

# LEGISLATIVE ASSEMBLY

Wednesday 30 May 2012

---

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

**The Speaker** read the Prayer and acknowledgement of country.

## AUDITOR-GENERAL'S REPORT

**The Speaker** tabled, pursuant to section 52A of the Public Finance and Audit Act 1983, the Auditor-General's Report, Volume Two 2012, dated May 2012.

**Ordered to be printed.**

## BUSINESS OF THE HOUSE

### Notices of Motions

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

## CONSTITUTION AMENDMENT (RESTORATION OF OATHS OF ALLEGIANCE) BILL 2011

### Second Reading

**Debate resumed from 29 May 2012.**

**Mr ANDREW ROHAN** (Smithfield) [10.05 a.m.]: I am delighted to support the Constitution Amendment (Restoration of Oaths of Allegiance) Bill 2011. I congratulate and commend Reverend the Hon. Fred Nile on introducing this bill in the other place. At the last State election, on 26 March 2011, a significant number of new members of Parliament were elected to this place. I believe I am right in saying that this issue is a matter of concern to many of them and the constituents that they represent. It is on the record that I am a monarchist. I am a migrant to Australia but I did not migrate to Australia from Britain, so I was not always a subject of Her Majesty Queen Elizabeth II. However, having adopted Australia as my new home some 33 years ago, I have also adopted Australia's heritage. It is through this heritage and through the facts of history that Australia is linked to the Commonwealth and to Her Majesty. I support Her Majesty as our head of state. I support the Governor-General as her representative to Australia, and the New South Wales Governor as her representative in this, the premier State.

On that note, I am grateful to the Premier for acting so quickly to return the New South Wales Governor to her rightful place, Government House. For a long time, and against the will of the people, members of the republican movement inside the previous Government tried to force their ideals onto the people of this State by deception. In the dark of night they changed the oath of allegiance, forced the Governor out of her residence, and they took the picture of Her Majesty from its prominent position in Parliament House and moved it out of sight. The object of the bill is to amend the Constitution Act 1902 to give a member of the Legislative Council, the Legislative Assembly or the Executive Council the option of swearing an oath or making an affirmation of allegiance to Her Majesty Queen Elizabeth II, her heirs and successors as an alternative and option to making the pledge of loyalty to Australia and the people of New South Wales. As Reverend the Hon. Fred Nile noted in his second reading speech, making the pledge of loyalty is currently required before a member of Parliament can sit or vote, or before a member of the Executive Council can assume office.

This bill makes it clear that a member of Parliament who has sworn an oath or made an affirmation of allegiance does not have to swear a further oath or make a further affirmation in the event of the demise of the Crown. The fact is that Australia is not a republic, and Australian citizens rejected the proposal to become one at the now historical referendum of 1999. As members will recall, the proposal that Australia should become a

republic was defeated by Australians across the nation, in every State and in 72 per cent of Federal electorates. When the then Executive Director of Australians for Constitutional Monarchy, Kerry Jones, called a protest it turned out to be one of the largest and most peaceful demonstrations Sydney has ever seen. Marshalling more than 50,000 people, Australians for Constitutional Monarchy ran a tight and ultimately successful campaign which resulted in a landslide rejection of the politicians' republic.

Recent royal visits since that referendum have seen large and joyous public turnouts. All of this, including regular opinion polls, indicates that support for our current constitutional monarchy is riding high. This sends a clear message to us as legislators that the people of New South Wales and indeed Australia are happy with the current constitutional arrangements in Australia. Support for a politicians' referendum remains at low levels, with a recent survey conducted on 8 November 2011 by the reputable Roy Morgan Research confirming that support for a republic had dropped to 34 per cent. When we look at the polling we see that support is even lower among Australian youth, a trend that has been consistent since polling was undertaken following the 1999 anti-republic campaign.

We were proud to see on our television screens recently the fantastically happy scenes in Perth when more than 120,000 people came out to say farewell to Queen Elizabeth II and Prince Philip, Duke of Edinburgh, as they ended their sixteenth visit to Australia. And of course we all loved to watch the marriage of His Royal Highness Prince William and Catherine Middleton. The television audience in Australia was the largest on record, let alone the billions of viewers around the world. These facts indicate Australia's enormous support for the Crown. The recent visit by Crown Princess Mary and Crown Prince Frederik of Denmark was closely observed by our media and public alike. That is a clear indicator that we love the royals. It is a clear indication of support via media attention.

I commend the fine work of Australians for Constitutional Monarchy, headed by Professor David Flint, AM, the National Convenor, a former law professor at the University of Technology, Sydney, and a former chairman of the Australian Press Council and the Australian Broadcasting Corporation. I cannot resist quoting Professor David Flint, who regularly warns his members, "Never stand between republicans and visiting royalty, otherwise you will be knocked over in the rush." I saw it in my debates with the member for Cabramatta over the dinner table at Fairfield City Council. He is a staunch republican, but he loves the monarchist titles. He loves the pomp and ceremony. I am proud to be part of the O'Farrell Liberal-Nationals Government that has respectfully restored portraits of Queen Elizabeth II and Prince Philip, Duke of Edinburgh, to our strangers dining room, the setting for so many community-based public functions in this Parliament.

I am proud to be part of the O'Farrell Liberal-Nationals Government that has respectfully returned the Governor to the Governor's residence, making all that was wrong right again. So too will this bill return us to the previous status quo. There was a change, but it did not bring any improvement; merely uncertainty and a feeling that we are not being loyal to the Queen of Australia, Her Majesty Queen Elizabeth II. This bill will address that glaring deficiency. Furthermore, pursuant to the Constitution of New South Wales, we remain a constitutional monarchy and thus all members of this House and the other place should have the opportunity to choose how they pledge their loyalty. Section 12 (4) of this bill specifies the form of the new oath of allegiance as follows:

I swear that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, her heirs and successors according to law. So help me God.

I commend this bill to the House as I believe it is in accordance with the Constitution and community expectations expressed at the Australian referendum in 1999, reinforced regularly in polling ever since. God save the Queen.

**Mr STUART AYRES** (Penrith) [10.14 a.m.]: The Constitution Amendment (Restoration of Oaths of Allegiance) Bill 2011 is nothing more than a regressive indulgence by this Parliament of the people of New South Wales. The people of New South Wales have given us, as members of this place, the privilege to represent them in this grand old Parliament. Here we debate and discuss the ways and means of making New South Wales and its people better. They demand that we stay focused on issues that are important to them—the issues that we grapple with every day, issues of quality health care, improved transport services and infrastructure, an education system that prepares today's young people for tomorrow, supporting and caring for the disadvantaged and providing a safe and just legal system.

Once we accept the responsibility to represent our constituency—in my case the people of Penrith and in every member's case the people of New South Wales—we become their servants. This noble service to the public of New South Wales is what should drive us in our deliberations. It is as parliamentarians that we accept

the challenge of leadership, that is, to make decisions that are in the best interests of New South Wales and its people. This leadership requires vision, courage, discipline and faith but, most of all, it requires us to keep the people of New South Wales front and centre in our minds.

This is a great State, the founding State, the premier State in our nation. Its history is littered with leaders and visionaries who chose to serve the people of New South Wales, names like Macquarie—who, for all his work and dedication towards the people of New South Wales, was eventually removed by a foreign monarch—to our nation's founding fathers of Barton and Parkes, who had the vision and determination to lead us into a Federation. Even today I would argue that it is the people of New South Wales who drive our indefatigable Governor, Marie Bashir. One need only hear her talk about New South Wales, its history and its people to feel the pride and sense of service that runs through her veins.

From the Tweed to Eden, the black soils of the Liverpool Plains to the snow-capped mountains of the Monaro, Bathurst to the Riverina, the mystical Blue Mountains to the golden sands of Bondi, the Manly promenade to the rich diversity of Auburn and Cabramatta and, of course, the banks of the Nepean, people every four years come together to partake in the splendid democratic but often taken for granted process of an election. It is this process that gives us and this Parliament its power. It is here where our true allegiance lies—to the people we serve, the people who elect us, the people of New South Wales.

In my first words as a member of this place I asked, "How is it that not one of the schoolchildren from Penrith, Cranebrook or Lapstone who come to visit this Parliament can aspire to be our head of state?" It is not only those same schoolchildren I have in mind when I speak about this bill; it is all the people of Penrith, all the people of New South Wales, regardless of whom they voted for, where they were born or what they look like that I have in my mind. For, given the choice of a foreign monarch and Australia and the people of New South Wales, my oath, my allegiance and my loyalty will always lie with the latter—Australia and the people of New South Wales.

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

## **HEALTH SERVICES AMENDMENT (NATIONAL HEALTH REFORM AGREEMENT) BILL 2012**

### **Second Reading**

**Debate resumed from 23 May 2012.**

**Dr ANDREW McDONALD** (Macquarie Fields) [10.18 a.m.]: I lead for the Opposition on the Health Services Amendment (National Health Reform Agreement) Bill 2012. The object of the bill is to amend the Health Services Act 1997 to make provision for the funding of health services in accordance with the National Health Reform Agreement between the Commonwealth and States and Territories that was agreed to by the Council of Australian Governments on 2 August 2011. The bill contains certain common provisions that are to be enacted by the Commonwealth and the States and Territories. This bill will implement the Council of Australian Governments agreement, establish a health funding pool and codify the new nationally consistent approach to activity-based funding. The bill is the most important health bill to come before the Parliament since the March 2011 election. Since March 2011 there have merely been minor cosmetic changes in health.

In a bill that was rammed through without adequate scrutiny on day one of the Parliament the local health networks were rebadged as local health districts, even though they are still called local health networks in other States. With the notable exception of the sacking of Roger Corbett, there have been some minor personnel changes on boards and the health department has been rebadged as the Ministry of Health. As I said earlier, those changes were minor cosmetic changes that really were an attempt by the Government to outsource the pain of difficult decisions while attempting to retain credit for any achievements. However, that is not working and never will because this Minister and this Government, like any other government in the Western World, cannot outsource responsibility for patient care—either under the Westminster system or simply under public scrutiny.

Since March 2011 only approximately 150 new beds have been added to the approximately 24,000 in the system. In New South Wales 65 per cent of hospitals have fewer than 50 beds, accounting for approximately 17 per cent of the total number of beds. Even simple information such as that—information as basic as the number of beds in New South Wales—is carefully guarded by the Minister. Reliance on spin about bed numbers

rather than substantive changes in the system has been the *modus operandi* of the Government to date. However, this is vital legislation because the health system that the Minister now champions is the same one that was said over the past 16 years by many who are now in government but were then in opposition over the past 16 years to be a basket case and in a state of crisis. The staff are the same, the structure is the same and the challenge is the same. However, as Commissioner Garling stated, we in New South Wales have one of the world's better health systems.

Despite the still present social grading in health outcomes, a child born in New South Wales today can expect to have the second-longest life span in the world, and most of those years will be healthy and productive. However, as observed by Sir Michael Marmot, a London-based Australian who is a world authority on health demography and who recently attended a meeting of the College of Physicians, health outcomes reflect the success of every portfolio in government. That is why this legislation is so important. Australia spends 9.3 per cent of its gross domestic product on health. That is mid-range expenditure. Some countries spend more and some spend less, but none has better health outcomes for less expenditure than New South Wales. However, the Australian health system is now at tipping point, and the changes in this legislation are necessary. For the record, for six years I was a national examiner of the College of Physicians, which meant I travelled around Australia and reviewed hospitals, doctors in training and patients in every State.

I also follow closely the published literature on both interstate and international comparisons of health services. Every State-based health system has its challenges, and the New South Wales health system is as good as any—better in some areas, and not as good in others. But the differences in health care in terms of access, equity and facilities within each State are much greater than interstate variations, despite the spin of present Government members that the system was the worst when they were in opposition and that it is the best now that they are in government. That is why this agreement is so vital for the future of health care to every person in every State of Australia. Most of the heavy lifting for this agreement that is the basis of this legislation was done by State and Federal Labor governments. This bill builds on that work. However, Ministers Roxon and Tebbutt will never get the acknowledgement they deserve from Government members for actually starting this work.

This bill establishes the legislative framework for the national funding agreement. All States have agreed on a set of common legislative provisions that have been prepared by the Commonwealth. As I stated earlier, those agreements were made public during the August 2011 meeting of the Council of Australian Governments [COAG]. The major change, the game changer, will be a change to activity-based funding from 1 July this year whereby hospitals will be paid an efficient price for each activity that is covered by activity-based funding. The gap between the efficient price and the actual price of the service delivered will be paid for by the New South Wales Government. Areas that are able to do procedures more efficiently than the efficient price will gain money. Those that are unable to do procedures at the efficient price will need to put in the extra funding. This is an evolutionary change, but it is a game changer in the way that health is funded.

We need to have this agreement because, according to the Australian Treasury, true healthcare costs increased by 1.7 per cent every year from 1984 to 2007 simply due to the ageing of the population and increased by 3.31 per cent due to changes in technology or medications. Even though demand is rising by approximately 3 per cent a year, funding continues to increase above the level of demand as we live longer and do more with our healthcare system. If the wages increase of an average of 2.5 to 4 per cent is added, true health costs increased at approximately the Australian Medical Association estimate of 9 per cent a year. That outstrips funding that State-based services are usually able to provide, which is in the order of 6 per cent a year. And even that 6 per cent means that in every State jurisdiction the rate of funding of State health services continues to take money away in the State budget from other services provided by all State governments. Something had to be changed, hence this agreement and this legislation.

Schedule 6A to the bill creates the Office of the Administrator of the National Health Funding Pool. The administrator will be created separately in each jurisdiction, although only a single individual will be appointed after being chosen by consensus among members of the Council of Australian Governments. Proposed part 3 will establish the State pool account into which payments will be made from the National Health Funding Pool. Part 4 outlines the financial management and reporting duties of the administrator, which include monthly reports to the Minister that outline the sum deposited in each State pool account and for which purpose. The monthly and annual reports will be made public.

While those measures are designed to ensure at least some funding transparency, it does not look to me as though individual hospital budgets will ever become public. The Government hiding the true information of how much a local hospital actually receives is like doctors hiding health information from their patients. It used

to happen. It now no longer happens and, with increased transparency, it should never happen. Yet the Government consistently has refused to release individual hospital budgets, even though the Minister stated on 15 June 2009 that she would publish information about health services management, including budget allocations.

This is important information because health professionals use 20 per cent less in health resources than the members of the general population. The first thing that people do when they have insider knowledge of the system is use less rather than more in health resources. Every member of Parliament would want to know exactly how much their hospital actually gets and how much it actually spends. If we change the way health is delivered the public has a right to know the figures but under this Government we will never receive them. Part 5 has some miscellaneous provisions only. As I stated earlier, the main changes are establishment of an independent health pricing authority, which will pay 60 per cent of the efficient price for each service, and funding that will go into a national pool and then be distributed by the administrator.

I turn now to the history of Commonwealth-State relations—a very long and involved history. In 1901 the Commonwealth had responsibility only for quarantine. Things did not change much until after World War II when the repatriation system was created and hospitals were Federally funded under a means-tested system. The opportunity to create a national health service similar to the system that still exists in Britain was lost when the Chifley Government was defeated in 1949. The next major change in Federal-State funding was the establishment of Medibank in 1975, and Medicare in 1984. Effectively, that is still the system we have today, which is a State hospital system that is capped—and the cap on the State hospital system is funding.

Into that State hospital system come four federally funded systems that are effectively uncapped. They include out-of-hospital services such as general practitioners, which are largely paid for by Medicare, aged care, the pharmaceutical benefit and private hospitals, all of which have completely uncapped demand and all of which feed into a State public hospital system which, as Minister Roxon said, is now at tipping point. That is why this health services agreement legislation is important. Every major change in the Federal-State relationship for the delivery of health care has been introduced by a Federal Labor Government, and this is no different. Despite the fact that the Labor Party has spent 74 of the past 110 years in opposition, the major changes have in fact been introduced by Labor governments.

The health system is becoming more efficient. New South Wales's 24,000 beds have an average length of stay that has dropped from 4.8 days in 1984 to 3.7 in 2008. Despite the fact that the hospitals are becoming more efficient, it is probably going to be even harder to reduce the length of stay in light of the greying population. As I said earlier, true health costs increase by about 9 per cent and funding by about 6 per cent. This meant that between 2003 and 2007 Federal funding dropped from about 50 per cent of the total costs to about 38 per cent. This occurred while Tony Abbott was Federal Health Minister and it led to a backlog in infrastructure and services that was relieved only by the election of Labor under Kevin Rudd in 2007 and discussion of the way the system needed to change, which this legislation now enshrines in law. Things are only going to get more difficult because there will be an 80 per cent increase in demand on the health system by 2050.

There are only three ways you can fund hospitals: so-called cost-based, needs-based or activity-based funding. While hospital funding is very complicated, it falls into one of these three categories. Cost-based funding means that if you need a hip replacement you pay for it with a bit of CPI. Needs-based funding was introduced by the Labor Government, the so-called resource distribution formula, where resources were actively distributed to areas of greatest need. That is why hospitals in areas such as Liverpool and Nepean have received significant capital expenditure for the first time in many years. However, the problem with needs-based funding is that if there is flow across borders to the major teaching hospitals, as there still is, the major teaching hospitals will often have difficulty providing services to patients from outside their area.

The change to activity-based funding is one that must be made. However, the major difficulty with activity-based funding is how to quantify care. One hip replacement is not the same as another because the major compounding variable is comorbidity. That also does not make allowance for block contracts. Smaller hospitals will never have the economies of scale. Understanding variation in the cost of health care is the key to activity-based funding and the greatest challenge this Government will have is distributing resources to areas that have fewer natural advantages to allow them to provide cost-effective health care. In the central part of the city there are many nurses and doctors and they are able to be employed relatively inexpensively compared with western Sydney. The smaller rural hospitals will never be able to match the economies of scale of the larger hospitals, which is why block funding is for them vital.

The Australian Refined Diagnosis Related Groups [AR-DRG] are built on the tenth revision of the International Classification of Disease [ICD-10]. They are an Australian modification of the diagnosis-related groups and will be used as the formula for case-mix funding. If there is a cost weight of 1.0 with an AR-DRG, that is the average cost. Funding of 1.2 means that it costs 20 per cent more than average. The national efficient price will be set for a patient with a cost rate of 1.0. One of the major problems with using diagnosis-related groups is that it is very dependent on coding. Areas that have good coding will tend to be the winners under this group. For example, at a major hospital you sometimes see staff specialists sitting with the notes of patients seen the previous day and coding comorbidities will translate to more funding under this system.

Smaller rural hospitals that are dependent on visiting medical officers will not be able to do this and their coding will be done by the medical records staff who are less able to code for comorbidities. Diagnosis-related groups also do not work in mental health, rehabilitation, chronic illness, palliative care and intensive care units because in these groups the principle diagnosis is not the major cost driver. However, simple things such as urgency, birth weight and some other simple diagnoses are able to be coded relatively accurately by diagnosis-related groups. But this is very much a work in progress, as is this bill. I note that the Commonwealth is paying zero extra for community health. The greatest challenge for our health system is keeping people out of hospital wherever possible. The major burden of this will fall on community health provision by the New South Wales health system and that is not covered by the agreement.

The States will remain the majority funders and the system managers, and about 40 per cent of all work that goes into the State hospital system will have to be block funded. Mental health, teaching and community care will all remain block funded. Drug and alcohol services and dental services will always stay with the State and activity-based funding will be used mainly for acute care, emergency departments and outpatients. The State will play the primary role in determining the overall funding for the local health districts and bear the residual risks if local health districts need increased funds to meet their service needs. That is a crux of this bill: What is going to happen to those local health districts that are unable to meet their service needs? I would love to hear from the Minister as to what the plan is if this occurs and what mechanism she intends to use to increase the funding to these local health districts. To keep the system safe and operating during these major evolutionary changes will be a challenge for this Government.

As I said, the clinical documentation needs to be accurate. In the smaller hospitals and the busier hospitals, the first corner that is cut is often clinical documentation. It is better in the teaching hospitals and the more established hospitals, and these hospitals may be the winners under the new coding system. There will also be a significant difference in some hospitals between the historical budget and the activity-based funding budget. I want to know what this Government plans to do when that occurs and the local health district says that services will be cut. Will the Minister be able to outsource the pain to the community in the local health district? I stress again that these changes, while important, have not uncapped State Government funding. State Government funding is still capped, even with activity-based funding, and the federally funded uncapped systems will continue to place increasing pressure on the State health system for the foreseeable future.

I am unclear as to whether the issue of privately referred non-inpatients has been resolved. This is where a general practitioner refers a patient to a named doctor, usually a staff specialist in a hospital. At the moment these patients are billed using Medicare. However, emergency departments are not allowed to refer to outpatient clinics and raise a Medicare bill. Post-discharge care usually does not attract a Medicare bill. Many outpatient clinics are completely dependent on the privately referred non-inpatient and many public health services also depend on the privately referred non-inpatient. I understand a health Ministers meeting is due about now and I hope to hear from the Minister in reply a guarantee that the current arrangements for privately referred non-inpatients will not change. This means that a named referral from a general practitioner to an outpatient clinic will still attract a Medicare rebate and the funding will remain where it is. At the moment it is often in a variety of accounts held by hospitals or staff specialist groups and sometimes in consolidated revenue.

This agreement will be reviewed every two years to reflect the change in patterns of service delivery and may be varied at other times by mutual consent. That is permitted under clause A22 of schedule A to the National Health Reform Agreement. That is absolutely vital because this is very much a work in progress. All States agree that they will not change the management, delivery and funding of health and related services for the dominant purposes of making the service eligible for Commonwealth funding. This is an attempt to stop the increased use of cost shifting by the States, and is necessary. However, a major change that will need to occur in the health system over the next 20 years is to keep patients out of hospital. The line between who is an inpatient and who is an outpatient sometimes becomes blurred. For example, a patient receiving a second daily visit from a hospital-employed nurse to get their antibiotics changed when they are on home-administered antibiotics is a

classic example of where the line between Federal and State responsibility is considerably blurred. It will also take many years to implement the required information technology systems to design the activity-based funding model.

While all this is very complicated, one thing is not. Healthcare worldwide depends on two things: funding and staffing. If the unit you come to as a patient is not funded properly and staffed with enough suitably trained and supported clinicians to meet your health needs, things will—and do—go wrong. There will be winners and losers in this funding change. This major change to funding has the potential to change significantly service delivery to individual patients. The onus is on this Minister and this Government, despite their rhetoric and spin, to provide safe and equitable patient care. As Professor John Dwyer says, hospitals are like a string of pearls. Every hospital will need to develop things that they are good at and systems of care that work well, and under this agreement there will be significant changes to the way in which each hospital delivers services to each patient. This will require the Government to respond to these demands and provide safe and equitable patient care.

Under the Westminster system—and the people of New South Wales know this—the Minister for Health is responsible for the provision of safe patient care to every person admitted to every public hospital in the State. To be health Minister, to be in government, you must take responsibility for the safe and equitable health care of every patient in the State. To date, the Government has been big on talking the talk in health care—and I have noted the interjections from those opposite. It will now have to walk the walk. From 1 July 2012 and over the following years the results of these changes in service delivery to individual patients will be there for everyone to see.

**Mrs ROZA SAGE** (Blue Mountains) [10.43 a.m.]: The Health Services Amendment (National Health Reform Agreement) Bill 2012 implements the provisions of the National Health Reform Agreement 2011 agreed at the Council of Australian Governments in August 2011 to create a new national health funding pool overseen by an independent administrator to establish a more transparent, accountable and efficient system of funding hospital services in Australia. The scheme is scheduled to commence on 1 July 2012. Funding will be activity based. The object of the bill is to amend the Health Services Act 1997 to make provision for the funding of health services in accordance with the National Health Reform Agreement between the Commonwealth and the States and Territories that was agreed to by the Council of Australian Governments on 2 August 2011. The provisions of the bill are set out in schedule 1. For instance, item [5] inserts provisions relating to the national health funding pool and administration in new schedule 6A.

Part 2 of that new schedule establishes the office of administrator of the national health funding pool and provides for the appointment, suspension and termination of the appointment of the administrator and provides for his or her functions. So it sets out what the administrator can and cannot do. New part 3 provides for the establishment of the national pool account and payments into and from the account under the National Health Reform Agreement. The State pool account and the State-managed fund will be established by the director general of the Ministry of Health. New part 4 provides for the financial management and reporting duties of the administrator, the auditing requirements and the exchange of information between the administrator and the Minister for Health. New part 5 replaces certain New South Wales legislation with equivalent Commonwealth legislation with respect to the administrator and contains other machinery provisions. In essence, these are the administrative requirements necessary for this scheme to work.

Consistent with the National Health Reform Agreement, the common provisions contain transitional measures that allow the appointment of the administrator by all health Ministers and the commencement of the pool, even if all jurisdictions have not commenced their legislation in time. Therefore, the scheme can commence even though all jurisdictions have not passed legislation by 1 July. It is essential, therefore, that this New South Wales bill is introduced and passed as soon as possible—and preferably well before 1 July 2012. I wish to speak a little bit about the contingency arrangements and the activity-based funding. The Government has been working closely with the Commonwealth Government and other State and Territory governments since the National Health Reform Agreement was signed in 2011 to ensure that the new funding agreement can commence on 1 July. All jurisdictions have been working through the Council of Australian Governments national health implementation group to ensure that legislation, financial operations, payment systems, and administrative procedures and contingency plans are in place and ready to start on 1 July.

It is a significant undertaking and appropriate contingency plans have been developed to minimise any technical or other issues. A key goal of the New South Wales Government and the Ministry of Health in implementing these changes in the first transition year of the agreement is to keep the system safe. We all want

our system to run smoothly without too many hiccups. An inter-jurisdictional process is currently underway to appoint an interim administrator designate on an administrative basis as soon as possible to assist with the transition to the new national funding agreement, commencing on 1 July. A recruitment process is also being undertaken to identify an appropriately skilled and experienced individual for consideration for appointment by all health Ministers as the inaugural administrator under the proposed legislation following its commencement.

Commonwealth-State activity-based funding is required to be paid through the whole State pool. What is activity-based funding? As the member for Macquarie Fields has said, activity-based funding is the management tool that will assist in the allocation and monitoring of the health services budgets. It is based on the output or activity of an organisation or health service. Activity-based funding relates to the work performed, with agreed targets. I have been assured that with the safeguards that will be in place there is not the capacity to overservice, as activity-based funding might indicate. I hope this will stop the practice that has been talked about previously in other health areas of drawing funding and services from smaller areas into the much larger tertiary systems. That practice was talked about in the Blue Mountains as Katoomba Hospital was continually stripped of services that were moved to Nepean and Westmead.

There was also controversy about staffing under the previous Government, especially for maternity services. That caused havoc and a campaign was launched against the former Government. Katoomba Hospital no longer has to deal with that issue under this Government. The hospital also has 12 new nurses. Activity-based funding creates a more transparent relationship between funds allocated and services provided. It encourages a stronger focus on outputs and outcomes and also on quality as a measure of the cost-effectiveness of expenditure. It also provides for and encourages clinicians and managers to identify variations in costs and practices so that these can be managed to improve efficiency and effectiveness unlike what had been happening under the previous regime in hospitals managing or not managing funds. Ultimately, it should provide mechanisms to reward good practice and support quality initiatives.

Activity-based funding has the potential to make public health funding more effective and can be used as a reform driver for better patient care in a number of ways. This Government's first NSW Health annual report contains the most transparent reporting ever in relation to bed numbers—unlike the previous Government, which counted cots and dental chairs in the bed numbers category. Activity-based funding links funding to services delivered rather than historically to service providers. It provides clinicians with rich clinical information on a whole range of individual patient procedures and it assists health service managers in planning and assessing performance and clinical needs, and supports benchmarking, not just on cost but also on models of care and service gaps. The new funding model under the national health reforms incorporates activity-based funding. Some of it will be block funding for smaller hospitals that do not have the volume or complexity of work to be funded on an activity basis. This includes services provided by rural and remote hospitals. The Blue Mountains Hospital at Katoomba would be included because of its geographic location.

**Dr Andrew McDonald:** Make it a rural hospital; what a good idea. It's perfect for a rural hospital.

**Mrs ROZA SAGE:** As the member for Macquarie Fields knows, making Blue Mountains Hospital a rural hospital is a Commonwealth prerogative. The lower volumes and relatively high fixed costs of smaller hospitals make it impractical to implement activity-based funding for those services and they will continue to be block funded where appropriate. Similarly, some services such as some teaching and research and population health services will also continue to be funded as a total program, or block-funded based, until suitable funding mechanisms are decided. I commend the bill to the House.

**Mr JONATHAN O'DEA** (Davidson) [10.53 a.m.]: The object of the Health Services Amendment (National Health Reform Agreement) Bill 2012 is to amend the Health Services Act 1997 to make provision for the funding of health services in accordance with the National Health Reform Agreement between the Commonwealth, States and Territories that was agreed by the Council of Australian Governments on 2 August 2011. As usual, the member for Macquarie Fields, the shadow Minister for Health, spoke at length and quite well—although I do not agree with everything he said. But there is a dearth of speakers on the other side wanting to speak on this legislation, which perhaps reflects Labor's neglect of the Health portfolio for 16 years. I will touch on that a little later, and also address some of the erroneous points made by the shadow Minister. I hope that further Opposition members will speak to this very important legislation.

In August 2011 the Council of Australian Governments signed off on the National Health Reform Agreement, which contains three significant reform elements. These are organisational, funding and performance accountability changes that speakers on our side will refer to in their contributions. I am mindful



that I have only 10 minutes to speak about an expansive area. The key elements of the agreement reinforce the directions and strategies that are being pursued by this Government—a government that is walking the walk, not just talking the talk. One of those key directions is the Government's establishing local health districts and boards and devolving responsibility to them for managing public hospitals and health services. The key elements of the national reform process have now been created. They include the establishment of the Independent Hospital Pricing Authority and the National Health Performance Authority under Commonwealth legislation.

All jurisdictions are required to establish legislation related to the creation of the national funding pool—some of the key features of which I will outline—to be established by the common legislative provisions. New South Wales has introduced legislation, as has the Commonwealth, Queensland, South Australia, Victoria, Northern Territory and Tasmania. Some key features of the national health funding pool include that all States and Territories will establish State pool accounts with the Reserve Bank of Australia—to be collectively known as the national health funding pool—for the purpose of receiving Commonwealth and State activity-based funding for local health districts. All payments out of the State pool accounts to local health districts and other providers will be made by an independent administrator, who may make payments out of the accounts only at the direction of the State. The administrator must be appointed separately by all health Ministers following the unanimous agreement of the members of the Standing Council on Health.

There are provisions for the suspension and removal of the administrator, as well as the appointment of an acting administrator from a panel of persons agreed to by the Standing Council on Health. The administrator will undertake public monthly and annual reporting in a transparent way on all funding flows into and out of the State pool accounts, as well as preparing audited financial statements for State pool accounts to ensure complete transparency of funding flows. The administrator will be assisted by a national health funding body that is established by Commonwealth legislation. Both the administrator and the funding body will be funded by the Commonwealth, but may not be directed by the Commonwealth. The administrator will be subject to a single set of financial management and accountability requirements under the Commonwealth provisions as well as Commonwealth administrative oversight laws, such as privacy, freedom of information and Ombudsman laws.

I will address some matters raised by the member for Macquarie Fields, the shadow Minister, in relation to the record of this Government in the area of health. The reform that this Government has embraced is part of a national initiative. I welcome the cooperative approach adopted across other States and Commonwealth jurisdictions because that is required in the public interest. I will examine some other key achievements of our Government over the past year. We have delivered a \$4.7 billion health infrastructure plan, fast-tracking priorities across New South Wales, including in Blacktown, Campbelltown, Wagga Wagga, Bega, Dubbo, Tamworth, Port Macquarie, Parkes and Forbes. We have delivered a further 2,500 nurses and the most transparent reporting ever of beds in the NSW Health annual report—contrary to what was suggested by the shadow Minister and to the practice under the previous Government.

We have created the Office for Medical Research, providing a \$20 million boost to a medical research support program and we developed a 10-year strategic plan for medical research. We have secured \$3 billion from the Council of Australian Governments [COAG] for growth funding and we have reduced unnecessary hospitalisation. We are getting a better deal for New South Wales from the Health and Hospitals Fund, which can be verified and quantified through available figures that indicate clearly that we have done much better than the previous Government could possibly have done or did do. The shadow Minister suggested it is all about funding and staffing. We disagree; it is about patients first and foremost, not just about funding and staffing. Until he changes his philosophical bent he will not understand that the hospital system should be about patients. We are doing more for patients than those opposite did.

We abolished policies restricting placing patients on the waiting list for surgery, we increased travel and accommodation subsidies under the Isolated Patients Travel and Accommodation Assistance Scheme [IPTAAS], we implemented new food and nutrition standards for patients in hospital, we established 850 doctor-intern training positions in 49 hospitals and 15 general practitioner practices resulting in 80 more doctors, we introduced a dedicated general practitioner procedural pathway program to attract doctors to regional New South Wales, and we placed 2,163 graduate nurses in 102 hospitals resulting in 1,000 more nurses—we have 581 new graduates for western Sydney and 593 new graduates for regional New South Wales. This is all great news for patients. We have reorganised the health system to focus on patients. We have re-engaged clinicians, who were alienated by those opposite.

I will not acknowledge the shadow Minister's comments during my contribution. However, I acknowledged his contribution to the debate, which, in the main, I thought was good, albeit somewhat misguided, particularly his lack of focus on patients. Let us look at what Labor really did. It promised and failed

to deliver hospitals across the State. It failed in Dubbo, Parkes, Forbes, Tamworth, Port Macquarie, Bega and Wagga Wagga. Labor failed on the northern beaches, where the new hospital will be just outside of my electorate. Labor failed in Blacktown and Campbelltown. Labor failed to deliver hospitals and also failed to invest properly in health infrastructure: 40 per cent of facilities are now more than 50 years old.

Capital expenditure was cut in seven of its 16 years in government. Labor cut nurse numbers, contrary to its rhetoric: 340 in western Sydney and 90 on the Central Coast. Labor closed 1,500 beds and, quite inappropriately, counted cots, bassinets and recliners in total bed numbers. Finally, Labor manipulated waiting lists. If the shadow Minister wants to rely on a track record, that is the appropriate one to look at, but Labor cannot rely on it to give the public any confidence that it is well placed even now to play an effective role in opposition when it is faced with a Minister for Health and a health department that are delivering and are pleased to be part of a national initiative.

**Mr RICHARD AMERY** (Mount Druitt) [11.03 a.m.]: I am pleased to speak on the Health Services Amendment (National Health Reform Agreement) Bill 2012. As previous speakers have indicated, the object of the bill is to amend the Health Services Act 1997 to make provisions for the funding of health services in accordance with the National Health Reform Agreement between the Commonwealth Government and the States and Territories, which was agreed to at a meeting in August last year of the Council of Australian Governments. The agreement is available on various government websites for anyone who wants to read it. This bill lists a number of agreements struck between the Federal and State governments over many decades. It was incredible listening to the last speaker's contribution to this debate. I would love to know who writes his speeches because I will be babysitting the grandchildren soon and another good fairytale would be something new for them to listen to.

It is incredible that someone can be so uninformed about health and infrastructure. I do not intend to make my speech solely on infrastructure, although I will make some reference to it. The whole idea of this bill is to introduce activity-based funding. On the face of it, that is very practical—money is put where the most activity takes place, as it implies. The suggestion is that the busiest hospitals will get the most money and the not-so-busy hospitals will get less money. That is logical and one might say it is common sense. As the shadow Minister said, I would like to think this bill is legislation in progress and that the two-year review will see how activity funding actually works, quite apart from the rhetoric and simplicity of its description. Obviously, hospitals in western Sydney like Westmead, which has massive activity in virtually every category of surgery and medical treatment, will be looking for a larger slice of the cake.

However, in some parts of the State that will not be the case. Mr Deputy-Speaker and Minister Souris, who is at the table, are members for regional electorates. I assume that their hospitals will be looking not just at activity but also location, isolation and issues such as demographics, population, ability of patients to travel, et cetera. Whilst the bureaucratic health experts will not say it—I said it at a meeting once—the most efficient health system would be to have a hospital the size of a couple of football fields and 50 storeys high stuck right in the middle of Sydney, filled with all the experts and technology. People could then travel to that facility. Of course, such a hospital also would qualify under the activity-based funding because that is where all the activity would take place. This agreement does not allocate resources based solely on activity and location of doctors.

As the shadow Minister said, I hope this bill is legislation in progress and that the two-year review will continue to examine how activity-based funding affects hospitals in regional areas and isolated parts of the State that will not have the case mixes and numbers of operations per staff member, et cetera. It will be interesting to see how this pans out. On the face of it, everyone agrees with the principle of activity-based funding. Local members on both sides of the House will have to examine how those resources are allocated. There has been a bit of toing and froing across the table about bed numbers, "We opened this many. You closed that many" and vice versa.

Bed numbers is one issue that an opposition will always highlight—that is the rule of the game of politics. We look at things like bed numbers, numbers of patients in hospitals, et cetera to make points. I do not believe bed numbers are a good measure of hospital care or service. I recall many years ago spending 10 days in Fairfield Hospital in western Sydney after having my appendix removed—one patient and one operation involved a 10-day hospital stay. These days the same operation would involve one day, or perhaps an overnight stay depending on whether there were any complications. My point is that in 2012 one bed provides care for far more patients than it did in 1957 when I had my operation.

Changes in medical practices and advancements in research have resulted in each hospital bed being occupied by more and more patients each year receiving an increasing number of health treatments. The shadow Minister said that Australia's health services are at a tipping point. That is true. He went on to say that,

irrespective of the colour of the party in office federally or in this State, by comparison with just about every other country in the world Australia's health care system is at the top. Sometimes our system is bettered by a country such as Norway or Sweden, but Australia is always in the top three. We should not lose sight of that fact. Another issue is the pressure put on the Health budget by an ageing population, a point recognised most appropriately by the shadow Minister. Credit must be given to the Federal Government for driving reform for a national approach on health services and ratifying agreements in legislation. Its initiative is to be commended. To attack the Labor Party or Labor governments regarding health care initiatives is just silly.

**Mr Stephen Bromhead:** What a disaster.

**Mr RICHARD AMERY:** I name just two—Medibank and Medicare. "What a disaster," interjects the member for Myall Lakes. I read a report that identified my electorate as having the highest number of personal bankruptcies of any electorate in New South Wales, so I looked at the reasons for those bankruptcies. They were due to all sorts of issues—marriage breakdown, mortgages, job loss, disability and injury at work were just a few. [*Extension of time agreed to.*]

In the United States of America, which does not have our national health scheme, our Medicare scheme—which the member for Myall Lakes says is a disaster—60 per cent of all personal bankruptcies are caused by the inability of people to pay their medical expenses. Bankruptcy due to non-payment of medical expenses in Australia is not even on the radar. That is under the scheme that the member for Myall Lakes described as a disaster. Will he advocate putting an end to our national health scheme? That is one issue. It would be remiss of me if I did not talk about some of the statements made by Government members. The member for Blue Mountains, entering this tennis match of politics in health care—talked about the Katoomba Hospital, asserting that over the years under Labor governments services were either stopped or transferred to Nepean Hospital. That sort of debating also occurred regarding the Blacktown local government area. My electorate has Mount Druitt Hospital. The Blacktown local government area is one of the few local government areas—the only one that I can think of—that has two substantial public hospitals, excluding Sydney and places like that.

There has been a drift of services from the Mount Druitt Hospital—a contentious issue in my electorate—over many years. For example, services have been centralised, which probably dovetails into the sort of strategy behind this bill, activity-based funding and centralising. One cannot have a specialist on every street corner, or an MRI machine on every street corner, although we are certainly advocating strongly for one at Mount Druitt Hospital, where it would be justified. Though the health system in the Blacktown local government area was restructured under a Labor government, the system still existed under our government, and still exists under this Government. Emergency surgery and medicine was transferred to Blacktown, with elective surgery being concentrated at Mount Druitt. This centralising of specialist services has been occurring not only in New South Wales and across Australia but also around the world in order to achieve better results from the limited number of specialists in a specialty and the like.

The Coalition, when in opposition, attacked that strategy, even though it was adopted in many places, and said that when it was elected to government it would do something about it. In response to the statements made by the member for Blue Mountains, I wonder whether the services transferred from Katoomba Hospital to Nepean Hospital will be returned under this Government. Will the current work-sharing arrangement between the Blacktown and Mount Druitt hospitals be changed? Will there be a return to a situation in which both hospitals provide both emergency and elective services? The Coalition said so when it was in opposition. It has been in government for only 15 months now, so we will give it a little more time, but we will see whether that principle of centralising services, making sure one hospital specialises in one area as opposed to another, changes under this Government.

The member for Davidson made some almost comical remarks about the lack of hospital infrastructure delivery by the former Labor Government. He said that Labor had failed Blacktown. Two hospitals have been built in Blacktown—one in 1962 and the other in the past five or six years. The common denominator in their building was a Labor government; it was a Labor government that built the hospital in 1962 and also built the new hospital a few years ago. The Mount Druitt Hospital, which has now been opened for 30 years, was built by the Wran Labor Government. The Lithgow Hospital was a brand new hospital. Gerard Martin, the former member for Bathurst, was always proud to talk about that and though it was a great achievement of a Labor Government. Former member for Kiama Bob Harrison will always talk about the decision of the previous Government regarding Kiama Hospital; that is on the public record.

The member for Davidson made critical comment about Labor not delivering hospital infrastructure. Every hospital in New South Wales and virtually every hospital in Sydney was either upgraded or built by a Labor government. Anyone who has not been to Liverpool Hospital over the past 20 or 30 years should go and have a look at it now. Anyone who has not been to Nepean Hospital in the past 10 to 15 years should have a look at it now. The Fairfield Hospital, where I had the operation in 1957 that I talked about, consisted virtually of converted army huts. The current Fairfield Hospital was another of the hospitals built by Labor. Liverpool, a major hospital, is still being rebuilt and expanded. I have a whole list of hospitals that have benefited from infrastructure works under Labor—Liverpool, Lithgow, Kiama, Mount Druitt, Blacktown and Westmead. Westmead Hospital was one of the great achievements of the Whitlam Labor Government.

I realise that health is one of those political issues on which members point the finger at one another, but to talk about Labor governments not having a good record on health infrastructure points to a lack of research by those who makes those statements. The Opposition will not oppose the bill. For the first time, it gives legislative force to a funding agreement between Federal and State governments. We have heard much about the very attractive term "activity-based funding". That concept is something that all would support in principle. Though western Sydney electorates are not so isolated, members who represent rural and regional electorates that have smaller hospitals will keep an eye on how activity-based funding works in practice and its impacts on how their hospitals are assessed for future funding by either Federal or State governments.

**Mr STEPHEN BROMHEAD** (Myall Lakes) [11.18 p.m.]: I support the Health Services Amendment (National Health Reform Agreement) Bill 2012. I have just listened to the member for Mount Druitt, who spoke about fairy tales. Once upon a time there was Disneyland, then there was Fantasyland—now we have Laborland. His speech was unbelievable. For the 16 years that Labor was in power not once did it have a care for regional New South Wales. The member for Mount Druitt read out a list of hospitals that had been upgraded under a Labor government. Only one regional hospital was on that list, and that was at Lithgow. Of course, there was a Labor member representing Lithgow at that time, so the Labor Government looked after Labor electorates and disregarded all of regional New South Wales.

Another example of a Labor government looking after Labor electorates is the Manning Rural Referral Hospital in my electorate. When the Coalition came into power at the end of March last year that hospital was about to lose its accreditation due to a lack of clinical services. Since that time we have had to employ two new intensive care specialists; two new anaesthetists; an oncology specialist for the first time—the hospital had no oncology services despite the fact that the electorate has one of the oldest populations in Australia with 35 per cent of the population over the age of 65, which means a higher incidence of cancer; a new orthopaedic specialist; two new emergency specialists; and a new geriatrician. They are just some of the clinical specialists we have had to employ in the past 12 months. We also employed 25 new nurses and another midwife. The list goes on. The Manning Rural Referral Hospital, like so many other hospitals in regional New South Wales, was totally disregarded by the former Labor Government.

The member for Mount Druitt also spoke being cautious with activity-based funding and what that might mean for regional areas. I raised this issue with the Minister for Health last year and I am assured that the big hospitals keep data on where their patients come from. When patients are transferred from, say, the Manning Rural Referral Hospital to John Hunter Hospital that is recorded, and an analysis of that data will indicate the needs of the local area. The New South Wales Minister for Health is doing an absolutely brilliant job and this Government is delivering on health services for New South Wales, including regional New South Wales. We are getting on with the job of upgrading and fixing Kempsey Hospital, Tamworth Hospital and Wagga Wagga Hospital, to name just a few—areas that would have been neglected by the former Labor Government.

This bill amends the Health Services Act 1997 to provide for the funding of health services in accordance with the National Health Reform Agreement between the Commonwealth and the States and Territories that was agreed to on 2 August 2011 by the Council of Australian Governments. The bill implements a major component of the National Health Reform Agreement struck in August 2011 by the Council of Australian Governments. The bill will establish the legislative framework for new national funding arrangements scheduled to commence on 1 July 2012. Those arrangements relate to the establishment of a single national health funding pool comprising separate State pool accounts; the payment into the pool of all Commonwealth and State activity-based funding for public hospitals; the establishment of a national system of activity-based funding; transparent accounting, reporting and auditing of pool accounts; the appointment of a single administrator; and other miscellaneous items.

Major provisions within the national health funding pool to be established by the common legislative Acts include the following. All States and Territories will establish State pool accounts with the Reserve Bank of Australia, to be collectively known as the national health funding pool for the purpose of receiving Commonwealth and State activity-based funding for local health districts. All payments out of the State pool accounts to local health districts and other providers will be made by an independent administrator, who may make payments out of the accounts only at the direction of the State. The administrator must be appointed separately by all health Ministers following the unanimous agreement of the members of the Council of Australian Governments Standing Council on Health.

Provision will be made for the suspension and removal of the administrator, as well as the appointment of an acting administrator from a panel of persons agreed to by the Council of Australian Governments Standing Council on Health. The administrator will undertake public monthly and annual reporting on all funding flows into and out of the State pool accounts as well as the preparation of audited financial statements for State pool accounts to ensure complete transparency of funding flows. The administrator will be tested by a national health funding body established by the Commonwealth legislation, and both the administrator and the funding body will be funded by the Commonwealth, but may not be directed by the Commonwealth. The administrator will be subject to a single set of financial management and accountability requirements under the provisions as well as Commonwealth administrative oversight laws, such as privacy, freedom of information and the Ombudsman.

Under the legislation, proposed part 2 establishes the office of administrator of the national health funding pool; provides for the appointment of the administrator, and suspension and termination of the appointment; and provides for his or her functions. Proposed part 3 provides for the establishment of a State pool account and the payments into and from the account under the National Health Reform Agreement. The State pool account and the State managed fund will be established by the Director General of the Ministry of Health. Proposed part 4 provides for the financial management and reporting duties of the administrator, auditing requirements and the exchange of information between the administrator and the Minister for Health. Proposed part 5 removes certain New South Wales legislation and applies equivalent Commonwealth legislation to or in respect of the administrator, and other machinery provisions.

Schedule 1 [3] provides that the Minister is to have regard to the National Health Reform Agreement in determining the amount of subsidies paid from the Consolidated Fund to local health districts, statutory health corporations and affiliated health organisations under existing financial provisions of the Health Services Act 1997. Part 5 of the bill provides that certain Acts otherwise applicable in New South Wales are to be excluded for functions undertaken by this bill. These Acts include the Government Information (Public Access) Act 2009, the Health Records and Information Privacy Act 2002 and the Privacy and Personal Information Protection Act 1998. In its place the bill provides that equivalent Commonwealth legislation is to cover the field. Between 2014-15 and 2019-20 the Commonwealth has committed to an additional \$16.4 billion nationally to fund the official growth in volume and costs.

New South Wales will receive additional efficient growth funds of around \$3 billion—guaranteed funding between 2014 and 2020. A further \$2.16 billion is achievable by New South Wales from the national package. Separate funding under the Improving Public Hospital Services National Partnership Agreement of \$186.2 million for 2011-12 is being provided to New South Wales for emergency departments, elective surgery and subacute care. Work underway to prepare for 1 July 2012 includes ensuring that health reform implementation and State funding policies and mechanisms are in place. Work in a number of areas is in the final stages of completion. That work includes finalisation of a State price and funding model, passage of the national health funding legislation in New South Wales, the approval and issue of local health district budgets and associated service agreements; and the establishment of a New South Wales State pool account.

One question that has been asked in relation to the legislation is who will control and be accountable for the funds held in the State pool account? Consistent with the nationally agreed common provisions, the money held in State pool accounts will remain money under the control of the State. Under part 3 of proposed schedule 6A the New South Wales State pool account will be established as an account within the special deposits account for the purposes of the New South Wales Public Finance and Audit Act 1983. This will ensure appropriate reporting and accountability in relation to funds held in the State pool account in accordance with the New South Wales legislation. It is intended that the annual financial reporting on the State pool account required by the Public Finance and Audit Act will be carried out by the New South Wales Ministry of Health. This legislation shows that the O'Farrell Government is getting on with the job and providing health services to all of New South Wales, including regional New South Wales. [*Time expired.*]

**Mr TIM OWEN** (Newcastle) [11.28 a.m.]: It gives me great pleasure to speak in support of the Health Services Amendment (National Health Reform Agreement) Bill 2012. A national system of activity-based funding will be introduced on 1 July 2012. The Independent Hospital Pricing Authority [IHPA] has been established at a national level to undertake consultation to determine the national efficient price [NEP] to be paid for each public hospital service and any loadings for unavoidable higher costs. From 1 July 2012 the Commonwealth and New South Wales governments will transparently contribute funds towards efficient hospital costs by pooling health funds in a New South Wales account with a national health funding pool.

As has been mentioned by previous speakers, activity-based funding will flow directly from the State account to the national pool to each local health district in accordance with the terms of the service agreement negotiated between the local health district and the New South Wales Ministry of Health. Block funding will apply to small country hospitals as opposed to activity-based funding, which I will explain later, where the patient threshold is less than 3,500 separations, and to teaching and research. Block funding will flow from the national health funding pool to the State-managed fund and then on to the local health districts.

States are not bound by the national efficient price and may choose to contribute an amount that results in total funding being either over or under the national average. In late March this year the Independent Hospital Pricing Authority circulated its draft national efficient price and pricing framework. This provides the basis for the establishment of the national efficient price for public hospital services that will apply during the coming financial year. For 2011-12, 2012-13 and 2013-14 Commonwealth funding to New South Wales under the National Health Reform Agreement is the same as would have been allocated under the National Health Agreement. For 2012 the figure is \$4.137 billion, for 2012-13 it is \$4.38 billion and for 2013-14 it is projected to be \$4.6 billion.

Importantly, the State remains the system manager of public hospital services and in the lead of public health service delivery across New South Wales. That is a key tenet of this Government. The State will continue to do five key things: provide the majority of funding for New South Wales health services; have responsibility as the system manager for the integrated public health system; be responsible for ensuring local health districts' and the network's performance; set the price, funding rules and overall level of funding received by local health districts for service delivery and purchase services from the local health districts under a service agreement; and bear the residual risk and meet the costs of service delivery in the public healthcare system.

This bill is consistent with the legislation that has been introduced into the Federal Parliament and agreed further amendments to the Commonwealth bill. Both the proposed Commonwealth legislation and this bill contain nationally agreed common legislative provisions. These provisions are identical in their terms, with some minor variations to reflect necessary differences between the functions of the administrator appointed under the Commonwealth and State legislation. That has been spoken about by previous speakers. For example, clause 8 (1) (b) of the New South Wales bill states that one of the functions of the administrator is to monitor State payments into each State pool account.

The corresponding provisions under the Commonwealth bill will provide that the function of the administrator is to monitor Commonwealth payments but not State payments in each State pool account, so similarity and cogency exist between the State and Commonwealth in this context. Similarly, in clause 8 (1) (c) the New South Wales bill sets out the administrator's function of making payments from the State pool accounts in accordance with the directions of the State. There is no corresponding provision in the Commonwealth bill. The Commonwealth bill also contains other provisions that are specific to the Commonwealth in order to implement national arrangements.

Since the National Health Reform Agreement was signed in August last year the New South Wales Government has been working closely with the Commonwealth and other State and Territory governments to ensure that the new national health funding arrangements can commence in July this year. Through the Council of Australian Governments health reform implementation group all jurisdictions have been working to ensure that legislation, financial operations, payment systems, administrative procedures and contingency plans are in place and ready from the start of July. This is a significant undertaking and appropriate contingency plans have been developed to minimise any technical or other issues. A key goal of the New South Wales Government, and the Ministry of Health under Jillian Skinner, is to implement these changes in the first transition year of the agreement in order to keep the system safe.

Activity-based funding, which has been mentioned by other speakers, is a management tool to assist in the allocation and monitoring of health service budgets based on the activity or outputs of an organisation or health service. As I mentioned previously, activity-based funding relates to the actual work performed with

agreed activity targets. The new funding model under the national health reforms incorporates activity-based funding. Funding for public hospitals will move to a nationally consistent model from July this year. In accordance with the National Health Reform Agreement, a phased implementation of activity-based funding in New South Wales has been planned with acute admitted emergency and non-admitted services funded on an activity basis from 1 July.

Mental health and subacute services will be phased in from July next year, with shadow funding allocation planned from this year's budget. However, as has been mentioned by members opposite, not all services are suitable for activity-based funding. These include services provided by rural and remote hospitals. The lower volumes and relatively fixed high costs of smaller hospitals make it impracticable to implement activity-based funding in all those services. They will continue to be block funded where appropriate. Similar services such as some teaching and research and population health services will also continue to be funded as a total program or a block funded basis until suitable funding mechanisms are decided and managed by this Government. One key question that has been asked is how New South Wales remote and regional hospitals will be funded under the new arrangements. Appropriate block funding will be provided to ensure rural and regional health services that deliver a smaller number of patient procedures or services receive the right funding level.

A model will be generated to do that. That will apply in areas such as my electorate of Newcastle. The Government is committed, however, to ensuring that decisions made regarding funding in these areas is as open as in areas funded on an activity-based sense. A National Health Performance Authority has been established under the Commonwealth legislation to monitor and report publicly on the performance of what I have just been speaking about: public hospitals, local health districts, Medicare locals and private hospitals. This will include achievement of specific access standards for emergency departments and for elective surgery. In terms of the national access target, under this model 90 per cent of all patients across all triage categories presenting to emergency departments must be admitted, referred or discharged from emergency departments within four hours. It gives me great pleasure to speak on this bill. This reform that the Government has introduced in the Health Services Amendment Bill 2012 is an outstanding piece of legislative work. I commend the bill to the House.

**Ms CARMEL TEBBUTT** (Marrickville) [11.37 a.m.]: I support the Health Services Amendment (National Health Reform Agreement) Bill 2012. The bill makes provision for funding of health services in accordance with the National Health Reform Agreement between the Commonwealth, States and Territories. The bill establishes the administrator of the National Health Funding Pool and provides for the establishment of the State pool account and for the financial management and reporting duties of the administrator. As other speakers have indicated, this legislation provides for some of the financial apparatus that will underpin national health reform.

The case for national health reform is well established and has been argued over many years. As Minister for Health in this State I was pleased to be part of the initial agreements that underpinned the introduction of this legislation. There is no doubt that the cost of health care in Australia is growing, and growing significantly. When Labor was in Government there was data that I am sure has not changed which demonstrated that if the New South Wales health budget was to continue to grow at its historical rates it would in a fairly short time consume the entire State budget. To ensure that we will be able to deliver services needed and demanded by the community in a manner that is affordable it is central to obtain appropriate support from the Australian Government. That really is what national health reform is all about.

A range of factors contribute to increasing health care costs in Australia. One factor is that both State and Australian governments are responsible for funding health services, which can create inefficiencies and an incentive for cost shifting. The overall aim of any health reform must be to make sure that people obtain the right care in the right place and at the right time. That was certainly what Labor in government tried to achieve and what the current Minister for Health is trying to achieve through both this legislation and the broader National Health Reform Agreement. This legislation takes us further along that path. The agreement also delivered significant additional funding for New South Wales, and that has been invested in new beds, new services and new infrastructure. The idea of pooled funding is that it will encourage a more efficient use of funding. It is important to comment, as have other members, on activity-based funding.

There is no doubt that research and evidence demonstrate that activity-based funding can drive reform and efficiencies in the delivery of health services and certainly can expose inefficient operators, but it is not a panacea for all difficulties. There are risks with activity-based funding. There is much debate about how a nationally consistent price for activity is established, and I am sure that debate will continue. There is no doubt

that there is a risk that activity-based funding can drive increased activity, which if it is needed is a good thing; but if it is a more expensive way of providing a particular service, or if it means that people perhaps do not get a more efficient and effective service in a community-based setting that is not necessarily a good thing. It is important that measures are put in place to address those risks with activity-based funding. There is no doubt also that activity-based funding is not appropriate for all services, which is why I am pleased that block funding for small country-based hospitals will be maintained.

When Labor was in government we vociferously argued the case for retention of that with the Federal Government to ensure it was understood that for some of our small country-based hospitals block funding simply will not work and would disadvantage patients and communities. There is no doubt that this legislation is important, but we all know that so much more is required if we are able to deliver the type of health services that the community needs. We need to do much more in terms of prevention. The proportion of our health budget that is spent on prevention is still too small. We should ensure that primary health care services are accessible and coordinated so that the community can get that support and service when it is needed. We also need to improve the operation of our hospitals. That is addressed by the National Health Reform Agreement, particularly the operation of our emergency departments. This legislation is an important part of national healthcare reform, but there is much more to do. I am pleased to have made comments in contribution to the debate.

**Mr JOHN SIDOTI** (Drummoyne) [11.43 p.m.]: It gives me great pleasure to contribute to debate on the Health Services Amendment (National Health Reform Agreement) Bill 2012. This bill is a component of the National Health Reform Agreement that was agreed to last year by the Council of Australian Governments [COAG]. Since the O'Farrell Government came to power it has embarked on a strategy of major health reforms to deliver more positive outcomes for both patients and staff. We have implemented important local governance changes to create local health districts and district health boards. This Government also has been working with the Commonwealth to establish a framework for the introduction of the new independent hospital pricing authority and the National Health Performance Authority.

This Government faced some of its biggest challenges when it took office and became aware of the mess that had been left to it. Since then the Government has invested in more doctors, more nurses and more beds. In last year's budget we invested \$950 million than Labor did in the previous year. We started rebuilding the State's health system with an allocation of \$1 billion for capital works to expand and renovate the State's ageing hospitals. We employed 940 additional nurses—the people who understand what is going on in individual hospitals. These reforms are far reaching compared with system reforms undertaken by Labor.

Some of the key elements of the new national health funding outlined in the legislation include establishment of a single national health funding pool with separate accounts for each State, the payment of all Commonwealth-State activity-based funding for public hospitals into the pool, the establishment of national activity-based funding to commence on 1 July 2012, a transparent accounting, reporting and auditing of pool accounts, and the appointment of a single administrator of the pool by the State health Ministers. This legislation makes provision for the selection of an administrator and outlines the administrator's specific functions. The administrator must be independent but accountable to all jurisdictions and will be appointed by the State health Ministers for a period not exceeding five years. The administrator will be assisted in undertaking this important work by the national health funding body. The administrator will be funded by the Commonwealth in the exercise of his or her duties.

This legislation will make the operation of the national health reform agenda more transparent. One important provision in the bill is that the Auditor-General of each State or Territory will conduct an audit of the financial statement prepared by the administrator. For too long health care in this country has been run inefficiently, and for too long the people who suffer are those who are most in need—the people who urgently require medical attention. Nurses and doctors delivering front-line services have for far too long been forced to deal with penny-pinching bureaucracies. This legislation includes provisions to apply Commonwealth oversight and government information and legislation to the administrator in relation to archives, freedom of information the ombudsman and privacy legislation. Everything will be out in the open, which avoids the imposition of an excessive regulatory burden on the administrator. The administrator will be exercising statutory functions in nine jurisdictions.

The legislation also will expedite the commencement of the new funding pool. Similar legislation already has been introduced by the Commonwealth, Queensland, South Australia, Tasmania and the Northern Territory. It is important to note that under the national funding arrangements New South Wales will continue to



provide the majority of funding for NSW Health. Proposals contained in the bill support the aims of this Government in delivering a more responsive health system—a system that we all want. They also support our policies for developing decisions regarding health at a local level. This already has happened through the responsible health policies of this Government. The bill provides for further health reforms. It is appropriate to examine some of the Government's key achievements. We have delivered on our election commitments by the provision of \$4.7 billion in planned health infrastructure.

We are fast-tracking priorities right across this State. Infrastructure improvements are planned for hospitals at Blacktown, Campbelltown, Wagga Wagga, Bega, Dubbo, Tamworth, Port Macquarie, Parkes and Forbes. The Government also plans to employ 2,500 additional nurses. There will be more transparent reporting of beds. All that information will be published in annual reports. Achievements that have been effected through the Office for Medical Research include a \$20 million boost to medical research support programs and development of a 10-year strategy plan for medical research. We secured \$3 billion from the Council of Australian Governments for growth funding and reducing unnecessary hospitalisation. We are obtaining a better deal for New South Wales from the health and hospitals fund.

Everything is focusing on doing more for patients. We have abolished policy that restricted patients from getting on to the waiting lists for surgery. We have increased travel and accommodation subsidies. We have established new food and nutrition standards for patients in hospitals. We have created 150 doctor intern training positions in 49 hospitals and 15 practices, resulting in 80 more doctors. We have had a dedicated general practitioner procedural pathway program to attract doctors to regional New South Wales. There are 2,163 graduate nurses in 102 hospitals, resulting in 1,100 more nurses; 581 new graduates for western Sydney—the area of the member for Macquarie Fields—and 593 new graduates for regional New South Wales. We have reorganised the health system to focus on the patients. We have re-engaged clinicians.

Let us focus on the previous Government's key achievements, or lack thereof. It promised but failed to deliver hospitals right across the State—Dubbo, Parkes, Forbes, Tamworth, Port Macquarie, Bega, Wagga Wagga, the northern beaches, Blacktown, Campbelltown, and the list goes on. The former Government failed to invest in health infrastructure—more than 40 per cent of facilities are over 50 years old, and capital expenditure was cut in seven out of the last 16 years. It cut nurse numbers—340 in western Sydney and 90 on the Central Coast. It closed 1,500 beds and counted cots, bassinets and recliners in its total bed numbers. It manipulated waiting lists right across the State.

The 2011-12 budget invested more than \$17 billion in hospitals and patients—the biggest health budget to be handed down in the history of this State. The record budget also confirms our commitment to significantly improving health care by making available more hospital beds, employing more nurses and delivering better patient outcomes. Some of the major initiatives in the 2011-12 recurrent budget include \$80 million to employ 900 extra nurses by June 2012; \$4 million towards employing 275 extra clinical nurse and midwife educators and specialists over the next four years; and \$4 million to extend 10 night shifts for nurses. This Government is doing a hell of a lot in health. We continue to strive for better outcomes for the people of New South Wales. This reform package will go a long way to doing that. I commend the bill to the House.

**Mr ANDREW CORNWELL** (Charlestown) [11.52 a.m.]: I support the Health Services Amendment (National Health Reform Agreement) Bill 2012. The bill implements the provisions of the National Health Reform Agreement 2011 of the Council of Australian Governments in August 2011 to create a new national health funding pool overseen by an independent administrator to establish a more transparent, accountable and efficient system of funding of hospital services in Australia. The scheme is scheduled to commence on 1 July 2012. The bill contains common legislative provisions to give effect to the agreement. While there has been some unexpected delay amongst the States in the drafting and negotiation of the common provisions, all outstanding concerns have been resolved and all jurisdictions have agreed on the common provisions. In New South Wales all affected portfolios support the common provisions.

A number of jurisdictions have already introduced their legislation—the Commonwealth, Queensland, South Australia, Tasmania and the Northern Territory. Victoria advises that it will introduce its legislation this week. The remaining jurisdictions are expected to follow shortly. While the time frames are tight, all jurisdictions are currently working towards the 1 July deadline for commencement of the scheme. Key features of the national health funding pool to be established by the common legislative provisions include that all States and Territories will establish State pool accounts with the Reserve Bank of Australia, to be collectively known as the National Health Funding Pool, for the purpose of receiving Commonwealth and State activity-based funding for local health districts.

All payments out of the State pool accounts to local health districts and other providers will be made by an independent administrator, who may make payments out of the accounts only at the direction of the State. The administrator must be appointed separately by all health Ministers, following the unanimous agreement of the members of the Standing Council on Health. There are provisions for the suspension and removal of an administrator, as well as the appointment of an acting administrator from a panel of persons agreed to by the Standing Council on Health. The administrator will undertake public monthly and annual reporting on all funding flows into and out of the State pool accounts as well as preparing audited financial statements for State pool accounts to ensure complete transparency of funding flows.

The administrator will be assisted by a national health funding body that is established by Commonwealth legislation. Both the administrator and the funding body will be funded by the Commonwealth but may not be directed by the Commonwealth. The administrator will be subject to a single set of financial management and accountability requirements under the common provisions, as well as Commonwealth administrative oversight laws that deal with privacy, freedom of information and the Ombudsman. Consistent with the National Health Reform Agreement, the common provisions contain transitional measures that allow the appointment of the administrator by all health Ministers and the commencement of the pool even if all jurisdictions have not commenced their legislation on time. Therefore, the scheme can commence even if not all jurisdictions have passed their legislation by 1 July.

The provisions in the bill contain the machinery to enable New South Wales to participate in the national funding scheme. It is therefore essential that the New South Wales bill is introduced and passed as soon as possible, preferably well before 1 July 2012. An interjurisdictional process is currently underway to appoint an interim administrator-designate as soon as possible to assist with the transition to the new national funding arrangements. A recruitment process is also being undertaken to identify a permanent inaugural administrator to be appointed under the proposed legislation following its commencement. I take this opportunity to pay tribute to the John Hunter Hospital. That hospital is a testament to the strength of the community of the Hunter. It is a major national teaching hospital.

John Hunter Hospital has fantastic links with the university, which also has a strong faculty of health. As a consequence the Hunter is extremely well served. It is widely acknowledged that because of the building's size it is reaching its capacity. The quality of the staff who work there and the way the community interacts with the hospital mean it is a fantastic facility. It contains 550 adult beds and 101 paediatric beds. It has the busiest accident and emergency section in New South Wales. As a parent of two young boys, I have had the misfortune to use that section on a few occasions. I know health can become a political football at times but when push comes to shove we are very well served in this country. Health is an area that all political parties have a strong obligation to fund adequately and to provide an adequate work environment for staff.

I will share a personal story of the health system having worked fantastically well for me. When my son was about nine months old we had been on a recent holiday. Several days after being on an aeroplane everyone came down with a cold. Having a fairly unhappy nine-year-old, I thought we would go for a drive in the country. While we were driving on a road out the back of Cessnock my nine-year-old suddenly had a seizure and lost consciousness. We were on the side of the road with an unconscious nine-year-old whose lips looked a bit blue or cyanotic—an incredibly frightening experience for any parent. Even for someone in my position who has the fortune to have a degree of medical training, albeit on the animal side of things, it is still an extraordinarily frightening experience.

We phoned 000 and an ambulance arrived at our location within 10 minutes even though we were fairly isolated. The ambulance staff were incredibly reassuring and it turned out that our child had had a febrile convulsion, something that he is susceptible to. The ambulance staff were brilliant and not only reassured us but also put my son and wife in the back of the ambulance to take them to Maitland Hospital while I followed in the car. The staff at Maitland Hospital, which is not one of the largest in our region, were absolutely fantastic. The health system becomes a political football at times, but in 99.9 per cent of cases the staff do a wonderful job. We are well served in this country by a fantastic public hospital system. That does not mean we cannot do better or should not strive to do better.

On the occasions when I have had the misfortune to need the services of our public hospital system, the experience has been—for want of a better phrase—as painless as possible. The system has been fantastic for us as parents and brilliant for both of my children, who are demonstrating their father's accident-prone characteristics. Nonetheless, this bill is a great reform and a great opportunity for me to pay tribute to the

wonderful staff of the Hunter New England Local Health District—particularly, John Hunter Hospital—the fantastic staff at Maitland Hospital, the ambulance drivers and all those who have certainly helped me and my family over the years. This is important reform, which I am happy to support. I commend the bill to the House.

**Mr JOHN FLOWERS** (Rockdale) [12.01 p.m.]: I support the Health Services Amendment (National Health Reform Agreement) Bill 2012. I acknowledge our hardworking Minister for Health who has the interests of Rockdale residents in mind when she so often visits St George Hospital. The object of the bill is to amend the Health Services Act 1997 to make provision for the funding of health services in accordance with the National Health Reform Agreement between the States and Territories and the Commonwealth that was agreed to by the Council of Australian Governments in August 2011. This bill will create a new national health funding pool that will be overseen by an independent administrator. This new system of funding of health services is scheduled to commence on 1 July 2012 and will be an efficient and accountable system. The Commonwealth, Northern Territory, Queensland, South Australian and Tasmanian governments have already introduced their legislation.

All States and Territories of the Commonwealth will establish State pool accounts with the Reserve Bank of Australia. This will be collectively known as the national health funding pool. It will have the purpose of receiving Commonwealth and State activity-based funding for local health districts. Payments from the State pool accounts to the local health districts and other providers will be made by an independent administrator. Payments may be made out of the accounts only at the direction of the State. The bill provides for the appointment of the administrator, who must be appointed separately by all health Ministers following the unanimous agreement of members of the Standing Council on Health. Further, the chair of the Standing Council on Health is to give each council member an opportunity to nominate an individual for appointment. The administrator is appointed for a period not exceeding five years and is eligible for reappointment.

The bill contains provisions for the suspension of the administrator by the chair of the Standing Council on Health if requested to do so by at least three council members who are Ministers of a State, or the council member who is a Minister of the Commonwealth. Grounds for suspension include being unable to perform his or her functions satisfactorily due to physical or mental incapacity, failing to comply with his or her obligations or duties as administrator, being accused or convicted of an offence that carries a penalty of imprisonment, or becoming, or having the potential to become, bankrupt. The chair of the Standing Council on Health may appoint an acting administrator during any period when the office is vacant or the holder of the office is suspended or absent from duty. The appointment may be made only from a panel of persons agreed to by all members of the Standing Council on Health. I refer now to the functions of the administrator, which are contained in part 2, clause 8. It states:

The Administrator is:

- (a) To calculate and advise the Treasurer of the Commonwealth of the amounts required to be paid by the Commonwealth in each State Pool Account of the National Health Funding Pool under the National Health Reform Agreement (including advice on any reconciliation of those amounts based on subsequent actual service delivery), and
- b) To monitor State payments into each State Pool Account for the purposes of Part 4, and
- c) To make payments from each State Pool Account in accordance with the directions of the State concerned, and
- d) To report publicly on the payments made into and from each State Pool Account and other matters on which the Administrator is required to report under this Schedule, and
- e) To exercise or perform any other functions conferred on the Administrator under this Schedule.

I should like also to touch briefly on the financial management and reporting of the administrator as set out in part 4. The administrator must provide monthly reports to the Commonwealth and each State. Further, the administrator must provide to the responsible Ministers an annual report on the exercise or performance of his or her functions within four months after the end of each financial year. Clause 7 sets out that the administrator must, after each financial year, prepare an annual special purpose financial statement in relation to each State pool account and an annual combined financial statement for all State pool accounts. This will ensure even greater transparency of funding flows. The Minister for Health continues to be the State's strongest advocate for a better health system, not just for the delivery of improved services but also for accountability. I commend the bill to the House.

**Dr GEOFF LEE** (Parramatta) [12.06 p.m.]: I support the Health Services Amendment (National Health Reform Agreement) Bill 2012. The member for Macquarie Fields, who said the Opposition supported the bill and gave his in-principle support for the bill, made a disappointing contribution. According to the standards of academia, his speech rates a conceded pass because as Labor's Parliamentary Secretary for Health in its final term of government he signed something like 90 per cent of the former health Minister's correspondence. Therefore, the member for Macquarie Fields is implicated in all Labor's health system failures over the past 16 years. The member for Macquarie Fields claimed in the *Macarthur Advertiser* of 13 July 2011 that he does not want to be "an attack dog" and said that attacking press releases is not helpful. His performance to date as shadow health spokesperson has revealed more empty spin from Labor. His former colleagues Paul Gibson and Frank Sartor have lined up to trash Labor's record on health when in government, while Morris Iemma and Carmel Tebbutt have praised Minister Skinner's performance to date—demonstrating that the Minister has her finger on the pulse and is reforming the health system.

I seek the indulgence of the House to acknowledge the achievements of Westmead Hospital, one of the largest hospitals in Australia if not the Southern Hemisphere. In the past 15 months more nurse graduates have been recruited not only to Westmead but also to the children's hospital. Recruitment is up by something like 150 per cent over the past year. What a fantastic achievement. The Premier greeted some of the new recruits not so long ago. More recently, a \$5 million upgrade of the emergency department was approved by the Minister. That will help to get patients through the emergency department of Westmead Hospital faster. That goes to this Government's mantra of empowering local clinicians to effect design improvements within the system, because the clinicians at the coalface know best how to improve efficiencies in operations and how to improve the performance of their departments.

I want to highlight the commitment of Minister Skinner to the delivery of \$45 million for the Children's Medical Research Institute and the Millennium Institute within the Westmead Hospital precinct. Those institutes do vital work in the early detection and prevention of terrible diseases that afflict young and old alike. This Government is taking action, and this legislation is part of its action to reform the health system to make it more effective and efficient by basing funding on the services that are delivered. Westmead Hospital provides a huge range of services. In fact, I look forward to the hospital benefiting from these types of funding arrangements. That is because Westmead Hospital provides so many services: it treats cancer, it has a coronary care unit, it has a dialysis unit, and it provides elective services in cardiothoracic surgery, ear, nose and throat surgery, eye surgery, general surgery, gynaecological surgery, neurosurgery, orthopaedic surgery, plastic surgery, urological surgery, vascular surgery, and other elective surgery.

Westmead Hospital has a very busy emergency department. Off the top of my head, data for the final three months of last year showed that in that quarter something like 15,000 attended the Westmead emergency department. The hospital has a geriatric assessment section, a hospice care unit, intensive care unit, neonatal intensive care unit, obstetrics section, outpatients service, psychiatric ward and a rehabilitation unit. It is interesting to note that many patients are transferred to Westmead from other hospitals in the areas surrounding that hospital, whether from Blacktown or Nepean hospitals. Westmead Hospital has many specialist units of international renown. When those services and the care provided by specialist doctors and nurses are required, patients are transferred to Westmead Hospital to deal with the more difficult cases. I commend the hospital for looking after those patients.

As recently as last week I spoke to Danny O'Connor, Chief Executive Officer at Westmead Hospital. He reflected a number of concerns, and said he looked forward to the change in funding arrangements. The activity-based funding model should provide the incentive to see Westmead perform even better than it is performing now. The hospital, because of its scope and size, will have its opportunity to be most effective in service delivery through this sort of resourcing. Activity-based funding is a transparent and fair system. Of course, other similar hospitals must be grouped in the same pool, whether it is Liverpool, Wollongong, Newcastle, St George or Nepean. Because they undertake so many of those procedures, they can average out the cost. I note that the Independent Hospital Pricing Authority will set prices at a Federal level.

For Westmead and other similar hospitals of the same size, this system will provide a realistic assessment of the cost of delivering each treatment. Thus hospitals like Westmead that implement efficiencies and have state-of-the-art practices will be rewarded for their efficiencies. Recently I asked the Director General of Health what happens with more complex cases, such as when people present with one ailment yet have a series of other issues—for example, they present with a sore leg and have obesity, diabetes or asthma issues. The funding model provides for allocation to deal with increased services in complex cases; so not just the one activity but multiple activities. It is particularly important that hospitals like Westmead have adequate funding to deal with those complex cases.

I am not the only one saying that activity-based funding will improve the transparency and effectiveness of the hospital system; that is recognised by the Federal Government. The Federal Government website promotes that public hospitals be rewarded for efficiency and best practice in the delivery of services, at the same time having due regard to clinical safety, quality and efficiency and effectiveness. This is all about the Federal Government working in partnership with the State. I again commend Minister Skinner and her ability to work with the Federal Government. I conclude by saying that the new funding arrangements will not undermine the powers and responsibilities of our State in respect of health services. In fact, the majority of funding for New South Wales will come from the State, which will be responsible for managing an integrated system of public health.

**Mr JAMIE PARKER** (Balmain) [12.16 p.m.]: I speak in debate on the Health Services Amendment (National Health Reform Agreement) Bill 2012. Today we have heard a lot of detail about the bill and its genesis, and I will cover that briefly. But I will address specifically some of the issues around activity-based funding, including concerns about and dangers of such funding. The Minister and the department should be cognisant of those concerns and dangers and consider them as the agreement moves forward into the future. The Greens are supportive of the bill. It is good to see a positive Council of Australian Governments process, despite all the criticisms about the length of time that process takes to produce positive outcomes. I believe it is always positive when Federal and State governments work in a cooperative manner, sometimes facing challenges, to deliver outcomes.

The bill implements a major component of the National Health Reform Agreement, agreed to by the Council of Australian Governments in August 2011. The bill will establish a legislative framework in New South Wales for the implementation of the national reforms that are due to begin on 1 July 2012. There are three key issues. The first is devolved local governance and management through the creation of local hospital networks that have primary responsibility for managing the provision of hospital services to their local populations. As we know, this was already established in New South Wales under the Health Services Amendment (Local Health and District Boards) Act 2011. The second point is the creation of a national health funding pool, with both State and Commonwealth contributions to hospital funding to be paid to local hospital networks through a national health funding pool, with an administrator overseeing the funding of the public hospital system. We have heard some detail about this proposal, so I will not go into the specifics of it. But this is a sensible way to manage that process.

The final matter I wish to speak about is nationally coordinated activity-based funding. Instead of States receiving block grants, they will be funded for each activity they undertake, under a set funding equation, and this will be determined by the Independent Hospital Pricing Authority. It is the particular issue of activity funding that I would like to address. But, before I do, I want to acknowledge the work of those in the department and the Minister's office. We have had a lot of toing and froing today—Labor was better at this; no, the Coalition was better. I do not propose to get involved in that. The experience of my local community is with Balmain Hospital, the major healthcare facility in the electorate of Balmain. The hospital's 24-hour casualty service was closed by the former Government and that closure has been supported by this Government.

When it comes to the provision of health care in the electorate of Balmain neither party covers itself in glory. I understand the Government's decision and I understand why the former Government proposed the closure, but as the local member of Parliament it is my job to fight for facilities and services for residents in my community, and for a range of reasons that I have explored through motions in the House I believe it was not the right decision. I encourage the Minister for Health to visit Balmain Hospital. The Minister talks about all the hospitals she has visited and I welcome her initiative, but I encourage the Minister to visit Balmain Hospital with me. I toured the hospital a few months ago; it is a fantastic facility with fantastic staff and a great culture.

It is sometimes very difficult for an organisation to develop a flavour but when an organisation has a positive culture people can see it in everything that organisation does. That is why I encourage the Minister to visit Balmain Hospital. I would love to talk with her and show her the great results the Government is achieving. The Government has overseen some positive developments at Balmain Hospital and I encourage the Minister to come along so that we can explain them to the community. As I mentioned, the Commonwealth, State and Territory governments finalised the health reform agreement, and that agreement sets out a range of criteria.

The Commonwealth has lead responsibility for general practitioners and primary health and the States are the managers of the public hospital system. Under the national health reform the Commonwealth has guaranteed that it will provide at least \$16.4 billion in additional efficient growth funding over the period 2014-15 to 2019-20. These are positive steps, which The Greens support. The Greens' main concern is the issue

of activity-based funding. Activity-based funding is a model of funding that relies on a resource funding equation to decide how funds are allocated between different service providers. Hospitals are funded according to need, which is determined by data collection of the number and type of patients in the hospital during a set period. That is meant to increase equity in health funding.

Under an activity-based funding system, patients are divided into categories of diagnosis according to their illness or needs. The relevant body—a State, Federal or independent body—calculates what the appropriate treatment time and cost is for that diagnosis, and there is a process for that in the agreement. That then becomes the average benchmark that hospitals, under the activity-based strategy, should strive for. If they undertake patient care that costs less than this benchmark, they are able to retain the surplus. If they exceed the limit, the provider will have to cover the difference. This is meant to encourage practitioners to undertake care in the most cost-effective way, and we understand the logic behind that approach. I could talk about the carbon pricing mechanism, which also has market logic—as opposed to the Federal Coalition's "picking winners" approach, which has no market mechanism—but I will not do that at this time.

The activity-based funding model is therefore framed within the concepts of efficiency and equity. The National Health Reform Agreement exempts some hospitals from having to comply with activity-based funding by providing block grants for teaching, training and research. I have concerns about a few issues, and I urge the Minister and the department to be vigilant in addressing them. Once a hospital has determined which diagnosis-related group a patient falls into, activity-based funding calculates an average or predicted length of stay in hospital. Length of stay is essentially capped, and if a hospital does not discharge patients according to the prediction of the diagnosis-related group it will not meet its outcome targets. That may result in decreased funding in subsequent years. Length of stay outcome measures have been criticised for not indicating the true value of the service provided. The concern is that it may encourage hospitals to reduce patients' length of stay in order to obtain financial gains. I hope the Minister proceeds cautiously and that the department monitors the situation very closely.

In encouraging hospitals to become more efficient, activity-based funding may discourage them from taking on more complex cases, which may be a challenge for hospitals. Dividing patients into diagnosis-related groups raises issues about patients who have more complex needs, such as mental illness, ageing or disability issues. I am sure that these issues have been explored and considered carefully by the department, but they deserve further discussion in the House. As activity-based funding is focused on the throughput of patients to measure whether hospitals are meeting the outcome targets, hospitals may be discouraged from taking on patients who would need extra care or an increased length of stay. That risks marginalising patients with complex needs and prioritising efficient rather than holistic health care.

There are also issues about developing a formula to classify patients into categories of care. The formula needs to be specific to ensure that patients can be separated but also wide enough to represent a diverse range of circumstances and symptoms that a patient may present with. Those objectives may be difficult to achieve in a practical sense. Generalising cases relies on exact and consistent data for the system of classification to work. We know that getting exact and consistent data from the health system has been a challenge over the years, and I hope the Minister and the department will take that into account. Another issue is the potential conflict between equity and efficiency. The clash between the interests of equity and efficiency is a significant issue in the application of an activity-based funding model. In highlighting the importance of efficiency there is the potential for funding goals to override client needs and to impact negatively on the quality of care provided.

The Government needs to assess all these factors very carefully. We support the bill; we believe it has a lot of merit. However, activity-based funding requires careful and consistent attention to ensure that the equity and the efficiency issues do not clash and that there is an acceptance and an understanding that length of stay is not the only way to measure the performance of a hospital. I look forward to seeing all these points addressed in the future. We can then undertake analysis to determine the impact of activity-based funding. I thank all members who have contributed to this debate; it has been a most positive discussion. I again invite the Minister to visit Balmain Hospital so we can talk about that fantastic facility.

**Mr CHRIS HOLSTEIN** (Gosford) [12.26 p.m.]: I speak in support of the Health Services Amendment (National Health Reform Agreement) Bill 2012, which was introduced by our hardworking and very effective Minister for Health, the member for North Shore. The passing of this bill will facilitate the implementation of a major component of the National Health Reform Agreement agreed at the Council of Australian Governments meeting in August 2011. It will also establish the legislative framework for the new

national funding arrangements, which are due to commence on 1 July 2012. The New South Wales Government is committed to a more devolved and accountable health system. That objective dovetails with the requirements of the national funding arrangements insofar as it requires improved local accountability through devolved local governance and management; improved and transparent performance reporting; and a nationally consistent approach to activity-based funding. All this is designed to improve patient access to services and public hospital efficiency. In short, the bill will support the next major plank of the national health reform agenda.

Some measures have already been implemented through the Health Services Amendment (Local Health Districts and Boards) Act 2011, which created local health districts and district health boards with devolved responsibility for managing public hospitals and health services. That was well received by my community—the Central Coast community thanks the Minister for her efforts. A single national health funding pool will be established comprising separate State pool accounts. All Commonwealth and State activity-based funding for public hospitals will be paid into the pool and a national system of activity-based funding will be established. Under the agreement, all jurisdictions must pass legislation in order to effect the implementation of these new funding arrangements. All jurisdictions have agreed on a set of common legislative provisions in order to maximise national consistency. An office of administrator will be created and will be legislated in each jurisdiction. Even though a single individual will be appointed to the office, the administrator will be independent but accountable to all jurisdictions.

The appointment of the administrator for a five-year period must be unanimously agreed to by all members of the Council of Australian Governments Standing Council on Health. It is important to note that the agreement provides that the costs of the administrator and the funding body are to be met by the Commonwealth and that the 2012-13 Federal budget has provided for this. The bills in each of the nine jurisdictions contain provisions that deal with the control and/or direction of the Commonwealth. In short, there is no control by the Commonwealth because the administrator will be independent and not subject to Commonwealth control or influence in the performance of his or her duties. The suspension or removal of an administrator is covered in detail in the bill. As the administrator will be appointed by all jurisdictions, their suspension or removal cannot be unduly influenced by any single jurisdiction, including the Commonwealth.

In New South Wales, in addition to local health districts these new funding arrangements will also apply to health service networks and will receive activity-based funding through the national health funding pool. This will include Sydney's Children's Hospitals Network and the St Vincent's Health Network. The New South Wales pool account will be established as a separate bank account and all Commonwealth funding to the State for hospitals covered under the agreement will be paid directly into the State pool account. In addition, the State contribution for activity-based funding for New South Wales hospitals will also be paid into that account. Under these new arrangements the administrator will make appointments to the local health districts in accordance with the service agreements between the State and each local health district.

The Minister for Health is currently managing the overall implementation program to commence these new funding arrangements from 1 July this year. Again, it is important to note that the administrator will be subject to the control and the direction of the State Minister, or her delegate, and is not subject to the control or direction of the Commonwealth. This change is supported by this side of the House. It is designed to focus on paying for services delivered, which in turn benefits patients because it underpins the practical approach of funding where activity occurs. Under the national health funding arrangements New South Wales will continue to provide the majority of funding for its health services and be responsible for ensuring the performance of local health districts and the network. The proposals in this bill support and complement this Government's policies for a more devolved and responsive health system in which important decisions about patients can be made locally.

I take this opportunity to pay tribute to my local hospitals. Gosford Hospital and Woy Woy Hospital have dedicated staff members who have an outstanding work ethic and are committed to their patients. We on the Central Coast are thankful for their efforts. We are also thankful to the Minister for Health for the initiatives that have been implemented and those that are to come. Only a couple of weeks ago I was pleased to turn the first sod for the rebuilding of the Woy Woy Rehabilitation Centre, which, unfortunately, the former Labor Government decided to close down. The community worked diligently to reinstate the rehabilitation unit and it has been successful. This outstanding opportunity grasped by the Government will benefit the ageing population in the Woy Woy community. The community applauds the Minister for Health and the Government for making the wonderful decision to reopen the unit. This bill is yet another example of our fine Minister for Health making decisions for the benefit of the people of New South Wales. I commend the bill to the House.

**Mr KEVIN ANDERSON** (Tamworth) [12.33 p.m.]: The Health Services Amendment (National Health Reform Agreement) Bill 2012 will establish a national health funding pool to fund hospital services in Australia. I will speak about how this will relate to the Hunter New England Area Health Service and the Hunter New England Local Health District in the Tamworth electorate. My contribution will concentrate on the basis upon which services will be funded on a block versus activity-based funding arrangement. The new funding model under the national health reforms incorporates activity-based funding. Funding for public hospitals will move to a nationally consistent model from 1 July 2012. In accordance with the National Health Reform Agreement, phased implementation of activity-based funding in New South Wales has been planned, with acute admitted emergency and non-admitted services funded on an activity basis from July. Mental health and subacute services will be phased in from July 2013, with shadow funding allocation planned from 1 July 2012.

However, not all services are suitable for activity-based funding, and that is relevant to my electorate of Tamworth. This includes services provided by rural and remote hospitals. The lower volumes and relatively high fixed costs of smaller hospitals make it impractical to implement activity-based funding for those services and they will continue to be block funded where appropriate. Similarly some services, such as some teaching and research population health services, will also continue to be funded as a total program on a block funded basis until suitable funding mechanisms are decided. The Tamworth electorate has a number of hospitals and health services, including facilities at Tamworth, Barraba, Werris Creek, Gunnedah, Boggabri and Manilla.

The staff members of all those facilities do a sensational job. The Minister for Health, and Minister for Medical Research, Jillian Skinner, has been to the Tamworth electorate on many occasions to see firsthand the great work of the staff and their patient-centred approach. Presently a \$42 million cancer care centre is under construction on the site of Tamworth Base Hospital, which is due for completion later this year. Early next year work will start on the \$210 million redevelopment of the Tamworth Base Hospital, with a scheduled build and construction time of three years. The Tamworth hospital is well placed to manage the future health needs of our region, even though recently Tamara Private Hospital has indicated that it will no longer provide maternity services in the Tamworth area.

I have had extensive discussions with the General Manager of the Tamworth Rural Referral Hospital, Brad Hansen, and the Hunter New England Local Health District Chief Executive Officer, Michael DeLorenzo, about how the hospital will manage the extra 120 to 125 births a year that it will need to take on board. The hospital has excellent staff and is well placed to meet those needs. There is a saying, "Build it and they will come." We will soon have a brand-new hospital and I am sure that the facility will attract the specialists needed to ensure that we can continue to provide those health services into the future. We presently have 1.7 paediatricians, and that must be addressed. I am sure that active recruiting for the new hospital will ensure that number will increase.

Recently I visited the Gunnedah District Hospital, which is under the control of Carole Young. She is doing a sensational job with the Gunnedah Health Service. I spoke with the staff and saw the great work they do. Staff in smaller hospitals do lots of different things; they are multi-skilled. We saw that firsthand when we took a tour through the wards, theatres, maintenance units, administration offices and other areas. We must ensure that the models of health care and administration are maintained in smaller hospitals because their work is quite different from that done in major hospitals in the city. Staff play a very important role and do a number of jobs. Some staff in smaller hospitals will even come in on their days off to assist. I commend them for their work.

Recently the Government opened the Manilla Multi Purpose Service [MPS] facility as a result of a \$10 million State funding commitment and Federal hospital funding, which is simply fantastic. The Werris Creek multipurpose service is under construction and we look forward to that as well. My electorate has some great facilities. Under administration by the current Minister for Health the focus is firmly on a patient-centred approach to ensure that we look after patients and staff. I very much look forward to presentation of the budget in a couple of weeks to ensure that the Tamworth hospital is well and truly on the funding radar, especially since the community had been let down for many years over a hospital that repeatedly was promised yet not delivered.

I assure my constituents that redevelopment of the Tamworth hospital is well and truly on the Government's radar. Today I examined some plans and proposals for redevelopment, and I have been briefed frequently by the acting general manager of the Tamworth Base Hospital, Brad Hansen. In my opinion, New South Wales has a fantastic Minister for Health in Jillian Skinner. She is doing a fantastic job. We are seeing



collaboration at a State and Federal level that has not been seen previously. The Council of Australian Governments agreement that the Minister has managed to work through and the bill before the House are commendable. I thank the House for its time.

**Mr RYAN PARK** (Keira) [12.40 p.m.]: My contribution to debate on the Health Services Amendment (National Health Reform Agreement) Bill 2012 will be brief. The bill states:

The object of this Bill is to amend the *Health Services Act 1997* to make provision for the funding of health services in accordance with the National Health Reform Agreement between the Commonwealth and the States and Territories that was agreed to by COAG on 2 August 2011.

This is an important bill. During discussions in this House on budget allocations, arguably there are not too many more important concerns than health funding, and the provision and delivery of health services to our electorates. Surveys conducted in my electorate and more broadly in the Illawarra area show that apart from employment, health remains one of the most important services upon which people rely and that they expect respective levels of government to deliver effectively. I hope that this bill is just the start of improvement in service delivery. I am very pleased that the Minister for Health is present in the House because I wish to discuss health services in my area and the important role played by the Bulli District Hospital in my community. As members know, for some time I have not been pleased by the way Bulli hospital has been handled.

I have put on the record my strong view that this issue should have been sorted out by now. I have been very open about that, as the Minister, her office and my local community well know. Equally, I am very open and honest about the fact that the Minister for Health and the current Government, when in opposition, made frequent visits to the Illawarra area and frequently made commitments about the Bulli hospital in recognition of its important role in the provision of health services to the northern Illawarra community. In the lead-up to the presentation of the budget, I hope the Minister and the Government allocate meaningful funding to this important local service to ensure that it continues and it is improved, and that going forward the people of the northern Illawarra will be given access to the health care services they need.

Bills are only as important and crucial as their implementation on the ground in our electorates. Our communities need to see well-resourced hospitals, funding that matches previous commitments, and funding that matches the level of services that will be provided at local hospitals. That is what communities expect of parliamentarians and lawmakers. That is what communities expect when it comes to Ministers and the government of the day. From day one I have been very clear about this matter. If I have been asked once, I have been asked 100 times: Have you been happy with the way that Bulli hospital has been handled? On each occasion I have said, "No, I am not happy."

But equally I am not happy that after a little more than a year into the term of this Government, despite continual visits by Coalition members when they were in opposition, my community is yet to obtain funding that will enable the Bulli hospital to be maintained, to grow or to be improved. In the lead-up to the budget in the next couple of weeks, I hope the Minister sees fit to re-examine the Bulli hospital issue and refer to some of the comments she made when she was in opposition. I hope she also sees fit to use this legislation to make the Bulli hospital an absolute priority when it comes to delivering improved health services on the ground in communities such as mine. The northern Illawarra community needs some real funding to match the rhetoric that has been associated with the Bulli hospital.

No-one expects the Bulli hospital to be a major or central regional hospital, but the community expects a level of service that can be provided around the clock, 24/7, in a way that is safe and effective. That requires meaningful funding—real dollars—and quickly. If my community does not get that, we will see continued degradation in the provision of health care services and people will have to continue to turn to the Wollongong Hospital for services and treatment. Those who live in the Illawarra know that the Wollongong Hospital already has waiting lists and long delays in emergency departments. I hope that this bill is just the start of some real reform when it comes to the delivery of health services and an allocation of real funds when it comes to improvements in my community, particularly improvement in the important services provided at Bulli Hospital.

**Mr BRYAN DOYLE** (Campbelltown) [12.46 p.m.]: It gives me great pleasure to support the Health Services Amendment (National Health Reform Agreement) Bill 2012. It is no surprise that this agreement requires significant health reform action, including improved local accountability and responsiveness of public hospital health services through devolved local governance and management—something that largely would have been impossible under the previous Government. Jillian Skinner is perhaps the best Minister for Health that this State has ever seen. The proof of that can be seen at Campbelltown, that great opal of the south-west. It

is likely that our Premier will be known as the Premier for infrastructure. Never before have Campbelltown and the greater Macarthur area seen such great investment in public infrastructure, especially in health facilities and services.

I spoke to Professor Phil Harris, who is a wonderful clinician and Chair of the South Western Sydney Health District Board. He and other clinicians are very pleased with the changes that have been implemented. Morale in the health system in south-western Sydney has lifted enormously because people know that there is hope. It was also with great pleasure that I hosted a visit to my electorate by the Premier and the Minister for Health to announce a \$139 million upgrade of the Campbelltown Hospital, which is a long-awaited and long-hoped-for addition to local health services in my area. I am sure that the initiatives taken by the Minister for Health will serve the people of Macarthur well for many years.

It was also my pleasure recently to welcome new medical interns on their first day of duty at the Campbelltown Hospital, which is a teaching hospital that works in conjunction with the University of Western Sydney. Recently I also welcomed a visit by the Treasurer, who will be recorded by history as one of the State's great Treasurers. He touched the ground where \$139 million will be invested to provide health care services for the benefit of the people of Campbelltown and the greater Macarthur area. This bill is timely because it reflects all the wonderful improvements that have been made by our Minister for Health, who spent 16 years watching Labor's efforts in Health administration. Never before has a State Minister for Health had such a long time to observe and learn from the failures of her predecessors in government.

**Mrs JILLIAN SKINNER** (North Shore—Minister for Health, and Minister for Medical Research) [12.49 p.m.], in reply: I thank members for their contributions to debate on the Health Services Amendment (National Health Reform Agreement) Bill 2012. I particularly thank members representing the electorates of Blue Mountains, Davidson, Myall Lakes, Drummoyne, Newcastle, Campbelltown, Charlestown, Rockdale, Parramatta and Gosford from the Government, members representing the electorates of Macquarie Fields and Keira from the Opposition and the member Balmain from The Greens. This is an important bill that implements the health reforms of the Council of Australian Governments. It is really all about creating the national health funding pool, which will be overseen by an independent administrator appointed by the States and Territories, and the Commonwealth to establish a far more transparent, accountable and efficient system of funding hospital services in Australia. I point out to members who talked about buildings that this bill is about recurrent funding, not capital funding—activity-based funding. I thank my colleagues on the Government's backbench for their interest in this topic and for turning up to briefings.

The scheme, which is scheduled to start on 1 July, will transform the way in which health services are funded. There will be far more transparency about what aspects of health care are funded. We will be able to see how much money a hospital or local health district receives. Service agreements with chief executives from the local health districts will provide a clear understanding of what is being funded. The payments out of the State pool accounts will go to the local health districts and other providers. That is why I keep stressing the value of this devolved system. The first bill I introduced into this place, which was in the first sitting week following the election of the O'Farrell Government, created local health districts that have real accountability. Those districts, their boards and the clinicians that sit on them as well as others in hospitals and other health services in those regions will have a say about what services are provided where through service agreements; furthermore, they will get a clearer picture of what money is going where.

I cannot tell members how shocked I was to realise that during the term of the former Labor Government people in charge of very busy parts of a hospital—a maternity unit or an emergency department in big city hospitals—did not know what their budgets were. How can one possibly run a system without knowing what the budget is? That has ended. We are far more open and transparent about everything in this State now and this new funding arrangement through the State pool accounts will make a big difference. During debate questions were raised about current arrangements for general practice care, post-discharge care and treatment of privately referred non-inpatients. The answer to that is that the current arrangements will not change. Concern was raised that the line between inpatients and outpatients would be blurred. I can assure members that it will not be blurred. Will there be a commitment to safe, equitable patient care? Obviously there will be.

That is exactly what this bill is about: the patient being the centre of all health care in this State. The highest quality care provided in a timely fashion is absolutely paramount. I am pleased that so many people have signed up to this process—the local health districts that so many members on my side of the House have been talking about and the clinicians who are now very much engaged. I take this opportunity to thank the clinicians for their kind words of encouragement but also for their feedback on the innovation that is now being

implemented, which is a far more devolved system than the central-controlled, Kremlin-like approach, which was the hallmark of the previous Government. The shadow Minister for Health asked questions about the impact of new funding on rural hospitals. I can only assume that he has not been listening very carefully.

Announcements have been made time and time again that small rural hospitals with fewer than 3,500 annual inpatient separations will receive block funding. They currently receive block funding and they will continue to receive block funding. I felt sad that the shadow Minister, whom I expected to rise above making political statements, used this debate as an opportunity to make a political statement. Even the member for Keira did it only to a certain extent, but he was not talking about recurrent funding, he was talking about capital funding and we will have an answer for him. Does he know why he will get an answer? He will get an answer because the fantastic chair of his local health board, Dr Dennis King, will provide it. Dr King is a good man, who has been involved in public consultations. Dr King and those like him are the ones who will make recommendations to me based on local need and clinical understanding of what can and should be provided.

The shadow health Minister used this debate as an opportunity to play politics, and I want to set the record straight. I thank my colleagues for the information they provided during the debate about what we have done to deliver on our election commitments. They include the \$4.7 billion health infrastructure planned over the next four years and fast-tracking of priorities across New South Wales in Blacktown, Campbelltown, Wagga Wagga, Bega, Dubbo, Tamworth, Port Macquarie, Parkes, Forbes and most recently Kempsey and Lismore, all hospitals for which we provided funding that enabled us to attract our fair share of funding from the Commonwealth through the Health and Hospitals Fund. The Commonwealth Minister has had the good grace to say the Commonwealth could not have delivered if we had not delivered.

In the first round of the four rounds of the Health and Hospital funding the former Government was able to attract 17 per cent of the funding; in the next round, 21 per cent; and in each of our rounds we received 39 per cent of the funding. That is above our population share. Why? Because we put our money where our mouth is, we put the money up and we put in high-quality submissions that attract attention. On top of that we have employed more nurses—an extra 2,500 at the last count. These are extra, new, permanently employed nurses on the books of NSW Health. More than 2,000 new nurse and midwife graduates started their 12-month training in our hospitals this year. That is 500 more than there were last year. We have more than 850 interns. The member for Campbelltown talked about welcoming some of those interns in his hospital, as have many of my colleagues.

That is a record number of interns and I am glad to reinforce to this House—because it has been in the media in the past couple of days—that it included every graduating medical student who applied for a place in a New South Wales hospital, including full fee-paying overseas students. There is no obligation on the Government to provide overseas students with places, but we did so because we felt it was the right thing to do. Every student got a place this year. When we go forward with the next student placements—and I have already raised this with the universities and the Federal Government—and as the fees do not come to the State, I believe there is an obligation on all of us to work it out together. The Government has created the Office for Medical Research and increased funding for the Medical Research Support Program.

We are nearing the completion of the 10-year strategic plan for medical research. We have abolished a number of things that were preventing patients from getting the best possible care, such as a ridiculous provision that meant doctors could not put patients on a waiting list for surgery if the patient had to wait for more than 12 months. We have increased travel and accommodation subsidies through the Isolated Patients Travel and Accommodation Service and we have delivered a dedicated general practitioner procedural pathway program to attract doctors to regional New South Wales. As I said, we have reorganised the health system to focus on patients. We have re-engaged clinicians. This piece of legislation is the next step in the reform of health. All States and Territories and the Commonwealth are adopting the funding arrangements. I commend the bill to the House.

**Question—That this bill be now read a second time—put and resolved in the affirmative.**

**Motion agreed to.**

**Bill read a second time.**

### Third Reading

#### Motion by Mrs Jillian Skinner agreed to:

That this bill be now read a third time.

**Bill read a third time and transmitted to the Legislative Council with a message seeking its concurrence in the bill.**

### CONSTITUTION AMENDMENT (RESTORATION OF OATHS OF ALLEGIANCE) BILL 2011

#### Second Reading

#### Debate resumed from an earlier hour.

**Mr DAVID ELLIOTT** (Baulkham Hills) [1.00 p.m.]: With a great sense of closure and achievement I speak in favour of the Constitution Amendment (Restoration of Oaths of Allegiance) Bill 2012. It was 13 years ago as a younger and slightly slimmer Army officer that I took leave without pay to assist many members of this House to defeat the 1999 referendum to propose a republic in Australia. That referendum was opposed by many on this side but, naturally, supported by members opposite. The referendum was a failure and a futile exercise in changing our constitutional arrangements and will forever hang around the neck of the Labor Party as an attempt to reintroduce sectarianism. The referendum campaign and this amending legislation terminate Labor's republicanism by stealth. I am delighted to report that since the election of the O'Farrell Government we have returned the portraits of Her Majesty and the Duke of Edinburgh to Parliament House in a very prominent place, returned Her Excellency the Governor to Government House and, of course, restored the Crown as part of the Parliament's emblem.

The termination of Labor's campaign to introduce a republic is by no means finished; we have to return, of course, the distinction of Queen's Counsel to the legal profession and hopefully, as the New Zealand Prime Minister did, reintroduce the implementation of knighthoods. This bill is about recognising a basic constitutional reality in this country—namely, that Queen Elizabeth II is, by the Grace of God, Queen of Australia and her other realms and Territories, and head of the Commonwealth. It is remarkable that members of Parliament and Executive councillors are prohibited from taking the oath of allegiance to the sovereign when assuming office. However, in the Police Force and the military, in which I served, it is an essential part of gaining rank. If it is good enough for the military and the police, why is the Labor Party so opposed to it being good enough for members of Parliament and the Cabinet? External observers from other States and countries would be rightly surprised.

The bill simply gives members and Executive councillors a choice when entering office between making an affirmation and taking the oath of allegiance. It is inappropriate to deny members and Executive councillors the ability to pledge their loyalty to the Crown. This completely ignores Australia's history and constitutional system of government. Why should New South Wales be the only exception in over 800 years of Westminster tradition? That constitutional vandal, the member for Liverpool, made his reasoning quite clear when he introduced the Constitution Amendment (Pledge of Loyalty) Act 2006. The only support he could muster for his amendment was that abolishing the oath of allegiance was about democratic theory—but it was his democratic theory. He argued that the affirmation accepts that our real legitimacy comes from Australia and the people of New South Wales, not from someone who happens to be a head of State.

The member for Liverpool went further to suggest that a pledge of allegiance to the Queen is wrong in democratic theory. Why do our police and military make such a pledge? It is clear that the affirmation is no more or less democratic than the oath of allegiance. Members have a loyalty to their constituents and the public, both as a political reality and a fundamental tenet of the Westminster tradition regardless of the oath administered when entering office. To suggest that we need the affirmation for theoretical democratic reasons is to deny the inherent democratic nature of this House, and all others like it across the Commonwealth of Nations. We do not need an affirmation that confirms what has been obvious throughout the entire Westminster history.

Let us be honest, this bizarre example of a republic by stealth exists simply because a few so-called progressives do not like the fact that Elizabeth II is Queen of Australia. Nor do they like the fact that 13 years ago the Queen and the constitutional arrangements we currently enjoy received a thumping mandate from the people of Australia. Presumably, somehow living in a stable constitutional monarchy makes them feel

uncomfortable. I am delighted to report that the majority of Australians feel otherwise. This small section of Labor's society is determined to have the role of the Crown reduced to a mere shadow. Not on my watch. Since the 1980s, successive Labor governments have abolished imperial honours and Queen's Counsel distinctions, changed this State's historic great seal, ejected the Governor from Government House and even removed the Crown from the Legislative Assembly crest.

As I said in my opening remarks, that campaign has now been terminated. We thank the Attorney General for being the Knight of the Realm who assisted to achieve that result. These amendments are purely symbolic and unbelievably petty. Republicans continue with their farcical campaign, despite the people of Australia having already spoken on the issue. At the 1999 referendum our current constitutional system was resoundingly endorsed by the people of Australia. A majority of Australians in every State and the Northern Territory voted in a landslide result to retain the monarchy. Instead of accepting constitutional reality and the will of the people, these committed republican elites have continued their self-indulgent campaign to sideline the monarchy. It is finished. We can only assume that they do this because they think they know the will of the Australian people when tradition and history suggests otherwise.

Like it or not, the Crown and the Westminster system are significant parts of our heritage and our constitutional system of government. The return of the oath of allegiance puts an end to one of the strangest episodes of republicanism by stealth this State ever saw. In his opening remarks when this bill was introduced Mr Lynch talked about the oath and said that knighthoods were something akin to sectarianism dating back 300 years. Mr Acting-Speaker, you and I know, as does the Attorney General, that oaths and knighthoods go back to the ancient Roman republic. This is not new. Members and Executive councillors should not be prevented from confirming their loyalty to the sovereign when entering office. I thank Reverend the Hon. Fred Nile for introducing this amending bill in the other place and the Attorney General for introducing it in this place. I commend the bill to the House.

**Mr GREG SMITH** (Epping—Attorney General, and Minister for Justice) [1.07 p.m.], in reply: I thank the member for Baulkham Hills for his uplifting and rallying speech, and thank the members representing the electorates of Myall Lakes, Sydney, Orange, Camden, Coffs Harbour, The Entrance, Wyong, Rockdale, Castle Hill, Campbelltown, Smithfield, Penrith and Liverpool for their contributions to the debate. I shall say a little more about the contribution of the member for Liverpool later. The purpose of the bill is to restore the oath of allegiance to the Queen, her heirs and successors for New South Wales members of Parliament and Ministers taking office. The bill continues to provide for members of Parliament and Ministers to make the pledge of loyalty to Australia and the people of New South Wales if they prefer.

Under this bill, the decision by a new member of Parliament or Minister to swear an oath, affirm an oath or pledge loyalty becomes a matter for each individual. This year marks the Diamond Jubilee of the Queen and I am happy that the ABC has reversed its earlier decision not to televise the celebrations. I refer to the comments in this debate of the member for Liverpool on behalf of the Opposition. During debate the Opposition claimed incorrectly that having a choice of declaration somehow would divide the allegiance of honourable members. This is a misrepresentation of the effect of the bill. Whether an oath or pledge is taken, a promise is made to the body of politics. It is a solemn promise that recognises the constitutional obligations of a New South Wales member of Parliament or Minister within the Australian federation. In his speech, the member for Liverpool complained:

My occasional frustration with some members of this House is their comparative lack of understanding of history.

He then entered into a diatribe, describing the original drafter of the oath of allegiance as the seventeenth century equivalent of terrorist group Hamas. Given that some members of the party to which the member for Liverpool belongs, the Australian Labor Party, are suspected of having sympathy for that terrorist group, I was not sure whether this was intended to be a compliment or a criticism. But listening further, I realised it was in fact a criticism. Following his histrionic performance, the member for Liverpool described the bill as "offensive", "obscene", "undemocratic", "pre-democratic", and "offensive to the nature and quality of democracy and democratic structures". For the benefit of the member for Liverpool, I am happy to relieve him of his frustration about members' so-called comparative lack of understanding of history by providing a proper historical context.

Contrary to being undemocratic, the restoration of the oath of allegiance is in fact democratic. It is so because it restores an oath which has been with this Parliament since its inception, except for the brief period of insurrection from 2006 until now due to amendments supported by the member for Liverpool. The member for Liverpool's real issue is with our democratic traditions. The values, the principles, the institutions, the laws and the customs that formed the basis for our State and our nation were built upon the legacy bequeathed by

centuries of Western civilization and the Judeo-Christian tradition: values such as respect for the dignity of every human being, compassion, tolerance, and respect for the rule of law; institutions such as the Westminster system of democracy, the traditional family and the Australian flag; and customs such as the celebration of Christmas and Easter and honouring our fallen armed service men and women, later to become the great Anzac Day tradition; the strong Australian sense of a "fair go" and the freedoms we take for granted, personal freedom, freedom of religion, freedom of association and freedom of speech.

These were all part of the fabric that made up the basis of our Australian society and have served to make us one of the most successful nations in the world's history, delivering peace and prosperity for millions of people. Pledging allegiance to the Queen is a reminder to the member for Liverpool of those values and is a confirmation of those historical traditions. It is that with which the member for Liverpool has a problem. But as I have said, in recognising differences of opinion, the Government has not sought to impose the new provision as a matter of obligation but, instead, provide members with the distinct choice. However, as the member for Liverpool would have it, there would be no choice, only his way.

I was also very surprised at the member for Liverpool's very nasty personal attack on Reverend the Hon. Fred Nile. I constantly hear members of the Labor Party calling for civility in our public discourse. I agree with that. Not too long ago I heard praise for the "new paradigm" from the member for Liverpool's Federal colleagues in the Labor Party who all promised to be nicer in their public discourse. But the unprecedented attack on Reverend the Hon. Fred Nile's motives was quite astounding, accusing him of dishonesty and lying, and accusing him of homophobia, Islamophobia and religious extremism for calculated political gain. It is one thing to disagree but another to launch such a verbal tirade against another member of Parliament. It is entirely unbecoming.

While there are and will be matters about which I will disagree with Reverend the Hon. Fred Nile, I believe he is sincere in his motives. It is wrong to accuse him of having bad motives just because one might disagree with his policy positions. I recall attending the funeral of Reverend the Hon. Fred Nile's wife. It was attended by a number of Coalition and Labor Party members out of respect for the Hon. Elaine Nile and for Reverend the Hon. Fred Nile. I think that was a fitting tribute to the service she had given to the people of this State. Reverend the Hon. Fred Nile has given long and distinguished service to the Parliament and the people of this State. He is not deserving of such bitter criticism. I think the member for Liverpool owes Reverend the Hon. Fred Nile a personal apology. Again I thank all honourable members for their contributions to this debate. I commend the bill to the House.

**Question—That this bill be now read a second time—put.**

**The House divided.**

**Ayes, 66**

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

**Noes, 20**

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

**Pairs**

Mr O'Farrell	Ms Hornery
Mr O'Dea	Mr Lalich

**Question resolved in the affirmative.**

**Motion agreed to.**

**Bill read a second time.**

**Third Reading**

**Motion by Mr Greg Smith agreed to:**

That this bill be now read a third time.

**Bill read a third time and returned to the Legislative Council without amendment.**

*[The Speaker left the chair at 1.26 p.m. The House resumed at 2.15 p.m.]*

**DISTINGUISHED VISITORS**

**The SPEAKER:** I draw the attention of members to the presence in the public gallery today of Mr Andrew Elsbury, Mr David Southwick and Mr Andrew Katos, members of the Parliament of Victoria.

**QUESTION TIME**

---

*[Question time commenced at 2.21 p.m.]*

**PREMIER, AND MINISTER FOR WESTERN SYDNEY**

**Mr JOHN ROBERTSON:** My question is directed to the Premier. Given that the Premier has broken his promises not to privatise power stations, not to allow hunting in national parks and never to do deals with the crossbench, how can the people of New South Wales ever trust the Premier again?

**Mr BARRY O'FARRELL:** I welcome that question from the Leader of the Opposition. I will go through his points in order and answer the question simply to cater for the intellects of those opposite. As those occupying three-quarters of the seats in this House know, our commitment at the last election was to establish a commission of inquiry into the future of the State's electricity assets. The only proviso we put on establishing that commission of inquiry was that we would not sell poles and wires. The inquiry reported in October last year. In fact, from memory I think I was visiting the electorate of Monaro for a community cabinet meeting on that very day. That commission of inquiry, which was promised by the Coalition during the election campaign, recommended the sale of the remaining State generators. The output from those generators—

**The SPEAKER:** Order! The Leader of the Opposition will cease interjecting.

**Mr BARRY O'FARRELL:** —had already been sold by members opposite without parliamentary scrutiny in December 2010. As I have said time and again, we make no apology for delivering on our promises. We will also make no apology for taking the best advice when it comes to making decisions in the interests of New South Wales.

**The SPEAKER:** Order! The member for Oatley and the member for Kiama will come to order.

**Mr John Robertson:** Point of order: The *Lithgow Mercury* quotes—

**The SPEAKER:** Order! That is not a point of order. The Leader of the Opposition will resume his seat. I call the Leader of the Opposition to order.

**Mr BARRY O'FARRELL:** I have been provoked by the Leader of the Opposition with a quote, and one quote deserves another. Who do members think said, "I was, I am, I always will be opposed to electricity privatisation."? But the kicker is, "My position has never changed." I know it was at least 15 months ago, but was that not said by a member of the Labor Cabinet that agreed to the sale of the State's electricity output?

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

**Mr BARRY O'FARRELL:** The Leader of the Opposition can bring on his quotes. First, there was no commitment along those lines. The commitment was to establish a commission of inquiry, and we have done that.

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

**Mr BARRY O'FARRELL:** In relation to the second part of the Leader of the Opposition's question, there is a very clear distinction between the notion of hunting in national parks versus the culling of feral animals.

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

**Mr BARRY O'FARRELL:** Most reasonable, sensible people understand that where we have vermin and feral animals in national parks, contractors are used to remove them.

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

**Mr BARRY O'FARRELL:** But they were not my words; they were the words of the then Premier of New South Wales, the member for Toongabbie. Why would he talk about national parks? The member for Hawkesbury knows that the greatest interest that the member for Toongabbie showed in national parks concerned the mythical black cat in the electorate of Hawkesbury. The then Government spent tens of thousands of dollars trying to ascertain whether it existed. The only black furry thing from Hawkesbury is the local member. Why was the member for Toongabbie talking about national parks? It was because the then Government was trying to do a deal with the Shooters and Fishers Party to ensure the passage of legislation.

**The SPEAKER:** Order! There is too much audible conversation in the Chamber.

**Mr BARRY O'FARRELL:** Who was leading those negotiations? Who was the Minister for the Environment at that time? It was none other than the Leader of the Opposition.

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

**Mr BARRY O'FARRELL:** The Hon. Robert Brown said in the Legislative Council on 4 August last year that the Minister for the Environment at the time, the current Leader of the Opposition, was the first Minister with whom the Shooters and Fishers Party dealt as part of a senior ministerial negotiating team and as he had carriage of the matter—

**Ms Linda Burney:** Point of order: You know this is—

**The SPEAKER:** Order! There is no point of order. The member will resume her seat. The member made no attempt to take a point of order. I call the member for Canterbury to order for the second time. I call the Leader of the Opposition to order for the second time. I call the Leader of the House to order. The member for Wollongong will come to order. I call the member for Drummoyne to order.



## HUNTING IN NATIONAL PARKS

**Mr RAY WILLIAMS:** I direct my question to the Premier. What is the Government doing to reduce the number of feral animals in national parks?

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

**Mr BARRY O'FARRELL:** I thank the member for Hawkesbury for his question and I apologise if my emotion got the better of me. I make it clear that I was talking about his wonderful visage and particularly his eyebrows. This is an important question for those of us who enjoy national parks. Many members have national parks bordering or within their electorates. The State's feral animal control program for national parks is to be extended to allow licensed shooters to cull pests, including pigs, dogs, cats and goats—

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

**Mr BARRY O'FARRELL:** —in a limited number of areas and only under strict conditions. It is appropriate that we have three members from the Victorian Parliament in the gallery today because that is precisely what happens in parts of Victoria, and it also happens in parts of South Australia. God forbid, it also happens successfully in New Zealand. It is appropriate that amendments to the Game and Feral Animal Control Act be undertaken to ensure that feral animal eradication programs will be extended to 79 of the State's 799 parks, reserves and conservation areas.

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

**Mr BARRY O'FARRELL:** The shooting of feral animals will not be permitted in or near metropolitan areas, or in any wilderness areas or World Heritage areas such as the Blue Mountains National Park.

**The SPEAKER:** Order! There is too much audible conversation in the Chamber.

**Mr BARRY O'FARRELL:** The Minister for the Environment will have ultimate control over where, when and how volunteer pest shooting will take place. There will be strict controls over who can shoot what, and when and where they can shoot. In a sense it is akin to what takes place with hazard burning carried out near to those who live in metropolitan areas that border national parks. Once or twice a year, even less frequently sometimes, hazard burning takes place for limited periods and it is scientifically designed, well-managed, properly resourced and carried out under strict supervision. This is not a free-for-all. This is about expanding the important management tool of culling feral animals from our national parks because of the damage they do to habitat and native flora and fauna. It is also important because of the damage feral animals do beyond the borders of our national parks.

In many areas of the State national parks abut farming land and it is not uncommon for feral animals, in particular dogs, to leave national parks to go on to properties and regrettably do damage to livestock, leaving them dead or injured. They destroy crops. We have just had incredible rains across this State. The Minister for Primary Industry told me today that her department expects that the population of feral animals such as goats and pigs and dogs will expand considerably because of the good season we have had—just as the population of so much of the native flora and fauna will increase. We need to engage in the management tool that has been used in this State for decades, and that has been used in metropolitan and other parks for decades, that involves the use of culling by shooting to control feral animals.

This is a logical extension of existing policy. Restricted licensed shooters in a limited number of national parks and other areas will do what already happens to restrict the number of feral animals. That will ensure that national parks will still have a diverse habitat and be home to those native animals and plants that we enjoy. It will also ensure that around those areas there is appropriate control by the National Parks and Wildlife Service under the direction of the Minister for the Environment. I should make clear what is already known that hunting dogs cannot be used as part of this, because it is pest eradication. Secondly, native animals cannot be part of these culls in any way. These are pest management exercises undertaken by the National Parks and Wildlife Service for which we will use for the first time in this State what occurs in other States, volunteer pest eradication.

## HUNTING IN NATIONAL PARKS

**Mr JOHN ROBERTSON:** My question is directed to the Minister for the Environment. Given that only last month the Minister put out a press release in which she reiterated an assurance that hunting would not be allowed in New South Wales national parks, when did the Premier tell the Minister that he had broken that promise?

**The SPEAKER:** Order! The Minister does not require the assistance of Government members. Opposition members will come to order. The Deputy Premier and the Leader of the Opposition will find themselves out of the Chamber if they continue to argue across the table. I call the Deputy Premier to order. The Minister has the call.

**Ms ROBYN PARKER:** I thank the member for his question because it gives me an opportunity to ensure that people understand the nature of the scaremongering and double standards employed by the other side of the House. The member for Toongabbie knows about double standards.

**Mr Nathan Rees:** We didn't do it.

**Ms ROBYN PARKER:** You did not do it, but you were going to do it. That is clear.

**The SPEAKER:** Order! The member for Kogarah will come to order. Opposition members will find themselves out of the Chamber if they continue their disruptive behaviour.

**Ms ROBYN PARKER:** The definition makes clear that this is not recreational hunting. This is an extension of part of a program that already exists with registered shooters. That program existed under the past Government. We have contractors going in under management and making sure that we get rid of feral pests and animals. There are some feral pests and animals we cannot get rid of, but we have reduced their numbers. Feral pests and animals are a huge problem. There is no doubt that biodiversity is threatened by feral pests in our national park system. We want to make sure that we manage them as best we can. In the last year, as the Premier said, over 24,000 feral animals were destroyed in national parks through a managed and targeted program carried out by professional and licensed people. We will make sure that there will not be recreational—

**Mr Michael Daley:** Point of order: The question asked when did the Premier notify the Minister.

**The SPEAKER:** I heard the question.

**Mr Michael Daley:** I ask you to draw the Minister back to the leave of the question

**The SPEAKER:** Order! The Minister is being relevant to the question asked.

**Ms ROBYN PARKER:** I have already answered the question but for the slow learner, the member for Maroubra, I will repeat that recreational hunting will not be allowed and native animals will be specifically excluded.

**Dr Andrew McDonald:** Point of order: My point of order relates to Standing Order 129, relevance. Can the Minister explain the difference between hunting and feral pest control? I did not quite catch it

**The SPEAKER:** Order! The Minister is being relevant to the question asked. The Minister has the call.

**Ms ROBYN PARKER:** The Government has made its position clear previously: recreational hunting will not be allowed. Over 2 million hectares of other public land is already declared for recreational hunting, including more than 450 State forests and Crown lands. Feral animals are a significant problem and a major concern. They were a major concern for the member for Toongabbie. Volunteers assist the National Parks and Wildlife Service in many aspects of park management. We are opening an opportunity with licensed—

**Mr Michael Daley:** Point of order—

**The SPEAKER:** Order! I warn the member that if he is going to quote from a dictionary, that will not be a point of order. What is the member's point of order?

**Mr Michael Daley:** The point is of order is relevance. I quote: "Hunt: to chase (game or other wild animals) for the purpose of catching or killing".

**The SPEAKER:** Order! Points of order are not an opportunity for members to try to be funny. If the member has a valid point of order, I will listen to it. However, that was not a valid point of order. The Minister has the call.

**Ms ROBYN PARKER:** This is an extension of a sensible program. Members opposite do not want to listen to the answer. This is an extension of our program.

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

**Ms ROBYN PARKER:** Licensed professionals will go in with Office of Environment and Heritage staff under strict supervision to manage feral animals and pests. It is a good environmental outcome. It is a positive outcome for the environment. We would not have a feral animal program like the previous Government had if feral animals were not a problem. Former Premier Nathan Rees was quoted frequently on this issue. We have talked about quotes today. [*Time expired.*]

**The SPEAKER:** Order! There is still too much audible conversation in the Chamber. Members who have no interest in question time should not bother coming into the Chamber. Members who wish to engage in private conversations should do so outside the Chamber.

### ELECTRICITY ASSETS SALE

**Mr JOHN BARILARO:** My question is directed to the Deputy Premier. How will the sale of the State's electricity generators benefit regional New South Wales?

**The SPEAKER:** Order! I remind Government members that interjections are disorderly at all times.

**Mr ANDREW STONER:** I thank the member for Monaro for a very good question. It has been a very significant day in State politics in Macquarie Street, so much so that I followed the Premier's lead and took to the twittersverse.

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

**Mr ANDREW STONER:** People said this:

Passage of generators sale bill plus extension of volunteer pest shooting in certain national parks equals a great result for regional New South Wales.

I am sure my many twitter followers agree. They know that the Liberals and Nationals Government was elected with a huge mandate to get the State's economy moving again and to again make New South Wales number one. That is why, following the delivery of the Tamberlin report to the Government recommending the sale of the State's generator assets, we moved to do just that. The enabling bill will facilitate the transaction. The Government's approach is unlike that of Opposition members, who during past failed attempts to sell the electricity assets of the State did not even bring a bill to Parliament. Sadly, the legislation stalled in the upper House and consequently stalled the Government's plans to get the economy moving by the provision of critical infrastructure throughout the State.

I am pleased to inform the House that the Shooters and Fishers Party finally has seen reason and will support the Government's bill. The transaction will be for the betterment of the State. It will liberate billions of dollars for investment in vital infrastructure projects across New South Wales. It also will save the State billions of dollars in avoided costs to enable New South Wales to meet future generation capacity requirements, and it will put downward pressure on power prices. I am proud to say that the proceeds of the sale are estimated by the Treasurer to be approximately \$3 billion. A third of the proceeds will be directed to providing infrastructure in regional New South Wales. I am also quite chuffed that part of the negotiations involving the bill has resulted in additional protections in the sale for electricity workers in regional New South Wales.

Opposition members have had a bit of a whinge about this legislation and have complained about what is happening with pristine national parks in the State. The member for Monaro could tell them what is happening with feral animals in national parks. Feral animals are coming out of national parks and onto private

lands. They are doing enormous damage to livestock as well as to our native flora and fauna in national parks. Reports of this damage have been backed up by a number of experts. In 2010 Robert Belcher, who is the former Chairman of Snowy River Interstate Landcare, made this statement to ABC Rural:

I have woken up and found 20 [sheep] torn to pieces in the paddock, and a lot of people don't realise that when you are sound asleep, if there are two or three dogs in your paddock, they can do an enormous amount of damage in a very short period of time.

They are not in to eat—they are in to kill; they enjoy killing and this is what sets them apart from so many other predators—they are not hunting to eat, they are hunting to kill, for fun.

There is not much left of Country Labor on the Opposition side of the House. Opposition members should listen to this because they do not get much information from country New South Wales—apart from the dodo bird from Cessnock, who might hear just some of this.

**The SPEAKER:** Order! The member for Cessnock will refrain from interjecting.

**Mr ANDREW STONER:** Professor Tony Peacock, who is head of the Australian Invasive Animals Co-operative Research Centre, told the same program that wild dogs are bigger. He said:

They are 25 per cent bigger than they were 30 years ago, and you get a very big range; and they are now about 17.5 kilograms on average ... you can get a very big range and very big dogs.

Another expert has had something to say about this. He stated:

I am sure that most of us in this House would be aware of the capacity of pest animals to cause significant losses to agricultural production, and also of the threat pest animals pose to native plants and animals.

Who was that? It was the former Minister for Agriculture, the member for Mount Druitt. [*Time expired.*]

### WORKCOVER PROSECUTIONS

**Mr MICHAEL DALEY:** I direct my question to the Minister for Resources and Energy, who will not find the answer in his folder. Did any company directors facing criminal prosecution make direct or indirect representations to him prior to his decision to seek to stay all occupational health and safety prosecutions on 16 February this year? If so, who were those directors?

**Mr CHRIS HARTCHER:** As usual, the question asked by the member for Maroubra is incorrect.

**Ms Kristina Keneally:** How can it be incorrect? It is a yes or no answer.

**Mr CHRIS HARTCHER:** Because what the member implies in his question did not happen. As he well knows, I did not direct that there be any stay of any prosecutions. It was in the *Sydney Morning Herald*.

**The SPEAKER:** Order! There will not be an argument about this. The member for Maroubra has asked the question and the Minister is answering it.

**Mr CHRIS HARTCHER:** It was in a letter. That was in the *Sydney Morning Herald*. All I did was ask for legal advice from the department.

**Mr Michael Daley:** Point of order—

**Mr CHRIS HARTCHER:** I am answering the question.

**The SPEAKER:** Order! It is way too early to take a point of order.

**Mr Michael Daley:** On 16 February 2012, "I advise that I as Minister responsible for the Mining Act"—

**The SPEAKER:** Order! What is the member's point of order? There is no point of order. The member for Maroubra will remove himself from the Chamber for the remainder of question time.

[*Pursuant to sessional order the member for Maroubra left the Chamber at 2.45 p.m.*]

**Mr CHRIS HARTCHER:** That letter was published in the *Sydney Morning Herald* two months ago. It has taken two months for the member for Maroubra to catch up with what the *Sydney Morning Herald* reported. What I asked for from the department was appropriate advice on whether, in view of changes to legislation, further action should be initiated. I received that advice and actions have been taken as a result of that.

**Mr John Robertson:** Point of order: The question was very specific.

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

**Mr John Robertson:** My point of order relates to Standing Order 129, relevance. The question was very specific—if he had been approached, and by whom.

**The SPEAKER:** Order! The Minister is being directly relevant. If the Leader of the Opposition had been listening, he would know that the Minister is being relevant.

**Mr CHRIS HARTCHER:** Those matters were adequately canvassed in the newspapers two months ago. We have to wonder about an Opposition that can only now catch up with events that were reported in March 2011 in the *Sydney Morning Herald* and were fully set out.

**Ms Linda Burney:** No, there's a letter.

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

**Mr CHRIS HARTCHER:** The matters have been canvassed—the letter is quite public—and have been canvassed by no fewer than 12 questions in the Legislative Council. The Opposition has had ample time in the Legislative Council in which to explore the issue. It has had two months to do just what appeared in the *Sydney Morning Herald* and now, as the big killer question of the day, the member for Maroubra asked me whether I wrote a letter two months ago. Certainly, I wrote a letter two months ago. Certainly, the Opposition has a copy of that letter.

**The SPEAKER:** Order! The Leader of the Opposition will cease arguing with the Minister.

**Mr CHRIS HARTCHER:** The member for Maroubra, who has left the Chamber, said I would not find anything in the folder that answers his question. In fact, I have material in the folder that answers the question asked by the member for Maroubra, who referred to letters and actions that happened in the past. Let us examine his preselection in 2005.

**The SPEAKER:** Order! That might be drawing a long bow.

**Mr Paul Lynch:** Point of order—

**The SPEAKER:** Order! I predicted this point of order. I commented before the member for Liverpool sought the call.

**Mr Paul Lynch:** Then you know exactly what I was going to say.

**The SPEAKER:** Order! I was hoping that the Minister remained relevant. He has been relevant so far.

**Mr CHRIS HARTCHER:** He is very relevant.

**The SPEAKER:** Order! Let us not introduce preselections to this answer.

**Mr CHRIS HARTCHER:** The Minister is very relevant because the member for Maroubra has never told the House why he voted for Michael Williamson's application against the advice of council officers.

**The SPEAKER:** Order! There will be no discussion about preselection. Has the Minister concluded his answer?

**Mr CHRIS HARTCHER:** I have 58 seconds remaining.

**Dr Andrew McDonald:** Point of order: My point of order relates to relevance. The question was about the meetings. The Minister has not answered the question about the meetings he had.

**The SPEAKER:** Order! The Minister is being relevant to the question asked. I asked him not to stray from the question and to remain relevant.

**Mr CHRIS HARTCHER:** I was tempted, though, because it was about letters.

**The SPEAKER:** Order! The Minister is drawing a long bow.

**Mr CHRIS HARTCHER:** I invite the Leader of the Opposition and that powerful intellect on the front bench, the member for Liverpool, to read the *Sydney Morning Herald* a bit more often and try to keep up to date.

### ELECTRICITY ASSETS SALE

**Mr DAVID ELLIOTT:** My question is directed to the Treasurer. How will the agreement for the sale of the New South Wales electricity generator assets help restore the State's finances?

**Mr MIKE BAIRD:** I thank the member for his interest in all sensible things to do with the financial future of New South Wales. I note that today we have a tale of two leaders. Today we have a reform that has taken 20 years to come to Parliament. Where did the Opposition's attack run out? Two questions were all it had and it stopped asking about it. The Opposition has underestimated this leader here from the day he became Leader of the Opposition. Labor said he would never make it. He did make it and today the Premier delivers in this Parliament something that the last four Premiers were unable to do. Bob Carr, Morris Iemma, Nathan Rees and Kristina Keneally tried to do what Barry O'Farrell has done today but they could not do it. If anyone wants an example of a leader, just look over here. It is a historic day for the people of New South Wales. The O'Farrell Government has secured a brighter infrastructure future for the people of New South Wales. We are delivering—and those opposite are not used to that—on our commitments on electricity.

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

**Mr MIKE BAIRD:** We said in our energy policy that we would hold a special commission of inquiry. We did that. We said we would take the recommendations openly and transparently and put them to the public. We have done that. We said we would undertake the actions recommended by that inquiry and today that is exactly what we are doing. The inquiry found—and this is the important point—that it:

... does not consider there to be any good purpose to be served by the State continuing to own generation assets in NSW.

We are following the experts and we are getting on with the job, yet those opposite continue to go against us. This is not the case with every member of the Labor Party. I note that former Premier Morris Iemma—it is important to put his words on the table today and pay some respect to him—said:

The public have seen doing this in a half-hearted, half-baked way. What Mr O'Farrell is doing is actually finally doing it the right way.

That is what we have in this State, a Premier who is doing it the right way. That is exactly what he has done. What is the half-hearted, half-baked way? We have been over this many times, but it is a transaction where you shut down Parliament and at the end of that the assets are sold for half of what they are worth. That is what it means to do it in a half-hearted way. It is good news for the State and good news for the people of New South Wales that as soon as this legislation passes the House we will be seeking financial advisers to get on with the job. We will be starting the day that happens. We also heard from the Deputy Premier what it does for regional New South Wales. We expect to raise around \$3 billion. That is a billion dollars that goes to regional New South Wales.

**The SPEAKER:** Order! Members will come to order The Treasurer has the call.

**Mr MIKE BAIRD:** It also avoids significant capital expenditure down the track. Base load generation capital expenditure in those generators could require up to \$7 billion. That money could go to the infrastructure needs of every member in this House. It is good for consumers, despite the scare campaign they will hear from those opposite about prices. They know the facts. It is a shame the member for Maroubra is not here. He said:

The electricity reforms in Victoria led to a significant price decrease in that State ...

The Organisation for Economic Co-operation and Development said in its report in 2010:

Since the creation of the National Electricity Market, prices have risen faster in NSW, where there is still a public monopoly, than in other states in south-eastern Australia ...

The situation is clear. The experts confirm that the way to put downward pressure on prices is for the Government to get out of electricity. It is also good for employees. We are proud that we have put some protections for employees into this bill, providing generous transfer payments, a two plus two year employment guarantee and, importantly, boosting the number of apprentices across regional New South Wales. We are delivering on our mandate. We are looking after the people of New South Wales. On the back of the transaction today we have a brighter infrastructure future.

### WORKCOVER PROSECUTIONS

**Mr JOHN ROBERTSON:** My question is to the Minister for Resources and Energy. Was the Minister lobbied by Federal member of Parliament Bob Baldwin about directors being prosecuted under the Occupational Health and Safety Act and, if so, what was the nature of the request?

**Mr CHRIS HARTCHER:** Can you imagine legislation that does not require the Crown to advise the defendant of the particulars of the case against him? Is this New South Wales or is this North Korea? Can you imagine legislation that allows people to go to jail without the right of trial by jury? Can you imagine legislation that denies individuals the right of an effective appeal? That was the legislation Labor had in New South Wales—no trial by jury, jail for the offence, limited rights of appeal and, from what the High Court said, it did not even require the Crown to give particulars of the allegation to which the defendant had to answer. That was what Labor offered us in New South Wales.

Before the 2007 election John Della Bosca took around a draft exposure bill that he tabled and which he said Labor would introduce after the 2007 election. It abolished all of those crazy left-wing ideas which denied fundamental civil liberties. As soon as the 2007 election was over the Construction, Forestry, Mining and Energy Union and Unions NSW—of which John Robertson was once a great secretary—twisted the arm of the Labor Party and the Labor Party, having made that promise to everybody before 2007, dropped the legislation, dropped the draft exposure bill. The High Court in Kirk's case tore the legislation apart as an absolute denial of civil liberties. That is the legislation Labor had on the statute book for years. That is the legislation the union movement required it to keep on the statute book of New South Wales. If it had any sense of shame—

**Mr John Robertson:** Point of order: My point of order is under Standing Order 129, relevance. The question did not relate to a history lesson in legislation; it was whether the Minister was lobbied by the Federal member Bob Baldwin, not about—

**The SPEAKER:** Order! I uphold the point of order. The Minister is entitled to make some introductory comments. Perhaps now his answer will become more relevant to the question.

**Mr CHRIS HARTCHER:** This is what the legislation was all about. As soon as we took office we complied with the national framework, supported by the national Labor Party, to get rid of that legislation, which the Labor Party had pledged to do when in government in New South Wales but had never done.

**Mr John Robertson:** Point of order—

**The SPEAKER:** Order! Is this point of order the same as the previous one?

**Mr John Robertson:** It is. He is now flouting your ruling.

**The SPEAKER:** Order! I am sure the Minister will return to the leave of the question.

**Mr CHRIS HARTCHER:** I am returning. That sets the context of what it is all about. Labor has a record of denial of civil liberties; we have a record of upholding them. What I, in conjunction with other interested Ministers, did was to seek appropriate legal advice as to what action should be taken on those prosecutions that had been instituted under the previous legislation but which had not been finalised. That is the letter to which the member for Maroubra was referring earlier. I am proud of what I did and I stand up for what I did because I will always support the civil liberties—

**Mr John Robertson:** Point of order—

**The SPEAKER:** Order! Is this point of order the same as the previous one? I think the Minister is now being relevant.

**Mr John Robertson:** It is relevance. The Minister answered the previous question. This is a completely different question. It does not relate to the letter; it relates to—

**The SPEAKER:** Order! I do not uphold the point of order. The Minister is being relevant to the question asked. At the moment he is in order.

**Mr CHRIS HARTCHER:** This is the position. We support the civil liberties of all New South Wales communities. The Labor Party supports the civil liberties only of the trade union bosses. If ever there was an example of the trade unions being a screen it was that legislation.

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

**Mr CHRIS HARTCHER:** The unions forced that legislation on Labor and it stayed on the books because of the Labor Party's weakness—so much for the party of civil liberties, the party that believes in trial by jury and the rights of defendants. So much for this Government, which has improved the rights of defendants, which has introduced the legislation—

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

**Mr CHRIS HARTCHER:** —and which has ensured a fair go for all.

#### ABORIGINAL EDUCATION PROGRAMS

**Mr STEPHEN BROMHEAD:** My question is addressed to the Minister for Education.

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

**Mr STEPHEN BROMHEAD:** What is the New South Wales Government doing to improve educational outcomes in rural and regional communities with a high proportion of Aboriginal students in public schools?

**Mr ADRIAN PICCOLI:** It is with enormous pride that I have the opportunity to answer this question after the announcement by the New South Wales Government of our policy Connected Communities supporting students in regional, rural and remote New South Wales schools with high Aboriginal populations. This is an important initiative and is bold action where it is required to deal with some of the most complex communities in this State. I shall put this reform into some context with respect to what has occurred in education over the last 15 months of the O'Farrell-Stoner Government. We have introduced probably a record number of systemic reforms to education in New South Wales.

We have reformed the School Certificate and introduced the Record of School Achievement [ROSA], which year 10 students will receive for the first time this year. We brought early childhood education under the Department of Education and Communities and there will be further reforms, so stay tuned. Local Schools, Local Decisions is probably the singularly most significant reform in public education for a century. Every Student, Every School changes the way we support students with disabilities. We are now delivering the Literacy and Numeracy Action Plan, which was one of the key election commitments prior to last year's State election—five teachers started last week. Of course, in the next little while will be the main game in education: reforms around teacher quality.

We believe those systemic measures will improve all student performance across New South Wales. But, of course, we need to take direct measures. We are all too well aware of some things occurring in communities in rural and remote parts of New South Wales as well as in urban areas. Over a variety of indicators the performance of Aboriginal students has remained the same, if not declined, in the last decade. Just under one-third of Aboriginal students who began year 7 in 2003 completed their Higher School Certificate—about half the rate of non-Aboriginal students—and only 54 per cent of Aboriginals aged between 15 and 24 are fully engaged in work or study. What is the New South Wales Government doing? I emphasise that it is not



doing anything punitive. No punishments are involved in the reforms we announced today. That is important to note because reforms in other States have sought to punish people for not doing what the Government expects of them. That is not the way we are approaching reform.

We have listened to the 15 individual Aboriginal communities and asked what we need to do to support them. That is what Connected Communities is all about: it recognises that one size does not fit all in those 15 communities. Indeed, I expect 15 different solutions. Everything is on the table. If a community says, "Get rid of the fence at the front of our school" because it makes it a non-welcoming environment, particularly for parents and Aboriginal elders, we will get rid of the fence. If they want the school opened beyond the hours of 9.00 to 3.30 we will do that. Everything is on the table, but most importantly it will always be with full engagement of the local community. Leadership is part of the key to reform. Leadership is absolutely critical to any organisation, whether it is a government headed by a Premier and Deputy Premier or a school. The 15 executive principals, as part of Connected Communities, will be the highest-paid public school principals in New South Wales.

We want to make sure that we get the best people doing the best job possible. They are high expectations, but it is an indication of the Government's commitment to those communities that we want the best people leading those schools and communities. This is a genuine partnership with the Aboriginal community. We are putting forward the position Leader: Community Partnerships, which will be an Aboriginal-identified executive position in those schools. This is learning from the success at Menindee Public School. I acknowledge the school's principal, Brian Debus, who was here today. That role is to make sure that staff receive professional development in cultural training and awareness, and also to continue the relationship between school and community. Today certainly is one of my proudest days as the Minister for Education to announce such important reform intended absolutely to drive better performance in our schools. *[Time expired.]*

#### NORTHERN TABLELANDS MENTAL HEALTH SERVICES

**Mr RICHARD TORBAY:** My question is directed to the Minister for Mental Health, and Minister for Healthy Lifestyles. Can the Minister outline the Government's agenda to improve much-needed access to mental health services for the Northern Tablelands and regional New South Wales?

**Mr KEVIN HUMPHRIES:** I thank the member for his question and his commitment to improving access to much-needed mental health services not just in the Northern Tablelands but across regional New South Wales. One thing we share between Northern Tablelands and Barwon is a pretty significant border as neighbours. I visited a number of mental health facilities with the member for Northern Tablelands in his electorate. He is a tireless advocate for people living with mental health issues and for improving the system and he has a good understanding of the issues and a strong desire to make sure that we address them in government. The Liberals and Nationals also share the commitment of the member for Northern Tablelands to improving access to mental health services in regional areas. This is what the people of New South Wales elected us to do and we will be getting on with the job. It is interesting to note that one member opposite also shares our understanding of how to get things done. One of the greatest endorsements new Liberal and Nationals members in the House received came from the member for Macquarie Fields. It is unfortunate that he is not in the House.

*[Interruption]*

He is back. Up stethoscope: he is back.

**Mr Barry O'Farrell:** He is not pleased to see you.

**Mr KEVIN HUMPHRIES:** No, he is very pleased to see us. Two years ago the Parliament Secretary for Health, the member for Macquarie Fields—I believe the member for Marrickville was the Minister for Health—addressed the rural doctors conference at Bondi. The Rural Doctors Association asked the Parliamentary Secretary for Health, the member for Macquarie Fields, "What can we do to fix health and mental health in New South Wales?" The Parliamentary Secretary's response was, "Join the National Party." What a great endorsement. I am not sure whether the member for Northern Tablelands has been taking his advice. We know he is a closet Nationals member: he has the membership forms in the bottom of his drawer.

**Mr Adrian Piccoli:** The member for Macquarie Fields is a National party homey.

**Mr KEVIN HUMPHRIES:** That is exactly right.

**Dr Andrew McDonald:** You'd have to think if I said, "Join the Liberals."

**Mr KEVIN HUMPHRIES:** He did qualify it and did say the National party—point taken. We welcome this bipartisanship in recognising the Coalition's ability to fix mental health services in regional New South Wales, which is deserved. It is time that we got on with the job. Furthermore, the health Minister's record investment in all aspects of regional health highlights her and our Government's commitment to improving outcomes for people no matter where they live. Like the member for Northern Tablelands, I am a regional member, and I understand the difficulties faced by people in regional communities in accessing proper services where they live

I am also particularly aware of the impact that limited health resources across rural and remote New South Wales has on our service people, including local police. Specifically in response to the member's question, might I say the New South Wales Liberals and Nationals have committed to making Armidale Hospital's emergency department a declared mental health facility by December of this year. That will take the number of declared mental health facilities to 38 across the State. Being a declared mental health facility is very important because it assists the role of police in the transport and delivery of mental health patients not just in the New England region but right across the State.

The importance of being a declared facility is that the first contact of 80 per cent of people in the community who have an episodic mental health issue is with the police. It is very important that our police are given access to resources and facilities to make sure these people get to the desired locations. A declared mental health facility—like the Armidale facility that will be coming the way of the member for Northern Tablelands—means that those people have to be assessed and seen. If they are in particular need of involuntary care, they can also be scheduled in those facilities. So this addition to the statewide network of declared mental health facilities is overdue and welcome. I congratulate the member on bringing the issue to the attention of the House. I look forward to further visits to the electorate of Northern Tablelands.

#### NSW WOMEN OF THE YEAR AWARDS

**Mrs ROZA SAGE:** My question is directed to the Minister for Family and Community Services, and Minister for Women. How has the Government given recognition to the great contribution made by women in New South Wales?

**Ms PRU GOWARD:** I thank the member for Blue Mountains for her question. Of course, this year we launch new and improved statewide Women of the Year Awards to better recognise women's significant contributions to New South Wales. Everyone in New South Wales had the opportunity to nominate, and for the first time thousands of people voted for the People's Choice—Community Hero winner. Also for the first time, the winner of the Premier's Woman of the Year has been chosen by an external panel, which together represents the interests of the wider community. More than 2,000 nominations for these new and improved awards were received. Nominations came from across New South Wales, from Albury to Nyngan, Grafton to Cronulla, showcasing a wonderful range of women who have made a significant contribution to their local community, including quiet achievers, local heroes, volunteers and of course high achievers, who all deserve to be recognised.

The judging panel had some very hard decisions to make in selecting finalists for the Premier's Woman of the Year award, which celebrates amazing women who inspire us all with their achievements and contributions. Fran Rowe from Tottenham, a constituent of the member for Barwon, was selected as the winner. She stood out for her work as an advocate for farmers. She established one of the first rural financial counselling services for farming families facing financial difficulties. The other finalists for the Premier's Woman of the Year award, Krystal Barter, Lyn March and Anne Simmons, have also made extraordinary contributions to their communities and professions. It was a pleasure to celebrate their achievements today alongside their families and friends.

The judging panel also had a very difficult time choosing six finalists for the People's Choice—Community Hero award. Online voting for the winner closed on 14 May, with 2,373 votes received. I trust we will improve on that every year. Yvonne Keane from Kellyville, in the electorate of Hawkesbury, was voted by the public to be the first People's Choice—Community Hero winner. Yvonne is a wonderful volunteer with Hear the Children and founder of Reach for the Rainbow. People's Choice—Community Hero finalists Jenny Armstrong, Elsie Gordon, Rose Lehmann, Shirley Nelson and Sheila Turnbull travelled to Parliament House this morning. It was fantastic to celebrate their commitment to their communities, their interests and

responsibilities. We should all feel very proud not only of their contributions but of the characters they have. As Minister for Women, I am focusing, in a policy sense, on increasing the representation of women in better-paying non-traditional roles, and particularly women from lower socioeconomic groups.

**Ms Linda Burney:** What does that mean with the grants program?

**Ms PRU GOWARD:** One would hope that would be of interest to the member for Canterbury. Areas such as construction, automotive and engineering have almost no women participants, but are high-paying, high-productivity industries where there is jobs growth but skills shortages. This Government is also committed to supporting a strategic approach to reducing domestic violence—a scourge that has remained with us despite 30 or 40 years of intense government effort. A key element of this will be the development of a new framework addressing domestic, family and sexual violence against women in New South Wales. Women's economic independence, their freedom of choice and their right to live free from violence are key areas that this Government will seek to improve. We will achieve real change in these areas by working on long-term solutions—not spin, not quick bandaid fixes, not tokenistic approaches, not government by press release. We will continue to work hard to reform and improve services and outcomes for all our citizens, including the women of our State. I commend the great contribution that the women of New South Wales make to us all.

**Question time concluded at 3.15 p.m.**

### **SOCIAL POLICY COMMITTEE**

#### **Reference: Inquiry into the provision of alcohol to minors**

**Mr BRUCE NOTLEY-SMITH:** I inform the House that, pursuant to Standing Order 299 (1), the Social Policy Committee has received a referral from the Premier, and Minister for Western Sydney to conduct an inquiry into the provision of alcohol to minors, the full details of which are available on the committee's home page.

### **PETITIONS**

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

#### **Unanderra Railway Station Easy Access Upgrade**

Petition requesting the urgent completion of stage two of the Unanderra railway station easy access upgrade in line with promises made in the lead-up to the 2011 State election, received from **Ms Noreen Hay**.

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

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

#### **Central Coast Palliative Care Services**

Petition requesting the implementation of specific steps in the 2012-13 State budget and forward estimates to substantially increase funding, staffing and infrastructure for palliative care services on the Central Coast, received from **Mr Richard Amery**.

#### **Pets on Public Transport**

Petition requesting that pets be allowed on public transport, received from **Ms Clover Moore**.

#### **Walsh Bay Precinct Public Transport**

Petition requesting improved bus services for the Walsh Bay precinct, and ferry services for the new wharf at pier 2/3, received from **Ms Clover Moore**.

**Animals Performing in Circuses**

Petition requesting a ban on exotic animals performing in circuses, received from **Ms Clover Moore**.

**Container Deposit Levy**

Petition requesting the Government introduce a container deposit levy to reduce litter and increase recycling rates of drink containers, received from **Ms Clover Moore**.

**Pet Shops**

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

**Social Housing Tenants Mental Health Support**

Petition requesting the provision of community outreach and support programs for people with a mental illness who are tenants of Housing NSW and community housing, received from **Ms Clover Moore**.

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

**Newcastle Inner City Bypass**

Petition requesting the provision of timely funding for final planning and commencement of construction of stage five of the Newcastle Inner City Bypass, received from **Ms Sonia Hornery**.

**COMMUNITY RECOGNITION NOTICES**

**By leave and pursuant to resolution the Speaker identified that General Business Notices of Motions (General Notices) Nos 248, 254, 262, 265, 281, 282, 309, 314, 320, 325, 338, 341, 344, 350, 365, 367, 369, 379, 383, 406, 415, 437, 580, 594, 719, 775 and 787 had been reclassified as General Business (Community Recognition Notices).**

**Question—That the following motions given by the members as indicated pursuant to notice be formally agreed to—proposed.**

**ST VINCENT DE PAUL SOCIETY COMPEER PROGRAM**

**Mr STUART AYRES**—That this House:

- (1) Notes the challenges of organisations across the Government and non-government sector in addressing mental health related problems of residents who live in isolation.
- (2) Notes that Compeer is a program that matches volunteers in one-on-one friendship with a socially isolated adult living with a mental illness.
- (3) Commends the St Vincent de Paul Society as it seeks volunteers aged over 50 in the Penrith area as part of the Compeer program.

**BOWEL CANCER**

**Mr STUART AYRES** —That this House:

- (1) Notes that bowel cancer kills 73 Australians every week and affects both men and women.
- (2) Thanks the efforts of residents across New South Wales, such as Lyndel Walsh, for their involvement in awareness raising activities and events such as the Cancer Council's campaign to introduce federally funded screening programs.
- (3) Encourages those residents who are eligible to take part in the National Bowel Cancer Screening Program.

**CHARLES WEBSTER COMMUNITY SERVICE**

**Mr TIM OWEN**—That this House notes the work of Charles Webster in the greater Hunter region, who assists school children through an education program that he developed called "Chuck Duck and Rooster Cluck" that aims to teach life skills and tools to defend themselves against bullying.

**WORLD VETERINARY YEAR**

**Mr ANDREW CORNWELL**—That this House:

- (1) Notes that 2011 is World Veterinary Year.
- (2) Notes that 2011 marks the 250th anniversary of veterinary education.
- (3) Notes that 2011 marks 101 years of the faculty of Veterinary Science at the University of Sydney.
- (4) Notes the contribution of the veterinary profession to agriculture, biosecurity, animal welfare and the social and economic wellbeing of New South Wales.

**GREAT WALK FOUNDATION**

**Mr STUART AYRES**—That this House:

- (1) Acknowledges the tremendous effort made by all those who take part in the Great Walk Foundation's Bathurst to Blaxland charity walk, which raises funds for a number of local not-for-profit organisations.
- (2) Recognises the commitment and dedication of all the walkers in the 2011 event and their road crew.
- (3) Congratulates the Foundation and their sponsors on successfully raising \$230,000 for local charities since the inception of the Bathurst to Blaxland charity walk.

**GERRINGONG UNITING CHURCH**

**Mr GARETH WARD**—That this House:

- (1) Congratulates Gerringong Uniting Church on the official opening of its refurbished Sunday school hall held on 7 August 2011.
- (2) Acknowledges the \$20,000 contribution from the New South Wales Government's Community Building Partnerships Program towards the project.
- (3) Notes the hard work and dedication of church Minister Peter Chapman in organising the official opening and Steve Pottie, local builder, on his dedication to the project.

**COOTAMUNDRA SESQUICENTENARY**

**Mr RICHARD AMERY**—That this House:

- (1) Notes that on 9 August 1861 the Government gazetted the plans for the township of Cootamundra.
- (2) Notes that on the weekend of 13 and 14 August 2011 the township of Cootamundra celebrated its sesqui-centenary.
- (3) Congratulates the township of Cootamundra on achieving such a significant milestone.

**SAMUEL TERRY PUBLIC SCHOOL**

**Mr STUART AYRES**—That this House:

- (1) Congratulates Samuel Terry Public School in Cranebrook on hosting its successful Book Character Parade to promote childhood literacy among the school community.
- (2) Notes the ongoing work of the school to engage with the school community to promote childhood literacy in the family home, through a website which provides tips to parents on how to build the writing skills of children and which also provides age-appropriate reading materials.

**NEPEAN DISTRICT SOCCER FOOTBALL ASSOCIATION FIFTIETH ANNIVERSARY**

**Mr STUART AYRES**—That this House:

- (1) Congratulates the Nepean District Soccer Football Association on achieving 50 years of service to the Penrith region.
- (2) Acknowledges the efforts of the current executive committee and staff members in the day-to-day operations of the Association.
- (3) Recognises the contribution made by previous supporters of the association, such as George Churchward, in building the Association from eight teams to over thirty teams and clubs.

**HAWKESBURY TOURISM**

**Mr BART BASSETT**—That this House:

- (1) Congratulates Paul Maher, the owner of Loxley on Bellbird Hill in Kurrajong who recently won a prestigious award at the 2011 Australian Hotels Association NSW Awards and was inducted into the Hall of Fame.
- (2) Recognises the importance of tourism to the economy of New South Wales.
- (3) Welcomes the establishment of the new portfolio of Tourism, Major Events, the Arts and Racing under the Minister, the Honourable George Souris.
- (4) Commends the establishment of Destination NSW with a board of directors from the industry to maximise the opportunities, provide jobs and investment to cities and regions across New South Wales, including the Hawkesbury, Penrith Valley and Blue Mountains.

**NSW COMMUNITY FATHER OF THE YEAR ALLAN DABBAGH**

**Ms MELANIE GIBBONS**—That this House:

- (1) Notes that Allan Dabbagh, Wattle Grove businessman has been named 2011 NSW Community Father of the Year.
- (2) Notes that Soriah Dabbagh nominated her father for the award in recognition of his efforts.
- (3) Congratulates Mr Dabbagh and commends his work to reduce graffiti in the local area through his Locals Against Graffiti and Gangs group.

**ILLAWARRA RUGBY LEAGUE CENTENARY**

**Ms NOREEN HAY**—That this House:

- (1) Congratulates the Illawarra on 100 years of rugby league, and for having produced a total of 43 international players, including four Australian test captains: Joe Jorgenson, Keith Barnes, Graeme Langlands and Bob Fulton.
- (2) Recognises the outstanding efforts of the Centenary Committee, particularly Chairman/Project Co-ordinator Bob Millward OAM, in organising 13 events to celebrate this important milestone, culminating in a Centenary Dinner.
- (3) Acknowledges the \$60,000 in funding contributed by the former Government.

**EAST RICHMOND RAILWAY STATION LEVEL CROSSING**

**Mr BART BASSETT**—That this House notes that consultations have commenced with stakeholders to prepare a plan to upgrade the level crossing at East Richmond Railway Station, with a view to the project being completed during the 2012-2013 financial year.

**FIFA WORLD CUP 2014**

**Ms SONIA HORNERY**—That this House:

- (1) Notes that New South Wales will host three games of the 2014 Football World Cup qualifying matches.
- (2) Encourages the Government and Football Federation Australia to consider Newcastle to host one of the games.

**NEPEAN FOOD SERVICES**

**Mrs TANYA DAVIES**—That this House:

- (1) Notes the vital community work performed by the management committee and volunteers of Nepean Food Services in providing services to the frail, aged, people with disabilities, people with special needs and their carers, so that they can remain independent in their own homes.
- (2) Thanks the Minister for Ageing and Minister for Disability Services for funding the upgrade of the kitchen in Regentville Hall to support Nepean Food Services.
- (3) Thanks Jenny Gillespie for her advocacy of Nepean Food Services and wishes her well in her next community endeavour.

**JACARANDA PARK, GLENMORE RIDGE**

**Mrs TANYA DAVIES**—That this House:

- (1) Congratulates Stockland on its vision and its investment into the design and construction of Jacaranda Park, Glenmore Ridge.

- (2) Thanks the landscape architect Anton James for the park design, incorporating reflections of the history of the area into the modern design of the park.
- (3) Recognises the work Penrith City Council planning staff and Stockland have put into making Glenmore Ridge a sustainable and community-centred development.

#### **CLAREMONT MEADOWS COMMUNITY CENTRE**

**Mrs TANYA DAVIES**—That this House:

- (1) Congratulates St Marys Area Community Development Project Inc for conducting the second open day of the Claremont Meadows Community Centre.
- (2) Thanks Lisa Foster, manager of St Marys Area Community Development Project Inc and Greg Harriden, the local community development worker for Claremont Meadows for organising and promoting these important open days that foster social inclusion and community cohesion.
- (3) Thanks Penrith City Council for funding 'Sustaining the Meadow' through its Magnetic Places program.

#### **MOUNT LEWIS INFANTS SCHOOL**

**Ms TANIA MIHAILUK**—That this House:

- (1) Notes that Mount Lewis Infants School's Kindergarten Gifted and Talented Program came first in the Investigating Mathematics Competition held by the Mathematical Association of New South Wales.
- (2) Notes that Mount Lewis Infants School was one of only three public schools to win a place in the competition.
- (3) Congratulates the students and teachers on their hard work and achievements.

#### **BANKSTOWN MEALS ON WHEELS**

**Ms TANIA MIHAILUK**—That this House:

- (1) Notes that Bankstown Meals on Wheels has been operated by Bankstown City Council since 1966.
- (2) Notes that Bankstown Meals on Wheels delivers approximately 90,000 meals annually with the help of 270 dedicated volunteers.
- (3) Notes that this service provides hot meals to elderly residents and people with disabilities.
- (4) Congratulates Bankstown Meals on Wheels for its hard and worthwhile work in the Bankstown and East Hills electorates.

#### **WESTERN SYDNEY COMMUNITY FORUM**

**Dr GEOFF LEE**—That this House:

- (1) Notes that the Parramatta-based Western Sydney Community Forum works to build strong, organised communities by bridging the divide between communities and policymakers at the local, regional, state and national levels.
- (2) Notes that the ZEST Greater Western Sydney Community Sector Awards, supported by the Western Sydney Community Forum, recognises excellence in community sector organisations across the region.
- (3) Praises the work being undertaken by the forum, under the leadership of its Executive Officer, Mary Waterford, in preparation for the 2012 ZEST Awards and welcomes the financial contribution of the Government towards hosting the event.

#### **WORLD SUICIDE PREVENTION DAY**

**Mr CRAIG BAUMANN**—That this House:

- (1) Notes that World Suicide Prevention Day was held on 10 September 2011.
- (2) Acknowledges the work of the Port Stephens Suicide Prevention Network in the community.
- (3) Congratulates the Rotary Club of Salamander Bay for its involvement in jointly hosting a Suicide Prevention Walk with the Network on 10 September 2011.
- (4) Congratulates the Government for supporting Lifeline in its suicide prevention and counselling services with funding of \$8 million over four years.

**PANANIA VILLAGE FESTIVAL**

**Mr GLENN BROOKS**—That this House:

- (1) Notes the strong community support shown for the first annual Panania Festival.
- (2) Congratulates the Mayor of Bankstown, Khal Asfour, for his opening speech and his support for the plans to revitalise the Panania shopping area.
- (3) Notes that both the Honourable Tony Abbott, Federal Leader of the Opposition and Craig Kelly, the Federal member for Hughes attended the Panania Festival.
- (4) Notes the Government's support for the East Hills electorate and for the western suburbs of Sydney.

**FAIRFIELD RELAY FOR LIFE**

**Mr ANDREW ROHAN**—That this House:

- (1) Recognises the Relay for Life 24 hour walk and the money it raises for the Cancer Council to help prevent and manage cancer.
- (2) Congratulates Allanah and Lee Falappi and the Fairfield Relay for Life Committee on the successful relay held on 15 and 16 October 2011 at Horsley Park Showground.
- (3) Commends the community for its support of the 2011 Fairfield Relay for Life through 5,000 participants and raising almost \$100,000.

**ASSYRIAN CHURCH OF THE EAST**

**Mr ANDREW ROHAN**—That this House:

- (1) Notes that the Assyrian Church of the East is one of the oldest churches in the world with a history dating back almost 2000 years and that the Assyrian Church of the East still conducts its sermons in Aramaic.
- (2) Notes that His Holiness Mar Dinkha IV, Catholicos Patriarch, the spiritual leader of the Assyrian Church of the East arrived on 7 September 2011 for a four week tour of Australia during which he officially opened the St Mary Village and the new assembly hall at St Hurmizd Assyrian Primary School.
- (3) Congratulates the Assyrian Church of the East in Australia on the opening of the St Mary Village and the new assembly hall at St Hurmizd Assyrian Primary School as well as the successful visit of His Holiness Mar Dinkha IV.
- (4) Recognises His Beatitude Mar Meelis Zaia AM, Archbishop of the Assyrian Church of the East for Australia, New Zealand and Lebanon for his vision and dedication to the church and the Smithfield community.

**EDWARD HYDO ARTISTIC ACHIEVEMENTS**

**Mr ANDREW ROHAN**—That this House:

- (1) Notes the contribution of local artist, and prominent member of Sydney's Assyrian Christian community, Edward Hydo to the local communities of the Fairfield and Smithfield electorates.
- (2) Congratulates Edward Hydo on his latest portrait of Her Majesty Queen Elizabeth II, which he painted as gratitude to the freedom of Australia after fleeing from Iraq after the 1991 Gulf War.

**WILLIAM STIMSON PUBLIC SCHOOL TWENTY-FIFTH ANNIVERSARY**

**Mr ANDREW ROHAN**—That this House:

- (1) Notes that William Stimson Public School recently celebrated its 25th anniversary.
- (2) Congratulates William Stimson Public School for successfully educating young children in the Smithfield electorate.
- (3) Thanks Principal Jan Williams, teachers and staff, both former and present, for their valuable contribution.
- (4) Wishes the pupils and their families success for the future.

**CUMBERLAND BUSINESS CHAMBER**

**Mr ANDREW ROHAN**—That this House:

- (1) Notes that the Cumberland Business Chamber consists of over 300 local businesses from around the Smithfield/Wetherill Park Industrial Area in the Smithfield electorate.
- (2) Commends the Cumberland Chamber of Commerce for their continued work in supporting local industries and businesses.



**Question put and resolved in the affirmative.**

**Community recognition notices agreed to.**

## **BUSINESS OF THE HOUSE**

### **Reordering of General Business**

**Ms CHERIE BURTON** (Kogarah) [3.18 p.m.]: I move:

That General Business Notice of Motion (General Notice) No. 1645 standing in my name have precedence on Thursday 31 May 2012.

I ask that my motion be reordered to take precedence tomorrow because, after much speculation, it was confirmed yesterday that the O'Farrell Government is preparing to slash the Community Building Partnership program. This Government promised much but it has delivered nothing.

**The SPEAKER:** Order! The member for Kogarah will be heard in silence.

**Ms CHERIE BURTON:** The razor gang is out again to remove one-third of the total budget of the program, which equates to a loss to the community of \$50 million over four years. This motion deserves precedence tomorrow because members of this slash-and-burn Government, whose big-ticket item over the past 12 months has been to remove rego stickers from cars—and that was not even their idea because two States have already done it—are a bunch of hypocrites. That lot on the other side are going to vote against this motion. On 20 May it was reported in the *Sun-Herald*—

**The SPEAKER:** Order! The member for Kogarah will be heard in silence.

**Ms CHERIE BURTON:** —that a disgruntled Liberal backbencher—they do not like their own medicine—was quoted as saying, "\$35 million per year is chickenfeed in a \$62 billion budget". Cutting \$12.5 million from the Community Building Partnership program's yearly budget is a disgraceful act as over the past three years the program has proven to be effective and worthwhile. What is the member for Rockdale going to tell his community groups? What is he going to tell the police and community youth clubs? What is he going to tell San Souci Football Club? What is he going to tell the scout association, St George United Soccer Club and Kyeemagh Infants Public School Parents and Citizens Association?

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

**Ms CHERIE BURTON:** Are they going to be pleased that they voted for you? I think not.

**The SPEAKER:** Order! The member for The Entrance and the member for Wyong will come to order.

**Ms CHERIE BURTON:** Let us start with Oatley. Where is the North West Rail Link? What are you going to say to the people of Kyeemagh? I will be writing to them and I will be telling them how you all voted today. What are you going to say to the Anglican church, the Girl Guides and Oatley RSL Youth Club? What are you going to say to them—"Bad luck"?

**The SPEAKER:** Order! I am tempted to give the member for Kogarah another two minutes.

**Mr Mark Coure:** She's inciting us.

**The SPEAKER:** Order! It seems that the member for Kogarah is inciting everybody on the Government benches. Members will cease interjecting on the member for Kogarah; she is quite entitled to move such a motion. She will have a further two minutes in silence or I will extend the time again. One sound and she will get another minute for every time I stop the clock. If we have to, we will sit here all afternoon listening to the member for Kogarah. The member for Kogarah has the call.

**Ms CHERIE BURTON:** What are you going to tell Oatley RSL Youth Club? What are you going to tell them when they ask, "What about the next time around when we need funding?" This is also a capital grants program and capital grants programs provide jobs. You are doing nothing at the big end of infrastructure except coming in here, time after time, giving yourselves an Anthony Robbins rap—a big hug, a big slap on the back. But you are doing nothing; it is all chit-chat, chit-chat, chit-chat. We have not seen one metre of track laid; we have not seen anything happen out there. You are just talking to yourselves; that is all you are doing.

**Mr Darren Webber:** Point of order: Madam Speaker, I ask that you tell the member for Kogarah to direct her comments through the Chair.

**The SPEAKER:** Order! I acknowledge the point of order. The member for Kogarah has the call.

**Ms CHERIE BURTON:** I am sorry, Madam Speaker. I apologise. The axing of one-third of this program is typical of a Government whose members stand here, week after week, patting themselves on the back and saying they are getting on with the job. But the community is starting to ask what job they are getting on with. Is it the North West Rail Link or the South West Rail Link? Not one metre of track has been laid. Is it relief for the commuters on the Illawarra line who are suffering the worst on-running time in four years? Is that the job they are getting on with? Is it the infrastructure committee—

**Mr Gareth Ward:** Point of order: I refer to Standing Order 76. The member has moved so far away from the Community Building Partnership program that she is in outer space.

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

**Ms CHERIE BURTON:** Or is it the job where they put the infrastructure group together chaired by the Hon. Nick Greiner? [*Time expired.*]

**Mr BRAD HAZZARD** (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [3.23 p.m.]: Members on this side of the House listened as carefully as we could within the ambit of the presentation by the member for Kogarah. Before we heard the member for Kogarah speak, members on this side of the House were inclined to allow her to debate her motion tomorrow. But now we have heard her, we have lost interest. We are particularly concerned because the member for Wallsend is not here today but she has about half a dozen motions that she wants to have heard tomorrow, and while her back is turned the member for Kogarah comes in and jumps the gun. It is quite improper.

**The SPEAKER:** Order! I remind members that interjections are disorderly at all times. The Leader of the House will be heard in silence.

**Mr BRAD HAZZARD:** When we consider that clearly the member for Kogarah has not discussed this matter with the member for Wallsend—a different faction obviously; they are not prepared to work together—

**Mr Nathan Rees:** Do you really want to go down that path?

**Mr BRAD HAZZARD:** You already lost the numbers; don't try again, you won't win. We are concerned about the member for Wallsend. The fact of the matter is that at the end of the day there are many other motions—and some particularly important ones—that the member for Wallsend wants to discuss. There is also a motion from the member for Balmain in the line-up. We want to make sure that members have a fair go. In terms of the substance of this motion, the reality is that we are working with the Community Building Partnership program within the financial constraints that the former Government left us. We are going to make sure that there are community partnerships and that the community will benefit but it will be done in a fiscally responsible way, not as the former Government did it. While I was moved initially to say that, in the spirit of goodwill towards those wonderful people on the Opposition benches, we would agree to reorder business, unfortunately, after listening to the member for Kogarah, we will not.

**Question—That the motion be agreed to—put.**

**The House divided.**

**Ayes, 23**

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

**Noes, 67**

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

**Pair**

Ms Hornery

Mr O'Farrell

**Question resolved in the negative.****Motion negatived.****BUSINESS OF THE HOUSE****Reordering of General Business**

**The SPEAKER:** I remind Government members of my earlier ruling. The member for Wollongong is moving a similar motion.

**Ms NOREEN HAY** (Wollongong) [3.34 p.m.]: I move:

That General Business Notice of Motion (General Notice) No. 1648 standing in my name, have precedence on Thursday 31 May 2012.

**Mr Daryl Maguire:** You can only do one.

**The SPEAKER:** Order! Members who are questioning my ruling should note that two members are entitled to move such a motion after question time. Members should learn the standing orders before they start to object to my rulings.

**Ms NOREEN HAY:** My motion, which deals with the Community Building Partnership program—

**The SPEAKER:** Order! I will extend the time of the member for Wollongong if members interject during the three minutes she has to speak to her motion.

**Ms NOREEN HAY:** This Government's decision to reduce funding for the Community Building Partnership program will have a devastating impact on the groups and organisations that rely on that funding for upgrades and improvements to local community facilities. In 2009 under the former Government my electorate received \$419,000 and that was increased to \$700,000 in 2010. However, this Government reduced the amount to \$400,000 in 2011. Community groups in my electorate have benefited greatly from this program. I wonder what members of the Barooga Community Centre Reserve Trust in the electorate of the member for Murray-Darling will have to say when they find out that their local member supports a reduction in Community Building Partnership funds for his electorate. I wonder what members of the Broken Hill branch of the Australian Stock Horse Society will have to say—

**Mr Brad Hazzard:** Point of order: Madam Speaker, the motion is about the electorate of Wollongong and I ask you to bring the member back to the leave of the motion.

**The SPEAKER:** Order! The first part of the motion refers to the Community Building Partnership program. Only the second part of the motion refers to the Wollongong electorate. The member is in order.

**Ms NOREEN HAY:** I wonder how members of the All Hallows Catholic Church in the electorate of Drummoyne, who are installing a social learning centre, feel about having their funding reduced. Government members should hang their heads in shame; they are a disgrace. [*Time expired.*]

**Mr John Williams:** Point of order: The member for Wollongong has mentioned everyone but the member for Shellharbour. What is going on?

**The SPEAKER:** Order! The member for Murray-Darling will resume his seat.

**Mr BRAD HAZZARD** (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [3.37 p.m.]: It is terrible the way the members of the Opposition are ganging up on the member for Wollongong. They are lining up one after another. She is not here to defend herself and no-one is prepared to stand up for her. It is concerning that yet again the Labor Party does not understand that the Community Building Partnership program is continuing and the Treasurer has confirmed that more than \$90 million—

**Mr Mark Coure:** How much?

**Mr BRAD HAZZARD:** More than \$90 million has been allocated to the program over the next four years.

**The SPEAKER:** Order! The member for Wollongong has had her opportunity to speak to the motion. Opposition members will come to order.

**Mr BRAD HAZZARD:** Having members of the Labor Party facing me is a lot more comfortable than having them sitting behind me. The Government will continue to support—

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

**Mr BRAD HAZZARD:** —the Community Building Partnership program. The scaremongering by the Labor Party—

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

**Mr BRAD HAZZARD:** The Government can assure the community that the process will be the same. Applications will be gone through carefully and objectively. The process will be carried out openly, honestly and transparently, and the community will benefit from \$90 million. But how silly is it that Labor, after leaving us with such a massive deficit, is now arguing that there should be some unlimited capacity to put money out there. It is about balance and the Government is ensuring that there is balance. Speaking of balance, the only word that I can think of in the context of the member for Wollongong is "no".

**Question—That the motion be agreed to—put.**

**The House divided.**

**Ayes, 23**

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

**Noes, 66**

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

**Pair**

Ms Hornery

Ms Hodgkinson

**Question resolved in the negative.**

**Motion negatived.**

## BUSINESS OF THE HOUSE

### Business Lapsed

**The SPEAKER:** Order! I advise the House that, pursuant to Standing Order 105 (3), General Business Notices of Motions (General Notices) Nos 95 and 97 either not having commenced or not having been completed will lapse tomorrow.

## CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY

### Electricity Assets Sale

**Mr STUART AYRES** (Penrith) [3.45 p.m.]: My motion that this House supports the sale of New South Wales electricity generation assets to free up billions of dollars for essential infrastructure, such as roads hospitals and public transport, should be given priority because this Government was elected with a clear mandate to invest responsibly in infrastructure across this State. It did so by going to the election and telling the people of New South Wales that it would conduct an inquiry into the activities of the previous Government around the sale of electricity assets. That inquiry made a clear recommendation that the generation assets of this State should be sold to clean up the botched sale performed by the previous Government.

The key point is that investment in infrastructure should be done responsibly. We must ensure that we maintain the balance sheet of the State. That means transferring assets that are no longer valuable to the State so we can invest in new ones that are valuable. Something like the M4 East might be important to members with electorates in western Sydney. Members in the south-west might find that the M5 East is important to their electorates. Connecting the F3 to the M2 might be important to members from the Central Coast and north-west. It is probably worth recognising that we had some friends from Victoria in the galley earlier today. Victoria has a ring road that is a ring road—all the roads connect.

New South Wales does not have such a road because of the appalling approach taken by the previous Government. In articulating why this motion should be accorded priority I will quote from someone who is reasonably familiar to those opposite. "Supporting economic policies that promote competition and boost productivity is the key to raising living standards." Morris Iemma made that statement. The Leader of the Opposition would not have to hear those words; he can smell them because the stench of Morris Iemma's rotting leadership corpse still hangs around his neck. It is essential that this Government continues to look at ways to improve how it invests in infrastructure.

The electricity generation assets are fundamental to ensuring that this State maintains its triple-A credit rating and engages in financially responsible activities to ensure that we can invest in the infrastructure that people across this State demand. A total of 30 per cent of the revenue from the sale will go to regional New South Wales. "NSW" will no longer stand for Newcastle, Sydney and Wollongong; under the O'Farrell-Stoner Government it will again stand for New South Wales. The sale of the electricity generation assets is the first stage in the transformation of the way this House does business. That will free up billions of dollars for us to invest in infrastructure and that is why this motion should be accorded priority.

### Hunting in National Parks

**Mr JOHN ROBERTSON** (Blacktown—Leader of the Opposition) [3.48 p.m.]: The motion that should be accorded priority is that this House condemns the Premier for converting our State's pristine national parks into hunting reserves. This is an historic day. Today we saw Barry O'Farrell peel off his mask and expose who he truly is. Barry O'Farrell went to the election and promised not to sell our electricity generation assets. He stood and promised not to allow hunting in our national parks. He said he would not do deals with the crossbenchers. Yet today a media release confirms him saying that the Government has decided to expand a culling program to allow smooth passage of legislation to sell the State's power generators. What does that mean?

It means that hunting will be allowed in 34 national parks, and that does not mean the number of national parks is limited to 34. It starts at 34 and includes the Kosciuszko National Park, pristine national park in which people ski, hike across country, camp and holiday. That will be opened up as a hunting ground. I draw to the attention of the member for Myall Lakes that people will be sitting in the middle of a lake on a houseboat in the Myall Lakes National Park and a stray bullet will go flying through the houseboat because someone in the

national park took a pot shot and missed. What about Dorriggo National Park, Barrington Tops National Park or Morton National Park? Those national parks are protected to ensure that more than 1,000 endangered species of flora and fauna will not be trampled, shot or killed.

Today all that protection was overturned so that the Premier can get legislation through the Parliament. This is an historic day because two million hectares of national park will be turned into hunting grounds. Mums and dads who are out bushwalking or camping will no longer feel safe in national parks. When they go camping or bushwalking, they will need to wear an orange vest and a Kevlar vest to make sure they do not get shot. Government members have decided that 522 national parks and their flora and fauna no longer deserve to be protected from people shooting and rampaging through national parks. Wildlife will no longer have protection because the Premier did a deal. [*Time expired.*]

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

**The House divided.**

**Ayes, 64**

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

**Noes, 23**

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

**Pair**

Ms Hornery

Mrs Hancock

**Question resolved in the affirmative.**

## BUSINESS OF THE HOUSE

### Routine of Business

**Mr BRAD HAZZARD** (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [3.58 p.m.]: As a result of the shenanigans by the member for Wollongong and the member for Kogarah, a slight delay has been caused to Government business. We are very keen to allow debate on the motion accorded priority to proceed, so I indicate to the House that, with leave, I will allow the motion to be concluded right through all stages of priority and then we will continue with Government business. In other words, we are simply giving up some Government business time to accommodate the activities and game playing of the member for Kogarah and the member for Wollongong. I mention for the information of the member for Maroubra that although I mentioned leave, I do not require leave because it is Government business. For the information of all members of this House, this is Government business time and we are allowing debate on the motion to continue. The Opposition does not get a say. I am simply putting the Opposition on notice.

**Mr Michael Daley:** Point of order: The item of business before the House is whether leave is granted.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! That is not correct. The Leader of House was merely advising members of a change to Government business.

**Mr Michael Daley:** He said, "with leave".

**Mr BRAD HAZZARD:** I was referring to leave to discuss it; I was not seeking formal leave. The standing order does not require me to seek formal leave. The member for Maroubra is wrong.

**Mr Michael Daley:** You said, "with leave".

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! The Leader of the House has deemed it to be Government business.

## ELECTRICITY ASSETS SALE

### Motion Accorded Priority

**Mr STUART AYRES** (Penrith) [4.01 p.m.]: I move:

That this House supports the sale of New South Wales electricity generation assets to free up billions of dollars for essential infrastructure such as roads, hospitals and public transport.

I will start with a quote from Morris Iemma—members opposite should think about getting him back—who said:

The tragedy for electricity consumers in NSW is that had it not been for the recklessness of a few pig-headed public sector union officials, they would have been banking the savings on energy bills a long time ago. An even greater tragedy for the people of NSW is the billions of dollars wiped off the value of the State's electricity assets, value that for years could not be unlocked and deployed to more pressing public priorities such as transport infrastructure, health and education.

That sounds a lot like my priority motion as stated by former Premier Morris Iemma. As we were saying earlier, the ability to trade off these assets to bring \$3 billion back under the control of the State gives us the money to invest in much-needed infrastructure. This continues a long run of reforms that the Government has undertaken already, whether it is the privatisation of Sydney Ferries, the work being done around Port Botany, the electricity generation assets or the desalination plant. This is all about moving assets that are not performing in the best interests of the State and utilising that money to invest in infrastructure that is clearly demanded by the people of the State.

The people of New South Wales gave this Government a very clear mandate to invest in infrastructure. They have also given us a clear mandate to protect the economy of the State, to ensure that the budget is looked after and to maintain the triple-A credit rating. For us to do that we need to ensure that we work within the parliamentary system, which is exactly what the Government has done. We have worked with both Houses of Parliament to ensure that the electricity generation assets will be sold. We also established Infrastructure NSW to take the politics out of determining the priority list for infrastructure investment in the State. That list will only go so far if we do not have any money to invest in infrastructure.



**The DEPUTY-SPEAKER (Mr Thomas George):** Order! There is too much audible conversation in the Chamber. Hansard and the Clerks are having trouble hearing the member for Penrith. Members who wish to have private conversations should do so outside the Chamber.

**Mr STUART AYRES:** Items on the Infrastructure NSW priority list will be invested with funds from the sale of generation assets. Regardless of how Infrastructure NSW allocates funds to items on its priority list, whether it be the M4 East, the M5 extension, the F3 or the F6, whichever infrastructure the electorate requires and in whatever order Infrastructure NSW decides to put them, this sale of electricity assets will free up money inside the State's budget to invest in that infrastructure. It also means that we can improve access to Port Botany and improve freight distribution outside of Sydney airport, which is so critical to employment around the State. We can invest in much-needed rail projects like the North West Rail Link as well as the South West Rail Link to open up new housing estates to ensure people can access housing at the most affordable price.

One of the other key components of this reform process is ensuring that regional New South Wales does not miss out on some of the proceeds from this transaction. Thirty per cent of the money raised in this transaction will be invested in regional New South Wales. That could be opening up new roads from the South Coast to the North Coast, on the Princes Highway or the Pacific Highway, which we hear so much about. This proposal is about freeing up capital to invest in those projects. Whether one is at Bathurst, Dubbo or Tamworth, if one's hospital or local health services need improvements, this transaction will improve the quality of the balance sheet of the State to make those investments. This is the reform that the people of New South Wales voted for last year. It also is a continuation of the reform that the Government has embarked upon already in freeing up these poor-performing assets to ensure we can invest in what we need.

I know that the people of Penrith do not necessarily want to own the generators, but they certainly want to ensure that we invest in the right infrastructure to ensure that the people of Penrith keep their jobs; so we can open up new employment land right across the city and State to ensure those people have employment opportunities. This process is all about making the State more productive because the more productive we make this State the more we improve the strength of the State's economy and the more opportunity we have to raise living standards. That is what this is about. This fantastic economic policy is driven by Treasurer Baird under the leadership of the O'Farrell Government. It is what we took to the people of New South Wales and it is what we are delivering.

**Mr JOHN ROBERTSON** (Blacktown—Leader of the Opposition) [4.06 p.m.]: I thought Norman Lindsay was in the Chamber reading the *Magic Pudding* while the member for Penrith was talking about all those wonderful projects. What we have today is a mammoth broken promise by a government that said it would not do deals with crossbenchers. In what can only be described as a declaration, on 29 January 2011 in Lithgow the Premier said he had no plans to sell the generators, and no plans to sell the poles and wires. Today the Premier has said that promise counts for nothing. Today we see a Premier who is prepared to sacrifice our national parks, and the flora and fauna in our national parks, to get a dirty deal through Parliament to sell off the generators of New South Wales. What does that mean for the people of New South Wales?

As much as the member for Penrith would like to dress it up as a new nirvana, it will mean increased energy prices for New South Wales consumers. I know those on the government side do not care much about increased energy prices because within four months of their election they increased energy prices by 18 per cent. That is despite years of carping about what they would do to drive down energy prices, and how they would reject Independent Pricing and Regulatory Tribunal decisions. They made regular calls for the former Government to reject Independent Pricing and Regulatory Tribunal decisions, but at the first opportunity they get in government to reject that decision, they pass on an 18 per cent increase. Do we see anything in this proposal about improved consumer protections? There is nothing in this proposal that will make it easier for mums and dads to pay their energy bills. Do we see any improvement in the hardship policies that exist? We do not see a thing.

What we have seen from this Government is a cut in the assistance that is provided to the hardship program that our charitable organisations hand out in New South Wales. Recently, families in New South Wales who cannot afford to pay their bills have brought barbecues into the house overnight in an effort to stay warm. Unfortunately they are then taken to hospital. This proposal does nothing to improve affordability of electricity for those families. It does ensure that we will see higher prices for electricity once the assets are sold. We know that because the experience in South Australia was that energy prices increased by 30 per cent after that industry was privatised. This is not some solution to drive down the price of electricity. Contrary to the great promises that were made and are now being trashed on a daily basis by the O'Farrell Government, energy prices are going up and we see a proposal that will guarantee they will continue to go up.

This will not deliver anything for the people of New South Wales to make life easier. It will change their lives—there is no question about that—but that change will mean more families sitting in the dark and more pensioners sitting with blankets over their legs freezing throughout winter because they cannot afford to turn on their lights or heater. Families will be unable to cook meals because they cannot afford to pay their energy bills. This proposal is all about one thing: Barry O'Farrell pursuing his ideological agenda to flog off electricity. This man said one thing on many occasions before the election and now he is doing something completely different.

This is all at the expense of a thousand endangered species of flora and fauna, and at the expense of mums and dads who bushwalk, camp and holiday inside our national parks. The national parks about which I am talking are not remote, as the Premier tried to spin. Myall Lakes National Park is only a 3½-hour drive from Sydney; it is a place where people can swim, surf and camp or relax on a houseboat. Now people will be dodging bullets as they run from their campsite across the road and over the sand dunes. Everyone will have to be sure to wear their Kevlar vests underneath their wetsuits as they dodge bullets while running from their tents to the beach because the Government and its members do not care about their safety. [*Time expired.*]

**Mr JONATHAN O'DEA** (Davidson) [4.11 p.m.]: Today is an historic day after 20 years of generating equivocation in New South Wales. Prior to the last election the New South Wales Liberals and Nationals promised to retain electricity poles and wires in public hands. We promised also to follow independent expert advice about the potential sale of State-owned generators. The Tamberlin special commission of inquiry established by the incoming O'Farrell Government duly handed down a report in October last year that clearly recommended proceeding with the sale of the State's generators. Much of the generated output had been sold already by the previous Labor Government in a half-baked, half-priced but fully desperate attempt to retain New South Wales's triple-A rating. Obviously, this backfired on the proroguing Premier Keneally and helped to seal her fate, just as the attempted electricity sale sealed the fate and led to the demise of former Premier Iemma. Much of the blood from the deaths of both those Premiers is on the hands of the current Leader of the Opposition, John Robertson—and that is not forgotten by many in the Labor Party.

In contrast, the effective and strong leadership of Barry O'Farrell will oversee the sale of the remaining generating assets, providing billions of dollars to be invested in vital infrastructure projects across New South Wales—and at least 30 per cent of those proceeds will go to regional projects. We will also save \$850 million in avoided ongoing operation and maintenance costs for generators, and there will be a potential saving of more than an additional \$6 billion in avoided costs to meet future generation capacity needs. We look forward to the sale of New South Wales's electricity generation assets so that vital funds can be released to provide desperately needed and critical infrastructure in our State for roads, such as the M2 to F3 link and other projects; for public transport needs in my area—rail upgrades and buses; for schools such as Killara High School, which is screaming out for new capital expenditure; and for health services in places such as Hornsby Hospital, the new Frenchs Forest northern beaches hospital and Mona Vale hospital. As the Treasurer said earlier today, we now have a brighter infrastructure future.

**Ms ANNA WATSON** (Shellharbour) [4.14 p.m.]: Government members have a hide. Clearly, the O'Farrell Government cannot keep its promises on anything. The people of New South Wales are being deceived once again. The O'Farrell Government cannot be trusted. By selling off electricity in New South Wales the O'Farrell Government will be selling out the people of New South Wales. Prior to the March 2011 election Barry O'Farrell said that he would not sell or privatise electricity in New South Wales. He declared that ironclad guarantee in Lithgow. This current proposal will hang around Barry O'Farrell's neck. The people of New South Wales now have to look forward to much higher electricity prices. The razor gang opposite will ensure that the most vulnerable in all our communities—our pensioners, young families and low-paid workers—will be the biggest losers. To add insult to injury, the industrial dinosaurs opposite would have us believe that privatising electricity will be good news for the workforce.

Those opposite have never been and will never be a friend of the worker in this State. We need only look at what they have done to our police, who protect our communities, our nurses, who look after our sick, and our teachers, who educate our children. Under Barry O'Farrell's watch electricity prices already have risen by 18 per cent and things will only get worse. This Government cannot be trusted. The people of New South Wales did not give the Government a mandate to sell off public assets. The people of New South Wales did not agree to this treachery by the O'Farrell Government. The Government talks about selling off our assets to build infrastructure in New South Wales. What is it going to do when it has nothing left to sell? What will it do then? This is a disgraceful act and the people of New South Wales will never forget it. I predict that the Lithgow declaration will be the death knell for Barry O'Farrell.

**Mr STUART AYRES** (Penrith) [4.16 p.m.], in reply: I thank the members representing the electorates of Davidson, Shellharbour and Blacktown for their contributions to this debate. Earlier I was reading comments by Morris Iemma. One comment, which is particularly relevant, states:

No surprise also has been the deafening silence of the screeching doomsayers who predicted blackouts, price gouging and massive job losses if NSW followed other states down the path of electricity privatisation.

I was not quite sure to whom he was referring, but I have a pretty fair idea after listening to the member for Blacktown screeching across the Chamber about blankets, houses being cold, lights going out and people in houseboats on Myall Lakes getting shot. I believe he accused me of living in some sort of nirvana. I am not quite sure on what planet the member for Blacktown is living. The O'Farrell Government took a clear position to the people of New South Wales at the last election: a Coalition government would conduct an inquiry into the sale of electricity by the previous Government and take the recommendations of that inquiry. One clear recommendation from the inquiry was to sell electricity generators, and that is exactly what this Government has done.

The Coalition Government has dealt with the Parliament it was given by the people of New South Wales and it is undertaking the work that the people of New South Wales has asked it to undertake. It is releasing funds from the balance sheet to invest in absolutely critical and much-needed infrastructure. This is a continuation of the economic reforms that have been introduced by the Government over the past 18 months that include the privatisation of Sydney Ferries, the release of capital around Port Botany and the proposed sale of the desalination plant. The most fascinating and disappointing aspect of the rhetoric from those opposite is that it comes from the party of Hawke and Keating—the economic reformers of my generation. I have seen the work of that party.

It is obvious, however, that those who sit on that side of the Chamber—and it is probably not all of them because there are some economic reformers on that side who want to see New South Wales get ahead but who are just sitting there quietly—are being led by a member who is so deluded about what is required in this State that he has completely forgotten Economics 101. This State must be able to live within its means. Procedures such as this that free up capital, including the sale of electricity generation assets, allow us to invest in roads like the M4 East, the M5 and the M2. Without the release of this capital we will not be able to make that investment or invest in other projects that are identified by Infrastructure NSW. If there is one piece of ideology that is clear it is that the O'Farrell Government delivers on its commitments to the people of New South Wales.

**Question—That the motion be agreed to—put.**

**The House divided.**

**Ayes, 60**

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

**Noes, 22**

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

**Pairs**

Mr Fraser	Ms Horner
Mr Owen	Mr Zangari

**Question resolved in the affirmative.**

**Motion agreed to.**

**PUBLIC SECTOR EMPLOYMENT AND MANAGEMENT AMENDMENT (PROCUREMENT OF GOODS AND SERVICES) BILL 2012**

**Bill received from the Legislative Council, introduced, read a first time and printed.**

**Second reading set down as an order of the day for a later hour.**

**CRIMES AMENDMENT (RECKLESS INFLICTION OF HARM) BILL 2012**

**Bill introduced on motion by Mr Greg Smith, read a first time and printed.**

**Second Reading**

**Mr GREG SMITH** (Epping—Attorney General, and Minister for Justice) [4.30 p.m.]: I move:

That this bill be now read a second time.

The Government is pleased to introduce the Crimes Amendment (Reckless Infliction of Harm) Bill 2012. In 2007 the former Government made a number of amendments to the Crimes Act to remove the antiquated term "maliciously" from the Act. The term had a tortuous definition that I had to analyse and discuss in my submission to the High Court in *The Queen v Lavender*, and the opportunity was taken by the Government to replace the term with appropriate, modern fault elements for a number of offences. At the time, it was not intended that the operation of the offences themselves would change. In 2011 one of the offences that had been amended, that of recklessly inflicting grievous bodily harm, was considered by the Court of Criminal Appeal in the case of *R v Blackwell*. Prior to amendment that offence criminalised the malicious infliction of grievous bodily harm.

The definition of "maliciously" in the Act did not require an intention by the offender to cause any particular injury, merely an "intent to injure". The Court of Criminal Appeal considered the question of whether the offence as amended now required foresight of grievous bodily harm to establish recklessness, or whether foresight of mere injury remained sufficient. Justice Beazley, with whom both Justices James and Hall agreed on this point, found that under the Crimes Act as amended, grievous bodily harm was the relevant consequence with respect to recklessness. The court found no basis upon which that term could be read down to mean "some physical injury", since the word "maliciously" and its attendant concepts had disappeared from the statute. Although this was not the apparent intent of the amendments, the court's interpretation of the offence as it currently stands is correct. This interpretation, however, creates a significant gap in the prosecution of offences involving physical harm.

The offence of recklessly inflicting grievous bodily harm was regularly used to prosecute cases that are more serious than assault occasioning actual bodily harm, which carries a maximum penalty of five years imprisonment but which would be difficult to prove as an offence of intentional infliction of grievous bodily harm, which has a maximum of 25 years. A common example of cases formerly prosecuted as the reckless

infliction of grievous bodily harm is that of a single punch causing a victim to fall and strike his or her head on the footpath, resulting in serious brain injury. However, the offence's utility as an intermediate offence has been greatly eroded by the decision in *R v Blackwell*. This is because proving that a person foresaw the possibility of grievous bodily harm is significantly more difficult than proving that he or she foresaw some injury. The amendments restructure relevant personal injury offences affected by the 2007 amendments so that the appropriate fault element applying prior to 2007 is reinstated.

Turning to the substantive provisions of the bill, item [1] of schedule 1 omits section 35 of the Crimes Act and inserts instead restructured offences of recklessly wounding and inflicting grievous bodily harm. The structure of each offence makes it clear that to be guilty of the offence a person must have caused grievous bodily harm and been reckless as to causing actual bodily harm when they did so. The words "actual bodily harm" have been chosen so as to use consistent terminology with other provisions in the Act. The provisions apply to someone who is reckless as to causing harm to the victim or any other person as this ensures that no-one escapes liability merely because the ultimate victim was not the primary target of the accused's behaviour. This wording also is consistent with the relevant provisions of the Model Criminal Code.

Items [2], [3] and [4] of schedule 1 insert the same structure for the offences of recklessly wounding or inflicting grievous bodily harm on a police officer, other law enforcement officer, school student or member of school staff. Item [5] adjusts the definition of circumstances of special aggravation in the context of breaking and entering offences. As is generally the case with amended offences, the transitional provisions provide that the amended offences will apply only to offences committed on or after the commencement of the amendments. The amendments in the bill restore the intended operation of these offences, and 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.**

## **STATUTE LAW (MISCELLANEOUS PROVISIONS) BILL 2012**

**Bill introduced on motion by Mr Greg Smith, read a first time and printed.**

### **Second Reading**

**Mr GREG SMITH** (Epping—Attorney General, and Minister for Justice) [4.37 p.m.]: I move:

That this bill be now read a second time.

The Statute Law (Miscellaneous Provisions) Bill 2012 continues the statute law revision program that is recognised as an effective method of dealing with amendments of the kind included in the bill. The form of the bill is similar to that of previous bills in the statute law revision program. Schedule 1 contains policy changes of a minor and non-controversial nature that the Minister responsible for the amendment to the legislation considers to be too inconsequential to warrant the introduction of a separate amending bill. That schedule contains amendments to 28 Acts. I will mention some of the amendments to give members an indication of the kinds of amendments that are included in the schedule. Schedule 1 amends the Barangaroo Delivery Authority Act 2009 to remove the requirement for the Secretary to the Treasury to be a member of the board of the authority and to increase the number of persons that the Premier may appoint to the board from four to five persons.

The schedule makes a number of amendments to the Environmental Planning and Assessment Act 1979 including amendments to extend a right of appeal to persons who have deposited security with a council in accordance with a complying development certificate and are dissatisfied with the council's failure to release the security. Other amendments to that Act will enable joint regional planning panels to advise the Director General of the Department of Planning and Infrastructure, and not just the Minister, as is currently the case. The Firearms Act 1996 is amended to authorise police officers to seize licences and permits that are not in force, consistent with the existing obligation to immediately surrender licences and permits when they cease to be in force. Another amendment to that Act will reduce red tape by enabling licensed dealers to sell or otherwise deal with imitation firearms under the authority of their licence rather than having also to obtain a permit.

Schedule 1 contains miscellaneous amendments to the Fisheries Management Act 1994. These include an amendment to make it clear that the Minister may cancel an aquaculture lease if the leased area is not used for aquaculture. It also amends the Health Care Complaints Act 1993 and the Health Records and Information Privacy Act 2002 to update terminology so that it is consistent with the national scheme for the regulation of health practitioners. For example, the term "nursing services" is replaced with the term "nursing and midwifery services" in recognition of the fact that nursing services are distinct from midwifery services under the national scheme. The Interpretation Act 1987 is amended to confirm existing law to the effect that a delegation by an officeholder generally continues to have effect even though the person who made the delegation has ceased to hold the relevant office. The new officeholder may vary or revoke the existing delegation.

Schedule 1 also amends the Liquor Act 2007 in relation to the operation of the three-strikes disciplinary scheme that currently applies in respect of convictions for certain offences, or the payment of penalty notices for alleged offences, at licensed premises. The amendments will ensure that a strike is also incurred if a penalty notice enforcement order is made because a licensee or manager fails to pay under a penalty notice and does not elect to have the penalty notice offence dealt with by a court. The amendments also enable a strike to be revoked if a court election is made after payment under a penalty notice or if a penalty notice or enforcement order is withdrawn or annulled. Finally, in relation to schedule 1, I mention the miscellaneous amendments to the Residential Tenancies Act 2010. One of these amendments will ensure that it is not an offence for a landlord or agent to receive a rental bond from a tenant before the tenant signs a residential tenancy agreement. However, it will remain an offence for the landlord or agent to require the bond to be paid before the agreement is signed.

Schedule 2 deals with matters of pure statute law revision consisting of minor technical changes to legislation that the Parliamentary Counsel considers are appropriate for inclusion in the bill. Examples of amendments in schedule 2 are those arising out of the enactment of other legislation, those correcting numbering and typographical errors and those updating terminology. Schedule 3 makes amendments, by way of pure statute law revision, to forms of statutory declarations and affidavits. These amendments are consequent upon recent changes to the Oaths Act 1900 under which witnesses of statutory declarations or affidavits must certify that they have complied with requirements concerning the identification of the persons making the declarations or affidavits. Schedules 4 and 5 continue the program of repealing Acts and instruments that are redundant or of no practical utility and consolidating Acts that have ongoing operation. Schedule 5 repeals 28 Acts and one instrument in their entirety and various provisions of Acts and instruments. Schedule 4 contains amendments that include the transfer into various Acts of the provisions of Acts repealed by schedule 5.

For abundant caution the bill, in conjunction with section 29A of the Interpretation Act 1987, continues to provide a power for the Governor, by proclamation, to revoke the repeal by the bill of any Act or instrument and to restore its operation. Schedule 6 contains general savings, transitional and other provisions. These include provisions dealing with the effect of amendments on amending provisions and savings clauses for the repealed Acts. The various amendments made by the bill are explained in detail in explanatory notes set out beneath the amendments to each of the Acts and statutory instruments concerned or at the beginning of the schedule concerned. If any amendment causes concern or requires clarification it should be brought to my attention. If necessary I will arrange for government officers to provide additional information on the matters raised. If any particular matter of concern cannot be resolved and is likely to delay the passage of the bill the Government is prepared to consider withdrawing the matter from the bill. 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.**

## **NATIONAL ENERGY RETAIL LAW (ADOPTION) BILL 2012**

### **ENERGY LEGISLATION AMENDMENT (NATIONAL ENERGY RETAIL LAW) BILL 2012**

#### **Second Reading**

**Debate resumed from 23 May 2012.**

**Ms CARMEL TEBBUTT** (Marrickville) [4.46 p.m.]: On behalf of the Opposition I speak in debate on the National Energy Retail Law (Adoption) Bill 2012 and cognate bill. The Opposition does not oppose these bills. The National Energy Retail Law (Adoption) Bill and the Energy Legislation Amendment (National Energy Retail Law) Bill 2012 establish a national uniform scheme for the regulation of electricity and retail gas markets in New South Wales. They will give effect to the national energy market reform program in this State. In

2004 the Commonwealth and the State and Territory governments entered into the Australian Energy Market Agreement. The governments that made the agreement were those of New South Wales, Victoria, Queensland, South Australia, Tasmania, the Australian Capital Territory and the Commonwealth. Together these jurisdictions make up the national energy market.

The national energy retail law is being implemented across the national energy market and New South Wales is now enacting applied law model. We know that having different regulatory frameworks for energy retailing across jurisdictions is inefficient and that significant costs can be imposed on retailers operating across State borders that can then be passed on to consumers by way of higher energy prices. The Government has said that in making the transition to the customer framework customers will not face any disruption or be required to do anything to maintain access to their energy. There will be a new price comparison website with information on pricing offers, energy efficiency market updates and other information.

The Government has indicated also that the strong existing consumer protections will continue. The consumption thresholds in place in New South Wales that determine which customers are entitled to regulated prices will be maintained. Retailers will need to adopt and implement customer hardship policies approved by the Australian Energy Regulator. The national law puts in place a national scheme for retailer of last resort events to ensure that a back-up retailer can take over and supply customers if a retailer fails. The Australian Energy Regulator also will be responsible for ensuring that retailers and exempt sellers comply with decisions of the New South Wales Energy and Water Ombudsman. Further, because New South Wales will be retaining regulated prices, the amendment bill makes provision for the Independent Pricing and Regulatory Tribunal to continue to monitor and report on retailer compliance with regulated offer requirements.

The Opposition will closely examine the Government's claims about consumer protection and, if need be, the shadow Minister in the other place will move amendments. The Opposition is concerned that after June 2013 there will be changes in the definition of small energy customers. The current New South Wales definition relates to customers who consume less than 160 megawatts of electricity a year. However, the Government has indicated that after June 2013 New South Wales will adopt the definition in the national energy retail law, which involves consumers of less than 100 megawatts. This may mean changes to protections that are currently afforded to customers who use between 100 megawatts and 160 megawatts a year. We need to know how these customers will be affected and what assistance will be made available to them.

The process for transition to a national energy market was well underway under the former Government. The challenge has always been to ensure that the protections we have in New South Wales are not watered down by any move to the national regime. New South Wales has strong and effective customer frameworks that govern how energy retailers treat their customers and we must ensure that they are retained. As I said, that includes rules regarding disconnection procedures, marketing of energy offers to small customers, customer hardship policies and minimum contract terms and conditions. It also ensures New South Wales customers have access to a range of government assistance measures to help them pay their bills; including rebates, emergency vouchers and payment plans. This Government must make sure there is no erosion of consumer protection arrangements for New South Wales customers.

**Mr STEPHEN BROMHEAD** (Myall Lakes) [4.49 p.m.]: I support the National Energy Retail Law (Adoption) Bill 2012 and cognate bill. The object of the National Energy Retail Law (Adoption) Bill 2012 is to apply as a law of this State the national energy retail law which is contained in a schedule to the National Energy Retail Law (South Australia) Act 2011. The enactment of this bill is part of a uniform scheme of legislation applying that law, which relates to the supply of energy to customers by retailers and distributors in the States and the Australian Capital Territory, the participating jurisdictions.

The national energy retail law scheme provides for the following matters: the regulation of the supply of energy by retailers to customers; the provision of information about contractual and pricing options for energy supply; the authorisation of retailers to supply energy; the regulation of contracts relating to the provision of connection services by energy distributors; an exempt seller and a retailer of last resort scheme; small compensation claims; rules and regulations for the further implementation of the scheme; and compliance and enforcement of the scheme. National regulations supporting the national energy retail law are to be made by the Governor of South Australia and are to be adopted by each participating jurisdiction.

National energy retail rules are to be made under the national energy retail law and will apply in the participating jurisdictions. The national energy retail law provides for specified enforcement, licensing and other functions to be carried out by the Australian Energy Market Commission, the Australian Competition and

Consumer Tribunal and the Australian Energy Regulator rather than by State-based agencies. The national energy retail law, as applied by this bill in New South Wales, will replace provisions of the Electricity Supply Act 1995 and the Gas Supply Act 1996 and instruments made under those Acts that currently regulate retail suppliers of energy and connections to distribution networks for energy. The National Energy Retail Law (Adoption) Bill 2012 is cognate with the Energy Legislation Amendment (National Energy Retail Law) Bill 2012.

In 2004 the Commonwealth, State and Territory governments entered into the Australian Energy Market Agreement. Revisions to the agreement made in 2006 underpin the 2012 bills, which are the current and final component of the national energy retail market reforms. The new national energy retail law will replace current State-based electricity and gas retail licensing with a national authorisation regime, administered by one regulator, the Australian Energy Regulator. The adoption bill applies the national energy retail law in New South Wales. The cognate bill, the Energy Legislation Amendment (National Energy Retail Law) Bill 2012, makes consequential changes to existing New South Wales statutory instruments. These cognate bills will establish a national uniform scheme for the regulation of electricity and gas retail markets in New South Wales.

The bills will give effect to the national energy market reform program in this State. These reforms flow from the Council of Australian Governments and aim to streamline regulatory requirements for energy retailers across the national energy market. The national energy customer framework is the final part of the Council of Australian Governments reform process to create a national energy market. The national framework will apply across the national energy market, being Queensland, New South Wales, Victoria, the Australian Capital Territory, Tasmania and South Australia. It is interesting that once again Western Australia has not adopted national laws. The National Energy Retail Law (Adoption) Bill 2012 will apply the national legislation, the National Energy Retail Law (South Australia) Act 2011, as law in New South Wales.

The national energy retail law regulates the retail supply of energy to customers and makes provision for the relationship between the distributors and consumers of energy. Specifically, the bill provides for the Australian Energy Regulator to issue authorisations to energy retailers in the national energy market; provides for the Australian Energy Regulator to regulate compliance with, and the enforcement of, the authorisation scheme; maintains price regulation in New South Wales until at least 30 June 2013; confers some New South Wales specific functions on the Australian Energy Regulator; provides that New South Wales will not adopt some aspects of the national framework which require further cost-benefit analysis; and allows network distribution businesses to maintain current liability arrangements, which allows them to limit their liability. This will avoid extra costs being passed on to consumers in the form of price rises. Schedule 1 contains amendments to the national energy retail law for the purposes of its application in New South Wales.

The schedule modifies that law as follows: the consumption threshold for determining who is to be treated as a small customer under that law, and therefore subject to additional protections, is to be determined under local regulations; the law is to apply only to customers whose premises are connected, or are to be connected, to the interconnected national electricity system under the law and local regulations may provide for exemptions from any or all provisions of the law; a new category of regulated offer customer, being a customer who is entitled to be offered electricity at the prices determined or agreed by the Independent Pricing and Regulatory Tribunal for electricity and gas, to be called regulated offer prices, and in accordance with a standard retail contract, is to be created in tandem with the category of small customer established by that law; price comparator and pricing information guidelines under that law are to apply in respect of regulated offer prices and those prices are to be used in determining prices charged by retailers of last resort; provisions relating to small market offer customers and to the small compensation claims regime will not apply in New South Wales; the Australian Energy Regulator will have power to monitor compliance by retailers and exempt sellers with decisions of the energy ombudsman under New South Wales energy legislation; and distributors will be able to vary the limitations on their liability for failure to supply energy under contracts with small customers in accordance with the regulations.

Part 2 of the bill contains provisions for the application of the national energy retail law. Clause 4 applies the national energy retail law as a law of this jurisdiction, to be called the National Energy Retail Law (NSW), with the modifications set out in schedule 1 to the proposed Act. Clause 5 applies the national energy retail regulations as regulations in force for the purposes of the National Energy Retail Law (NSW), with the modifications prescribed by regulations made under the proposed Act. Clause 8 confers functions and powers in this jurisdiction on a Commonwealth body if they are conferred under the national energy retail legislation of another jurisdiction. Clause 9 extends to the proposed Act the provision of the national energy retail law that



reads down provisions so as to save their validity. Clauses 10 and 11 save instruments or decisions and actions made by the Australian Energy Regulator before the commencement of the National Energy Retail Law (NSW) in preparation for that commencement that would have been valid if made on or after that commencement.

Clause 12 enables the Governor to make regulations for the purposes of the proposed Act. In particular, the regulations may amend the schedule of modifications to the national energy retail law and modify the national energy retail regulations and the operation of the national energy retail rules for the purposes of this jurisdiction. Clause 13 enables regulations containing provisions of a savings or transitional nature to be made consequent on the enactment of the proposed Act and its cognate Act. Clause 14 authorises the Independent Pricing and Regulatory Tribunal to provide the Australian Energy Regulator with information and assistance for the purposes of the National Energy Retail Law (NSW). Once again the O'Farrell-Stoner Government is taking action after 16 years of Labor neglect. After 16 years of the flip-flop kings on the other side, the Government is getting things done.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! The member for Myall Lakes does not need assistance from Government members.

**Mr STEPHEN BROMHEAD:** On 26 March last year a decision was made. The people of New South Wales said, "Despite Labor rhetoric, we have had enough. They have done nothing in 16 long, hard years." The change was made. This bill is another example of change. I commend the bill to the House.

**Dr GEOFF LEE (Parramatta) [4.59 p.m.]:** Mr Deputy-Speaker—

**Mr Tony Issa:** Ah, a good member.

**Dr GEOFF LEE:** I acknowledge the interjection of the member for Granville and thank him for his support. I support the Energy Legislation Amendment (National Energy Retail Law) Bill 2012, which states:

The object of this Bill is to amend the following Acts to make amendments consequential on the enactment of the proposed *National Energy Retail Law (Adoption) Act 2012* which applies, as a law of New South Wales, the National Energy Retail Law:

- (a) the *Electricity Supply Act 1995*,
- (b) the *Gas Supply Act 1996*,
- (c) the *National Electricity (New South Wales) Act 1997*,
- (d) the *National Gas (New South Wales) Act 2008*.

This bill is a requirement for the creation of a national energy market and facilitates harmonisation in legislation that is required in States and Territories of Australia, with the exception of the Northern Territory and Western Australian markets. In discussing some of the benefits of uniform national energy laws I will deal with the issue of the benefits that a national energy customer framework will provide for retail businesses. It will streamline regulatory requirements to one set of rules and regulations for retailers, which is important. Currently energy retailers must comply with individual State and Territory rules and regulations, and that imposes high cost and regulatory burdens. Unfortunately, retailers are forced to pass on overheads as a proportion of the price paid by consumers. Different States have different rules, so retailers currently deal with six sets of rules in six separate jurisdictions. This bill will change all that when retailers trade under one national energy customer framework.

Part of the benefits of this legislation will be decreased costs of compliance for retailers. We all know that the cost of generating power has increased significantly and that energy prices consequently have also increased significantly over the past four years. Added to that are compliance costs that are being passed on to consumers. Duplication of regulation in a national energy market is simply not efficient. A reduction in regulation will attract new entities to the energy market. Some retailers have advised that they would like to begin selling energy products in New South Wales when transition to the customer framework is complete. If having one set of rules provides easier access to the market and increases the number of retailers in New South Wales they are good features of a national framework. The Council of Australian Governments reforms should be commended for harmonisation requirements that are in line with best practice.

Energy costs, especially electricity prices, have increased over recent years. Some firms estimate that power prices increased 35 per cent over the past four years and it is expected that the cost of energy will increase in the future. What is really disappointing is the Federal Government's initiative to impose a carbon tax. I join all members on the government side of the House—the right side of the House—in opposing the carbon tax. I notice that the Opposition is very silent on the issue of the carbon tax, except the member for Heffron.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! The member for Parramatta will direct his comments through the Chair.

**Dr GEOFF LEE:** My apologies, Mr Deputy-Speaker. The member for Heffron made one of the first insightful comments opposing the carbon tax while her colleagues remained silent. As recently as the last day or so, increased costs that will have to be borne by local councils upon imposition of the carbon tax have been brought to my attention. Overall the carbon tax is estimated to cost New South Wales local authorities an additional \$14 million. As there will be no compensation for local councils, who will pay those increased costs? The ratepayers, hardworking families, pensioners and people who are struggling to pay their mortgages will be slugged. The estimated increased cost that will be borne by the Parramatta City Council and eventually passed on to ratepayers amounts to \$368,000 a year. For the Holroyd City Council, which is a smaller but equally good council, the increased costs will be \$144,000. For the Baulkham Hills shire council the increased cost will be approximately \$242,000.

No compensation is payable. All that increased cost is due to the Federal Labor Government's initiative that will result in imposition of the carbon tax, to which Coalition members strongly object. The Liberal-Nationals Government takes the price of energy so seriously that the Public Accounts Committee has launched an investigation and inquiry into the economics of power generation. As a member of the Public Accounts Committee I realise that there are important questions that need to be answered. One of the important matters is energy security. As we know, New South Wales is approximately 90 per cent reliant on coal for electricity generation. New South Wales has some of the best and most abundant coal resources of any State in Australia, which gives the State a strategic and competitive advantage.

The Government is carrying out investigations aimed at striking a balance between preserving valuable agricultural land and the State's aquifers against the need to harness the potential of coal seam gas. There are wind, solar and geothermal alternatives to coal-fired electricity generation, but in purely economic terms they are a more expensive method of generating electricity in the short to medium term than coal-fired power generation. I am sure the Government's investigation will reveal important indicators for future energy policy. This State is estimated to have enough coal seam gas resources for approximately 100 years, should the Government choose that source of energy. It really comes down to striking a balance between agricultural lands and preservation of aquifers and harnessing the potential of coal seam gas.

The purpose of this legislation is to facilitate this State's compliance with legislative requirements for development of a national energy customer framework. This legislation represents a more efficient and effective way of authorising retailers in multiple jurisdictions under one national set of rules and regulations. Currently retailers have to comply with individual State and Territory laws. The decrease in regulation through national uniformity will reduce costs borne by retailers, which in turn will be able to pass on savings to consumers. Harmonisation across the States and Territories will lead to greater competition as new entities are attracted to the market. Increased competition and more retailers entering the market naturally will lead to more choice for the customer. Customer choice is what Liberal-Nationals governments are all about. This legislation is necessary for the national energy market and it makes significant and consequential amendments that enable the New South Wales Government to participate in that market.

**Mr JOHN SIDOTI** (Drummoyne) [5.09 p.m.]: I support the National Energy Retail Law (Adoption) Bill 2012 because it cuts red tape for the retail energy market and will put downward pressure on power prices for consumers. It is timely for the Government to introduce measures that will help to reduce electricity costs for consumers. On 1 July Labor's dreaded carbon tax will become a reality and consumers will be the big losers because the price of everything will increase. We are talking about food, petrol and other basic necessities of life. Bring on the Federal election, I say, so that this dreadful piece of legislation can be scrapped. Returning to the debate, the legislation and its cognate bill, the Energy Legislation Amendment (National Energy Retail Law) Bill 2012, will establish a national uniform scheme for the regulation of electricity and gas retail markets in New South Wales. Built into the legislation is a strong degree of consumer protection, which is always this Government's top priority.

We are all aware that the supply of energy is an essential service. That is why in 2004 the Commonwealth, along with the States and Territories, entered into the Australian Energy Market Agreement. It did this because the various regulatory frameworks for energy retailing under State jurisdictions are cumbersome and difficult to manage. Not only are they cumbersome; retailers also face significant costs when they operate across State borders. Naturally, these costs are passed on to consumers. The simplified version of energy retailing will reduce the regulatory burden on retailers. As a consequence, businesses wishing to sell

energy into the national energy market will now need to hold only one licence instead of multiple licences. It gives consumers greater choice when it comes to selecting an energy retailer. Marketplace competition has always been at the heart of the Liberal philosophy, and these bills support that philosophy.

The National Energy Retail Law (Adoption) Bill 2012 provides the framework for establishing a national authorisation regime to replace current State-based electricity and gas retail licensing. The national regime will be administered by one regulator, the Australian Energy Regulator. This streamlines the current situation as that one regulator will have the power to grant authorisations and provide market protection. The Australian Energy Regulator is an independent statutory authority. Its functions include setting the prices charged for using energy networks, such as electricity poles and wires and gas pipelines to transport energy to consumers; monitoring wholesale electricity and gas markets to ensure that suppliers comply with the legislation and rules, and taking enforcement action when necessary; publishing information on energy markets; and assisting the Australian Competition and Consumer Commission with energy-related issues.

With the passage of these bills, New South Wales will assume new responsibilities for regulating energy markets. New South Wales will retain control of the regulation of retail energy prices but will have access to information on price comparisons through the Australian Energy Regulator. As I mentioned previously, the protection of consumers is at the heart of this legislation. The National Energy Retail Law creates a strong consumer protection mechanism whereby those people experiencing serious financial hardship are given consideration. Retailers will be required to incorporate customer hardship policies that have been approved by the Australian Energy Regulator. I am pleased to be part of a government that has as its business taking care of people in such a predicament. In this regard we will not be adopting a particular aspect of the national hardship policy that deals with the requirement for retailers to develop and offer energy-efficient strategies for customers suffering hardship.

Members no doubt will remember that the New South Wales Government already has in place a number of energy efficiency schemes to assist those customers most in need. The Home Power Savings Program was launched in October last year and offers free home energy assessments as well as power saving kits to eligible households. The program has proved a resounding success, with customers claiming they have been able to reduce their home power bills by 20 per cent—without freezing to death or trying to read in the dark. The program is available to 220,000 Centrelink and Veterans Affairs cardholders across New South Wales as well as to social housing tenants and energy utility hardship customers.

There has also been concern in the community regarding the marketing tactics of energy retailers. Under this bill retail energy marketing rules will ensure better regulation of that aspect of the industry. The National Law requires retailers to obtain informed consent from small customers before entering into a contract. New South Wales's existing marketing protections will be kept in place, but the adoption of this legislation will reduce the duplication and red tape from the energy business by moving those protections into the national strategy. In the event of the collapse of an energy retailer, provisions in the legislation ensure the ongoing supply of power to an affected customer. The National Energy Retail Law ensures that there is a backup provider who can take over and supply customers if a retailer exits the market. The law sets out details regarding procedures and practices to be followed in this event and provides that the Australian Energy Regulator monitor the scheme and be responsible for registering and appointing backup energy retailers.

I point out at this stage that the New South Wales Government's major policy principle is that energy retail and distribution businesses must be National Energy Customer Framework compliant. The National Energy Customer Framework was agreed to by the Council of Australian Governments. We recognise as a responsible government that transitional arrangements will be required to ensure a smooth transition; minimise cost impacts on retailers and distributors; and take into account existing commitments such as the sale of the previously State-owned energy retail business, the timing and form of electricity and gas retail pricing determinations, and the form and timing of the transition to the dreaded carbon tax. We entered into this agreement with the Commonwealth because we believe it creates a better and more sustainable environment for the energy retail business. Incorporated in this legislation are provisions for the Independent Pricing and Regulatory Tribunal to give information and assistance to the Australian Energy Regulator. This makes complete sense because the tribunal has specific knowledge of energy pricing in this State.

The Energy Legislation Amendment (National Energy Retail Law) Bill 2012 is the second of the cognate bills we are debating today. This bill is important because it amends the New South Wales Electricity Supply Act 1995 and the Gas Supply Act 1996. As the National Energy Retail Law will replace New South Wales regulatory arrangements, consequential amendments are required to New South Wales energy legislation.

Amendments also will be made to the Electricity Supply Act and the Gas Supply Act so that these Acts can operate consistently with the national customer framework. It is important to note that this legislation will put New South Wales within the National Energy Customer Framework and will give the State access to more competition.

Households and businesses will benefit from the entry of new retailers into the market and it is anticipated that, with this greater competition, the retailers will offer lower prices to consumers in an effort to get their business. I am pleased to commend these cognate bills to the House as I believe they are in the best interests of all customers. They deliver on the commitment of the New South Wales Government to market reform and consumer protection and, furthermore, they are in the best interests of consumers as well as the industry. I commend the bills to the House.

**Mr TONY ISSA** (Granville) [5.19 p.m.]: It gives me great pleasure to support this legislation because I believe these measures will put downward pressure on electricity and gas prices for consumers. The National Energy Retail Law (Adoption) Bill 2012 and the Energy Legislation Amendment (National Energy Retail Law) Bill 2012 are cognate bills that establish a national uniform scheme for the regulation of electricity and gas retail markets in New South Wales. The present arrangements are unsatisfactory and create a raft of unnecessary costs for energy retailers. Naturally these costs are passed on to the consumer. I take this opportunity to observe that in the next couple of months consumers across the State will be hit with increases in the cost of electricity because of—

**Mr John Barilaro:** The carbon tax.

**Mr TONY ISSA:** The carbon tax. I thank my colleague. The O'Farrell Government wants to protect consumers from power increases if they can be avoided, and this bill aims to achieve that. The bill will reduce electricity prices by creating more competition in the energy retail sector. Energy retailing will now be controlled through the Australian Energy Regulator. Any retailer wishing to sell energy into the marketplace will require only one retail licence to do so. The National Energy Regulator is an independent statutory authority. Its functions relate to energy markets in southern and eastern Australia and cover such powers as setting prices for using energy networks, such as poles and wires, and monitoring wholesale electricity and gas markets to ensure compliance with regulations. This legislation will replace current State-based electricity and gas retail licensing with a national authorisation regime. It simplifies delivery for energy retail companies because they will need to hold only one national retail licence instead of multiple licences.

Simplifying this aspect of the energy retail market cuts back on compliance costs and gives consumers greater choice. It also reduces management costs for the companies and these reductions can be passed on to the consumer. Importantly, it creates competition, which can only help reduce costs for the consumer. As I mentioned previously, the National Energy Regulator will have the power to grant authorisations and provide greater protection for consumers. However, the provisions in this legislation ensure that protections currently applying to New South Wales consumers will remain in place. This Government is committed to providing the cheapest possible electricity to the people of New South Wales. It is concerned that once the carbon tax is introduced on 1 July the price of electricity will skyrocket.

**Mr Geoff Provest:** How much will it cost local government?

**Mr TONY ISSA:** It costs Parramatta council \$369,000 a year. We have to find money for it. We talked about it last night at the council meeting. The O'Farrell Government wants to safeguard the cost of power for all consumers. Retail price regulation will be retained in New South Wales until at least June 2013. Price regulation helps consumers and retailers and will be closely monitored by the Independent Pricing and Regulatory Tribunal. The first of these cognate bills, the National Energy Retail Law (Adoption) Bill 2012, applies National Energy Retail Law to New South Wales. The second bill makes consequential changes to existing New South Wales statutory instruments. Included in this legislation are provisions that take into account existing commitments of this Government that include the sale of the previously State-owned energy retail business, the timing and form of electricity and gas retail and network pricing determinations, and the form and timing of the transition to the carbon tax.

Within the framework of this legislation is the national energy customer framework. One of its main aims is to create a more positive environment for energy businesses. As the Minister pointed out in his second reading speech, the needs of the consumer are always a priority for this Government and are what concern the

people of New South Wales. The Government has made certain modifications to the National Energy Retail Law. First, it will enable New South Wales to deal with its own specific matters while the Australian Energy Regulator will be responsible for ensuring that retailers comply with New South Wales specific price modifications. These energy bills went through an intense national and State consultation process before reaching this stage. Government worked with stakeholders to develop the framework and, as I stated earlier, strong protection measures for consumers were the main focus.

The adoption bill will further protect consumers by putting into law provisions to continue to supply energy to customers if, for some reason, their retailer fails or exits the market. I now address the provisions of the second of the cognate bills. The Energy Legislation Amendment (National Energy Retail Law) Bill 2012 makes provisions to ensure the smooth operation of the National Law as it replaces New South Wales regulatory arrangements. With the passage of this legislation, electricity and gas consumers in this State can enjoy the benefits of the national energy reform package. This legislation will deliver on the Government's commitment to energy market reform and to consumer protection. I commend the Minister for taking charge of the matter to look after our number one priority, the people of New South Wales, and to make New South Wales number one again. I commend the bills to the House.

**Mr JOHN BARILARO** (Monaro) [5.27 p.m.]: I support the National Energy Retail Law (Adoption) Bill 2012 and the cognate Energy Legislation Amendment (National Energy Retail Law) Bill 2012. Energy is an essential service: we rely on it in our daily activities and only ever notice when it is not available. Having access to secure and affordable energy is necessary to support businesses and to grow the New South Wales economy. In our modern lives a blackout can cause significant interruption, but of more concern and discomfort is when an electricity service is disconnected. For this reason the Government is committed to ensuring that electricity and gas services are reliable and affordable for New South Wales customers. The national energy customer framework is about maintaining and strengthening energy customer consumer protections.

This legislation maintains many of the existing best-practice New South Wales energy customer protections, including requirements on retailers to offer up to two payment plans to hardship customers within a 12-month period. Payment plans are flexible payment arrangements that allow bills to be paid in more affordable, regular instalments. Payment plans take into account how much energy a customer may use, what they owe and how much they can afford to pay. This process allows retailers and customers to agree on the amount and regularity of payments. Payment plans help customers to budget and to pay bills under terms they can afford instead of being hit with a large, expensive quarterly bill. The bills ensure that New South Wales customers will still have access to the services of the Energy and Water Ombudsman of New South Wales.

The Energy and Water Ombudsman provides a free service that assists customers who are having difficulty dealing with a retailer or energy company. All bodies that sell and supply energy will continue to be required to comply with the Ombudsman scheme. This includes energy retailers and what are known as exempt sellers. Exempt sellers are bodies who are not licensed but are permitted under certain conditions to buy energy from retailers and then onsell it to their customers. Residential aged care facilities and retirement villages are some examples of this arrangement. The power of the Ombudsman has been expanded to allow all customers of exempt sellers to access the Ombudsman scheme. Previously only customers whose premises were metered separately had access to the Ombudsman scheme. This new requirement will ensure that everyone has access to a fair and independent dispute resolution process.

The national framework, which these bills implement, also provides additional protection to the most vulnerable customers. When it comes to disconnections, this framework will strengthen the protections beyond what is currently available under New South Wales arrangements. A new arrangement being put in place will mean that if a household's outstanding energy bill is under \$300, and the customer has agreed to pay that amount, the customer will not be at risk of disconnection. Further, in addition to the existing constraints on disconnections, a customer cannot be disconnected over the holiday period between 20 and 31 December and before 8.00 a.m. on any business day. This is on top of the existing restrictions where a customer cannot be disconnected on a business day after 3.00 p.m., on a Friday or the day before a public holiday, or on a weekend or a public holiday.

In addition, a residence cannot be disconnected when the premises is registered as having life support equipment, the customer has made a complaint related to the reason for the disconnection to the retailer or the Ombudsman and the complaint remains unresolved, or where the customer is a hardship customer or residential customer on a payment plan. A customer will now have 13 business days to pay a bill. Under New South Wales legislation this period was 12 business days. Under the new arrangements a retailer must provide the customer

with at least two reminder notices and make its best efforts to contact customers regarding their outstanding debt before the retailer can disconnect the household. Based on an average month when there are no public holidays or other special circumstances, it is estimated that it will take 40 days for a household to be disconnected. That is four days longer than under the existing New South Wales arrangement.

It is the most vulnerable people in our society who have the most to lose if they are not adequately protected. Electricity and gas retailers will have to develop and maintain a customer hardship policy, which is similar to current New South Wales arrangements. The purpose of a customer hardship policy is to identify residential customers who are having difficulty paying their bills due to hardship, and to help those customers better manage their energy bills on an ongoing basis. Retailers will be required to proactively identify customers who are experiencing financial hardship. Once identified, retailers must agree to flexible bill payment arrangements with the customers and direct them to government concessions and financial counselling services.

Under the customer framework these hardship policies will be scrutinised and approved by the Australian Energy Regulator. The Australian Energy Regulator will only approve hardship policies that meet minimum requirements and are likely to achieve the purpose of the policy. These minimum requirements are extensive and, among other things, include requirements for the hardship policies to have processes that identify customers who are experiencing payment difficulties, flexible payment options, and a range of programs that the retailer may use to assist households experiencing financial hardship. Retailers transitioning to the new arrangements will be required to submit hardship policies for approval prior to the commencement of the customer framework in New South Wales.

From the commencement of the national energy customer framework all energy retailers in New South Wales will have approved hardship policies. Improvements will also be made to assist customers from culturally and linguistically diverse backgrounds. This recognises that language barriers can sometimes play a significant part in reducing the ability of a person or a community to access help and information. To ensure that these communities are adequately protected, energy companies will be required to refer customers to an interpreter service if necessary or appropriate. This differs from the existing New South Wales legislation, which specifies that energy companies must include information in various community languages on specific documents such as bills, contracts and the hardship charter.

The bill package allows for a broader range of languages to be supported. The new arrangements now require customers from all culturally and linguistically diverse communities who may require interpreter services to be directed to an interpreter. In essence, more customers who need interpreter services will be helped. This is on top of translation services provided by the New South Wales Government through the Energy Information Line. This is just a subset of the consumer protection improvements that the new national arrangements will introduce. I commend the bills to the House.

**Mr PAUL TOOLE** (Bathurst—Parliamentary Secretary) [5.37 p.m.]: It gives me great pleasure to speak on the National Energy Retail Law (Adoption) Bill 2012 and the Energy Legislation Amendment (National Energy Retail Law) Bill 2012. I support the bills. The carbon tax facing the people of New South Wales and Australia is a catastrophe. It will hit everybody and hurt jobs right across this State. Opposition members sit there quietly; they never speak up about the impacts of the carbon tax on the living costs of all people in New South Wales. The carbon tax will lead to a rise in the electricity and gas bills of families—families who are already struggling to make ends meet. They simply cannot afford another Labor tax, which is to be imposed from 1 July. I will return to the carbon tax shortly.

The overarching aim of the national energy customer framework is to harmonise the licensing arrangements and regulation of electricity and gas retailers operating across the jurisdictions of the national electricity market. Harmonisation will mean that there will be one set of rules for electricity and gas retailers across the States and Territories of the national electricity market. This includes all jurisdictions other than Western Australia and the Northern Territory. The New South Wales Government has supported streamlining these rules because they will provide benefits to energy businesses and to customers. The benefits for businesses ultimately flow through to consumers as lower costs and increased competition.

The separate regulation of energy retail markets by individual States and Territories is inefficient and imposes costs on retailers operating across State borders. There is duplication of processes and systems, and that leads to higher compliance costs for companies and, in turn, an increase in energy costs for consumers. As the House will be well aware, the New South Wales Government is committed to reducing pressure on electricity prices. Electricity prices are a key issue for New South Wales families, and this Government is designing policies that will place downward pressure on electricity prices.

Every ratepayer in the electorate of Bathurst—whether in the Lithgow City Council area, the Bathurst Regional Council area, Oberon Shire Council area, Blayney Shire Council area or Mid Western Regional Council area—will be impacted by the carbon tax. This is an attack by the Federal Labor Government on New South Wales residents and ratepayers. As has been revealed, in New South Wales the carbon tax will add \$14 million to local council rates. This confirms the worst fears of the Coalition. We have been telling Opposition members about this, but they have not been listening. They will not stand up to their counterparts in the Federal Government. They have sat idly by and allowed this tax go ahead without uttering a peep. But it is not only in energy bills that New South Wales residents will feel the impact of the carbon tax; they will also cop it in the hip pocket when it comes to paying their council rates.

**Mr Robert Furolo:** Point of order: While I have let the member for Bathurst—

**The ASSISTANT-SPEAKER (Mr Andrew Fraser):** Order! What is the member's point of order?

**Mr Robert Furolo:** I am coming to the point of order.

**The ASSISTANT-SPEAKER (Mr Andrew Fraser):** Order! What is the member's point of order?

**Mr Robert Furolo:** It relates to relevance. The House is not debating the carbon tax; it is discussing the sale of electricity assets, which the Coalition promised it would not do.

**The ASSISTANT-SPEAKER (Mr Andrew Fraser):** Order! The member for Lakemba will resume his seat. If he does not, he will be removed from the Chamber. There is no point of order.

**Mr PAUL TOOLE:** I will be happy to hear from the member for Lakemba shortly. I am keen to hear his viewpoint on the carbon tax, which will increase electricity prices and put further pressure on New South Wales families. I make the point that the carbon tax will affect individual councils. Lithgow City Council will suffer a \$44,158 impact on its rates due to the carbon tax. Oberon Council will have to collect an additional \$12,053 in rates alone, Blayney Shire Council an additional \$16,000 and Bathurst Regional Council an additional \$80,769. The member for Balmain seeks to interject but it is the Labor and The Greens' carbon tax that will impact on the people of New South Wales.

Councils in regional areas have been struggling to pay for their services and this means that services are removed and the people in those areas miss out. I note that the member for Balmain is happy to talk about the cost to councils, but what will he say now when I give him some further information about the \$46 million impost on schools and hospitals. The Treasurer has already estimated that it will cost \$120,200 each year for the average hospital and \$9,100 each year for New South Wales public schools. We have about 220 public hospitals and 2,177 government schools across the State, and this will represent total costs of \$26.5 million and \$19.9 million respectively.

**Mr Jamie Parker:** Is this Federal Parliament? Is this the right bill?

**The ASSISTANT-SPEAKER (Mr Andrew Fraser):** Order! I remind members that interjections are disorderly at all times. For the benefit of the member for Balmain, who does not seem to know where he is, we are in the New South Wales Parliament.

**Mr Jamie Parker:** I thought you were the Speaker.

**The ASSISTANT-SPEAKER (Mr Andrew Fraser):** Order! I am the Assistant-Speaker. If the member continues to interject, he will find himself outside the Chamber. He will have an opportunity to contribute to the debate.

**Mr PAUL TOOLE:** The member for Balmain argues that it will cost everyone \$4 for the carbon tax, but he should address the impact that the carbon tax will have on public schools, hospitals, the cost of living, and electricity and gas prices. I note that the member for Lakemba has gone very quiet. This proposal aligns with the State goal, as outlined in our New South Wales 2021 document, of increasing the competitiveness of doing business in New South Wales. At least this side of the House has a goal. We have a vision and we have a plan. When those on the other side were in government they had nothing. They did not know where regional New South Wales was. All they put on the table was, "Let's look after our mates. Let's do something that is not in the interests of the whole of the State".

Currently every State and Territory imposes slightly different conditions and rules on energy companies. These modest differences can create significant costs. As retailers increasingly operate across a number of jurisdictions, their compliance burden also increases as they must comply with different jurisdictional requirements and State regulators. Higher costs associated with meeting the red tape requirements might prove too costly and stop a retailer from entering the New South Wales market. We want as many retailers as possible operating in New South Wales to boost competition and to give choice to New South Wales residents. The former Government damaged competition in New South Wales with its fire sale, which has left New South Wales with three major retailers having the lion's share of customers. It was a fire sale.

**Mr John Barilaro:** A quarter to midnight.

**Mr PAUL TOOLE:** At a quarter to midnight eight directors resigned. We know that we did not get the full value of the sale; we only got half of the value. It was a dodgy deal and members of the former Labor Government should hang their heads in shame. The people of New South Wales were severely short-changed and now it is up to this side of the House to clean up the mess that has been left behind and try to rectify the situation. A review conducted by the Council of Australian Governments estimated that the different red tape requirements could cost a new retailer entering a market approximately \$12 million per year.

Harmonisation is likely to reduce these costs and encourage new retailers to enter the New South Wales energy market. More retailers entering the market will increase competition and keep downward pressure on electricity and gas prices. The Government has already been approached by a number of retailers wishing to enter the New South Wales market upon the commencement of the customer framework. That is a very positive outcome for New South Wales households and businesses that have been left with only three retailers when the former Labor Government's sale process reduced competition. I commend the bill to the House.

**Mr JAMIE PARKER** (Balmain) [5.47 p.m.]: The Greens do not oppose the Energy Legislation Amendment (National Energy Retail Law) Bill 2012 and cognate bill, but we raise a number of issues that we would appreciate the Minister responding to. These issues go to the heart of existing consumer protection arrangements. Members opposite have been concerned about the carbon pricing, and I can understand why they have raised those issues, but I am raising genuine questions about consumer protections that will be taken away under this proposal and I want the Government to address them. Throughout the Minister's speech and the material relating to the implementation of the national energy customer framework is a stated genuine commitment by the Government that it will ensure that the integrity of the existing consumer protection arrangements for New South Wales is not eroded.

I spent some time looking at submissions to the NSW Trade and Investment September 2010 policy paper for consultation. That was the basis of the negotiations with the Council of Australian Governments and the Government undertook significant consultation. A number of concerns were raised by key stakeholders, particularly consumer groups, and I ask the Minister to address whether those issues that were raised in the 2011 policy consultation discussion have been dealt with. The groups I refer to in particular that raised concerns were the Energy and Water Ombudsman, Park and Village Services, and the Public Interest Advocacy Centre. Most of their concerns centred on the Government's commitment to the adoption of these laws. Their view is that these laws should not seek to erode the integrity of the existing New South Wales consumer protections. It appears that some of these concerns have been addressed in part by the Government in that many existing protections are maintained in a transition period until June 2013.

After June 2013, as I understand it, the existing protections will not be applicable. I turn specifically to those protections. In its submission the Energy and Water Ombudsman NSW—the approved independent dispute resolution mechanism for customers of electricity and gas providers in New South Wales and some water providers—said that it considers there are four areas in which the introduction of the national energy customer framework will cause a significant consumer detriment that will be at odds with the hardship provisions of the framework: the removal of the current protections around the imposition of late fees; the introduction of a shortened collection cycle; the removal of the post-disconnection notice; and the removal of the limit of 10 days to rectify a disconnection, which, if introduced, will further compound the effect of the shortened collection cycle and the lack of a disconnection notice. I ask the Minister to address those issues.

Will any of these provisions apply after the 2013 transition period? In its submission the Energy and Water Ombudsman is genuinely concerned that if these provisions are removed after the transition period it will lead to a reduction in consumer protection. I ask the Minister to inform the House whether these matters will be



dealt with beyond the June 2013 transition period. I also ask if the issues that the Public Interest Advocacy Centre raised have been dealt with. As I said, they may well have been dealt with in substance but I request that the Minister confirms that. I turn to the small business operator threshold.

We know that small businesses in particular are in many ways doing it tough and we know that the Public Interest Advocacy Centre submission outlined that "the application of the NECF threshold on small business operators will diminish the consumer protections available to some business owners". Small customers are defined in the bill as households or small businesses that consume less than 100 megawatts of electricity or one terajoule of gas per year. New South Wales will retain its current definition of 160 megawatts until at least 2013. Will that 160 megawatts definition be maintained after 2013? It is clear that the definition enhances the position of small businesses, and if it is removed I would like to know the reasons why the Minister has made that decision.

We know that late payment fees are not regulated under the national energy customer framework. The Public Interest Advocacy Centre concurred with NSW Trade and Investment in relation to maintaining the regulated late fees for customers of standard retailers until 2013 as per the Independent Pricing and Regulatory Tribunal pricing decision. Will the protections that consumers have from unrestricted late fees be applied after 2013? The application of uncapped late fees from 2013 would represent a deterioration of existing consumer protection in New South Wales and would thus be contrary to the Government's commitment to safeguard those protections. NSW Trade and Investment said that the national energy customer framework provisions regarding late payment fee waivers are equivalent to existing New South Wales arrangements.

However, submissions have highlighted that the difficulty identifying and contacting customers experiencing financial hardship means that the application of the late payment fee waiver alone is unlikely to represent as strong a protection as that available under the existing framework. Concerns have been raised that this lack of regulation may well see electricity consumers who are currently protected by the regulated charge for gas and regulated lack-of-charge for electricity worse off. The national energy customer framework provides for the introduction of shortened collection cycles for customers experiencing difficulty with paying bills. NSW Trade and Investment has indicated that it is unaware of any evidence of the impact of the shortened collection cycle provisions on customers experiencing payment difficulties or on the number of disconnections in two States—Victoria and South Australia—where shortened collection cycles are enforced.

The Public Interest Advocacy Centre submitted that the lack of awareness of evidence in those two States, which have different shortened collection provisions than those proposed under the national energy customer framework, is not proof that the application of shortened collection cycles in New South Wales will not erode the consumer protection framework. I would like the Minister to address that issue. The proposal not to implement the shortened collection cycles during the energy pricing period will extend only to 2013. Will it be extended? Members will have noticed the theme of my questions to the Minister. We understand that these protections are being legitimately implemented, but why will they not be extended beyond 2013?

I now turn to the advance notification of variation of prices under market retail contracts. According to a 2010-11 paper, NSW Trade and Investment proposes to abandon the New South Wales provision that obliges energy retailers to notify customers of upcoming price variations in newspapers and on its website in the case of customers on standards contracts, and by individual notification in writing in the case of customers on market contracts. That appears to be fair. Instead, under the national energy customer framework, retailers will be able to comply with obligations to notify customers about tariff changes by a term in the customer contract. I am sure that, despite our keenness, most people would not read that. I note that, unlike retailers in New South Wales and Queensland, Victorian and South Australian retailers are not required to give prior notification of price changes in newspapers or in individual communications. I ask the Minister to address that issue.

The Park and Village Service operates under the auspices of the Combined Pensioners and Superannuants Association of NSW and convenes the NSW Residential Parks Forum, which comprises representatives from park residents groups throughout the State, Aboriginal Tenancy Advice and Advocacy Services, Legal Aid and community workers. The service contends that the framework should not allow an exempt supplier to charge a resident the full service availability charge unless the amount is linked to the number of amps the resident is supplied. Many of the facilities covered by the service do not supply sufficient amperage and it is unreasonable for the affected residents be required to pay full service charges. I would like a response from the Minister about that issue.

The Park and Village Service also contends that when the exempt supplier is also the landlord of the consumer disconnections should not be allowed unless the Consumer, Trader and Tenancy Tribunal has made an order permitting the disconnection. The Park and Village Service believes that the legislation should not

proceed without the current protections provided in this area. They are obviously significant when the exempt supplier is also the landlord. I thank the House for listening to these issues. I understand that the Minister may have already addressed them, because there has been a great deal of discussion and consultation. However, I would appreciate a response from him. The consumer organisations that have raised these issues have legitimate concerns. I support the bill but I look forward to the Minister addressing the matters I have raised.

**The ASSISTANT-SPEAKER (Mr Andrew Fraser):** I point out to the member for Balmain that my title is "Assistant-Speaker". I also note how quiet it was when the member was making his contribution to the debate. Members afforded him the normal courtesies of the House and I ask that in future he do likewise.

**Mr MARK SPEAKMAN (Cronulla) [5.57 p.m.]:** I support the National Energy Retail Law (Adoption) Bill 2012 and the Energy Legislation Amendment (National Energy Retail Law) Bill 2012. The first rule is that the Government understands the importance of affordable energy, particularly for low-income customers and households, and it is committed to reducing the impact of energy price rises. Over the past 12 months the Government has put in place a number of measures designed to assist households and families with the cost of living and the cost of energy. These include increasing and introducing new rebates, undertaking a major reform of the three electricity network businesses to generate savings of more than \$400 million over four years, setting a wages cap for State-owned corporations, capping dividends for electricity businesses, and closing the Solar Bonus Scheme to new applications.

These bills will not change any of the energy financial assistance measures currently offered to New South Wales households and families. They simply change the legal instrument that obliges retailers to assist with implementing the Government's social programs. Under the current New South Wales arrangements, it is a condition of a retailer's licence to comply with the ministerial direction for social programs. Under the national energy customer framework retailers must comply with jurisdictional social program codes. The Government will continue to fund rebates and other measures, and customers will continue to have access to the Energy and Water Ombudsman for assistance dealing with energy companies. Because it is important that the community clearly understand that the national energy customer framework will have no impact on the financial assistance provided by this Government, I will summarise the measures that will be covered by the code.

These are the Low Income Household Rebate, the Medical Energy Rebate, the Life Support Rebate, the Family Energy Rebate and the Energy Accounts Payment Assistance Scheme. This Government implemented the \$200 Low Income Household Rebate on 1 July 2011 to replace the former \$145 Energy Rebate. The Low Income Household Rebate helps eligible households through concessions on electricity bills. This rebate will continue to rise above the expected rate of inflation to \$235 in July 2014. The Government also increased the Medical Energy Rebate from \$145 to \$200 in July 2011. This will also continue to increase in line with the Low Income Household Rebate. A new Family Energy Rebate will be introduced on 1 July 2012. This rebate will provide \$75 from 1 July 2012 rising to \$150 in July 2015 to households that receive the Family Tax Benefit. Customers eligible for both the Family Energy Rebate and the Low Income Household Rebate will receive a combined payment of up to \$250 each year.

Along with the financial assistance provided to help New South Wales households on an ongoing basis, the Government also provides emergency assistance through the Energy Accounts Payment Assistance Scheme. The scheme, which is not means tested, helps people experiencing a financial crisis to stay connected to essential energy services. The Government will continue to operate the Energy Information Line and the Cut Your Power Bills website. The Energy Information Line enables members of the community to ring in to get advice from a real person about their energy bills and available assistance. The Cut Your Power Bills website is a one-stop shop providing information and tips on how to reduce household and business power bills. Both the Energy Information Line and the Cut Your Power Bills services will be upgraded to give customers information on the new strengthened national arrangements.

This will ensure that customers can source accurate and useful information on their rights and obligations with regard to the retail energy market. The establishment of a code for social programs will not change any help that the Government currently provides to customers. However, it will streamline the process by which the Government works with retailers to implement these measures. Similar to the current ministerial direction, the Government will still consult with retailers prior to implementing a social programs code. The code will set out clearer, more transparent guidance on the implementation of rebates and other financial assistance measures. For customers, there will be no changes. They will continue to receive their energy financial assistance as normal. I commend the bill to the House.

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

*[The Assistant-Speaker (Mr Andrew Fraser) left the chair at 6.00 p.m. The House resumed at 7.00 p.m.]*

## PRIVATE MEMBERS' STATEMENTS

### DREAM CRICKET PROGRAM

**Ms PRU GOWARD** (Goulburn—Minister for Family and Community Services, and Minister for Women) [7.00 p.m.]: Like many of us, I am often inspired and humbled by the work done by members of the community to support those less fortunate than themselves. Most of this work is unpaid and unsung, and is undertaken by those who are already working full time in demanding roles. One such group was brought to my notice last winter by Dr Roly Bigg, a rehabilitation and pain management physician and also Executive Chairman of the Movement Disorder Foundation Incorporated. This foundation supports those who are trapped in their bodies, those who for myriad reasons do not have the freedom of movement we take for granted. In our society we hold athletes in high esteem whilst those confined to wheelchairs or with uncontrollable tics, tremors or spasticity are often shunned—leading to embarrassment and despair.

The Movement Disorder Foundation assists in medical research. It helps individuals through grant programs to assist their prospects. It introduced functional electrical stimulation to Australia. It also provides educational grants to researchers in the field and makes donations to medical institutions for vital equipment purchases. In 2005 Dr Bigg heard of a program in the United States called Miracle League, which provided opportunities for American children with disabilities to play baseball. He saw the positive effect it had on children excluded from mainstream sporting activities and looked for a way to bring the program to Australia. With the support of the other trustees of the Movement Disorder Foundation, Dr Bigg approached the Rotary clubs of the Southern Highlands and sought their support. The Bowral, Mittagong, Moss Vale and Berrima Rotary clubs embraced the idea. Along with the support of the Bradman Foundation, the Cerebral Palsy Foundation and Northcott Disability Services the program now known as Dream Cricket was initiated.

The Dream Cricket program supports the idea that every child should be able to have a go, and what is more Australian than a game of cricket? Children from years 3 to 6 with special needs and disabilities, whether they are intellectual or physical disabilities, are provided with the opportunity to take part in cricket activities. Rotary, the Bradman Foundation and Cricket Australia provide coaches and special equipment for Dream Cricket clinics at primary schools across the State. Once a year a Dream Cricket Day is held at the iconic Bradman Oval in Bowral, where the students come together for a day of fun activities and a game on the hallowed turf. In 2010 the first Dream Cricket Day took place, with 80 children attending. Last year more than 200 young people enjoyed a great day with their families.

Of course, none of these events happen without the organisational dedication of a few driven individuals. Therefore early in May it was my pleasure to host a small reception to acknowledge the outstanding effort of local Rotarians and Movement Disorder Foundation ambassadors Brian Pattinson and Ken Adams. They took the concept and developed it into a program that has given children the opportunity to participate in sports like their more able-bodied friends and family. This year they have even taken the program to Chennai in India, which I understand was an enormous success. The Premier, who had visited the Bradman Museum and Hall of Fame only days beforehand, was delighted to come along and present the Movement Disorder Foundation's Outstanding Achievement Awards to Brian Pattinson, Ken Adams and Rick McCarthy from the Bradman Foundation.

The recipients were proudly watched by their wives and board members Dr Roly and Robyn Bigg, Jo Pearson, Dr Peter Taylor and Dream Cricket international committee member Andrew Falk, and the historic Parkes Room lent a sense of gravitas fitting for such an occasion. The parents and carers of children involved have commented on the confidence that the program has engendered in their charges. I commend this project to my parliamentary colleagues. I look forward to watching the program roll out across Australia and bringing all young Australians the joy of a game of backyard cricket.

### COMMUNITY BUILDING PARTNERSHIP PROGRAM

**Ms CHERIE BURTON** (Kogarah) [7.05 p.m.]: The Community Building Partnership program was started in 2009 to stimulate local economies and provide direct funding to improve community facilities. It has enabled community organisations and local councils to deliver projects and improve facilities that otherwise would have been out of their reach financially. Ultimately vital community infrastructure has been built and this

has ensured positive social, recreational and environmental outcomes for the entire community. In the Kogarah electorate 44 grants totalling more than \$1 million have been approved in the past three years. St Paul's Anglican Church has received numerous grants that have enabled a more than 60-year-old community hall to undertake much-needed kitchen renovations, install heating and replace a dilapidated roof.

This community hall is home to playgroups, a childcare centre, community choir and other numerous activities. Without the influx of funds the hall would have been condemned and St Paul's would have no longer been able to serve the community with these services. As the reverend said, "We elect governments to serve the community. Don't take everything away from us." Sailability Kogarah Bay was another successful applicant, and used a grant to erect a sun awning. This awning has provided multiple sclerosis participants with shelter from the sun and heat and has also ensured that children with special needs from local primary and secondary schools have a protected area for lunch and medication needs. Many of these participants are wheelchair bound. This awning has given them a degree of normality because they can now experience sailing but the awning delivers vital protection whilst on their land.

Riverwood Community Centre has also been a regular participant in the grants program, which has enabled them to build community life for social housing tenants. Successful applications for small grants have provided funds for the creation of meeting places where tenants can get together, network and ultimately support each other. Bexley North Football Club has been another regular applicant. It makes the potent comment that as the population is increasing, unfortunately, training grounds and playing spaces are not keeping pace and so infrastructure grants are needed to maximise the areas we have. These grants indirectly encourage children to be active and are excellent for increasing social purpose.

One of our most recent applicants was the Shopfront Theatre at Carlton, a dynamic youth arts centre that works with more than 900 young people each year and supports children and adolescents to tell Australian stories. Their ageing federation premises can only be maintained through programs such as the Community Building Partnership, ensuring that it is a safe and accessible arts venue for young people with or without disabilities. The proposed reduction in funding will mean that fewer facilities across New South Wales will be constructed, upgraded and refurbished. Community facilities are part of the very fabric of local communities. They provide activities that encourage greater participation in community events.

The other beneficiaries in my electorate are the Bexley Bowling Club, the Kogarah Municipal Council, Kogarah Community Services, the Riverwood Community Centre, the Rockdale City Council, the Shopfront Theatre for Young People, the Greek Orthodox Parish and Community of Kogarah, the Anglican Church Property Trust Diocese of Sydney, the Beverly Hills and Kingsgrove Anglican Church, Catholic Health Care—Bethlehem House, Sailability, Scouts and the Sydney Dogs and Cats Home. This is such a vital program for local projects that otherwise would never be funded. I am aware of reports that suggest it is okay to gouge one-third of spending out of the Community Building Partnership grants funding, but even \$300,000 is not enough. In 2010 funding was increased by 67 per cent. I call on the Government to ensure that funding in the 2012 budget is reinstated to 2010 levels. In conclusion I cite a letter from the Anglican Church Diocese of Sydney. It states:

I am writing on behalf of the Anglican Church ... to thank you for your support for ... [the] parish ... for the provision of grant funding ... for the replacement of the old iron roof on the St Paul's Kogarah parish hall project under the 2011/2012 CBP.

Your support will enable the provision of much needed infrastructure for the parish and has been a great encouragement to members of the local parish as they seek to serve the local community.

The ... [parish] is looking forward to working closely with ... representatives and CBP officers to enable completion of the project ...

The letter concludes by stating that the parish would like me to see the finished project, as the parish is very proud of it. The letter is signed by Gregory Ellem, who is Head of the Anglican Church Property Trust, Diocese of Sydney. [*Time expired.*]

**Mr PAUL TOOLE** (Bathurst—Parliamentary Secretary) [7.10 p.m.]: It gives me great pleasure to comment on the Community Building Partnership Program, which is so vital to our communities. I congratulate the Treasurer, the Premier and the Cabinet for ensuring that the program continues and for announcing that \$90 million will be provided over the next four years for grants. This Government recognises that the program is vitally important and that it benefits our communities. The program is not only about refurbishing and helping out with infrastructure and maintenance for various buildings but also about providing local jobs in our communities and recognising the hard work that volunteers contribute tirelessly for their communities. In the

Bathurst electorate I was able to hand over grants ranging from \$4,000 to \$50,000 for 24 different projects. Local councils were involved and I was able to pass on funding for the Bathurst Goldfields, the Riding for the Disabled Association, and the Scallywags Preschool. However, at the end of the day, support for community programs comes down to governments being financially responsible and facing up to their fiscal responsibilities.

### NSW WOMEN OF THE YEAR AWARDS

**Mr GEOFF PROVEST** (Tweed—Parliamentary Secretary) [7.11 p.m.]: As members of the House know, I am always 100 per cent for the Tweed. Like a number of members of the House, this morning I had the pleasure of attending the New South Wales Women of the Year Awards 2012. I compliment the Minister for Women, the Hon. Pru Goward, on this fine initiative. I cite part of the program foreword by the Minister, which states:

Many of these extraordinary women are quiet achievers, local heroes and wonderful volunteers. Their stories are inspirational and the generous work that they are doing is benefiting our communities across the State. They are models of good citizenship and of the values that we all hold dear.

I nominated one of the fine citizens of the Tweed electorate, Angela Maxwell, for one of the Women of the Year awards. Angela has been associated with the Pottsville community centre for many years. A number of years ago when she first took over the community centre was based in an old school building. Pottsville is at the southern part of my large electorate, which is approximately 31 kilometres in length. Pottsville is a village that has a lovely community, a small shopping centre and local primary schools. It is a growth area. Angela and Len Greer have been involved in Pottsville community groups and residents associations and have worked tirelessly for many years. As I stated earlier, the community centre began in a small disused school building. Recently I was privileged to open brand new \$1.5 million premises. That project is a fine initiative and it has delivered great service to a local town and to my electorate.

The community centre was the recipient of two Community Building Partnership grants. Without the grants the group would not have been able to leverage a section 94 contribution from the local council. The community group, which is very innovative and has sublet part of the new centre to Centrelink, has been pushing hard to have a HealthOne service, which was promised approximately nine years ago. I am very pleased to announce that all the hurdles have been cleared and that construction will begin shortly. Angela is a very quiet achiever and also is very quietly spoken. She continually works hard in conjunction with her committee to improve the lifestyles of the people of Pottsville.

As I stated earlier, I had the privilege of visiting Pottsville to open the new centre recently. In addition to Centrelink, a number of adult education centres are involved as well as a community health centre and there is an Indigenous connection. The Pottsville Community Association encompasses the whole community. Like many small communities in my electorate, Pottsville is very dear to my heart. Each small community has its own particular style. Not far from Pottsville we assisted the RSL to modify and renovate the town's war memorial. It is one of five I visit on Anzac Day. Pottsville will always be special. As I stated earlier, Angela was my nominee for a Women of the Year awards. I believe there are many great women in the Tweed who all work hard and are highly valuable to our local community. Angela is indeed special because she has the ability to attract numerous government grants. She is very good at writing grant applications, and she follows through to delivery. Angela value-adds to every grant I have assisted her to obtain because she has the ability to involve all parts of the local community.

The community centre was constructed by two local builders. Unlike the local Building the Education Revolution project, the project was completed before time, it was completed well under budget, and the community centre got what the people wanted—and a lot more. All the local builders, architects and tradespeople came under the care of Angela Maxwell. She is a worthy nominee for one of the Women of the Year awards. She looks after her local community: she is part of our local community. I praise the Minister for Family and Community Services, and Minister for Women for hosting the Women of the Year Awards. Some great people attended this morning's presentations. I know members from both Houses of Parliament attended and were very impressed with the high calibre of nominees. Each one of the nominees is a winner. I pay tribute to Angela Maxwell from the great electorate of the Tweed. I know Angela is 100 per cent for Pottsville and 100 per cent for the Tweed.

**Mr PAUL TOOLE** (Bathurst—Parliamentary Secretary) [7.16 p.m.]: I commend the member for Tweed for recognising all the hardworking people in his electorate and their magnificent work. Volunteers are the backbone of our local communities. The member for Tweed is always 100 per cent for the Tweed and

always promotes individuals who do fantastic work in our communities. I also commend the Minister for Family and Community Services, and Minister for Women for the breakfast function that was held in Parliament House this morning. She brought in nominees from right across New South Wales. As the member for Tweed so rightly said, the nominees are the quiet achievers. In many cases they are volunteers who work hard for our local communities and they have outstanding values that we all aspire to exhibit. I am sure Angela Maxwell is a quiet achiever, but I also mention Noela Sikora from the Bathurst electorate, who embraces the spirit of Christmas. Each year she is involved in the 2BS Lions Christmas miracle hamper appeal. She organises special hampers and 300 volunteers who come together to pack 165 hampers.

### **BANKSTOWN COMMUNITY**

**Ms TANIA MIHAILUK** (Bankstown) [7.17 p.m.]: Today I address the House regarding the electorate of Bankstown. Yesterday in a private member's statement the member for East Hills launched an extraordinary attack on Bankstown. It is one thing for a member of this place to disparage another member when they have no right of reply; it is another thing entirely to criticise the electorate of another member. Yesterday the member for East Hills called Bankstown a "no-go zone" and a "crime hot spot" full of "criminals and thugs". It is completely inappropriate for a member of this place to talk down an entire community of people.

Furthermore, the member for East Hills has been a councillor on Bankstown City Council for eight years, where he represents the ratepayers across the local government area and specifically south ward, which is part of the electorate of Bankstown. Therefore, the member for East Hills is insulting the very people who have supported him. I invite the member for East Hills to withdraw his comments and apologise to the people of Bankstown. Given his opinion of Bankstown, I expect I will not be seeing him at any future events in my electorate. Nevertheless, in the coming weeks I will be sure to inform my community what the member for East Hills thinks of Bankstown. The response I have had today to his comments has been overwhelming.

**Mr Paul Toole:** Point of order: Under Standing Order No. 73 private members' statements are not allowed to attack other members of the House. I ask that you uphold that standing order.

**Ms TANIA MIHAILUK:** Someone should have told the member for East Hills that yesterday.

**ACTING-SPEAKER (Mr Lee Evans):** Order! I do not know what happened yesterday. I will uphold the point of order. Members should not make personal attacks on other members during private members' statements.

**Ms TANIA MIHAILUK:** The response I have had to the comments of the member for East Hills has been overwhelming. Many people in my community are shocked that a member of Parliament could make such a generalisation.

**Mr Paul Toole:** Point of order: You have made a ruling under Standing Order No. 73 but the member is canvassing that ruling. I ask that you ask the member to come back to the intent of private members' statements rather than attack other members of the House during this process.

**Ms TANIA MIHAILUK:** He has not allowed me to finish.

**Mr Paul Toole:** Sit down please.

**Ms TANIA MIHAILUK:** Don't tell me to sit down.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member for Bankstown will resume her seat. I uphold the point of order.

**Ms TANIA MIHAILUK:** Tim Carroll, Director of Bankstown Youth Development Services, said that he completely rejects the suggestion that Bankstown is a "no-go zone". He went on to say:

I have worked here for twenty years and I am proud to work in this community. Bankstown is truly the place to be, anyone who says otherwise is just plain wrong.

Many others have spoken in support of Bankstown. Arthur Deiri is the licensee and managing director of L. J. Hooker, Bankstown. He said that Bankstown is a growth area with people from all walks of life. He added:

I have been in business in Bankstown since 1994, we have everything from big businessmen to the average Joe-Blow. The people are honest and modest. I have done real estate business all over Sydney and the people here are no different to people in other places like the North Shore.

Mayor of Bankstown, Councillor Khal Asfour, said today that in addition to being insulting Mr Brookes' comments were not true. He said:

Bankstown is a major commercial centre in Greater Sydney, with a vibrant multicultural community.

**Mr Mark Coure:** Point of order: I refer yet again to Standing Order No. 73. I ask that you call the member for Bankstown to order.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member is in breach of Standing Order No. 73.

**Ms TANIA MIHAILUK:** I am now talking about different community groups and their comments about Bankstown. I am no longer referring to Mr Brookes.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member mentioned Mr Brookes in his contribution.

**Ms TANIA MIHAILUK:** I did not disparage Mr Brookes. I think everyone could hear that. Sue McClelland is the centre manager at Bankstown Women's Health Centre. Ms McClelland said that she has enjoyed both living and working in Bankstown. She went on:

I am yet to encounter a community as diverse as Bankstown. The community here is greatly supportive of the work that we do. They give of themselves personally and professionally.

Urban Theatre Projects is a cutting edge theatre company based in Bankstown. The executive producer, Michelle Kotevski, said that Bankstown has a diverse cultural environment. She added:

Bankstown is a place where the Australian culture continues to forge itself. The sense of diversity, community and untapped potential we have here allows for a rich creative landscape.

Mr Remy Wehbe of *El-Telegraph*, which is based in Bankstown, said that Bankstown is a great place to do business. He went on to say:

We have been based in Bankstown since-the mid seventies, our business has grown up here and has expanded all over Australia. Bankstown is a very cosmopolitan area where different cultural and religious groups live together.

My job is to represent my community, as it is for every member of this place. I will accept people criticising me but I will not tolerate people criticising Bankstown. I will continue to ensure the member for East Hills is held to account for his speech here yesterday. He should apologise to the people of Bankstown.

## LAKE BURRENDONG STATE PARK

### ORANGE ELECTORATE BOER WAR COMMEMORATION

**Mr ANDREW GEE (Orange)** [7.22 p.m.]: On a happier note, I draw the attention of the House to two historic events recently in the Orange electorate. On 16 May I was privileged to attend the unveiling of a plaque and historical map at Lake Burrendong State Park, where Burrendong Dam is located. The historical map was prepared by Mr Bill Inwood, who is a World War II veteran and a former resident of Fashions Mount, the area where the Burrendong Dam is now located. Over a period of years Mr Inwood has researched and mapped areas around Burrendong Dam to record where the families in the Burrendong area lived before the dam was built. Mr Inwood was present at the plaque unveiling as were many older residents from the Burrendong area, people who have lived there for many years.

Mr Inwood, during his address to those who were gathered at Burrendong State Park, spoke of the history of the area. He also recounted a story from back in 1932 when he overheard a conversation between his grandfather and the Little Digger, Billy Hughes. Billy Hughes indicated that he wanted to show Bill's grandfather something and told him to visualise the whole area covered in water. Mr Inwood's grandfather said, "Are you right in the head, Bill?" The Little Digger replied that the Burrendong Dam would build the wealth of the Central West, and that wealth would be built by the water that would come into Burrendong Dam.

The project of the historical map has been a labour of love for Mr Inwood. He has been helped very ably though by some long-time residents of the Burrendong area, including Lyle Slim Bloomfield and Ron Foxall. He also had the assistance of Garry Braithwaite, Pam Ney and other residents of the Burrendong area. It was a wonderful day for Burrendong and a wonderful day for Mr Inwood. I pay tribute to his hard work in preparing this map so that generations of people can come to the Burrendong State Park and find out where their families lived or where the families of their friends lived.

It is important to mark where these communities were because before the dam was built there was a vibrant community on the Burrendong Dam site and it made an important contribution to the Stuart Town, Burrendong and Mumbil areas. It is important that Bill, who is quite elderly now, was able to record this history before it was lost. I pay tribute to Bill—his nickname is Redfin—and his nickname appears on the plaque very fittingly. It was a wonderful event we had at the Burrendong Dam. I thank not only Mr Inwood but also the hardworking staff of Lake Burrendong State Park, including Mr Jason Kirk, and also the staff from Crown Lands NSW, in particular Richard Chewings and Michael Knight, for making the plaque possible. The other historical event I would like to draw the attention of the House to is that on Sunday a memorial service was held at Orange commemorating the Boer War. It was held in Robertson Park and remembered those men and women—about 16,000—who served Australia in the Boer War.

The service was presided over by Councillor Reg Kidd. Les McGaw, from the Orange RSL sub-branch, was in attendance as was Church of Christ Elder Greg Hough and a number of other people from Orange. Orange has a strong connection to the Boer War. Sir Neville Howse won Australia's first Victoria Cross during the Boer War when he pulled a trumpeter who was wounded in the field back behind Australian lines. His horse was shot out from underneath him as he did so. Banjo Paterson, a war correspondent in the Boer War, was also born in Orange, not far from where I live. About 600 Australians died as a result of injuries received in the Boer War. Four of those people were from Orange. About 24 to 32 people from Orange volunteered for the Boer War. It is important that we keep their memory alive and that we honour their service and sacrifice.

**Mr PAUL TOOLE** (Bathurst—Parliamentary Secretary) [7.27 p.m.]: The Burrendong Dam is a major infrastructure project that was built before World War II and provided jobs and water security for the area. It is a magical spot. Over 100 families lived in the area before the dam was built. I congratulate the member for Orange on bringing this matter to the House and on recognising Bill Inwood, who was involved in preparing the historical map and providing the details of the families. The member for Orange is a strong advocate for heritage in his area and should be commended for that. Well done.

### WORLD DAY FOR CULTURAL DIVERSITY

**Mr MATT KEAN** (Hornsby) [7.28 p.m.], by concurrence: World Day for Cultural Diversity was celebrated on 21 May. One of Australia's greatest achievements as a nation is that it has built a multicultural and diverse society of which we should all be proud. World Day for Cultural Diversity provided all Australians with the opportunity to celebrate our country's diversity and to reflect on the long road this country has travelled with regard to equality and social harmony. If there is one thing that defines Australian society it is our strong belief in multiculturalism and diversity. Australia is one of the world's most advanced countries and our multicultural heritage enables us to advance and prosper because of the abundance of knowledge and skills provided by our diverse population.

Regardless of our race, religion, sexuality or gender, we are all Australians. Fortunately, the days of the White Australia Policy are long gone, and Australians of all ages and backgrounds can embrace the many wonderful attributes associated with immigration. Each culture throughout the world possesses unique characteristics that have the potential to empower individuals and enrich humanity. Individuals in our society have a gift to benefit those around them and their community. Numerous communities throughout Australia have prospered and benefited from multiculturalism. Before I came into the House tonight I was at the farewell of the Indian Consul-General, Mr Amit Dasgupta, a great leader within the Indian community who has promoted cultural diversity and multiculturalism in Sydney. We are the better for his contribution.

My local community is one such example of the success of building a multicultural society. Residents have come from all sections of the globe and have chosen Hornsby to call home. Although Chinese, Indian and Korean migrant groups account for the majority of immigrants in the Hornsby area, the new census will likely indicate the emergence of new migrant communities—notably Persians, Afghans and Africans. This strong migrant presence adds to the cosmopolitanism of the community and illustrates the area's communitarian ideals



and virtues. Since being elected to Parliament I have sought to engage with the various multicultural groups in my electorate, understand aspects of their culture and promote cultural awareness. A few weeks ago I met Ms Cai Ruggler, a settlement officer at Hornsby and Ku-ring-gai councils.

Originally from Shanghai, China, Cai assists newly arrived migrants in the local community by helping them address welfare, family and personal issues through classes and activities. Cai's commitment and dedication, both to the communities she serves and to the newly arrived migrants who benefit from her work, should provide all Australians with a sense of optimism and hope. Assimilation is not an easy process; it requires assistance and support, and individuals such as Cai ensure that this process is managed appropriately. I also regularly attend citizenship ceremonies and am proud to welcome new citizens to our community. As I said earlier, people from all corners of the earth have chosen to live in our beautiful part of the world in Hornsby. I am grateful for their contribution to our community.

**Ms Noreen Hay:** They would rather live in Wollongong.

**Mr MATT KEAN:** I am constantly touched by stories of migrant hardships and sacrifices so that they could live in Australia. The member for Wollongong shares that view, being a migrant herself from the old country, the United Kingdom. She understands the importance of continuing to build on our diverse and multicultural society. Sadly, not all Australians share the same view as the member for Wollongong and I. Not all Australians are tolerant of cultural diversity.

**Ms Noreen Hay:** Shame on them.

**Mr MATT KEAN:** Some people fear diversity and are threatened by it. I share the view of the member for Wollongong: that is shameful. Only through government and community cooperation will our society be able to eradicate these social ills and advance in a more dignified manner. Cultural diversity must be viewed holistically by society. We all have a responsibility to promote a tolerant, diverse, multicultural nation—whether as politicians, community leaders, teachers, community groups or just community individuals. I hope that some day cultural diversity and its many positive characteristics serve as a force for unity rather than division not just throughout Australia but throughout the world.

**Private members' statements concluded.**

## **NATIONAL ENERGY RETAIL LAW (ADOPTION) BILL 2012**

### **ENERGY LEGISLATION AMENDMENT (NATIONAL ENERGY RETAIL LAW) BILL 2012**

#### **Second Reading**

**Debate resumed from an earlier hour.**

**Mr ANDREW GEE** (Orange) [7.35 p.m.]: I support the National Energy Retail Law (Adoption) Bill 2012. The national energy customer framework harmonises regulation across the jurisdictions of the national electricity market and appoints the Australian Energy Regulator as the national regulator. Having one national regulator will reduce duplication of processes across jurisdictions and will provide a more consistent approach to how energy businesses operate. Further, as an independent body, the Australian Energy Regulator will be able to give independent advice as it is independent of all jurisdictions but will remain accountable to all.

Most significantly, the bill transfers the role of retail energy licensing and authorisations from jurisdictional regulators, such as the Independent Pricing and Regulatory Tribunal in New South Wales, to the Australian Energy Regulator. The powers and functions of the Australian Energy Regulator will include, broadly, granting retailer authorisation and exemptions for selling and supplying energy in the national electricity market, and engaging and consulting with customers and stakeholders in the energy market. It is timely that we are talking about electricity because we all know that consumers—

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member for Orange has the call and he will be heard in silence. If the member for Wollongong continues to interject she will be removed from the Chamber.

**Mr ANDREW GEE:** It is timely that we are talking about electricity because we all know that consumers across New South Wales are going to be paying dearly for their carbon tax. I was pleased to hear that the Opposition supports this bill, because it has been a little difficult recently knowing where it stands on anything. The member for Heffron has recently jumped the fence and now wholeheartedly opposes the carbon tax. She has turned on her old friend Julia Gillard, as noted in the recent infamous Hail Mary pass news item.

**Ms Noreen Hay:** Point of order.

**ACTING-SPEAKER (Mr Lee Evans):** Order! What is the member's point of order? I hope it is a good one.

**Ms Noreen Hay:** It does not have to be good. It needs to be a point of order, that is true.

**ACTING-SPEAKER (Mr Lee Evans):** Order! What is the member's point of order?

**Ms Noreen Hay:** Relevance under Standing Order 129.

**ACTING-SPEAKER (Mr Lee Evans):** Order! Standing Order 129 does not apply.

**Ms Noreen Hay:** I need to say also that the member's comments about the member for Heffron or any other member on this side should be by way of substantive motion. He is not entitled to make those comments as part of his speech. I also take the point of order that the member for Bathurst is not entitled to encourage me to interject.

**ACTING-SPEAKER (Mr Lee Evans):** Order! Stop the clock. I remind the member for Wollongong that a point of order cannot be taken under Standing Order 129 outside question time. The member for Orange has the call and will be heard in silence. I warn the member for Wollongong that if she continues with her disruptive behaviour she will be removed from the Chamber.

**Mr ANDREW GEE:** Thank you, Mr Acting-Speaker, for restoring much-needed order to the House. It is hard to know where the Leader of the Opposition stands on the carbon tax. First of all there were leaks that he did not support the carbon tax and suddenly, after a few weeks, things began building and he supports the carbon tax.

**ACTING-SPEAKER (Mr Lee Evans):** Order! I direct the member for Bankstown to remove herself from the Chamber for a period of half an hour.

*[Pursuant to sessional order the member for Bankstown left the Chamber at 7.39 p.m.]*

**Mr ANDREW GEE:** With friends like those, Mr Acting-Speaker.

**ACTING-SPEAKER (Mr Lee Evans):** The member for Orange has the call.

**Mr ANDREW GEE:** Thank you for restoring order once again, Mr Acting-Speaker. It is very hard to pin the Leader of the Opposition down on anything. When I was looking through the Leader of the Opposition's file recently I found an article in which former Premier Morris Iemma had this to say about the Leader of the Opposition:

I never found him consistent at any time. It was like wrestling with smoke.

He added that he was not sure whether this was because of Mr Robertson's duplicity or incapacity. Mr Iemma went on to say in this very important article by Deborah Snow in the *Sydney Morning Herald*:

I saw no evidence that he was capable of delivering solutions to complex issues.

So it is very hard to pin down the Opposition on the carbon tax or anything else. We all know that the Leader of the Opposition was a member of the Cabinet at the time that infamous gentrader deal went through at midnight. There has been a lot of flip-flopping from the Opposition on all these points; there is never any consistency. It is, like the former Premier said, a lot like wrestling with smoke. Recently I was flipping through that august journal *Solidarity Online*. I went back to March 2009, when this very important journal was reporting that the former New South Wales Government had "raised the ire of union and community members with a secret night-time transfer of prisoners out of Cessnock jail". In its 29 March article *Solidarity Online* wrote:

The NSW government has begun looking for potential buyers of the state's electricity retail providers, which will be sold together with partial control of the generators.

John Robertson, former head of Unions NSW, now the Minister for Corrective Services responsible for pushing through prison privatisation, stated that the night-time actions were different to the MUA lockout of 1998 because "there were no balaclavas or Rottweilers."

Ironically, John Robertson led the union resistance last year against power privatisation. He now defends privatisation, saying—  
and this is the important part—

he has had a "frontal lobotomy" on the issue.

That is very concerning. I will repeat that for the benefit of the member for Kiama: The Leader of the Opposition had "a 'frontal lobotomy' on the issue." It gets worse for the Opposition and for the Leader of the Opposition, because he went to the Central Coast to speak to power workers. Of course, this was reported on by the Central Coast *Express Advocate*. There it seems the Leader of the Opposition had a problem with carrying a bit too much excess baggage because the *Express Advocate* stated:

... the lunchtime crowd were ... quick to point out Mr Robertson was part of a government that had privatised jails.

It reported that Mr Robertson:

... pleaded with the group to judge him over the next four years and acknowledged he had a long way to go in rebuilding faith in the Labor Party.

Many in the group told Mr Robertson the Labor Party had sold out the power industry and they were not prepared to go into battle again.

"We took action and the Labor Party sold us out," one said.

"While ever you lead the party, we're not voting Labor."

That is the fundamental problem for Labor and the Leader of the Opposition: They really are carrying too much baggage on so many of these issues.

**Mr Mark Coure:** No credibility.

**Mr ANDREW GEE:** No credibility. That is why in the recent opinion polls we saw the Leader of the Opposition come in at 14 per cent. It is never going to get any better. I was speaking to some power workers in western New South Wales recently, and we got to talking about the Leader of the Opposition. I asked, "What do you think?"

**ACTING-SPEAKER (Mr Lee Evans):** Order! Members will come to order.

**Mr ANDREW GEE:** Do you know what the workers call the Leader of the Opposition?

**Mr Mark Coure:** Mr Fourteen Per Cent.

**Mr ANDREW GEE:** Well, they call him Mr Fourteen Per Cent but they also call him "the bellhop". I said to the workers out there, "Why do you call him the bellhop?"

**Ms Noreen Hay:** Point of order: The member for Orange is attacking a member on this side of the House.

**Mr Stephen Bromhead:** That is not a point of order.

**Ms Noreen Hay:** I am addressing the Chair. The member for Orange is not speaking to the leave of the bill. It is about time he was brought back to discussing the bill. Furthermore, he should be told to stop shouting; that is not necessary in the Chamber.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member for Orange has the call.

**Mr ANDREW GEE:** I asked the workers, "Why do you call him the bellhop?" They said, "Well, he's just carrying around so much baggage; all he does is haul luggage around, just like a bellhop."

**Ms Noreen Hay:** Point of order: The standing orders provide that a member who wishes to impugn the reputation of another member must do so by way of substantive motion. That is the issue here, and that provision is well known to members. The member for Orange should be speaking within the leave of the bill; he should not be seeking to impugn the reputation of other members of this House.

**Mr Gareth Ward:** To the point of order: The fact is that the Leader of the Opposition has commented on this bill, as have many members of this House. The member for Orange was simply reflecting on those comments, and in this public discourse he has every right to do so. I ask that you uphold the right of the member for Orange to contribute to debate on the bill.

**Ms Noreen Hay:** He can contribute to the debate; he cannot call the Leader of the Opposition a "bellhop".

**ACTING-SPEAKER (Mr Lee Evans):** Order! I understand the member for Orange is quoting from written material. I do not uphold the point of order. I note that the member's time for speaking has been reduced because the clock has not been stopped.

**Mr ANDREW GEE:** I seek an extension of time. [*Extension of time agreed to.*]

I asked the workers in the Central West why they called the Leader of the Opposition "the bellhop". I said, "Don't you think it's a little bit unfair to refer to him as the bellhop?" They said, "No. He's hauling around so much baggage we think it's very appropriate." I said, "Well, what proof have you got? Why would you say that about one of your own?" They said, "We've got a photo." Apparently it is from the Labor Party conference at Cessnock recently—the Country Labor conference that we have read so much about. This was the same conference reported on by a 26 February 2012 article in *Tank Stream*, which stated:

The ALP General Secretary, Sam Dastyari, actually had to last week furiously ring around MPs in a bid to boost attendance numbers at the Cessnock ALP Country Conference.

**Mr Ryan Park:** Mr Acting-Speaker—

**Mr ANDREW GEE:** I mean, doesn't the member for Cessnock deserve better?

**ACTING-SPEAKER (Mr Lee Evans):** Order! What is the member's point of order?

**Mr Mark Coure:** What standing order?

**Mr Ryan Park:** It is under Standing Order 129. The matter the member for Orange is speaking about has absolutely nothing to do with the issue the House is debating. I ask you to draw the member back to the leave of the bill.

**Mr Gareth Ward:** To the point of order: Standing Order 129 is the wrong standing order to cite in taking the point of order and the member for Keira should therefore be ruled out of order.

**ACTING-SPEAKER (Mr Lee Evans):** Order! I draw the attention of the member for Orange to the leave of the bill.

**Mr ANDREW GEE:** It is like wrestling with smoke; that is what it is like trying to pin down the Leader of the Opposition. They said, "We do have proof. We went up to the Labor Party conference, where we have operatives, and they produced a photograph." I present that photograph today—it is of the Leader of the Opposition at the Labor Party conference; and, indeed, he does seem to be hauling baggage around. I think it is very important that members on the Government side have a look at it.

**Ms Noreen Hay:** Mr Acting-Speaker—

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member for Orange will resume his seat. Does the member for Wollongong wish to take a point of order?

**Ms Noreen Hay:** Just to be clear here—

**Mr Mark Coure:** What standing order?

**Ms Noreen Hay:** I was addressing the Chair. Can't you get the hang of that? You're only new, but I am addressing the Acting-Speaker.

**ACTING-SPEAKER (Mr Lee Evans):** Order! What is the member's point of order?

**Ms Noreen Hay:** Is that a prop or is the member bandying about a document, without tabling it or indicating what it is? It is not appropriate for him to do so. It is not a joke; this is serious. The member for Orange is flaunting the document right now.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member's time is expiring, as per the plan. The member for Orange will return to the leave of the bill. The contribution from the member for Orange has lasted for about 15 minutes.

**Mr ANDREW GEE:** As the worker said, it appears to be a picture of a bellhop hauling baggage around. It is like wrestling with smoke. The member for Myall Lakes has helpfully drawn my attention to questions in *Hansard* on 28 October 2009, when Dr John Kaye asked whether electricity generation would be restricted to gas-fired power and not coal. It is like wrestling with smoke. The Hon. John Robertson, then in the other place, answered, "What I will say is that gas is obviously a more competitive source of fuel". The Hon. John Robertson was supporting coal seam gas back then. It is like wrestling with smoke. As former Premier Morris Iemma said, "It never ends"—and where will it stop? Think about the poor workers at the cement works at Kandos. The cement works have closed because of the carbon tax.

**Ms Noreen Hay:** What about your workers?

**Mr ANDREW GEE:** Think about your own backyard. Look at the workers at Kurri Kurri. That smelter is closing because of the carbon tax.

[*Interruption*]

You are the friend of the workers all right. You are putting them all out of work. [*Time expired.*]

**ACTING-SPEAKER (Mr Lee Evans):** Order! Members will come to order and the member for Pittwater, who is the next speaker, will be heard in silence. Members who continue their disruptive behaviour will be removed from the Chamber. This is the last time I will warn the member for Wollongong about the consequences of her disruptive behaviour.

**Mr ROB STOKES** (Pittwater—Parliamentary Secretary) [7.51 p.m.]: I apologise at the outset if my contribution is not quite as animated as the previous speaker's. I speak in relation to the cognate bills: the National Energy Retail Law (Adoption) Bill 2012 and the Energy Legislation Amendment (National Energy Retail Law) Bill 2012. I will make some preliminary remarks and then I will talk about the benefits of these bills as they apply specifically to renewable energy. My preliminary remarks go to the importance of this reform as part of the New South Wales Government's response to the National Energy Market reform. This market reform package has been gestating for a very long time; it dates back to the mid-1980s, when it was first determined that there were problems with electricity supply and distribution within New South Wales.

A special commission of inquiry and a special Premiers' conference arranged by then Premier Greiner in the early 1990s identified the need for a national grid. That recommendation came out about the same time that National Competition Policy prevailed, which, by 1994, led to the idea that competition and the benefits of competition in the energy supply and distribution system would be promoted by having a national grid. The vision at that time was for the entire eastern seaboard of Australia to join together in the longest interconnected power system anywhere in the world. That came to pass in late 1998 with the creation of the national electricity market governed by a series of rules. The national electricity objective had two basic concepts: there should be a secure electricity supply and it should be efficient. I seek to add a third concept—and I think this is being done progressively—that the energy should be generated as efficiently as possible in a manner consistent with ecologically sustainable development, which is very important in keeping our energy system up to date.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member for Pittwater has the call.

**Mr ROB STOKES:** I am pleased that my comments are generating such passionate repartee across the Chamber. By 2003, under the then Howard Government and with Ian MacFarlane as Minister, the Ministerial Council on Energy came together to determine the next stage in the National Energy Market reform. A paper

was produced on the reform of energy markets, which said that it was silly, now we had the national grid operating, to have all the State jurisdictions applying over the top of it. It found that we needed to integrate the system so that the same rules applied to anyone entering the system and purchasing energy within it—retailers, distributors and so forth.

Two of the main findings of the reform of energy markets were that there should be agreement to establish a national framework for distribution and retailing, and that there should be an enhancement of user participation energy markets. Those findings are manifest in the National Energy Customer Framework, which was finally decided upon in November 2010. The first of the laws to be applied throughout the national electricity market was passed in South Australia in March 2011—an auspicious month—in the National Energy Retail Law (South Australia) Act 2011. That is an applied law and under the applied laws framework it will be rolled out in all participating jurisdictions, with a time line set of July 2012. So this is very timely legislation.

The National Energy Customer Framework is designed to replace a whole bunch of provisions dealing with the supply and sale of electricity and gas to retail customers, which are currently spread across a range of laws in a range of jurisdictions. There are also national codes and rules and a whole lot of regulatory instruments. It is a mess and it needs to be cleaned up. That is what this process is about: streamlining the regulatory requirements for energy retailers across the National Electricity Market. There will be one regulator and one retail authorisation instead of a multiplicity of licences, as required currently; there will be a system of rules governed by the Australian Energy Market Commission; and there will be a series of rules introduced—again starting in South Australia—to make amendments to the national electricity and gas rules.

We have a national system and it makes sense to have a national approach with an integrated grid—now that Tasmania is part of the integrated grid as a result of the construction of Basslink. We make nonsense of the benefits offered by the national grid if we impose State boundaries over its operations. There are two benefits of these laws: first, it makes it easier for new connections; and, secondly, it creates a level playing field for the distributors and retailers. I contend that both have benefits for renewable energy and its rollout throughout the National Electricity Market. I will give some examples of exactly why. In relation to easy connections, one of the things the laws do is clarify the application of the Commonwealth jurisdiction to apply to offshore areas. Alex Warwryk in South Australia recently conducted some research into problems in the South Australian market of offshore wind and the clarification of jurisdictional limits there. This clarifies who is in charge of that technology when it becomes economical.

An integrated grid will also reduce costs. That is good generally but it is particularly good for renewable energy retailers because the cost of compliance for retail energy businesses will be reduced and barriers for new retailers entering the market will be removed. It will also reduce costs for existing retailers, which is good for existing customers. More retailers means more competition and more competition means lower costs to consumers. It also means more choice so that consumers have greater choice in adopting renewable energy as their energy of choice. It is also good news for participants, especially renewable energy retailers operating across State borders, such as Snowy Hydro's Red Energy, Hydro Tasmania's Momentum and, increasingly, Aurora Energy and Alinta Energy from Western Australia. It reduces the rules for those retailers and makes it simpler for them to participate. I refer specifically to schedule 1 to the adoption bill and proposed sections 3A and 3B. A good example is Red Energy, which has been operating in Melbourne since 2004. It sells electricity generated by Snowy Hydro to households in Victoria, South Australia and New South Wales.

The proposed exemption under the amended section 3B will contribute to the harmonisation of electricity retail laws across jurisdictions and enable companies such as Red Energy to continue to operate with an efficient energy supply system. It is also good news for companies that sell energy but do not relate to the National Energy Retail Law. This might include a company that makes energy for a particular manufacturing or commercial site. As the Minister noted in his second reading speech, imposing the customer framework obligations on these kinds of businesses would be costly and burdensome and would not deliver any equivalent benefit to the direct customers of the businesses. Trigeneration plants are a good example of where this would apply. They are far more energy efficient than existing thermal power plants. Examples of these plants include GridX Power Pty Ltd, which has signed an agreement with Qantas for the creation of the largest trigeneration plant in Australia, at 9.6 megawatts, and which is due to open soon, and Cogent Energy, which has an interesting plant in the Blackmores facility in my electorate of Pittwater.

These sorts of technologies often do not sell directly to the grid and are a good example of retailers who could benefit. Another obvious benefit would be off-grid renewable energy generators such as solar and wind generators in remote communities or on mine sites. A recent report from the McKinsey Global Institute showed that using solar energy in such circumstances is, and for years has been, cheaper than trying to connect to the

grid in those areas. These bills get regulation out of the way of renewable off-grid generators that can often make more commercial sense than trying to connect to the existing grid. When I travel around the State and talk to various renewable operators the recurring theme is that they do not require subsidies; they require a certain regulatory framework and for regulatory burdens to be simple and clear. These bills provide that, and therefore they have my support.

**Mr ANDREW ROHAN** (Smithfield) [8.01 p.m.]: I support the National Energy Retail Law (Adoption) Bill 2012 and the Energy Legislation Amendment (National Energy Retail Law) Bill 2012. Energy is an underlying necessity throughout society. From basic kitchen appliances to smartphones, notebooks and the numerous devices that now run our lives, almost everything in modern-day life requires some form of energy. As each day passes, dependence on these devices increases rapidly. With each new generation of devices and technology, a new, younger generation finds a use for it in their lives. Great dependence on energy is not just limited to households and individuals; energy is critical to businesses that rely on energy to power their infrastructure. Devices such as servers, telephones, fax machines, computers and other machinery are needed to keep businesses running, and any downtime results in a loss of business.

Essential social infrastructure that maintains public safety requires energy. The simplest example is traffic lights. Every minute a traffic light is down, lives are put at risk. It is an indisputable fact that energy is required to keep society afloat. I would go so far as to say that energy is one of the few things that keep us from regressing as a society. Such a critical resource should have equally competent regulations and legislation. With the ability to transfer data across vast distances in a short length of time, and the ability to have live communication with people located thousands of kilometres away, technology has allowed different components of a system to be located anywhere. It is guaranteed that the services we use in New South Wales are utilising components such as data centres, satellite receivers, uplink stations, and network towers in other States and Territories throughout Australia. Our technology is not bound by State borders, so why should the legislation that regulates its primary resource be?

The people of this State and of our nation deserve to feel confident in the knowledge that the same energy regulations that apply to them at home also apply to the centre required for their services on the other side of the country. The National Energy Customer Framework does this: It ensures national consistency throughout the energy industry in Australia. Whether people live in New South Wales, Queensland or the Northern Territory, they can be assured that throughout this country the same rules and regulations apply to every jurisdiction. Businesses and industry will also benefit greatly from this reform, specifically businesses operating in more than one jurisdiction. Earlier this year I held a forum that allowed various businesses in my electorate to discuss issues with, and ask questions of, the Treasurer, the Hon. Mike Baird. A common theme arose among the businesses that dealt with entities in other States. Issues caused by inconsistencies in laws and regulations across jurisdictions set back business efficiency in every case.

One business owner at the forum told the story of another business owner he knew who was required to transfer cattle from New South Wales to Queensland. The workers delivering the cattle had to stop at the border and remove a number of cattle from the truck and leave another worker there to mind them. As it turns out, regulations in relation to the number of cattle allowed on a truck differ between New South Wales and Queensland. That business is unable to maximise its efficiency because of this difference in regulations. Despite what those on the other side of the Chamber think, businesses are the backbone of the State's economic structure. For this reason the Government should cater to the needs of businesses to help promote efficiency. A national energy framework that enforces consistent legislation across all jurisdictions cuts red tape and implements a range of mechanisms for regulating energy and energy providers is such a change that will assist those businesses and the people of New South Wales. For these reasons, I commend the bills to the House.

**Mr KEVIN ANDERSON** (Tamworth) [8.06 p.m.]: The National Energy Retail Law (Adoption) Bill 2012 will apply the national legislation, the National Energy Retail Law (South Australia) Act 2011, as law in New South Wales. The National Energy Retail Law regulates the retail supply of energy to customers and makes provision for the relationship between the distributors and the consumers of energy. Specifically, the bill provides for the Australian Energy Regulator [AER] to issue authorisations to energy retailers in the National Energy Market. We have been hearing about the Australian Energy Regulator all night. Well, let us find out who it is. The Australian Energy Regulator is a well-established national energy institution. It has almost 10 years experience in the oversight of wholesale energy markets and the economic regulation of the electricity and gas network business. The Australian Energy Regulator will take over from the New South Wales Independent Pricing and Regulatory Tribunal and other State regulators in relation to the licensing of energy retailers, as well as carry out compliance and enforcement functions.

The Australian Energy Regulator will work closely with each jurisdiction to ensure a smooth transition. It will also have a number of other responsibilities. After all the debate and discussion we have heard this evening, what do customers care about most at the end of the day? What do hardworking Australian families care about most when they get that bill in the mail and they open it and say, "Not again; it's going up"? How will customers' energy bills change? Under the new arrangements energy bills will look similar, but customers will generally see some additional improvements. These improvements will include whether the bill is based on an estimation or a meter read, the date of the meter reading that was used to create the bill, and the values of the meter reading at the start and end of the billing period or the application estimation. The bill also will show the date of the next meter reading and the amount of any security deposit.

I know that in my electorate of Tamworth a number of businesspeople have questioned the authenticity of some companies requesting a security deposit at the outset. Some security deposits and withholding funds are quite large. The exact changes will depend on the nature of existing individual customer contractual arrangements between the customers and their retailers. Having a national framework will provide consistency and efficiency right across our retail electricity networks. Some customers may also notice energy bill benchmarking information on their bills that compares a customer's consumption with households of a similar size in the same weather zone. That is a very important point. As we all know, our bills have a small graph showing that at the same time last year we spent so much on electricity. We all think that we have not had the heater on as much this year, we have not used as many lights and we have not used the pool as much over summer, so what is going on with our electricity bill?

This new type of billing will allow customers to compare like with like in their zone. New South Wales will have six zones. Customers soon will be able to check out their zones on a website which will assist them to learn about energy efficiency measures that households can implement to reduce electricity consumption, and thereby reduce their electricity bills. After all, is that not what it is all about—reducing our electricity bill, making it easier to make ends meet so that people are not living hand to mouth each week and trying to find enough money to put their kids through school, or buy them the shoes they want, or send them on the school excursion in years 2, 3 and 4? Children ask why other kids have things that they do not have. It is purely because of the rising cost of living, and we are about to be sluggish again by the carbon tax. Hardworking families and ratepayers in New South Wales, particularly those in the Tamworth electorate, are about to be sluggish yet again.

The Tamworth Regional Council estimates an impact on its electricity bill of \$300,000 in the Tamworth electorate alone as a result of the carbon tax. That is a disgrace. The Tamworth Regional Council will have to pay more and, like any business, it will have to pass on the costs. Who will the council pass on those costs to? It will be the hardworking mums and dads of my electorate—just to be able to turn on the street lights and just to be able to build roads. I invite members to think about this: When councils want to build a road, they need trucks, bitumen, road base and lots of other things that all burn up carbon and all cost a fortune. The costs of collecting rubbish also will increase, and rubbish collection is a basic right of ratepayers. We have our yellow, red and green lids on our waste collection bins, and we put our bins out each week so that the rubbish will be taken away. Households can expect to be sluggish for increased waste collection charges, and all thanks to the imposition of the carbon tax.

Increased costs are being shifted onto hardworking mums and dads in my electorate without any form of compensation or even consideration by the Federal Government. That is an absolute disgrace. Recently I discovered that the carbon tax will be added not just to electricity costs but also to council rates. Tamworth Regional Council can expect rates to increase by \$101,000 across the region. Another council in my electorate, Narrabri Shire Council, will need to collect an additional \$43,000 from hardworking mums and dads and ratepayers in its local government area. Liverpool Plains Shire Council, which includes the great towns of Werris Creek and Currabubula and other small communities, is a relatively small shire council but it will be forced to increase its rates to the tune of \$23,000. The list goes on. The hardworking Mayor on Gunnedah Shire Council, Adam Marshall, is on the phone to me every day, standing up for his community. He is letting me know how the carbon tax will hurt his community.

This morning I was a guest on a radio program on radio station 2MO in Gunnedah to discuss the effects of a carbon tax. I assure the House that Gunnedah residents are beginning to feel the impact of cost increases. Gunnedah Shire Council will have to increase its rates by a total of \$34,000 to try to cover the cost of the carbon tax on rates. I draw to the attention of the House that Tamworth Regional Council has estimated the costs as result of the carbon tax on waste disposal at in excess of \$1 million—I repeat: \$1 million. That is absolutely absurd. How can a local government authority, which is trying to do its best for its community, which has had so



much imposed upon it by the Federal Government, sustain such an increase in costs? That is quite apart from the fact that GST revenue distribution from the Federal Government to the States has been halved. The Federal Government wants to achieve a surplus and is doing so by cutting GST revenues to the State. It is discriminatory and it is an absolute disgrace.

Council rates, electricity and services provided to ratepayers and households will be slugged by the imposition of the carbon tax. We need consistency and common sense. We need good government, and that is what this Government is delivering across New South Wales through the Minister for Resources and Energy—someone who knows how to stand up and call the shots. The Minister speaks to me frequently about how we can assist hardworking families in my electorate of Tamworth. The consistency and efficiency across the board that will accompany implementation of this legislation will go a very long way towards achieving what needs to be done. Let us get some common sense and balance back into the debate. Let us drive down the cost of electricity. I am all for that, and I am backing the Minister all the way to ensure that the people in my electorate of Tamworth are not disadvantaged.

**Mr CHRIS HARTCHER** (Terrigal—Minister for Resources and Energy, Special Minister of State, and Minister for the Central Coast) [8.16 p.m.], in reply: I thank Government members who contributed in fine style to the debate: the member for Myall Lakes, the member for Parramatta, the member for Drummoyne, the member for Granville, the member for Monaro, the member for Bathurst, the member for Cronulla, the member for Orange, the member for Pittwater, the member for Smithfield and the member for Tamworth. I commend the member for Orange for his superb efforts to wrestle with smoke. I also commend the member for Tamworth for his very worthwhile remarks. During this debate, which concerns national electricity law and the promulgation of measures to improve the electricity service and pricing system throughout New South Wales, only one Opposition member spoke, and that was the member for Marrickville. Another member from a party that also does not support the Government spoke, The Greens members for Balmain. It is a reflection of the paucity of talent among the Opposition ranks that the large number of Government speakers—12 members—was met with only one member from the Opposition. Nevertheless, I thank all members who contributed to the debate.

The National Energy Retail Law (Adoption) Bill 2012 and cognate bill will lead to the application of the National Energy Customer Framework as law in New South Wales and will amend relevant New South Wales energy legislation. The amendments primarily repeal provisions that have been addressed under the National Energy Customer Framework. I reinforce that the bills represent a package of measures that provide strong consumer protections, particularly for the most vulnerable people in our communities. However, the bills also recognise that, as with any goods or service that we purchase, we have a responsibility to pay. I note the Opposition has stated it will support the bills. In that context, I provide assurance to the members for Marrickville and Balmain that the framework provides strong protections for vulnerable customers. The protection of households that are facing financial difficulty in paying their energy bills as well as residents in residential parks and retirement villages is of the highest priority.

Members have raised important points about disconnections, billing cycles, fees and charges, and minimum contract terms and conditions. I will provide the House with some examples of how consumer protections are strengthened in the new national rules. The bill collection cycle is longer under the national framework. The minimum number of days between issuing the first bill and disconnection is now 40 days rather than the current 36 days in New South Wales. For customers facing financial difficulty paying their bills, there are specific safeguards including that a retailer cannot apply a shortened collection cycle for customers on a payment plan or participating in a hardship program, late payment fees must be waived for hardship customers, and a customer cannot be disconnected if the minimum amount they owe is \$300 or less and the customer has agreed to pay this.

Residential parks are of particular interest to me given their high number in my electorate. I am pleased to inform the member for Balmain that fixed charges for residential park residents will continue to be discounted when supply is below 60 amps. This is regulated separately under the customer service standards for the supply of electricity to permanent residents of residential parks. The responsibility for this lies with my colleague the Minister for Fair Trading. Furthermore, customers experiencing payment difficulties and who identify themselves to their residential park operators must not be charged late payment fees. As can be seen from these examples, it is in the detail where we can see the stronger consumer protections.

I remind both the member for Marrickville and the member for Balmain that the most important consumer protection is keeping prices low. The carbon tax and green schemes, including the Solar Bonus Scheme, will add \$315 to the average household bill next financial year. The Government is working where it

counts most by removing costly programs. There has been a lot of discussion around June 2013. This is the date that has been given to all of us by the former Labor Government, as it is the end date of the current electricity price determination. As members may be aware, the Australian Energy Market Commission is scheduled to review competition in New South Wales energy markets in 2012. This review will provide important advice to government on price regulation and additional consumer protection measures.

I note the high level of interest in this important debate from government members and thank them for their contributions. They understand the importance of affordable and secure energy supplies for New South Wales households and businesses. They recognise this Government needs to take action to place downward pressure on electricity prices. Reduced red tape will improve competition and service for customers. Strengthened consumer protections are in everyone's interest. This legislative package is a major step in harmonising energy regulation across the National Energy Market. It has been developed after extensive consultation with key stakeholders. Jurisdictions have worked hard to harmonise and reduce regulatory burdens. The National Energy Retail Law will be reviewed after two years. This will provide an important opportunity to further enhance the framework. This legislative package benefits both consumers and businesses by putting in place strong consumer protections, reducing red tape and increasing competition. The effects of these are likely to flow on to customers through more competitive prices.

In his remarks the member for Pittwater paid a tribute to the former Premier of New South Wales Nick Greiner, who had the vision of establishing a national electricity framework across the eastern States of Australia. That national electricity framework has been achieved, and it is commendable that governments of all persuasions have worked to achieve a national electricity law. This is yet another stage in the development of that national electricity law. This legislation is designed to ensure that we have an effective seamless supply of electricity in the eastern States and to reflect in legislation the necessary protection for consumers and the necessary guarantees that every measure that can reasonably be undertaken to put downward pressure on electricity prices is undertaken.

This Government inherited an enormous challenge in relation to electricity supply and an enormous challenge in relation to electricity prices. In relation to electricity supply we have, as I have told the House on many occasions, embarked on a program of encouraging the development of renewable energy, with our target of 20 per cent renewable energy by 2021, which is in our State Plan. In relation to electricity prices, as I have also told the House on a number of occasions, we have embarked on a number of measures, a number of which come into force on 1 July, to assist low-income families, to assist families with a combined income less than \$150,000 a year, to assist those who require electricity for life support, to assist those who are on extremely low incomes or on welfare with electricity assistance vouchers.

All those programs are in place as part of the commitment by this Government to assist the community as far as possible in meeting the high and rising price of electricity. But the high and rising price of electricity continues to bedevil the community and will further, sadly, bedevil it after 1 July when the carbon tax comes into play. I will not make any more comments about the carbon tax but I will say this: This government is working to assist consumers. This Government is working to ensure a satisfactory supply and a guaranteed supply of electricity to consumers. This Government has made this commitment and we will continue to honour this commitment. I commend the bills to the House.

**Question—That these bills be now read a second time—put and resolved in the affirmative.**

**Motion agreed to.**

**Bills read a second time.**

### **Third Reading**

**Motion by Mr Chris Hartcher agreed to:**

That these bills be now read a third time.

**Bills read a third time and transmitted to the Legislative Council with a message seeking its concurrence in the bills.**

**ACTING-SPEAKER (Mr John Barilaro):** Order! Government business having concluded, the House will now consider the matter of public importance.

## NATIONAL RECONCILIATION WEEK

### Matter of Public Importance

**Mrs BARBARA PERRY** (Auburn) [8.26 p.m.]: As members are no doubt aware, we are in the middle of National Reconciliation Week. The word "reconciliation" comes from the Latin word "conciliare", which means bringing together. The word can be used as both a noun and verb. As a verb it means re-establishing a close relationship. As a noun it means making something compatible and consistent and equal. In Australia, reconciliation is a work in progress: we are the verb working towards achieving the noun. Reconciliation is the complex process of healing conflicted and fractured relationships between the Aboriginal and Torres Strait Islander people—one of the oldest living cultures on the planet, a people who have lived here for at least 40,000 years—and those who came here much later, starting with the setting up of a colonial penal colony. We are working towards the noun—the place where there is compatibility, consistency and equality between us.

The theme of this year's week is "Let's Talk Recognition". Recognition is about acknowledgement and understanding, and it is a vital part of the reconciliation process. The week is always bookmarked between two momentous days in Australia's calendar, both of which were all about recognition—27 May and 3 June. The first, 27 May, marks the anniversary of the 1967 referendum, which many consider to be the starting point towards reconciliation, when a massive 90 per cent of Australians voted to remove clauses in the Australian Constitution that discriminated against Aboriginal and Torres Strait Islander people. On 3 June 1992 the Mabo decision was handed down in the High Court of Australia, finally recognising native title. There are other dates too that are important. Kevin Rudd's apology to the Stolen Generations on 13 February 2008 recognised the pain and suffering caused by previous policies. Kevin Rudd called the forced removal of Aboriginal children on racial grounds "one of the darkest chapters of Australia's history". Kevin Rudd said:

We are doing more than contending with the facts, the evidence and the often rancorous public debate. In doing so, we are also wrestling with our own soul ... Until we fully confront that truth, there will always be a shadow hanging over us and our futures as a fully united and fully reconciled people.

Many of the past injustices were brought to light through the "Bringing them home" report of May 1997 in which hundreds of stories of separation, institutionalisation and abuse were brought together. They were stories that truly brought the reality and suffering of Aboriginal families home to many of us. Paul Keating had set up the initial inquiry because of "an increasing concern that the general public's ignorance of the history of forcible removal was hindering the recognition of the needs of its victims and their families and provision of services". This is at the heart of why recognition of what happened is so vital. The repercussions have been far-reaching, and the generational trauma ongoing. Many are still trying to find their way home. The 1991 Royal Commission into Aboriginal Deaths in Custody, for example, showed that of the 98 cases examined 43 involved people who had been separated from their families.

We hear about towns such as Toomelah and know there is still much unfinished business on the road to reconciliation. The legacy of displacement, dispossession and degradation is shown quite clearly on every social indicator—lower rates of educational retention and attainment, lower health outcomes, higher rates of incarceration, in particular sadly, amongst young people, and a life expectancy gap of 17 years between Aboriginal and non-Aboriginal Australians. We hear of lost Indigenous languages and lost song lines. I hear of "tick-a-box tokenism" to Aboriginal culture and heritage. We know too that we need to take another step, that is, the constitutional recognition of Aboriginal and Torres Strait Islander people about which the member for Cessnock will speak. I shall conclude on a positive note with a quote from historian Inga Clendinnen, who wrote that brilliant book *Dancing with Strangers*. She said:

There remains a final mystery. Despite our long alienation, despite our merely adjacent histories, and through processes I do not yet understand, we are now more like each other than we are like any other people. We even share something of the same style of humour, which is a subtle but far reaching affinity. Here, in this place, I think we are all Australians now.

**Mr JOHN WILLIAMS** (Murray-Darling) [8.31 p.m.]: I thank the member for Auburn for the opportunity to speak on this matter of public importance. Reconciliation is a big challenge. Many words have been spoken to date, but real reconciliation is about the true integration of Indigenous people in our community to enjoy and participate in every aspect of life that we enjoy. One of the biggest challenges for young Aboriginal people is the opportunity of education. Many young Aboriginal people suffer low self-esteem and a lack of

confidence in their ability. On Monday night I was inspired by a program on *Australian Story* that highlighted Jack Manning Bancroft, an absolutely amazing young man who decided to try to overcome some of the challenges in education for Aboriginal people by setting up the Australian Indigenous Mentoring Experience.

Jack is the son of an Aboriginal woman. He had the opportunity to attend the University of Sydney through St Paul's College. He was troubled by the disadvantages Aboriginal people experienced and decided to do something about it. He set up the mentoring program and encouraged other university students to join him in mentoring young Aboriginal students. Year 9 Aboriginal students joined and over about 13 weeks experienced a mentor taking interest in them to ensure some improvement in their schooling. Reading from a transcript of the ABC program, Stephan Bennett, principal at Alexandria Park School, said:

We had kids whose attendance were probably around ten percent, twenty percent if we were lucky. We found that once the AIME program began then their attendance did improve. Let's say for example, on a Monday we'd have attendance rate of ten percent; on AIME day we might have sixty or seventy percent attendance rate. Many of our kids back then, would not finish year 10. So we got at least the majority of them through to year 10, and then we managed to get quite a few to do their HSC. Without the AIME program, more than likely we would have lost some of those kids.

Alicia Johnson, who is from Broken Hill, was approached to become involved in the mentoring program. Today Alicia is a mentor and studies art at the University of Sydney. Alicia would have battled throughout her education, but today she mentors her younger sister, Emily, and they both are moving on in an education program. Obviously, it is a great achievement to have leaders in the Aboriginal community demonstrate the benefits of education and also have people from that community return to talk about their education. I congratulate Jack Manning Bancroft on taking the initiative to start this program.

Jack's program is funded by the University of Sydney. Professor Marie Bashir is the Chancellor of the University of Sydney and supports Jack's program. I have spent much time with Professor Bashir and Aboriginal communities in my electorate. I know of her absolute commitment to ensure that Aboriginal children have the best educational experience. Professor Bashir was taken aback by this young man and his commitment to this program. Today Jack is looking to expand the program outside the university, which has been rolled out throughout all New South Wales university campuses. The ABC program mentioned that the Australian Indigenous Mentoring Experience was moving into South Australia.

**Mr CLAYTON BARR** (Cessnock) [8.36 p.m.]: It is important to realise that reconciliation is everyone's business. We talk to our children about truth telling and the fact that we all need to be honest about events of the past and where we have come from so that we can be in a better position to move forward. The recognition being sought is for constitutional change to make sure that our Aboriginal people are recognised. The Mabo declaration identified that Australia indeed was not terra nullius when settled by the British. We have to accept and acknowledge that to move forward. It is important to note that the expert panel formed by the Government to lead conversation about constitutional recognition received 3,400 submissions. An incredible number of people engaged in the process wanting to get it right.

In January 2012 the expert panel handed down its report to the Prime Minister and recommended that: sections 25 and 51 (xxvi) be removed; new section 51A be adopted to recognise Aboriginal and Torres Strait Islander people and to preserve the Australian Government's ability to pass laws for the benefit of Aboriginal and Torres Strait Islander people; new section 116A be adopted prohibiting racial discrimination; and new section 127A be adopted, recognising Aboriginal and Torres Strait Islander languages while confirming that English is Australia's national language. One of Australia's best known Aboriginal elders, Noel Pearson, has written at length about reconciliation. Most recently, at the end of 2011, he wrote that we need to acknowledge and recognise the existence of British rule in this country but also that Aboriginal people have their place. We need to make sure that their place is recognised constitutionally.

The underbelly of all this is that discrimination still exists in Australia not too far below the surface. A red-haired politician made her mark in Queensland and was voted in almost entirely due to racism. The 2005 Cronulla riots were based entirely on racism. We need to do much more about reconciliation more broadly, but particularly in respect of our Aboriginal people. We have to be vigilant. The Aboriginal culture is the oldest living culture in the world. We need to applaud, recognise, accept, acknowledge and celebrate that. We are getting better at it, but so much more needs to be done. We have to acknowledge that in respect to social justice Aboriginal people are over-represented in our prisons and under-represented in our education, and their health is failing. As to truth telling, I want my four young children to grow up with their Aboriginal friends and I want their Aboriginal friends to still be by their side when they are 60, 70 and 80. Today we cannot make that promise; hopefully, tomorrow we can.

**Mrs BARBARA PERRY** (Auburn) [8.39 p.m.], in reply: I thank all members for taking part in the discussion on this very significant matter of public importance, National Reconciliation Week. I thank the member for Murray-Darling for his comments, particularly about the young man, Jack Manning Brancroft, and his mentoring program. Might I say, without being too political on this matter of public importance, that it is sad that under the local schools program the Alexandria Park Community School will lose \$80,000 to \$90,000 in funding. I note the presence in the Chamber of the member for Heffron, in whose electorate that school is located. That member knows the school very well and knows that a large number of the children attending that school are from Aboriginal and Torres Strait Islander backgrounds.

It says it all that we in this State still do not understand the need to ensure that Aboriginal children are provided the right funding, particularly in our schools—most importantly, institutions providing training and education, which is the way forward for many. That school will be one of the biggest losers under the local schools program. That is quite shameful. Sadly, there go any future mentoring programs at that school. I hope the member for Murray-Darling will relate to the Minister for Education the story that he told us tonight about Jack Manning Brancroft and his links with Alexandria Park Community School.

I thank in particular the member for Cessnock for sharing with us his hopes of his children growing up and getting older with their Aboriginal friends. As the member rightly said, many Aboriginal people die very young. As a legal aid lawyer I worked with some incredible women. One of those, an Aboriginal, died at age 44. She was an incredible lawyer and a most compassionate human being. If she were around I could seek her advice on this issue, as I did on many issues when I was a young lawyer. We have so far to go to close the gap; there is no doubt about that. The member for Cessnock is absolutely correct when he says we need to be vigilant. We cannot be complacent; we have to work at this every day. It has to be a partnership with the Aboriginal community; it cannot be from the top down. We have to recognise our past, because by recognising our past we can better our future.

**Discussion concluded.**

## **PRIVATE MEMBERS' STATEMENTS**

### **SUMMERLAND DRAGS**

**Mr CHRISTOPHER GULAPTIS** (Clarence) [8.42 p.m.]: I want to acknowledge the wonderful contribution that the Summerland Drags make to sport and tourism in the Richmond Valley. I was proud to attend the drags in Casino a couple of Saturdays ago and call myself a petrolhead for the day. I was not the only petrolhead there; the event attracted 140 competitors and 1,300 spectators. I was in good company, together with Richmond Valley Council Mayor Col Sullivan and the new council General Manager John Walker. And yes, they too are revheads. It was a beautiful sunny day—a perfect way to kick off Beef Week in Casino. I arrived at the Casino aerodrome in the afternoon and, even though I had to park a mile away because of the huge crowd, I could immediately hear the roar of the V8s and smell the burning rubber. When I got into the aerodrome the scene was not unlike those from the movie *Apocalypse Now*: the sun was trying to break through clouds of burning rubber, the noise was deafening and the crowd was roaring. Psychologists would have had a field day.

The Summerland Drags are the brainchild of Roger Wood, OAM. Roger is a passionate community volunteer in the Richmond Valley local government area—he just loves the place. He and his wife, Robin, are the emerging new breed of Australians—working pensioners. I do not think they know how to retire; they just keep on working for the love of their community. In late 2008 Roger met Richmond Valley Councillor Owen Crawford at his home in Casino. Owen's house has a garage for a purpose-built drag-racing car. The car was built by Owen and his father. Owen told Roger, "The car hasn't been raced for years". Roger, a self-confessed revhead, thought this was a shameful waste of horsepower, and the idea germinated from here.

Roger was well aware that Richmond Valley Council owned two functional airstrips—one at Casino and one at Evans Head. As a long-term resident of the region, Roger well knew that the Richmond Valley Council local government area was, and still is, one of the poorest areas in the State and needed the benefits that tourism brings to a region. So Roger thought: "What if we had our own drag strip, or better still two drag strips? There is no other between Brisbane and Sydney so this should be easy." Roger thought he would just hop on the phone, find a promoter and talk to Richmond Valley Council and ANDRA, the Australian National Drag Racing Association Ltd. He has been on the phone ever since. It has not been easy; in fact, it has been extraordinarily difficult.

Roger arranged a meeting between long-time friend Mayor Col Sullivan and Lismore Speedway promoter David Lander. David financed and Roger wrote two section 68 applications, two development applications and four section 96 variations to the development applications. Those were for the Casino airstrip. They had dreams of using the heritage-listed Evans Head airstrip during summer, when Evans Head's population doubles. Unfortunately, that dream remains just that—a dream. David also financed earthworks at the strip. Richmond Valley Council received 68 letters of opposition from local and other aviators to the first development application.

These were very dark days in the evolution of the Summerland Drags. Voices were raised at heated meetings with Richmond Valley Council's planning staff. Threats of \$3,000 on-the-spot fines were made. After six events and lots of bad weather the Casino proposal had become a nightmare. David Lander threw in the towel. But in workshops and garages all over the Far North Coast and South East Queensland there were hundreds of mostly young men, some with the support of their fathers, making cars and motorbikes go faster. It is a primal need. Community radio 88.9 FM had built a massive public announcement system and a sophisticated timing system, both costing many thousands of dollars. A wealthy supporter risked \$10,000 to continue Summerland Drags.

Summerland Drags need 100 volunteers from six not-for-profit organisations at each event. Jukebox Lismore Inc. provides finance, promotion and event coordination, with five volunteers; 88.9 FM provides the public announcement system, the timing equipment and the timekeepers, with 20 volunteers; the Casino State Emergency Service unit ensures parking and traffic control, with 12 volunteers; Casino Lions provides caterers, with 32 volunteers; the Casino Men's Shed provides caterers, with 20 volunteers; and two Rural Fire Service brigades provide 14 volunteers. With the support of just over 100 volunteers and thousands of drag-racing enthusiasts on the Far North Coast and south-east Queensland, we now have a major motor sport attraction in the Richmond Valley. In closing, I acknowledge again the dedication and efforts of Roger Wood, OAM; his wife Robin, the timekeeper; and Doug, who does a terrific job on the public announcement system.

### **VOLUNTEERING CENTRAL COAST**

**Mr CHRIS SPENCE** (The Entrance) [8.47 p.m.]: Tonight I want to speak about volunteering, in particular, volunteering on the Central Coast. Volunteering is an issue that has been raised in this Chamber on a number of occasions. Surf lifesaving has also been praised. Surf lifesaving provides more than 160,000 volunteers for a fantastic cause. But tonight I highlight an organisation that specifically involves itself with providing catering volunteers to organisations. Volunteering Central Coast has been operating for the past 26 years, and this year held its fourth annual volunteer expo at Niagara Park. This organisation provides services and support to over 110 community organisations throughout the Central Coast and is a point of contact between interested volunteers and organisations in need of them. Each year on average they interview 500 to 600 prospective volunteers, with over 90 per cent being referred on to volunteer roles within the community. Coinciding with National Volunteer Week, the fourth annual Central Coast Volunteering Expo had 26 stalls from community organisations.

The expo is an excellent opportunity for those who are interested in volunteering to learn more about opportunities that exist and how they might get involved. Some of the stallholders included the Red Cross; Vision Australia, which has volunteers who help the visually impaired; Wesley Mission Seniors Day Centre, whose volunteers help seniors take part in social activities for the frail elderly and those with dementia; Fairhaven Services, which provides a diverse range of employment and residential services to people with a disability; Wheeling and Able, an organisation that assists young people with physical disabilities; Community Care Services, providing services for frail elderly, disabled and their carers; UnitingCare Ageing, which is a volunteer service for the aged community; HammondCare, a non-profit, Christian organisation providing aged and dementia services; and Men's Shed—one of the most popular volunteer organisations on the Central Coast—which encourages the improvement of men's health.

This year's theme for National Volunteer Week was "Volunteers—Every One Counts". More than six million Australians volunteer in some capacity. National Volunteer Week celebrates and appreciates our volunteers but it also raises awareness of the great need for each and every one of them. Without volunteers many of our community organisations would be unable to continue providing vital services and support to those who need it most. It was wonderful to see so many interested volunteers at the Volunteering Expo, visiting stalls and talking to representatives from different organisations.

It does not matter whether people have one hour or 20 hours, whether they are skilled or unskilled, everyone can volunteer in some capacity: helping at a local sports club, listening to a student read a book, joining emergency services, serving meals at a shelter or visiting a nursing home. I thank all the board members, including the chairman Andrew Tuck and Bob Ward and, in particular, Michelle Vanstone, the executive officer, for organising the Volunteering Expo and for her ongoing support of Volunteering Central Coast. Every contribution makes a difference. I thank the thousands of volunteers who give their time and I commend them for their efforts in supporting our local communities through volunteering.

**Private members' statements concluded.**

**The House adjourned, pursuant to standing and sessional orders, at 8.51 p.m. until  
Thursday 31 May 2012 at 10.00 a.m.**

---