He told me, "No more." He could not stand by and support a government or a party that was happy to cut off power to widows and the disabled. He told me he had even paid outstanding bills for pensioners and war veterans out of his own money. This illustrates why the Labor Party is now on the opposition benches.

As I draw my speech to an end I would like to thank two people who have also stood by me for the over 33 years that I have been in their lives: Ray and Jean MacDonald, Gayle's parents: Thank you for all your support over the years, sometimes questioning my sanity, but always standing by my decisions. You have lived through Gayle's and my ups and downs and have always been there for us. I told you it would be all right and I hope you think the outcome is okay. I take this opportunity once more to thank Gayle, Cameron, Adam and Lindsay, Cameron's girlfriend, for their love and support. Every journey starts with a single step. I now start the journey to be part of the solution, not part of the problem. I know my dad would have been proud. Thank you.

ACTING-SPEAKER (Mr Gareth Ward): Order! Before I call the member for Drummoyne, I remind the House that this will be the member's inaugural speech. I ask the House to extend to him the usual courtesies. I call the member for Drummoyne.

Mr JOHN SIDOTI (Drummoyne) [7.15 p.m.] (Inaugural Speech): This evening I speak in this Parliament in front of so many people who have shaped my life. I am deeply honoured and gratified, yet very humbled to be a newly elected member of Parliament, part of a newly elected Government, and now a small part of this great institution which is proud and rich in history and tradition. I am especially proud to be representing the people of my electorate, Drummoyne. The last Liberal member for Drummoyne, Walter Lawrence, stood here some 49 years ago in 1962—before I was even born. I thank the hardworking Liberal candidates before me who fought the good fight in Drummoyne against the tide. I know Greg Long put in a lot of work in the previous two elections. In fact John Howard was unsuccessful in winning Drummoyne in 1968, but thankfully went on to serve as one of the greatest Prime Ministers this country has ever seen.

Drummoyne is my home, my priority and my future. Drummoyne reflects the evolving nature of our country, with its rich, diverse, multicultural origins and its wide spectrum of socioeconomic groups. Mostly the people of Drummoyne are representative of the great Australian character—very tolerant, very understanding, irreverent humour in all things, and of course strong allegiances to and pride in their homes. Every member in every seat in every inaugural speech since the election trumps the beauties of their electorates. Yesterday the member for Kiama went so far as to say his electorate must surely be the prize because most members holiday in his electorate. Well, not to be outdone, when I wake up every morning and look out my window, I wake up to that holiday in Drummoyne where there are beautiful waterways, parks, schools, churches, gourmet delicatessens, Sydney's best cafés, golf courses and Italian patisseries—we have got it all. But best of all, we have a community, so much so that when my wife sends me to the shop to buy milk, it takes me about two hours because I bump into people all the time.

I owe eternal gratitude to the people of Drummoyne for the trust and the faith placed in me by them. My pledge is that I will work tirelessly to be an outstanding member. My relationship with the electorate began when I was about six years old. I was educated at All Hallows Primary School in Five Dock and then in the secondary school at De La Salle College, Ashfield. The member for Fairfield also attended De La Salle College. I furthered my studies at the Ryde College of TAFE, as it was then known, specialising in hospitality. Small business runs deep in my veins. As children, my sister and I would work every weekend at the markets with our parents who had fruit and vegetable stands. I grew up at the markets. To this day I can confidently say that salt of the earth people are bred there. It was a real exercise in character building.

Some 20 years later, it was very pleasant to find myself with the Premier, the Hon. Barry O'Farrell, and other parliamentary colleagues at the Flemington Markets in the middle of an election campaign. Years of

face-to-face work with the public exposed me to the harsh realities of business and the hardships faced by the ordinary person. My most recent work has been in the family-owned function centre in Five Dock. My parents, my wife and I successfully ran this business for over 15 years, picking up a swag of industry awards for excellence along the way. I compered in excess of 3,000 weddings, social and corporate functions. Drummoyne residents joke all the time that I have gone from John Sidoti the MC to John Sidoti the MP.

My true passion has always been politics—politics as a channel for growth and change, and as a means of serving the public. I have had the honour of being elected a councillor and the privilege of serving the people of Burwood as their mayor. Some of my main achievements in a short time included the restructuring of four directors to two making council leaner and more efficient, restructuring the rubbish removal service saving residents half a million dollars a year and achieving the record sale price of council properties to fund our council strategic visions.

I embarked on a number of community infrastructure projects as well as funding a part scholarship for the Joan Sutherland Foundation. Now as a member of the Legislative Assembly in this Fifty-fifth Parliament of New South Wales, I can continue to work to fulfil my ambition to serve the community I love and grew up with. None of these achievements could have been possible without a strong foundation of core values. I am certainly tremendously proud of my Italian heritage. My father, Richard, is from the Aeolian islands of Sicily and my mother, Catherine, is from a tiny town in Calabria called Terra Nuova. Together they instilled in me an unwavering work ethic: belief in the family and respect for those around me. Interestingly, the Drummoyne electorate has the highest proportion of residents from southern Europe. So the very fact that I am the son of migrant Italians has symmetry to it, of which I am extremely proud.

I am passionate about Drummoyne. In fact, I joke with my father-in-law, who is in the gallery tonight, that there is no life outside Five Dock. I call it God's country. I am proud to address this Parliament in this important week recognising Italy's 150 years of unification and the sixty-fifth anniversary of its referendum that ultimately led to Italy becoming a republic. Members know that history is very important. If there is no history, there is no future. So I get upset when people say that James Cook was the first to step from his boat onto Botany Bay in 1770. The truth was that it was not James Cook. You guessed it—it was an Italian. It was a guy called Giacomo Matra, hence the suburb of Matraville—give me full marks for trying. Like many electorates, Drummoyne has suffered under 16 years of Labor rule. Overdevelopment not matched by proper infrastructure, traffic congestion and crowded public transport are all urgent challenges. I am confident that this Government will face these challenges with talent, enthusiasm, fairness and vision. Albert Einstein said:

The significant problems we face, cannot be solved at the same level of thinking we were at when we crafted them.

This Government is this new level of thinking and the people of New South Wales deserve nothing less. Like the rest of New South Wales, the people of Drummoyne spoke emphatically and directly at the March election. However, local issues of importance also featured: they do not want a marina at Kendall Bay, they do not appreciate the waste of \$175 million on a duplicate Iron Cove bridge that has not improved motorist travel times, and they expect the M4 East extension to be prioritised—that will be something my colleague Charles Casuscelli, MP, the member for Strathfield and I will fight for. Rat-running has reached unacceptable levels since the toll was removed on the M4. We must improve the RiverCat services that many residents have been crying out for. Wherever possible we must work hard to provide Concord hospital with the funds and resources needed to provide the services the residents deserve.

I also note that many mayors and councillors have been elected to Parliament this time. I hope that the message from the coalface is loud and clear. Local government has been treated with contempt and cost shifting became common practice under the previous Government—I hope that that is now in the past. I have made many friends of all political persuasions in local government across New South Wales, many of whom are here tonight. Thank you for your friendship. The community expects its Government to exercise responsibility and fairness across all issues, whether of State significance or of local importance. Government decisions affect each and every person in the State, not just those who vote. It is the responsibility of government to deliver strategies that not only will prepare us for the future but will add to our economic wellbeing. We live in an ever-changing environment where information is a mere click away and news is measured in microseconds.

As a member of Parliament, I am one of those people entrusted with ratifying laws that determine the way we live. I do not for one moment take that for granted. It is about being accountable. It is about understanding. More importantly, it is about listening. Being a member of Parliament means that I can make a difference to the way we live. That alone gives me enormous drive and energy and was one of the main reasons I chose to run for

the seat of Drummoyne. I had a vision of how I perceived this State should be run and thought we could do better. A key area of reform for the O'Farrell Government and one that will help to kickstart the economy and create jobs is small business. I talk about small business because I have been involved in small business.

I know how difficult it is to get through red tape, the forms and the accounting procedures required by government. It is hard enough to run a small business without the added burdens imposed by governments. Under this Government, I am pleased to say that this will be reversed. We have a plan to tackle the problems associated with the hiring of staff by reducing the payroll tax threshold and thereby having the ability to reduce costs for employers. This was very well received when the member for Manly, the Treasurer, the Hon. Mike Baird, visited Drummoyne. Over the years I have seen many small business operators in the Drummoyne electorate struggle through unfair taxes and an overburden of bureaucratic red tape. The electorate of Drummoyne has a high density of small businesses and as I doorknocked in excess of 17,000 homes and businesses during the election campaign, I heard the same story time and again that government regulation was killing the ability to make a profit and preventing the possibility of employing more staff. [*Extension of time agreed to.*]

This Government has given a firm undertaking to the people of this State to do something about it. I am delighted to be able to stand in this Chamber tonight and assure all those small businesses in my area that we are there for you. During our first term we will honour an election promise to ensure that the first 100,000 new jobs will be payroll tax free. This not only will give operators the ability to hire more staff but also will reduce the burden of yet another tax to pay and yet more red tape to wade through. Businesses can survive and prosper only if given the opportunity to do business. Operators do not want to be tied down filling out forms to justify their existence; they want to run their businesses to achieve positive results and profits. I decided to run as a Liberal candidate because I always believed that the creation of a strong business environment will serve to establish a framework from which all members of society will benefit.

Governments rely on a viable private sector and the business sector relies on governments. It is essential that governments encourage business and not inhibit their ability to operate. The O'Farrell-Stoner Government will do just that. I mention proudly O'Farrell-Stoner, Liberal-Nationals, because it is a partnership. I am proud of The Nationals as well. We have a lot in common. Just visit Five Dock and I will show you a real veggie patch. I stand in this Chamber tonight committed to work for a better deal for the people of Drummoyne and the people of New South Wales. We can do better. We can restore investment in this State by working on the basics, reducing taxes, creating employment opportunities and creating a stable environment where business can thrive. It is a great privilege for this Drummoyne boy to speak tonight as the member for Drummoyne. I come here with much hope and an abundance of energy and vision. I am indeed so fortunate to be part of an outstanding and talented Liberal-Nationals team that forms this Government.

I look forward to bringing fresh ideas and debate on topics such as land tax, small business, multicultural affairs and local government reform. Those areas are very important and affect how people live and work, and therefore are of paramount importance. I must acknowledge the tremendous efforts of those supporting me, as without that support I could not have achieved such an outstanding election result for Drummoyne—a 24.3 per cent swing. My team was strong, determined and tireless. My campaign manager, Mr Joe Tannous, deserves the highest praise and thanks. My sincerest thanks to you, Joe—his apologies are sent tonight as his son is not well. My thanks also are extended to the Hon. Don Harwin, a great tactician, strategist and intellectual. Thank you, Don. Thank you to my great friend and colleague the Hon. Marie Ficarra and to Vincent De Luca. Thank you very much.

[*Interruption*]

It is like an Italian wedding. My campaign team were magnificent. Thanks to the Hon. John Jobling, who is present; Neil Harley, who was absolutely brilliant; Morgan Forrest, terrific; Zac Miles; Sarah Lawrance; Susanna and Phil Montone—thank you for all your help. Thanks to the very hardworking volunteers like Joseph Del Duca; John Caputo, who was fantastic and brought the Manly team over to help; George Orban and very hardworking members like Alan and Lorna Wright, Jeanette and Michael York and George Orban Senior, who have assisted over so many years. These are people who have devoted their lives to Liberal values and to the party—congratulations. I must single out also Bill and Margaret Garling for their help and Mr Michael Photios. I must thank Michael Megna and his family, particularly my godmother, Frances Megna, for their support that has been unwavering over so many years. These are friendships that span more than 35 years. Michael Ross deserves special mention as he was the first to come out and help, and probably one of the last to stop. It was not easy. It was a yearlong campaign for us in Drummoyne.

I think Biaggio Meli, who is in the gallery, and Luigi Buccarelli for their help. These are people who have helped me unconditionally whenever I have needed help. I thank John Lutman and Dennis Bennet for their

wisdom. These are people who are not members of the party—well, we might fix that soon. I also acknowledge George and Arthur Coorey for their friendship and support, and all the members of Parliament who visited the electorate throughout the campaign. They are numerous. But I might as well take this opportunity and mention them: the Hon. Mike Baird, the Hon. Chris Hartcher, the Hon. Mike Gallacher, the Hon. Jillian Skinner, the Hon. Gladys Berejiklian, the Hon. Don Harwin, the Hon. Marie Ficarra, the Hon. Kevin Humphries, Andrew Fraser, the Hon. Don Page, the Hon. Victor Dominello, and of course the Hon. David Clarke. Thank you all for your help. That shows the level of support I had in Drummoyne. I would like to pay special tribute to the Premier, the Hon. Barry O'Farrell, for visiting Drummoyne no fewer than five times and the Hon. Joe Hockey for his presence at the opening of our campaign office.

I know the community was impressed and it showed the candidate that he was well supported. There are so many thank-yous, but I would like to thank Mark Neeham and the team at Liberal Party headquarters, Chris Stone, Lisa-Maree Scheel and all the crew. Of course, James Boland-Rudder was brilliant. But there are no prouder people in the gallery tonight than my parents. They are representative of the success stories that fill the Australian immigrant landscape. They came to Sydney in the 1950s young, hopeful and willing to work. They fell in love with this country, adopted its language, culture and traditions, and made it their home. They added enormous contribution in terms of work and culture, and now their children form the fabric of its future. What an honour for me to extend their vision for their own family and this country. I love them both. Any success I have had, or will have in the future, is due to their strong values passed on to me. On the subject of my parents, I would like to share a story—if I may indulge the gallery—because my campaign was definitely anything but dull.

My parents' contribution could only be described as enthusiastic and determined. Let me say that my father, Richard, went as far as converting his silver Camry into a drive-by advertisement. It was brilliant, complete with homemade crooked A-frame perched on his roof rack with my photo on a corflute. He drove that car with pride and gusto—so much so that one day he drove into Westfield and took out the boom gate with the A-frame. Dad, what a legend. Now let us not forget my mother, Catherine, who is probably covering her face at this moment. She was the queen bee at the pre-polling booths. She would first greet every constituent with a big cheesy grin, then she would slyly pull out the voting form and say, "Isn't he gorgeous? Vote for my son." The public were pleasantly surprised by her approach and, before they knew it, she was escorting them, arm in arm, to the ballot box. Mum, what would I do without you? I thank my sister Lisa for her guidance and my brother-in-law for his wisdom, and my extended family, my in-laws, my sisters-in-law and brothers-in-law for their unfailing support and advice.

To all those who manned the booths, the volunteers and the Canada Bay councillors who fought the heat and the rain on railway stations and the ferry wharves, thank you. As all members know, this job could not be done without the support of your better half. My wife, Sandra, is beautiful, intelligent, wonderful, remarkable—sorry, Sandra, I can't read your writing. I will be sleeping with the cat tonight. Seriously, my beautiful wife, Sandra, has been unflinching in her support. I married my childhood sweetheart 17 years ago and without her understanding and commitment I could not have achieved this result. Sandra is a wonderful mother to our three amazing children, Julian, Fabian and Ava. Thank you to all my family and friends. I still have not come to terms with the positive community reception that I received following the election. I have been mobbed by kind wishes and have been emotionally touched by people's gestures. It has been heart warming, and at times overwhelming.

I tell regularly the story of when I went to buy the newspaper to read the election results the morning after the election and I was met by a little old Italian lady whom I had seen before but did not know well. She hugged me and cried in my arms, and said in Italian, "Like a son, you deserve it". Such is the level of emotion displayed to me by so many people. In fact, I am proud to have in the gallery tonight somebody whom I did not know prior to the election and whom I got to know during the campaign and who followed me every step of the way. That is 91-year-old Mr Gaetano Barbato, who when asked by the *Sydney Morning Herald* journalist who he voted for replied, "I voted for Sidoti with two hands". In conclusion, I will say that the depth of desire for change, a Liberal change, is reflected in these gestures. This is a most powerful reminder of what our community expects. My electorate, like so many around this State, is desperate to trust again, is desperate to hope again, is desperate to feel the optimism of being number one again. Thank you.

ACTING-SPEAKER (Mr Gareth Ward): Order! I join with members of the House in congratulating the member for Drummoyne on his inaugural speech, and welcome him to the class of 2011.

**The House adjourned, pursuant to resolution, at 7.40 p.m. until
Thursday 2 June 2011 at 10.00 a.m.**
