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LEGISLATIVE ASSEMBLY

Wednesday 15 October, 2014

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

The Speaker read the Prayer and acknowledgement of country.

CHILD PROTECTION (OFFENDERS REGISTRATION) AMENDMENT (STATUTORY REVIEW) BILL 2014

STATE REVENUE LEGISLATION FURTHER AMENDMENT BILL 2014

WATER INDUSTRY COMPETITION AMENDMENT (REVIEW) BILL 2014

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

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Bills

Motion by Mr Anthony Roberts agreed to:

That standing and sessional orders be suspended to permit:

- (1) The resumption forthwith of the adjourned debate and passage through all stages, at this or any subsequent sitting, of the Election Funding, Expenditure and Disclosures Amendment Bill with the following speaking time limits:
 - (a) Leader of the Opposition—10 minutes;
 - (b) three Government members—10 minutes each;
 - (c) two Opposition members—10 minutes each;
 - (d) members for Balmain, Lake Macquarie and Sydney—10 minutes each; and
 - (e) reply—10 minutes.
- (2) Following the conclusion of proceedings on the Election Funding, Expenditure and Disclosures Amendment Bill, the consideration of Order of the Day—Committee Reports No. 4 (Report of the Joint Select Committee on Sentencing of Child Sexual Assault Offenders) with the following speaking time limits:
 - (a) member for Dubbo—15 minutes;
 - (b) member for Liverpool—10 minutes;
 - (c) member for Strathfield—10 minutes; and
 - (d) member for Menai—10 minutes.

BUSINESS OF THE HOUSE

Notices of Motions

General Business Notices of Motions (General Notices) given.

[During the giving of notices of motions]

The SPEAKER: Order! Members who wish to engage in conversation should do so outside the Chamber.

Amended General Business Notice of Motion (General Notice) No. 2988 submitted by Mr Alex Greenwich.

The SPEAKER: Order! Members will cease arguing across the Chamber.

ELECTION FUNDING, EXPENDITURE AND DISCLOSURES AMENDMENT BILL 2014

Second Reading

Debate resumed from 14 October 2014.

Mr JOHN ROBERTSON (Blacktown—Leader of the Opposition) [10.12 a.m.]: I will say at the outset what a disgusting exercise this debate has become. The Government has suspended the Standing Orders and limited debate on this issue by placing time limits on any member who wants to make a contribution to the debate. This debate goes to the heart of the public's confidence in politics in New South Wales. The Premier introduced this bill yesterday at five o'clock to address public confidence in New South Wales politics. What we see today is a rort. The Government has been exposed for electoral funding rorts in the 2011 election and the rorts continue in this Chamber today. It is an absolute disgrace. Mr Baird is a spineless unprincipled Premier who is not prepared to allow every member of this Chamber the opportunity to address this significant bill.

Yesterday, after months of talk about cleaning up politics in this State, the Premier proposed changes to donation laws. Unfortunately instead of the promised tough action we have proposed laws that do not go far enough to punish those who have broken the trust of the public. The bill fails miserably to address any of the issues that need to be addressed and falls well short of restoring confidence in politics. The process in the Chamber this morning confirms public thinking—that the conga line of Liberal members of Parliament who now sit on the crossbench or have been forced to resign from Parliament is being protected by the Premier. The Premier is putting in place a protection racket that will ensure that these proposed laws do not apply to anyone found to have acted corruptly in the March 2011 election. What a disgrace. I do not find myself agreeing too often with the member for Ku-ring-gai. In fact, I can only recollect one or two occasions where that has occurred.

Mr Barry O'Farrell: I am trying to restore my reputation.

Mr JOHN ROBERTSON: I am trying to do something to destroy it. The member for Ku-ring-gai is reported to have said in his party room yesterday that he would like to see these laws made retrospective. But the Premier arrived in this Chamber with a bill that does not address retrospectivity. The Government and this bill give a "get out of jail free" card to anyone who is found to have acted corruptly in the Liberal Party in the March 2011 election, despite what has been discovered in the ICAC investigations. It effectively allows those members to get off the hook. This Premier has stated on many occasions—I will quote him—"I will throw the book at the wrongdoers" and "As I said at the announcement of this inquiry, if any wrong doing is found the book should and will be thrown at the perpetrators."

Based on this bill and proposed laws the book is not going to be thrown at any of the perpetrators. These proposed laws will do nothing to capture those individuals. This bill will not restore the public's confidence in politics in New South Wales because these proposed laws protect the perpetrators of rorts exposed by the ICAC. Each and every one of those people who have been to ICAC are going to be allowed to walk free because the Premier, the man who talks tough but has no spine, principle or ethics when it comes to addressing these issues, falls well short with his contribution to this debate. If the Government was even slightly serious about this debate and the proposition to re-establish confidence in politics in this State the last thing it would do is stymie debate, limit the number of speakers and limit the time that is allowed for the Opposition leader, or whoever leads for the Opposition, to make a contribution.

The Government does not want to expose its shortcomings and how light-on this bill is when it comes to dealing with anyone sitting in this Parliament who has rorted the system. The bill does not address the actions of anyone in this Parliament who behaved corruptly at the March 2011 election. Not one of those people will be touched by this bill despite the Government's moralising and rhetoric. It does not address that problem—it fails miserably. Despite the Premier's tough talk he has effectively allowed those members to get off the hook. What is most galling is that this Government applied retrospective legislation to injured and sick workers. Do not worry about those workers—they can suffer and be thrown on the scrap heap. There was no question of

retrospectivity or twangs of conscious for the sick and injured. The Government was not concerned about the impact of the retrospective workers compensation changes but when it comes to protecting their mates it is a different story.

The Coalition is protecting its mates from the 2011 election who now sit on the crossbench. Some of those members still attend Liberal Party branch meetings and some are determining who will be preselected in seats for the next Parliament. They will be protected because we have a Premier who lacks courage, spine and principle and is not prepared to stare down his party room and do the right thing or to introduce legislation into this Parliament that addresses the lack of confidence in politics caused by those opposite. How is it that a Premier who has stood here day after day and publicly stated to anyone who will listen that he will be the worst nightmare of anyone found to have acted corruptly is now part of a farcical situation where anyone in the current ICAC investigation found to have acted corruptly will not feel the full effect of those laws? Not one of them is going to feel the effect of these laws.

Why? Because clearly we have a Premier, on so many fronts—including this one—who is all talk and no action. He is very good at giving his seven-second sound grabs but when it comes to dealing with the issues that matter, the things that are important, the things that are about genuinely rebuilding trust with the public, there is nothing. I have heard the Premier speak in this House about bipartisanship and about working in a bipartisan way. This is a man to whom I wrote in the first few days of his elevation to Premier. I wrote that I wanted to work with him on this issue. I did not receive a response to the letter—no comment, no consultation at all. Legislation on such an important issue was dumped in here at 5 p.m. with a briefing late last night that, by all accounts, was not worth the time people spent in attendance. It is disgusting and appalling that this Parliament is denied the opportunity to properly debate this issue.

Mr Ray Williams: Point of order: My point of order relates to relevance. Less than ten minutes ago the Leader of the House moved a suspension of standing orders. That was put to the vote and every member of this House had the opportunity to vote on that motion. It was not opposed and no division was called. The Opposition supported the suspension of standing orders. Members opposite were either asleep or displaying their usual lack of intelligence. They should wake up. It is no good arguing after the fact.

The SPEAKER: Order! That may be a point, but it is not a point of order.

Mr JOHN ROBERTSON: That is another demonstration of a rort, of how seriously this Government treats integrity, of how seriously this Government treats lack of confidence. It is a demonstration of the Government's unwillingness to address that problem. The Premier sits here—encouraging that sort of interjection, that sort of wasting of time—and says, "What a great thing that was". He is denying people in this place the opportunity to expose how short and light-on this bill is when it comes to dealing with those on the other side. We foreshadow that we will be moving amendments in the other place. [*Time expired.*]

[*Business interrupted.*]

VISITORS

The SPEAKER: I welcome Mrs Nicole Elliott, the wife of the member for Baulkham Hills, who is in Parliament House today to launch the Lymphoedema Action Alliance with the Hon. Anna Bligh.

ELECTION FUNDING, EXPENDITURE AND DISCLOSURES AMENDMENT BILL 2014

Second Reading

[*Business resumed.*]

Mr JONATHAN O'DEA (Davidson) [10.22 a.m.]: We have before us today the Election Funding, Expenditure and Disclosures Amendment Bill 2014. It is a piece of legislation that reflects the determination of the Premier and the Government to clean up politics in New South Wales. Today is not the first day that we have seen reform on donation laws before this Parliament. There has been a series of reforms which have been passed—in a bipartisan sense—by this Parliament. One would like to think that that spirit would continue today. Unfortunately, today we are seeing the Opposition playing politics—despite their not having objected to this matter being expedited, as indeed the media, the public and the Opposition have called for. Now members opposite play politics and say that they do not want it expedited. Those opposite should make up their minds.

This is the sort of debate which needs to be looked at somewhat dispassionately, in the sense that there is already a lot of emotion and a lot of understandable public interest in this issue. The public not only want to see the matter addressed in an expeditious way; they want to see it addressed according to principles. What I want to emphasise today—before looking at the specifics of the legislation—is the importance of having a principle-based approach to dealing with donations reform in New South Wales. In doing so, I note that we have put in place an independent panel, led by three eminent New South Wales residents, who are going to bring back to this Parliament a fuller report which will precipitate further reform. Both sets of reforms should follow basic principles and, if we do that—which we are doing today—then we cannot go too wrong.

What are some of the principles that I think we need to follow in implementing reform of political donations and campaign financing? We need uncompromised representatives, transparency, a system that is relatively simple, yet comprehensive, and a system that is legal and not going to fall over from constitutional challenge. Ideally, we will have a system consistent with other jurisdictions across Australia. We need a system and a set of laws that are representative, in the sense that they represent broad public opinion or that broad public opinion accepts. I want to say a little about each of those principles in the context of this legislation. "Uncompromised representatives" essentially means that members of Parliament should perform their job without actual or perceived undue influence.

I think any reasonable observation is that the current climate demands both initial and further reform to help restore faith and trust in our political system. This legislation delivers on that front. We want a system which has greater transparency. Information about donations should be made publicly available in an accessible and timely manner. This legislation will require an increased level of transparency before the next election, so there is a specific provision which will require parties to disclose political donations received from 1 July 2014 to 1 February 2015. That disclosure must be made within one week of the end of the period to the Election Funding Authority and made public before the election.

There is scope to look at more prompt disclosures, perhaps a real-time system similar to the public website in New York. That is a matter that I am sure the independent panel will look at in greater detail in its final report. The principle is to have a simple yet comprehensive set of laws. There is no doubt that there should be strict and clear donation laws regulating all activity, including third party campaigns. One might observe that the regulatory oversight has been improved and could be improved further. In particular, the enforcement of compliance—as has been highlighted—is an issue that needs further attention. In the context of having a comprehensive yet simple system, there is a case for substantially reducing limits on third party expenditure, for example, unions or business groups. At the moment each union can spend more than \$1 million, or 10 unions can spend over \$10 million.

Mr Michael Daley: Same with businesses.

Mr JONATHAN O'DEA: The same with businesses—absolutely. Same with minerals councils—all those—if they aggregate the spend. The point I am making is that 10 unions could spend over \$10 million, which is more than a political party could spend in its own right. The independent panel has rightly identified that those limits are too high. The Government is proposing that they be brought back to \$250,000—a quarter of a million dollars is still a significant amount of money and, if aggregated, an even more substantial sum. It is a sensible arrangement. Any system does need to be legal and there is no doubt that there have been difficulties in the past in terms of constitutionality and breaches of the law.

Mr Barry O'Farrell: Which constitution is that?

Mr JONATHAN O'DEA: Well, all constitutions—New South Wales and Federal constitutions, potentially.

Mr Barry O'Farrell: Give me the clause next time.

Mr JONATHAN O'DEA: In terms of some of those cases, there has been conjecture on potential influences of the Federal constitution on State laws but there is no doubt that academics and the High Court have identified potential difficulties. We will see further potential difficulties with the McCloy case—which I will not pre-empt. We want a system which is not going to be before the courts. There are issues that have been identified with potential retrospective application of legislation which the Government wants to avoid. It has been argued that some of the provisions—particularly the 10-year statute barred offence prosecution provision—should apply retrospectively. As a general principle I do not support retrospective legislation. If in exceptional circumstances legislation must be made retrospective there must be a solid reason for doing so.

In this case, the independent panel recommended that the legislation not be made retrospective, and in the absence of a compelling reason to do so it is appropriate that the Government has not gone down that path. Consistency is another basic principle. It is preferable to have consistency across different jurisdictions. That is not to say that it should be mandated or dictated by the Federal Government, but different jurisdictions should try to cooperate. Queensland and South Australia already have funding models that reward parties based on electoral performance rather than campaign expenditure. New South Wales is bringing its legislation into line with the legislation in those jurisdictions and appropriately changing the public funding model to reward electoral success rather than simply spending money in a campaign.

The final principle I mentioned is that any system should broadly represent or reflect public opinion. I have previously indicated publicly my support for mechanisms such as citizens' juries. There has been ample public consultation and opportunity for the public to have input into the independent panel process. That process is continuing and this legislation is an interim step that takes into account public views. I am sure that people will continue to express their views, as they should, and that those in the media and academia will also continue to provide valuable input into a public debate that we must have. I commend the Premier and the Government for introducing this interim step. In addition to the provisions I mentioned, it is proposed that penalties will be increased in this legislation, which is also appropriate. We need to ensure that there is trust and faith in our political system in New South Wales, and this bill is a great step towards achieving that important objective.

Ms LINDA BURNEY (Canterbury) [10.32 a.m.]: I will begin my comments where the member for Davidson concluded; that is, he said that this legislation would reinstate trust in the political process in New South Wales. I could not disagree more with the member. This bill, and more significantly the process that the Premier has put in place for us to consider it, will do nothing to reinstate public confidence and trust in our political system. I will tell members what I see happening in this Parliament. This legislation deals with one of the most important issues facing politics, politicians and the people of New South Wales: public perception of the political process and the lack of trust in it. This bill is more important in addressing that issue than any other piece of legislation that we will deal with in this Parliament and perhaps the next.

The Labor Party, through its leader John Robertson, has offered not only in writing but also across this Chamber a considered bipartisan approach to dealing with the lack of public confidence in the political system in New South Wales. That opportunity has been squandered. The Premier introduced this legislation late yesterday without providing the Opposition with an appropriate briefing. Despite that, at 10.00 a.m. today, without the Opposition having had the opportunity to examine it and to consult, we are being forced to debate this bill. The legislation is entitled the "Electoral Funding, Expenditure and Disclosures Amendment Bill", but I would name it very differently. I cannot be more scathing of the process engaged in by the Government in dealing with this most pressing issue.

What this says about the Premier is what people are coming to understand about his lack of leadership and understanding of decent political processes. That is exemplified by the way in which this legislation has been introduced. He has swallowed hook, line and sinker the advice he has been given about dealing with this legislation. That demonstrates extreme naivety about what is necessary to ensure a good debate and good legislation and to reinstate confidence in the political system in New South Wales. If the Premier thinks that the people of this State will not see through his strategy that underscores his naivety. Interestingly, it has been reported that the Premier could not get his colleagues to agree to apply this legislation retrospectively to those who transgressed the electoral funding laws during the 2011 election campaign. It is fascinating that this new Premier—he has been in that position for six months—cannot convince his own caucus to agree with his desired outcome.

Mr Jonathan O'Dea: Point of order: The member is making assertions—

ACTING-SPEAKER (Ms Noreen Hay): Order! What is the member's point of order?

Mr Jonathan O'Dea: The member is bringing the Premier's reputation into disrepute.

ACTING-SPEAKER (Ms Noreen Hay): Order! There is no point of order.

Ms LINDA BURNEY: The people of this State are not fools and they will see that this has no bearing on the issue. As the Leader of the Opposition said, we have the conga line of Liberals who have committed major transgressions with regard to the electoral funding laws in New South Wales.

Mr Jonathan O'Dea: Point of order—

ACTING-SPEAKER (Ms Noreen Hay): Order! I sincerely hope the member will quote the standing order to which he is referring.

Mr Jonathan O'Dea: The member is impugning the reputation of members of Parliament [MPs]. Matters before the Independent Commission Against Corruption that have not been proven should not be asserted. The conga line that has been proven is of Labor MPs.

ACTING-SPEAKER (Ms Noreen Hay): Order! There is no point of order.

Ms LINDA BURNEY: Two Coalition members have had to resign and the crossbench is filling up and emptying out very quickly. The provisions dealing with third party campaigns represent a white flag being waved by the Government. It believes that if it can use this legislation to limit third party campaigns as much as possible its budget cuts in the health, education and TAFE sectors and its controversial decision to sell the poles and wires will go unnoticed. The Opposition has not missed that strategy.

This legislation will not be made retrospective and those who were involved in the 2011 election funding scandal will not be held to account. What is the point of introducing legislation such as this if it will not deal with the very things that have generated public distrust in the political process in New South Wales? It is astounding, naive and cowardly that the Premier has introduced legislation that does not have the strength to deal with the offences committed in 2011, and it speaks volumes. This legislation will fill the coffers of the Liberal Party more than any other party, and that is not lost on the Labor Party and the Independents in this House.

I reiterate the comments of the Leader of the Opposition: Clearly, we reserve our right to move amendments in the upper House once we have more time to examine this bill. This bill speaks volumes about a Premier who lacks experience and political courage, and does not carry the weight within his own caucus to deal with the misdemeanours of the 2011 election—the real issues this bill should deal with. As much as the member for Davidson can protest, one cannot ignore an overflowing crossbench with up to 10 Liberal Party members being caught in the 2011 election scandals. How on earth can anyone without any political courage introduce this bill and not deal with those issues?

The Electoral Funding, Expenditure and Disclosures Amendment Bill 2014 may make some changes to electoral funding laws for the future, but it does not deal with the problems that precipitated its introduction. The New South Wales election is just 5½ months away. The public's confidence in the electoral process is a major factor in the 2015 election. I assure this House that Labor will make it its duty from here until the next election to point out how inadequate, cowardly and politically naive this piece of legislation is. In closing, I reiterate the incapacity of the Government to work collaboratively on this issue and this piece of legislation. Doing so would have made it powerful, credible and brave. The Premier has failed on those three fronts.

Mr BARRY O'FARRELL (Ku-ring-gai) [10.42 a.m.]: Often from the early words of someone's speech one knows precisely what is on his or her mind. The Leader of the Opposition came in like the Wizard of Oz—steam, fire and brimstone—saying what a disgusting act it was for the Premier to introduce this important legislation this morning. So disgusted, so outraged and so upset were those opposite, did they oppose the suspension of standing orders? No; they allowed this debate to proceed. The Leader of the Opposition is exposed again for his hypocrisy. Unless he has a union boss standing beside him, he does not know which way to jump. I shall return to that shortly. The Deputy Leader of the Opposition gave herself away at the start and end of her speech. This matter should be, and always has been, about restoring public confidence in this place, in the activities of those elected to this place, in the activities of our political parties and in the public administration across the State.

The appointment of the expert panel, chaired by Dr Kerry Schott and members from both sides of politics—John Watkins and Andrew Tink, neither of whom is a party or factional warrior but brings practical skills to that panel—will ensure that its determination meets the needs of the public. That is not what the member for Canterbury wants. The member for Canterbury wants a cosy deal between both parties. The member for Canterbury wants to do what is in the interests of the political parties by having a cosy deal between both sides of this place rather than doing what the Premier has courageously done: ask an independent expert panel to put together proposals that will meet the needs of the public and the community of this State. That is why I strongly support the package before the House. Not only does it significantly increase the penalties—

Ms Linda Burney: You didn't in the party room, Barry.

Mr BARRY O'FARRELL: I did not actually see you there.

Ms Linda Burney: No, but it's been reported.

Mr BARRY O'FARRELL: I did not actually see you there. There are a few old photos on the wall, but I did not see you there. This proposal significantly increases the penalties for offences of the Election Funding, Expenditure and Disclosures Act. It seeks to ban third party arrangements that try to avoid donation and expenditure caps. It seeks to ensure that future prosecutions—this is important for those opposite to hear—can be taken up to 10 years after the offence was committed. Of course, it requires also the disclosure of donations received from 1 July until 1 February before people vote at the end of March next year. All those measures are important but, importantly, the public need to understand that this simply is the first part of the Premier's reforms that will come out of the Schott committee, whose interim report is of high quality and well-focused and will ensure that its final proposals combined with those contained in this bill will meet that need to try to ensure that confidence can be restored in this State's political process. There should be no doubt that these issues are complex.

Changing donation laws, funding rules and these sorts of issues are complicated. I have been in this place for almost 20 years and I would not profess to be fully across all these laws and requirements, despite once upon a time being a party administrator. That is why consideration is needed and we need to look at the complexity. I will never forget after coming to office that when I first met the Electoral Commissioner he told me that I was the first Premier he had ever met in person. I was the first Premier who had ever consulted him about changes to the State electoral laws or electoral funding laws. That is why when Labor, for political reasons, was forced to make political changes to these laws, inevitably they did not work.

Ms Linda Burney: Point of order: My point of order is under Standing Order 129. Both of you objected to this in your party room.

Mr BARRY O'FARRELL: That is not true.

Ms Linda Burney: Why don't you stand up and have a go now?

Mr BARRY O'FARRELL: Stop lying, Linda.

Ms Linda Burney: Both of you.

ACTING-SPEAKER (Ms Noreen Hay): Order! The member for Canterbury will resume her seat.

Mr BARRY O'FARRELL: How do you know when Linda Burney is lying? Her lips are moving.

ACTING-SPEAKER (Ms Noreen Hay): Order! The member for Ku-ring-gai will come to order.

Mr BARRY O'FARRELL: I am not going to stand here while she abuses the standing orders by telling untruths, by telling lies and being dissembling.

ACTING-SPEAKER (Ms Noreen Hay): Order! I have asked the member for Canterbury to resume her seat.

Mr BARRY O'FARRELL: Here is a brief: I stood up in the party room yesterday, a party room that I normally would not talk about, and said I strongly supported the package. So can we move on?

ACTING-SPEAKER (Ms Noreen Hay): Order! The member for Ku-ring-gai has the call.

Mr BARRY O'FARRELL: Now that we have settled that issue, I again make the point that I was the first Premier to consult the Electoral Commissioner. As a result, the laws those opposite put in place did not work. I regret that this legislation is necessary for one reason alone: In 2011 this Parliament changed the law and ensured that the only people in this State who could make donations were individuals on the electoral roll and no longer the Chinese friends of the Labor Party who made tens of thousands of dollars in donations to that side of politics before the last election campaign.

ACTING-SPEAKER (Ms Noreen Hay): Order! I call the member for Lakemba to order for the first time.

Mr BARRY O'FARRELL: Putting citizens in charge of the electoral process and giving only them the right to make donations was sensible. But what happened? It was challenged by Labor's masters—the union movement. Why? Because it took the union movement out of the preferred position that Labor had given it under its last changes; a position that saw a union affiliated to the Australian Labor Party treated the same as, for instance, the RSPCA—allegedly a third party independent group that could spend as much as the RSPCA if it wanted in pursuing a campaign, ignoring that that union contributed not only to party coffers but also to the selection of candidates such as you, Madam Acting-Speaker and, indeed, the implementation of policies.

The union movement launched this challenge clearly to make the playing ground unbalanced. It succeeded because of the judicial activism of the High Court. Earlier I interjected on the member for Davidson because I want to know which clause of which Constitution this proposal offends. Those who drafted the constitutions of the nation and this State and those community members who have supported those constitutions through referenda at no stage said they oppose political donations being restricted to individuals. The fact is that the High Court has struck out this provision because of what it perceived to be an implied provision of the Constitution. It deemed the New South Wales legislation was in contravention or violation of a recently discovered "implied freedom of communication" on government and political matters. As the Garrick Professor of Law at the University of Queensland, James Allan, has said:

... rights, entitlements and prohibitions have been found in the Constitution despite the absence of any word justifying their discovery and which have seriously affected the competency of parliament to legislate.

Like most freedoms, the freedom of communication will never be absolute, so if there are to be exceptions, who should make those exceptions—the popularly elected and accountable members of the Legislature of this State and other jurisdictions of Australia or seven non-elected and unaccountable members of the legal profession? This is judicial activism that again demonstrates that justice is regrettably blind. It is blind because the seven justices of the High Court would have been the only people who were not aware of why the legislation passed by this Parliament was necessary.

It was necessary because of the culture of corruption and the receipt of donations for decisions that existed in this State under the former Government. If that is the way in which the pre-eminent court in this country operates it brings no credit whatsoever to the judiciary. An effective law is struck down on the basis of an implied freedom identified by seven people who do not understand why the law was put in place. These implied freedoms and other judicial activism engaged in by the High Court increase the work of the High Court.

Mr Michael Daley: It was struck down because it was partisan.

Mr BARRY O'FARRELL: The member for Maroubra wants to talk about conflicts of interest. I have to say that certain blokes and women sitting on the bench of the High Court have a real conflict of interest in inventing these implied freedoms which bring more business their way. I regret that this legislation is necessary, but as long as humankind walks this planet laws will either be subverted or, in some cases, deliberately broken. That is unacceptable to me and that is why legislation like this is necessary. That is why the only way this will be stopped is to ensure that we continue to resource the Independent Commission Against Corruption, something that this Government did but that those opposite failed to do.

Mr ROBERT FUROLO (Lakemba) [10.52 a.m.]: I am pleased to make a contribution to debate on the Election Funding, Expenditure and Disclosures Amendment Bill 2014. Election funding laws are simply too important for governments and political parties to play politics with. The confidence of voters and the community depends on us getting them right—and by right I mean laws must be balanced, appropriate and fair. The process by which the Parliament considers appropriate and fair laws should also be fair. I am not sure why on an issue as important as election funding and donations laws in the Parliament of New South Wales only six or seven members of Parliament will be given an opportunity to debate this issue. Why is this bill being rushed through when the cut-off date for bills to go to the upper House is 13 November? It makes no sense for us to have to debate this legislation having had very little time to consider all the details of the bill.

These amendments to the existing laws make some improvements, strengthen some existing principles and address some issues that need to be addressed. However, once again, the Liberal-Nationals Coalition has missed an opportunity to make fairness the centrepiece of donation laws and decided instead to play politics. The decision to limit Opposition speakers on this bill is an example of a decision to avoid genuine scrutiny of and engagement in an issue that is fundamentally important to the people of New South Wales. The Labor Party

supports the retention of caps on donations and on expenditure. We understand that this is a fundamental issue to address the demand for donations and to ensure that decisions in Parliament are not influenced in any way by the receipt of donations, or the perception of the receipt of donations.

The decision to reduce the caps to the levels of when they were introduced in 2011 presents no problems. In fact, it is an acknowledgement that laws introduced by the former Labor Government were effective and appropriate. These provisions underpinned the Election Funding, Expenditure and Disclosures Act and are a solid foundation for our funding regime. The laws that introduced the caps on donations and expenditure and put public funding at a more appropriate level were brought to Parliament in 2010. These laws have given certainty and clarity on this issue. Caps on donations minimise the capacity of and perception that donations can influence decisions. Reducing the cap to \$2,000 for candidates and \$5,000 for parties is appropriate. The strengthening of penalties for breaches is also appropriate. It sends a clear and strong message that the people of New South Wales will take a dim view of attempts to circumvent the laws or simply to ignore the laws relating to the receipt of donations.

However, this bill does not clarify the impact on associated entities. Organisations like the Free Enterprise Foundation and its ability to donate to its mates in the Liberal Party do not seem to be restricted in any way by these laws. If we look at the recent conga line of members of Parliament who have been wending their way through Castlereagh Street we find that this very issue seems to be at the heart of the problem. Yet there is no clear indication in this bill of how associated entities will be prevented from participating in making donations to political parties. However, these laws attempt to shut down the voices of groups that might want to participate in the electoral process by advocating their position to voters.

The decision to reduce the caps on third party groups from over \$1 million to \$250,000 is a blatant attempt to reduce the capacity of these groups to have their say and to put their views to the electorate. The figure of \$1 million for third party groups was not simply plucked out of the air by the Joint Standing Committee on Electoral Matters when it considered this matter in 2009. It was accepted that if third party groups want to participate in the political process, to introduce a cap substantially lower than that which is available to the party or candidate contesting the upper House elections would simply encourage those groups to register for the upper House ballot paper. When we have a substantially lower cap on the participation of third party groups in the democratic process than is the case for political parties that will encourage those groups to put their name on the ballot paper so that they can spend as much as political parties. Reducing the caps for third party groups so substantially will possibly result in an increase in the number of candidates contesting the upper House elections.

Worse, there has been no justification for this. It is not what the Independent Commission Against Corruption has been considering in its recent inquiries. It does not have any integrity objectives. It reduces fairness in the public forum of ideas by saying political parties can spend substantially more than third parties to get their point of view across. But we know what this is really all about. All we have to do is look at the first efforts of this Government to fix the system. We remember when this Government introduced laws specifically and deliberately to exclude employee representative groups from participating in the democratic process. We know what happened to those laws: the High Court, in an embarrassing slap down to the Liberal Government, blew the laws out of the water. I quote from the judgement of the High Court on the sections introduced by the Government the last time it tried to have a go at banning unions from donating:

Ultimately, section 95D and 95G (6) were invalid ... because there was nothing in the provision to connect it to the general anti-corruption purposes of the EFED Act.

Further, Justice Keane observed that the reason he voted down the laws was that they were clearly partisan. What an embarrassing revelation: the much-hyped laws introduced by the Coalition were not connected to anti-corruption purposes and were clearly partisan. I suspect the amendments in the legislation before us today, the attempt to introduce lower caps for third party groups, is another attempt to silence the voices of people who want to participate in the democratic process, whether they be unions or other third parties.

There are some worthwhile recommendations in this bill. The improvement in disclosure requirements is a positive step. It is an improvement that will ensure that voters will know before the election who has donated how much money to which party and to which candidate. Real-time disclosure is an area where there is capacity for even more reform. This is a common-sense reform, but it should be better. Members of the public will not know until a month before the election who has donated. It is an improvement on the current system. I believe that disclosure of donations is achievable and hopefully it will be a step that is taken in the future.

The minor nature of the remaining amendments in the bill is an acknowledgement that the fundamental laws that were introduced by the former Labor Government are sound and appropriate. These laws were built on the foundation of equity, fairness and integrity. They have been tested in the court and found to be robust, unlike the laws that were introduced by the Coalition in 2011 to "fix the system" but were designed to shut down the voices of the unions and other third party groups. Those laws were identified by the High Court as being clearly partisan.

I am disappointed that more time has not been given to all members of this House to consider the bill. The bill affects not only every member of this House but also the integrity and perception of our political institutions. The bill does not need to be rushed through Parliament. If the Government was genuine and serious about reform in election funding and donations, it would give the Opposition sufficient time to study the details of the bill so that it could provide a considered opinion rather than have a few Opposition members make a contribution to debate. It is disappointing that the Government has decided to rush this bill through Parliament; it speaks to their anxiety about genuine reform.

[Business interrupted.]

VISITORS

ACTING-SPEAKER (Ms Noreen Hay): On behalf of the Parliament I extend a warm and sincere welcome to the year 11 students attending the Young Women's Leadership Seminar being conducted by the parliamentary Education and Community Relations section. It is a delight to see both galleries full of young women.

ELECTION FUNDING, EXPENDITURE AND DISCLOSURES AMENDMENT BILL 2014

Second Reading

[Business resumed.]

Mr JOHN SIDOTI (Drummoyne) [11.02 a.m.]: I support the Election Funding, Expenditure and Disclosures Amendment Bill 2014. The public has a right to have its trust restored following the evidence provided at the recent Independent Commission Against Corruption inquiry. This legislation delivers reforms that are based on the recommendations of an expert panel appointed by the Government to consider options for reform on political donations. These reforms are only the start. From day one our Premier has been strong in introducing reform. It is a corrupted system that needs repairing. It has not worked adequately and these changes will go a long way to improving it.

The panel is due to deliver its final report at the end of the year. In the interim, it has released a report that encompasses some key reforms. I note that these reforms may vary to amendments that may be introduced in 12 months, two years or five years. Integrity starts with the individual. We must evolve and continue to make changes that are relevant to the current situation. Among these reforms are: tougher penalties for breaching election funding laws; a new general provision directed at those who seek to evade election funding laws; a pre-election donations disclosure in early 2015 by recipients of political donations; and an extension of the limitation period for prosecuting offences against election funding laws from three years to 10 years.

The time to act is now, particularly in view of the upcoming 2015 State election. The proposed reforms reflect the recommendations of the expert panel and include additional measures designed to clean up the area of political donations for favour in this State. Laws that promote tougher penalties, greater transparency, less influence from political donations and increased public funding will move us towards a more effective system. The proposed reforms reflect this aim. It is hoped that they address what has happened in the past and provide a better system for the future.

A key aspect of the bill is to require recipients of political donations before the 2015 election to make an additional one-off disclosure of political donations received during the period 1 July 2014 until 1 February 2015. This is an important aspect. Individuals in our State have a right to know who has funded a candidate or political party. The process should be open and transparent so that individuals can make a decision based on transparency. These changes will go a long way to improving what has been the public's poor perception of their political representatives. The acts of individuals can reflect badly on all, and politicians are often painted with the same brush.

Mr Brad Hazzard: Not you.

Mr JOHN SIDOTI: I do my very best, Attorney General. It is important that those who represent the public do their best. I have done my best, as do my colleagues, but the laws have to be fair, open and transparent and they have to be easy to understand. I refer to the key provisions of the bill. Parties will be forced to make donations disclosures before the 2015 election; the time frame for prosecutions will be extended to 10 years; union spending on campaigns will be slashed; donation caps will be reduced; and taxpayer funding of parties will be based on the number of votes received. Again reflecting the recommendations of the interim panel, the bill includes a new anti-avoidance provision. This provision will make it a separate indictable offence to enter into or carry out a scheme for the purpose of avoiding political donation or electoral expenditure prohibitions or requirements. The new offence will carry a maximum penalty of 10 years imprisonment.

Under the proposed laws, there will be stiffer penalties for breaking the election funding laws and under the terms of the bill penalties will be doubled from \$22,000 and two years in jail to \$44,000 and four years in jail. The time frame within which prosecutions can be undertaken will be extended from three years to 10 years. There will be caps on the amount of donations that will be made to political parties and these caps will be wound back to 2011 levels. The current caps of \$5,700 to parties and \$2,400 to candidates will be reduced to \$5,000 and \$2,000 respectively. The amount political parties may spend on advertising will be capped at \$9.3 million instead of \$10.3 million.

A new model for taxpayer funding of elections will be introduced based on the number of votes a party receives. Parties will be eligible to receive up to \$4 for each vote they receive for Legislative Assembly candidates and \$3 for each vote for Legislative Council candidates. Importantly, there will be further scope for amendments once the panel's final report is delivered at the end of the year. These reforms will go a long way to restoring public confidence in the election of our officials. We do not want an election funding system that rewards those with the deepest pockets. It must be a level playing field and this legislation will provide that.

The amendments build on a number of election funding reforms already enacted by this Government. I congratulate Premier Baird, former Premier O'Farrell and the expert panel, in particular Dr Kerry Schott, on their work to bring about accountability and transparency in the conduct of elections. I reiterate that tougher penalties, greater transparency, less donor influence and public funding will go a long way to improving a sick system. Indeed, the trust of the people of New South Wales will be restored both in this system and in their public representatives as a result of improved accountability and transparency. I commend the bill to the House.

Mr ALEX GREENWICH (Sydney) [11.10 a.m.]: I join Madam Acting-Speaker in welcoming the many young leaders seated in the gallery to this Parliament. I encourage each one to consider a career in politics because more women in Parliament will only further improve community confidence in our Parliament.

ACTING-SPEAKER (Ms Noreen Hay): Hear, hear!

Mr ALEX GREENWICH: Public confidence is currently at an all-time low not because of the funding expenditure disclosures situation but because of the conduct of people associated with the major parties. Recent Independent Commission Against Corruption [ICAC] operations have exposed members of Parliament soliciting donations from illegal donors—

Mr John Sidoti: Was Richard Torbay a member of a major party?

Mr ALEX GREENWICH: He was a member of The Nationals. If you do not remember, he was going to contest the election.

ACTING-SPEAKER (Ms Noreen Hay): Order! The member for Drummoyne will come to order.

Mr ALEX GREENWICH: Recent ICAC operations have exposed members of Parliament soliciting donations from illegal donors, funnelling donations through hidden means to avoid disclosure, creating sham businesses to conceal illegal donations and receiving cash gifts from illegal donors. The Government is right to respond and I welcome the expert panel on political donations review, which is developing recommendations for long-term reform.

The Election Funding, Expenditure and Disclosures Amendment Bill will implement some of the panel's interim recommendations and introduce new public funding rules for the 2015 State election. I thank the

Premier's office for the briefing that the member for Lake Macquarie and I received on the bill yesterday. For weeks now we have been asking to be consulted while unelected party officials have negotiated these provisions behind closed doors. We have had little time to digest the provisions and assess their effect. The aim of any reform should be to ensure a fair and transparent system that discourages donations in exchange for political influence, prevents rotting, does not place an unnecessary burden on the public purse and ensures that anyone, regardless of wealth or party affiliation, can stand for election.

Under this bill penalties for breaches will be doubled, a new disclosure date for donations received up to 1 February next year will be introduced, the 2011 donation and expenditure cap levels will be reinstated, spending caps for third party campaigners and non-registered third parties will be reduced and public funding rules will change. New South Wales already has one of the toughest electoral funding systems due to reforms introduced over the past five years. We have caps on donations and expenditure and limits on who can donate and public funding has been increased. Illegal activity can occur under any system, so we need to strengthen accountability and transparency.

The increased penalties proposed in this bill have widespread support. They are in line with the seriousness of evading funding rules. A maximum penalty of 10 years imprisonment will ensure that the worst offenders who breach the trust of their electorate and could be seen as engaging in corruption will no longer be able to represent their community. As we have seen in the ICAC hearings, it can often take more than three years to investigate and gather sufficient evidence about breaches. The existing three-year limit on initiating proceedings is completely inadequate. I support extending this period to 10 years; however, I agree with the Opposition's concerns that this should be made retrospective so that those who made serious breaches at the last election can be prosecuted. I support the new disclosure date of 15 February for donations made between 1 July and 1 February. This will provide the community with more information on who is funding candidates before they cast their vote.

Currently there is a six-month delay before donations must be disclosed. That means most are not revealed until after an election. However, it is well known that it is in the final weeks before an election that most donations are made. Donations may also be purposely postponed to the period between 1 February and polling day to avoid pre-election disclosure. I understand there may not be enough time to set up an interim method for real-time reporting; however, the bill could require candidates to maintain up-to-date records of donations and donors available on their website or upon request by a member of the public if they do not have a website. I hope the bill is amended accordingly. This is a commitment I make and I call on all candidates and parties contesting the next election to make their records of declarable donations in the final two months of the campaign available to the public before polling day. If I can do it, the parties can too.

The bill also should increase disclosure thresholds. Currently, only donations of more than \$1,000 in a financial year must be disclosed. This means the vast majority go unreported. Sources of campaign funding are in the public interest and disclosure thresholds should be reduced to \$200 per year. The bill reinstates caps on political donations and campaign expenditure for the 2015 State election to 2011 levels. It removes the consumer price index increases since then. I do not oppose this amendment but a greater reduction would be more appropriate. These caps allow a candidate to receive \$8,000 and a party to receive \$20,000 from one donor in a four-year electoral cycle. Such a large amount could be seen to create a sense of debt between the donor and a candidate or party. Most community-based donations are much smaller than \$2,000. Donations to my campaign rarely exceed \$200 and in-kind donations are already capped at \$1,000. The bill should have introduced a more significant cut.

Public funding amendments are the significant changes in this bill. I am concerned that they could have serious impacts on minor parties and new Independents while doing little to prevent corruption and undue influence. The Government has argued that increased public funding will decrease candidates' reliance on donors. It is true that more public funding will reduce the need to raise funds but this does not translate to breaking the relationship between candidates and specific donors. It is the smaller grassroots donations that require the most amount of work to obtain. Sending email call-outs and organising events, auctions and raffles take substantial effort for not great returns. Those who have been appearing at ICAC for illegal electoral funding activity are more likely to cease raising funds through these methods than rejecting larger donations. The ICAC operations have shown that those who stand to gain from government decisions are desperate to donate, whether it is legal or not.

Even if we accept that more public funding will reduce opportunities for corruption and undue influence, does the bill actually achieve that? I understand that under the proposed model, public funding to the

Liberal and Nationals parties will increase and this will reduce their need to raise funds. I understand also that fundraising has been tough for the Liberal Party following the revelations at ICAC about fundraising practices. I have not had the opportunity to ascertain how these changes will impact Labor Party funding. The member for Lake Macquarie and I, in the little time we have been given to examine the bill, believe that public funding is likely to stay around the same for us as incumbent Independents. But it is unclear why a vote for me is worth \$4 yet a vote for the Shooters and Fishers Party is worth \$4.50. Perhaps the Government does not need my vote to get a bill through.

For new Independents, it will depend on how many votes they get. Most candidates know if their community support is strong enough to obtain 4 per cent of votes, which will allow them to know how much public funding they will receive under the existing system. It will be very difficult for new Independents to know approximately how many votes they will receive, so they will have to raise more funds based on conservative estimates. This increased risk for Independents compared to the current system may be a deterrent for new Independents to run. That is particularly concerning given the role that Independents have played in exposing corruption in this place. Disturbingly, candidates in smaller parties who run in lower House seats will get no funding even if they exceed the 4 per cent vote threshold if that party does not win a lower House seat.

The Greens, for example, run a candidate in the vast majority of seats. The Greens have a strong community support base, which results in significant votes in many of those seats. If in 2015 The Greens do not win a Lower House seat then no Greens Lower House candidates will receive public funding. The Greens have community support and should not be disadvantaged. Any candidate who gets 4 per cent of the vote should be eligible for public funding. It appears that under this bill the Independents and smaller parties will receive the same or less public funding while the Coalition will receive more. That is unfair and bad for our democracy; I do not support it.

Interestingly, minor parties who do not run candidates in the lower House or run candidates only to raise the party's profile will get more funding per vote than Independent candidates who have difficult campaigns to run without the backing of a statewide campaign and without the economies of scale buying power of the parties. I do not support full public funding of elections; I think a person's right to donate is very important. Such a model would divert funds from services and infrastructure and it would be difficult to establish a system that is fair to all candidates while not encouraging rogue candidates running for financial benefit. Small donations from individuals provide an opportunity for people to participate in the political process without attempting to gain private benefit and are not a concern for the community.

A good electoral funding model ensures that any person, regardless of party or political affiliation and wealth, can run for office on a level playing field. A good electoral funding model helps to encourage a wide pool of members who want to represent their communities and make decisions based on the broader public good. I do not believe this bill achieves that. Our democracy depends on getting the balance right and this bill should not be rushed. All members need time to properly assess its impacts, as does the community. We have at least six weeks before the House rises. Proposed changes should be referred urgently to the expert panel on political donations for its independent assessment and advice.

Mr JAMIE PARKER (Balmain) [11.20 a.m.]: On behalf of The Greens I address the Election Funding, Expenditure and Disclosures Amendment Bill 2014. Whether it is in planning, coalmining or coal seam gas, it is clear that the people of New South Wales do not have confidence that it is not the powerful donors who are pulling the strings in this State. There is a lack of confidence in the operation of democracy in this State. As we have seen in the Independent Commission Against Corruption [ICAC] inquiries—the shenanigans and corrupt activity of Ministers and others after 16 years of the former Labor Government and now members of the Liberal Party coming before ICAC and then moving to the crossbench or resigning from Parliament—it runs deep. Something must change.

The Greens welcome elements of the bill but we are concerned that it fails to comprehensively lock the door on corruption in New South Wales. We have very clear principles on how to address these matters: increase disclosure and transparency; increase penalties; decrease donation caps; reduce overall expenditure on elections; increase public funding; and, importantly, ensure fairness for all parties, including Independents and potential new entrants to the system. For many years we have been campaigning to clean up politics, to tackle corruption and to reduce the corrosive influence of political donations. The Greens have drafted our own bill, the Election Funding, Expenditure and Disclosures Amendment (Restrictions on Political Donations) Bill 2014, which spells out our position in detail.

The Greens called on the Government to reform the current discredited system before the next election. We also made representations to the Schott review, the report of which is due in December. Several of the issues we presented to that review have been supported in the interim report. Firstly, we argued for an extension on the time limit for prosecutions from three years to 10 years. That recommendation was adopted by the Schott review and in fact is in the legislation before the House. Secondly, we argued for continuous disclosure of political donations. That also was supported in the interim report of the Schott review but unfortunately is not reflected in this bill. Finally, our case for increased sanctions was reported by the Schott review and to a limited extent is included in the legislation.

I now will clearly state the position of The Greens. As I have mentioned, we welcome the doubling of penalty units from 100 to 200. Our bill states clearly that the penalty should be increased by 10 times from 100 penalty units to 1,000 penalty units. The Greens also support prison terms and fines. As to donation caps, the Coalition is proposing a reduction from \$5,700 to \$5,000 for donations to a party and from \$2,400 to \$2,000 for donations to a candidate. We believe those caps are still too high and that donations to a party should be reduced to \$1,500 and to a candidate to \$500. This legislation proposes a cap on donations to seats be reduced from \$167,000 to \$150,000. The Greens believe it should be reduced to \$110,000.

The Government has introduced an increase in administration funding. Funding for the third member of a party elected will increase from \$83,000 to \$100,000 and every other member elected will receive \$100,000, rather than \$83,000. That is a significant windfall for the Liberal Party, The Nationals and the Labor Party and also increases the amount of funding for The Greens. We believe the amount of administration funding is already generous and we do not support these elements of the bill. Rod Cavalier made a submission to the Schott review on this issue. He will turn very red indeed when he learns that increased funding for the administration of political parties is again being proposed by this Government.

The Government has allowed a loophole in disclosure in that donations made after 1 February 2015 will not be known until well after the election. The Schott review has argued convincingly for continuous disclosure. It is not difficult to continuously disclose donations by uploading the information on an Excel spreadsheet to a website. We are concerned that the Government's proposal of a cut-off date of 1 February will allow people to make significant donations from 2 February and no-one would be any the wiser.

The key issue for The Greens is the threshold that has been created by this legislation. This legislation creates two classes of people to receive funding. The elite class will receive \$7—\$4 per vote in the lower House and \$3 per vote in the upper House. Of course, that is the Labor Party, the Liberal Party and The Nationals. The second class will receive only \$4.50 for each upper House vote. The test is whether or not a party has a member elected to the Legislative Assembly. A party that has a member elected to the Legislative Assembly will receive \$7 for its votes—\$4 for every vote received in the lower House and \$3 for every vote received in the upper House. But if the threshold of one member elected to the Legislative Assembly is not met, then a party will receive \$4.50 for the upper House votes only and not one dollar for any of the lower House votes.

If parties such as the Christian Democratic Party and The Greens do not have a member elected to the lower House they will get zero dollars for their lower House votes. They will receive \$4.50 for every vote received in the upper House. That means incredible uncertainty for them. There is no level of graduation in the system. We believe it should be a graduated system, and that is why in our bill we have argued for a significant increase in the amount of public funding. Currently, for members of the lower House the gap between what they raise in donations and what they spend campaigning is about \$60,000. So they have to raise about \$60,000 in private donations to receive the full amount of public funding. We argue that the threshold should be reduced significantly to about \$9,000.

In our bill The Greens have argued that eligible parties should have significant public funding up to 85 per cent of their potential spend. The key issue for The Greens is the threshold. There is no level of graduation; one member of Parliament must be elected to the lower House. Parties that are unsure whether they will get a member elected to the lower House can rely on receiving only \$4.50 per upper House vote. No-one, not The Greens, the Christian Democratic Party or any potential new entrant, would take the risk of spending \$1 million, not winning a lower House seat and bankrupting their political party. While the Government may argue that with \$4.50 per vote The Greens, the Christian Democratic Party, the Shooters and Fishers Party and other parties will not be that much worse off, it creates a huge comparative difference between Labor, the Liberals and The Nationals who can confidently rely on \$7 per vote. The Greens, the Shooters and Fishers Party, the Palmer United Party and other new parties will get only \$4.50. It pumps up the major parties and supports the major party duopoly.

It is important to introduce a graduated test. Under the existing system, if you get over 4 per cent you can receive public funding as your vote increases. The proposed system has significant problems in this regard. The Greens note that there is support through the Policy Development Fund for parties that may not get elected to this Parliament. We welcome that. We want to encourage political parties to become involved in the democratic system, to run in elections and to contest seats. That is very important and we support that very strongly. It is also important to recognise that there are opportunities in this legislation to make an enormous difference to funding in this State and to improving the operation of our democratic system. We look forward to the Schott review final report. Continuous disclosure, reducing the caps and ensuring that we do not fall foul of the High Court are important and necessary measures.

The Labor Opposition has spoken about 100 per cent public funding. That is obviously nonsense. Unfortunately, it is clear that the High Court would not endorse any system in which political donations were not included. We have heard that experts taking part in the Schott review labelled the proposal put forward in Labor's submission as insane. It does not meet the test of the High Court. We must have a relevant and workable system to take to the election and, of course, we must improve it later. I look forward to working with the Government in the incredibly short time frame it has provided to improve the system by ensuring that all parties have comparative support and to make our democracy strong and robust.

Mr GREG PIPER (Lake Macquarie) [11.30 a.m.]: I make a contribution to debate on the Election Funding, Expenditure and Disclosures Amendment Bill 2014. I welcome the move to introduce tighter controls on political donations for the 2015 election and the commitment to longer term reform to be guided by the recommendations that arise from the Expert Panel on Political Donations, otherwise known as the Schott inquiry. Shocked and angered by revelations of shonky campaign funding arrangements that have emerged from the Independent Commission Against Corruption [ICAC], the community has demanded these reforms. Their faith in politicians has reached rock bottom. It is vital that we take steps to restore some community confidence in the political system. In 2010 I made this statement to a parliamentary inquiry into public funding of election campaigns:

It is possible to create new rules, but it is impossible to legislate for the integrity to follow their spirit.

While supporting reform of the electoral funding system to address concerns about party donors being beneficiaries of government decisions, I warned then of the prospect of "creative bypass" of any new laws. Three years later those words have proven more prophetic than I could have imagined. I do not believe it is possible to create watertight electoral funding laws. As we sit here discussing ways to tighten the regulations there no doubt will be other people considering ways to circumvent them. However, we can improve the transparency and accountability of the system. I see this legislation as the first step down the path of long-term systemic and cultural change.

I understand that the tight time frame between now and the next election has precluded the inclusion in this interim legislation of some of the more sweeping and groundbreaking reforms the public would like to see. While I broadly support the intent of this bill, I have reservations about some aspects that seem to run counter to the Premier's stated aims of improving fairness and transparency in the election funding system. I am also concerned about the way the legislation is being rushed through the House with limited opportunity for debate and proper review of its provisions.

I note the member for Parramatta, the member for Northern Tablelands, the member for Upper Hunter and the member for Strathfield are champing at the bit to contribute to this debate, but they have been denied that opportunity. However, I welcome this legislation and I acknowledge the Premier, who is in the Chamber, for being broadly mindful of my concerns. I would have liked to have had more input into the development of this legislation, but I recognise that many others also would have liked to have contributed in a similar way. While that would have posed logistical difficulties, it would have removed at least some of the argument and suspicion around the process that Labor members have expressed today.

I will now speak briefly on certain aspects of the bill. One of my concerns is that this legislation does not treat all candidates equally. I do not understand why minor parties that stand candidates in the lower House but are unsuccessful in gaining a Legislative Assembly seat should not receive reimbursement for expenditure by any candidate running for either House who reaches the 4 per cent threshold. If, as the Premier maintains, this is a system that purports to reward candidates for performance rather than basing reimbursement on campaign expenditure surely all candidates should be treated equally. Anyone who gains at least 4 per cent of the primary vote should be eligible for the same level of public funding regardless of whether that person is from a major party or a minor party, or is standing as an Independent.

I appreciate that the Government has recognised that major party candidates enjoy economies of scale that Independents and minor party candidates do not, and accordingly has made the level of public funding higher for Independent and minor party candidates. However, I fail to understand why upper House Independents and minor party candidates receive \$4.50 per vote reimbursement while Independents and minor party candidates in the lower House receive \$4 per vote. I would argue that it takes more resources to run a campaign for some of the seats in the Legislative Assembly than in the Legislative Council and so I do not understand the rationale for the higher level of reimbursement to upper House candidates.

In arguing these points I do not seek to gain any personal benefit. My campaigns generally have been modest and largely self-funded. But I am a strong advocate for diversity in the Parliament and I want to ensure the bar is set equally for any candidate who might seek to run for office regardless of whether that person has party affiliation. I recognise that the bill contains an attempt to bring greater transparency to the campaign funding process by providing for mandatory disclosures of donations made between 1 July 2014 and 1 February 2015. However, I note the significant opportunity for donors to avoid pre-poll scrutiny by making their donations in the period between 1 February and the ballot on 28 March. I understand that the timing of the cut-off for pre-poll disclosures was predicated by the administrative requirements of the Election Funding Authority, which will oversee the disclosures.

I believe this is the reason the Government provided for not making the cut-off date closer to the date of the election. I take this explanation in good faith. However, it dilutes the provision substantially to have an eight-week period in the run-up to the election that is not covered by the pre-poll disclosure requirement. I can see only two ways to address this. One way would be to amend the legislation to provide that 1 February will be the cut-off date for any campaign donations for this election. The other way would be for the Parliament to adopt a code of conduct whereby members of Parliament and candidates voluntarily disclose any donations made in the final eight weeks of the campaign before the polling date. I believe the Premier could set a precedent by encouraging his party candidates to adopt this policy.

I welcome the introduction of tougher penalties as a deterrent to illegal campaign funding activity. But I believe that even without this legislation the ramifications of the current ICAC investigations and hearings into electoral funding irregularities would have resulted in a changed environment for the 2015 State election with parties and candidates taking a far more conservative and law-abiding approach to campaign funding. However, reinforcing the importance of ethical practices in electoral funding by increasing penalties for breaches is appropriate. I hope it will ensure that candidates in future elections will continue to abide by the intention of the law. The provision is also in line with the recommendations in the interim report from the Expert Panel on Political Donations, which favours increased penalties, compliance measures and enforcement. Enforcement is the key to ensuring the effectiveness of these penalties in the longer term.

Any subsequent legislation should clearly articulate a member of Parliament's responsibility for ensuring that funds collected in his or her name are acquired in a lawful manner. It is not good enough for members accused of illegal activity to claim they were unaware of the rules or had no knowledge of the origin of questionable funds that came into their campaign. It is incumbent on each of us in this place to take responsibility for our campaigns and the actions of those acting on our behalf. The bucks come to us so the buck should stop with us. I recognise the great work of the ICAC in shedding light on the situation in New South Wales. The situation is not unique to this parliamentary term or the government of the day; it predates both of those things. There is a real need to change the system of political funding and disbursement in New South Wales and the culture surrounding it.

I acknowledge that the Premier and the Government are making a genuine attempt to do that. On that basis, I give my conditional support to this bill. Despite its shortcomings, it is important that as a Parliament we act to improve transparency of donations and discourage the arms race in election funding. It is my sincere hope that the bill achieves those goals and in so doing restores some public confidence in politicians and the electoral process. I reserve my right to consider matters that might come out of consideration of the amendments that Labor and The Greens have foreshadowed they may introduce in the upper House and that might improve the situation. At this point, in the absence of any serious amendments being put before us, I give my conditional support to the bill. I thank the Premier.

Mr MIKE BAIRD (Manly—Premier, Minister for Infrastructure, Minister for Western Sydney) [11.39 a.m.], in reply: I thank all members who contributed to the debate. I particularly note the contribution from the member for Lake Macquarie and many other Independent members who passionately stated their views and who passionately believe in the desire to clean up politics in the State. I appreciate their feedback and their

views. Certainly with this legislation we have taken a significant step forward ahead of the 2015 election. A long-term model that will be determined by an expert panel consisting of Dr Kerry Schott and representatives of both sides of politics, Andrew Tink and John Watkins, will be presented later this year. I certainly look forward to the panel's recommendations.

Every member of this House knows that the process of political donations needs to be reformed. I have said that since day one of becoming the Premier. Indeed, in my inaugural speech I said that "Political donations are corrosive", and part of my motivation for becoming a member of Parliament was the opportunity it presented for reform of the political donation system. As the comments of members who preceded me in this debate reflect and as the speech by the former Premier and member for Ku-ring-gai reinforced, a culture of donations existed. There is no escaping that fact. That is what this Government was facing. We need to achieve a position in which the culture of political donations no longer exists. When the former Premier and member for Ku-ring-gai was the Leader of the Opposition, one of his first statements in this House was about the need for donations reform. I was pleased to support him as we embarked on a process of donations reform.

Clearly, while we have not yet achieved political donations reform, passing this legislation will be a great step forward. When the panel chaired by Dr Kerry Schott reports in December, the recommendations will consist of long-term options that will be welcomed by this Government. The purpose of this legislation is to prepare for the 2015 election. By introducing this bill, the Government makes clear that it will not simply wait for the panel's report when interim improvements can be made that will enhance democratic processes associated with the 2015 election. That is exactly what this Government should do and it is exactly what this Government is doing. I am not prepared to delay implementation of interim reforms pending presentation of the final report. I have spoken about the need to restore trust in politics and I will take whatever steps are required to achieve that.

I know that at every opportunity people will politically grandstand in relation to this issue, but that is not the core of my belief, the core of the action I am taking or the core of what this Government is taking steps to achieve. We are determined to achieve political donations reform. I will discuss in simple terms what this legislation is intended to achieve. I will not respond to the histrionics of Opposition members because this Government simply wants to introduce tougher penalties, more transparency, less influence from donations and more public funding. Those four principles should be the foundation for a consensus approach to reform. I do not quite understand the histrionics of Opposition members. I will leave the actions of those who adopt that approach to speak for themselves. The important point is that those four principles will be implemented by this legislation ahead of the 2015 election, which is a very significant step forward.

This bill is designed to deliver a system of tougher penalties, more transparency, less influence from donations and more public funding to restore the public's confidence in the New South Wales political system. Some members raised the retrospectivity of the extension of the limitation period for the commencement of summary criminal offences under the Act. Consistent with the views expressed by the expert panel, changes to the limitation period will not apply retrospectively. A letter from the panel's chair states that "the panel's strong view is that the changes it recommends should not be retrospective in line with the well-established convention".

Mr John Robertson: You breach the convention when it suits you.

Mr MIKE BAIRD: They are not my words. They are the words of the chair of the expert panel that will deliver long-term reforms of the donation system. The panel has made interim recommendations and this Government has introduced this bill to implement them. The Government has not waited for presentation of the final report, but has taken action immediately. In addition to adopting the expert panel's recommendations, the bill also will implement public funding reforms that will apply ahead of the 2015 election. The bill adopts the approach applied in various other Australian jurisdictions by aligning public funding more closely with the electoral strength of candidates and parties. This bill represents a historic and important change that will clear up politics in this State. Certainly it is a start.

In the light of the fact that long-term reform will occur in the near future, I certainly would appreciate the support of all members of this House for this bill. I acknowledge the issues raised that may be the subject of amendments moved in the upper House. This Government is open to listening to any concerns people may wish to bring to our attention. In that context, while the Government looks forward to the upper House amendments, the principles of reform are pretty clear: The purpose of this bill is to establish the four principles I have enunciated in this House. We make no apologies for this Government standing for tougher penalties, more

transparency, less influence from donations and more public funding. Implementation of those principles of reform is long overdue. This Government is proud to introduce this bill to achieve that. On the basis of the spirit of support for reform from every member of this House, I am proud to commend this bill to the House.

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

Motion agreed.

Bill read a second time.

Consideration in detail requested by Mr John Robertson.

Consideration in Detail

ACTING-SPEAKER (Mr Lee Evans): Order! By leave, I will propose the bill in groups of clauses and schedules.

Clauses 1 and 2 agreed to.

Schedule 1 agreed to.

Mr JOHN ROBERTSON (Blacktown—Leader of the Opposition) [11.46 a.m.], by leave: I move Opposition amendment Nos 1 and 2 on sheet C2014-106A in globo:

No. 1 Retrospective limitation period for offences

Page 8, Schedule 2 [20], line 26. Omit "applies to offences committed after the commencement of that Act". Insert instead "applies to offences committed before or after the commencement of that Act".

No. 2 Retrospective increases in penalties for offences

Page 8, schedule 2 [20]. Insert after line 26:

Application of amendments relating to increases in maximum penalties for offences

The amendments made to this Act by Schedule 2 to the *Election Funding, Expenditure and Disclosures Amendment Act 2014* that increase the maximum penalty for an offence against this Act extend to offences committed before the commencement of that Act, unless proceedings for any such offence were instituted before that commencement.

The Premier has talked the talk about being tough on people who have broken the law and have broken the trust of the public. Almost every day since the Premier was elevated to the top job, after the former Premier and member for Ku-ring-gai was forced to resign for lying to the Independent Commission Against Corruption [ICAC], we have heard just how tough the current Premier would be on those individuals. The Premier has promised the public consistently that he will be the worst nightmare of those who have broken the law and acted corruptly. I will present a snapshot of some of the statements the Premier has made. I will begin with part of an article published in the *Newcastle Herald* on 29 April 2014:

"As I said at the announcement of this inquiry, if any wrongdoing is found, the book should, and will, be thrown at the perpetrators," Mr Baird said.

On 29 April 2014, the *Australian* published the headline, "Mike Baird backs election funding for election campaigns after latest ICAC bombshells". Part of the article states:

Premier Mike Baird said he was shocked and appalled at the allegations raised at ICAC, and promised to "throw the book" at the perpetrators.

"I have told the party's new state director, as a matter of urgency, to investigate the allegations made at ICAC and respond to them promptly—including by dealing with any payments that have been made to the party in contravention of the law."

He promised to "overhaul the political culture of NSW so that the wrongdoings that have been uncovered in a series of recent ICAC investigations will never happen again".

Mr Baird said he supported the call by counsel assisting Geoffrey Watson, SC, who suggested introducing public funding of political campaigns, "as a mechanism to expunge the corrosive culture of political donations".

"The time has come for a -public debate on this matter, with decisive action to follow," Mr Baird said.

On 30 April 2014, the *Sydney Morning Herald* published the headline "Mike Baird to wrongdoers: 'I'm your worst nightmare' ". The article states that the Premier said:

"I don't care what political badge you have. If you have done wrong and if ICAC has shown you have done wrong then I'm your worst nightmare."

He went on to say:

I'm going to do everything to restore confidence in the Government. I'm going to do everything to restore confidence in the great party I'm part of. The actions that we take will be strong, they will be swift and the community will see that we're determined to fix and ensure that events that have been unravelling for many weeks down at ICAC do not happen again.

He was quoted by Australian Associated Press [AAP] on 6 May as saying:

All corruption in public office must be condemned. If you are doing wrong, we will find you and you will face the full consequences of your actions.

Or you can go back to when he was Treasurer, when he said:

Let's be very clear, if any wrongdoing is found, you should throw the book at those individuals. Full stop. So we're going to get on with the business of governing, that is obviously what we are elected to do.

Despite all the tough talk of "throwing the book at" and being the "worst nightmare" of these individuals, none of this goes anywhere near applying these laws to any of the individuals whose actions have led to this debate, to the debate in the wider community and to the truncated debate in this place. Members opposite are not dealing with the individuals who have been paraded before the ICAC or with the allegations that have continued to come out that undermine public confidence. The only way to restore public confidence is to apply these laws retrospectively. This legislation is an embarrassment to the Government and the Premier.

The Premier is walking away from all his tough talk—running away in the same fashion that we have seen Tony Abbott run away from his comments about shirt-fronting Putin. This is a Premier who has talked tough and run away. What it shows is that the Premier is a fraud. He talks tough but does nothing—absolutely no action. The legislation shows that New South Wales has a Premier with no real commitment to restoring public trust in politics in this State; no real commitment to throwing the book at anyone who is before ICAC and who is found to have acted corruptly when it comes to electoral donations. If the Premier was genuine in his statement about being the "worst nightmare", he would be making sure that these laws apply retrospectively. That is what this amendment does.

This Premier is not applying tougher penalties for electoral offences. He is letting those individuals off the hook. This legislation gives Liberal members who are found to have acted corruptly and to have rorted the electoral system a get-out-of-jail-free card. I have heard the Premier talk about the conventions around retrospectivity. I have heard members on the other side talk about how, as a principle, they are opposed to retrospective legislation. But that has not stopped this Government introducing laws and applying them retrospectively. This Government shows no shame. This Government implemented changes to the workers compensation system and applied them retrospectively. That legislation left the sick and injured in a worse position than they were because they lost their benefits and their entitlements. I have sat in a room with those sick and injured workers as they spoke about the fact that they are—

Mr Greg Smith: Point of order: My point of order relates to relevance. The matters that the Leader of the Opposition is discussing now have nothing to do with the matter before the House.

Mr JOHN ROBERTSON: To the point of order: These amendments deal with retrospectivity.

ACTING-SPEAKER (Mr Lee Evans): Order! The Leader of the Opposition will resume his seat.

Mr Greg Smith: To the point of order: The Leader of the Opposition has been asking the Premier to retrospectively apply legislation to criminal offences. That is quite different and distinguishable from what he is talking about.

ACTING-SPEAKER (Mr Lee Evans): Order! The Leader of the Opposition will return to the leave of the bill.

Mr JOHN ROBERTSON: The order of the bill is retrospectivity and the Premier comes into the House and argues about convention and retrospectivity. The fact is that the Government is happy to trash those conventions when it comes to sick and injured workers—happy to trash the lives those people may lead.

Mr Greg Smith: Point of order: Retrospectivity concerning criminal offences is a much more extraordinary action than anything to do with civil matters, and the Leader of the Opposition well knows that. He acts with profane ignorance so far as the precedents of this House are concerned. He may not know the law, but I am telling him what it is and he should follow it.

Mr Richard Amery: To the point of order: I ask Mr Greg Smith, who moved the point of order, to look at amendment No. 1, which talks about doing away with the lack of retrospectivity in the bill and adding a retrospective component to it. The Leader of the Opposition is not only drawing a debate as to why that should happen but also he is drawing some analogy as to where there is an inconsistent approach of the Government to retrospectivity. I think the Leader of the Opposition is in order.

Mr Greg Smith: To the point of order: That has nothing to do with making a criminal offence retrospective. I have not heard those opposite call for the Eddie Obeids to be subject to retrospectivity. In fact, they are supporting them by their silence.

ACTING-SPEAKER (Mr Lee Evans): Order! The member for Epping will resume his seat.

Mr JOHN ROBERTSON: Government members use convention when it suits them, when it comes to retrospectivity and then, when it does not suit them, they are happy to take the stick to injured workers—workers whom I have sat with. I see the Treasurer over there smirking, but I have sat with injured workers who are in tears while they talk about contemplating taking their lives. If there were any moral fibre at all in the body of the Premier he would be applying the same principles here as he does to the sick and injured.

ACTING-SPEAKER (Mr Lee Evans): Order! The Leader of the Opposition will resume his seat.

Mr Andrew Constance: Point of order: I seek a withdrawal of that comment. I did not smirk at all. You jerk, you little jerk, take it back. Withdraw it. You are a jerk. Do not sit there and lie. You are lying in the House.

Mr JOHN ROBERTSON: I saw you smirk.

Mr Andrew Constance: I did not smirk, you liar. You're a jerk.

ACTING-SPEAKER (Mr Lee Evans): Order! The Treasurer will resume his seat.

Mr JOHN ROBERTSON: What I see is a government that wants to run a protection racket for its Liberal mates, a protection racket that ensures that those who have been paraded, that sit on the crossbench—

Mr Greg Smith: Point of order: I ask the Leader of the Opposition to withdraw that comment about this Government. He is accusing the Government of acting criminally. He should withdraw that comment. After all, it was the Carr Government that brought in the really hard reforms that hurt workers.

ACTING-SPEAKER (Mr Lee Evans): Order! Does the Leader of the Opposition wish to withdraw his comment?

Mr JOHN ROBERTSON: I will not withdraw any of it. This is a protection racket to protect those who have been paraded before ICAC. They sit here on the crossbenches; they go to Liberal Party branch meetings; they decide who is going to stand in some of the electorates they will not stand in. This is nothing more than a protection racket to make sure their mates are not affected by this. It is typical of this Government and this Premier. This is a spineless Premier who talks tough but who is not prepared to make the tough decisions. He has no moral fibre, no ethics at all when it comes to consistency with retrospectivity—nothing on offer. This is a Premier who has shown a pattern of behaviour—and there is a pattern emerging—of talking tough and doing nothing: Talking tough on election funding laws and doing nothing; talking tough when it comes to Tony Abbott and his \$25 billion cuts, but doing absolutely nothing.

This is a Premier who talks tough, gets his seven-second grab, but does nothing. The Premier continues to fail to stand up for the interests of the public of New South Wales. He has the opportunity to demonstrate

today that he is serious about throwing the book at anyone who is found to have acted corruptly and found by ICAC to have acted corruptly. He could, right now, vote to put these amendments in place. He could ensure that, if the ICAC determines that anyone is guilty of acting corruptly—any of the 10 Liberal or former Liberal members of Parliament, or the two who have been forced to resign—they will feel the full force of the law thrown at them. We want to see tougher penalties and we should have tougher penalties. Those tougher penalties should apply not only in the future but should apply also retrospectively. This is a debate that has been brought on because public confidence has been undermined.

It has been undermined by the 10 Liberal Party members of Parliament being paraded before ICAC for allegedly rorting the electoral funding laws, despite the Premier standing in this place saying he is disgusted and appalled by the actions playing out at ICAC and that we should throw the book at anyone—they are his words—found to have acted corruptly on these matters. These laws fall well short of his tough talk. Why? We can put it down only to one thing: that despite the Premier's tough talk, he cannot carry his party room. Otherwise, he wants to run a protection racket for the 10 Liberal Party members of Parliament who have been forced to resign. There is no other explanation. He cannot come to this Parliament and argue convention and use that as an excuse not to act when he has shown previously that he is prepared to trash that convention and watch sick and injured workers suffer by moving retrospective legislation.

This is his real challenge: If he is as tough as he says he is, he will vote for these amendments. He has demonstrated that he is prepared to kick injured and sick workers in the guts with retrospective legislation, but he will not use the full force of the law against those who have been found by the ICAC to have acted corruptly. This is the Premier's real test right now: Put up or shut up. Despite all his tough talk, despite all the rhetoric and despite the seven-second grab, he has an opportunity to demonstrate how serious he is. Voting against these amendments is a demonstration that he is running nothing other than a protection racket for those 10 former Liberal Party members of Parliament.

Mr ALEX GREENWICH (Sydney) [12.01 p.m.]: Retrospective laws create serious concern. These amendments do not retrospectively change the law to make unlawful any past action that was lawful at the time. Anyone covered by these provisions acted unlawfully at the time of their actions. ICAC hearings show that it can take more than three years to investigate and gather sufficient evidence on electoral funding breaches. The community rightly wants justice for the alleged corrupt behaviour that occurred at the last election, which was exposed only this year. This proposal is hardly an injustice and hardly compares to the unfairness of retrospective laws this Government passed to disadvantage vulnerable victims' rights to compensation.

Mr ANTHONY ROBERTS (Lane Cove—Minister for Resources and Energy, and Special Minister of State) [12.02 p.m.]: I have not heard that level of sanctimonious, hypocritical jabbering from the Leader of the Opposition since he opened his mouth the last time. This is nothing more than a political stunt. Against all convention, those opposite have not even bothered to circulate the amendments. I make it clear that it is a fundamental principle of our legal system that laws should not retrospectively expand the punishment to which an offender is liable. Retrospective application of legislation that firstly affects individual rights commonly is opposed on the basis that it trespasses on the individual's right to be able to rely on the law at any given time.

That is why as a general principle increased penalties do not apply retrospectively and new criminal offences do not impose liability for acts committed prior to the creation of the new offence. The Premier has explained that already. The expert panel has advised the Government that it does not consider the limitation period should be amended retrospectively. I take this moment to again inform this House from a letter from Dr Kerry Schott dated 15 October that the panel's strong view is that the changes it recommends should not be retrospective—in line with well-established convention. As such, the Government opposes this. I move:

That the question be now put.

ACTING-SPEAKER (Mr Lee Evans): Order! I remind the Leader of the House that he cannot conclude his contribution to the debate with the statement "That the question be now put." Debate will continue.

Mr JOHN ROBERTSON (Blacktown—Leader of the Opposition) [12.04 p.m.]: The contribution of the member for Lane Cove at best was ordinary and provided nothing effective to this debate.

Mr Greg Smith: What is this, *New Faces* or something?

Mr JOHN ROBERTSON: I love the retiring member for Epping. He is such a comedian. I assume that is what he will do in his post-political life.

Mr Greg Smith: You should be on the stage; the next stage out of town.

Mr JOHN ROBERTSON: He is trying out his material already and getting a response. The contribution of the member for Lane Cove simply repeats the excuse being used for not acting tough on those individuals who have been paraded before ICAC. The fact is that these amendments address the issue and will go to addressing the public's confidence in this Parliament and in everyone who sits here. Today this House has the opportunity to show how seriously it and everyone here takes the matters and allegations before the ICAC. This is the opportunity for this Parliament to demonstrate that it will not shirk its responsibility and that it recognises the significance of the matters that have been exposed before the ICAC. The allegations are so serious that there is no doubt the public's confidence has been undermined—I think there is unanimity in this Chamber on that point, if nothing else. The allegations have undermined the public's confidence in this Parliament.

Each and every one of us as elected representatives has a responsibility to act to restore the public's confidence in this place and to ensure that when we go to the March 2015 election the public knows that everybody is committed to one principle—that is, that the law should apply equally to everyone who breaches it and that if these individuals are found to have acted corruptly they should feel the full force of the law. That is what the Premier said. The Premier's own words are that those individuals should have the book thrown at them. I agree. Those of us on this side agree with the Premier that if those individuals are found to have acted corruptly they should have the book thrown at them. Only those sitting opposite disagree. They do not support retrospectivity and they do not support the book being thrown at these individuals. We have this opportunity to make sure those individuals have applied to them the laws of the State.

Mr BARRY O'FARRELL (Ku-ring-gai) [12.08 p.m.]: I am minded to add to this debate only briefly because of the hypocrisy of the Leader of the Opposition. Nobody from either major party comes to this debate with clean hands. The only ones who come to this debate with clean hands are, in the first instance, the Independent Commission Against Corruption, which ought to be allowed to do its job and conclude its inquiries. We should not pre-empt the work of the Independent Commission Against Corruption, the one body in this State that can come to these issues with clean hands.

Secondly, I am influenced in my position on these amendments and this bill by the advice from the independent expert panel, headed by three people who also come to this debate with clean hands: two former members of Parliament, who never engaged in the tacky activities for which some of those opposite are well known, and Kerry Schott, who is one of the finest public servants the State has produced. That panel is saying there should be no breach of the retrospectivity principle. Finally, I will not be lectured by a person who deferred the retirement of the Hon. Eddie Obeid so he could appoint the Hon. John Robertson as Leader of the Opposition.

Mr JOHN ROBERTSON (Blacktown—Leader of the Opposition) [12.09 p.m.]: I speak in response to the contribution made by the member for Ku-ring-gai and his lecture on hypocrisy and independence. He appointed Nick Greiner as the independent chair of Infrastructure NSW and he appointed Paul Broad to run Infrastructure NSW—the independent tsars. He talked about an independent Infrastructure NSW, which the Labor Party was happy to support. He took the politics out of infrastructure and planning, supported independent planning decisions about infrastructure and investment, but ignored independent advice that the North West Rail Link was not a priority as it did not suit him. Members on the other side are happy to ignore independent advice and to trash convention when it suits them. They are happy to run a protection racket for their mates when it suits them. They have no shame because their leader has no moral fibre, no ethics, no principles and, most of all, no spine.

The Premier, who has talked himself up time after time, is a weak Premier. This Premier is all talk and no action. He talked himself up on electoral funding rorts and said he was going to be our worst nightmare. He said he would stand up to Tony Abbott after he ripped \$25 billion from health and education funding in New South Wales, but he has done absolutely nothing. The pattern that is emerging with this Premier is for him to say one thing, do another; talk tough and go weak. When he was given an opportunity to stand up and do the right thing, he cowered in the corner because it was all too hard. Today the Premier is being exposed as a fraud. The Premier is all talk and no action. This bill, which is a real test of his moral fibre, will determine whether he has any ethics or principles.

The principle at stake is the one he has enunciated on so many occasions—to throw the book at the crooks—and we agreed. He said that the crooks should feel the full force of the law and we agreed. He said that the Independent Commission Against Corruption [ICAC] should be left to do its job and we agreed. If individuals were found by the ICAC to have acted corruptly we agreed that the laws would already be in place to ensure that we do not have to engage in another debate. There is no delay in justice. Members have said that if the ICAC finds them guilty they will be prosecuted and the laws will facilitate that occurring.

Today, sadly, we see a continuation of those on the other side trashing convention, talking themselves up and delivering very little. During the past 3½ years we have heard the Government talk itself up on so many levels. I am reminded that when the member for Ku-ring-gai was Leader of the Opposition he said that they would end the scandal, they would be whiter than white and they would end the soap opera. In fact, the soap opera has continued. The Premier is allowing the soap opera to continue. He is allowing a rort to go unpunished. Although 10 members moved to the crossbenches and two subsequently resigned, eight members still sit in this Parliament.

Every day they are a constant reminder of the systemic rorting that has gone on within the Liberal Party. The Liberal Party systemically rorted the electoral funding system and it is led by a man who has not shut down the Free Enterprise Foundation or the Millennium Forum. He has done nothing. He will not commit to releasing the internal audit that is being carried out within the Liberal Party. He has said, "I am tough. I will be your worst nightmare if you are found to have acted corruptly", but he refuses to support a reasonable amendment to ensure that if the ICAC finds individuals to be corrupt justice will be done. The Liberal Party is allowing the electoral racket to continue because it is protecting its members from the impact of the law.

Mr CHRIS PATTERSON (Camden) [12.15 p.m.]: I move:

That the question be now put.

The House divided.

[*In division*]

Mr Michael Daley: On a point of clarification: The Clerk of the House recently circulated a reminder to all members in which our attention was drawn to Standing Order 176 and Standing Order 177 in particular. Standing Order 176 states:

A Member cannot vote on any question in which the Member has a direct pecuniary interest not held in common with other citizens of the State.

I am seeking a ruling as to whether the member for Terrigal has a direct pecuniary interest in relation to the matter before the House.

Mr Andrew Fraser: If Mr Acting-Speaker is asked to rule on that question I suggest it would apply to any card-carrying union member in this place.

ACTING-SPEAKER (Mr Lee Evans): Order! The member for Coffs Harbour will resume his seat. As I understand it there have been no convictions, so the member for Terrigal is entitled to vote.

Ayes, 49

Mr Anderson	Ms Goward	Mr Provest
Mr Aplin	Mr Grant	Mr Roberts
Mr Ayres	Mr Gulaptis	Mr Rohan
Mr Baird	Mr Hartcher	Mr Rowell
Mr Barilaro	Mr Hazzard	Mr Sidoti
Mr Bromhead	Ms Hodgkinson	Mrs Skinner
Mr Brookes	Mr Holstein	Mr Smith
Mr Casuscelli	Mr Humphries	Mr Souris
Mr Conolly	Mr Issa	Mr Speakman
Mr Coure	Mr Kean	Mr Stokes
Mrs Davies	Dr Lee	Mr Stoner
Mr Dominello	Mr Marshall	Ms Upton
Mr Doyle	Mr Notley-Smith	Mr R. C. Williams
Mr Fraser	Mr O'Dea	
Mr Gee	Mr O'Farrell	<i>Tellers,</i>
Mr George	Mr Page	Mr Patterson
Ms Gibbons	Mr Piccoli	Mr J. D. Williams

Noes, 21

Mr Barr	Ms Hornery	Ms Tebbutt
Ms Burney	Mr Lynch	Ms Watson
Ms Burton	Dr McDonald	Mr Zangari
Mr Collier	Ms Mihailuk	
Mr Daley	Mr Park	
Mr Furolo	Mr Parker	<i>Tellers,</i>
Mr Greenwich	Mr Piper	Mr Amery
Mr Hoenig	Mr Robertson	Ms Hay

Pairs

Ms Berejiklian	Mr Lalich
Mrs Hancock	Mrs Perry
Mr Perrottet	Mr Rees

Question resolved in the affirmative.

Motion agreed to.

Question—That Opposition amendments Nos 1 and 2 [C2014-106A] be agreed to—put.

The House divided.

Ayes, 20

Mr Barr	Mr Hoenig	Mr Robertson
Ms Burney	Ms Hornery	Ms Tebbutt
Ms Burton	Mr Lynch	Ms Watson
Mr Collier	Dr McDonald	Mr Zangari
Mr Daley	Ms Mihailuk	<i>Tellers,</i>
Mr Furolo	Mr Park	Mr Amery
Mr Greenwich	Mr Parker	Ms Hay

Noes, 50

Mr Anderson	Ms Goward	Mr Piper
Mr Aplin	Mr Grant	Mr Provest
Mr Ayres	Mr Gulaptis	Mr Roberts
Mr Baird	Mr Hartcher	Mr Rohan
Mr Barilaro	Mr Hazzard	Mr Rowell
Mr Bromhead	Ms Hodgkinson	Mr Sidoti
Mr Brookes	Mr Holstein	Mrs Skinner
Mr Casuscelli	Mr Humphries	Mr Smith
Mr Conolly	Mr Issa	Mr Souris
Mr Coure	Mr Kean	Mr Speakman
Mrs Davies	Dr Lee	Mr Stokes
Mr Dominello	Mr Marshall	Mr Stoner
Mr Doyle	Mr Notley-Smith	Ms Upton
Mr Fraser	Mr O'Dea	Mr R. C. Williams
Mr Gee	Mr O'Farrell	<i>Tellers,</i>
Mr George	Mr Page	Mr Patterson
Ms Gibbons	Mr Piccoli	Mr J. D. Williams

Pairs

Mr Lalich	Ms Berejiklian
Mrs Perry	Mrs Hancock
Mr Rees	Mr Perrottet

Question resolved in the negative.

Opposition amendments Nos 1 and 2 [C2014-106A] negatived.

Schedule 2 agreed to.

Consideration in detail concluded.

Third Reading

Motion by Mr Anthony Roberts, on behalf of Mr Mike Baird, 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.

JOINT SELECT COMMITTEE ON SENTENCING OF CHILD SEXUAL ASSAULT OFFENDERS

Report: Every Sentence Tells a Story

Question—That the House take note of the report—proposed.

Mr TROY GRANT (Dubbo—Minister for Hospitality, Gaming and Racing, and Minister for the Arts) [12.35 p.m.]: I thank the House for allowing this report to be dealt with at this time. It is not the usual order of business but the subject matter is of significant concern to the Parliament and the community. I appreciate the opportunity to inform the community about recommendations that have been made in the best interests of victims of child sexual assault. There is one crime that goes against human nature and human instinct, a crime that is abhorrent and pure evil—that crime is the sexual abuse of children. The nature of such a crime and the power imbalance between the perpetrator and victim makes it imperative that the criminal justice system response match the severity of the crime.

The Joint Select Committee on Sentencing of Child Sexual Assault Offenders was established to answer a question: Was there inconsistency in the sentencing of perpetrators of the abhorrent crime of sexual assault? The answer was undoubtedly yes. The second task the committee was charged with was to examine options to address this issue and to make sure sentences were appropriate and commensurate with community expectations. Was mandatory sentencing one of those options? Was anti-libidinal chemical castration an option? Were there other alternatives and opportunities available across this country and the world that the Government could adopt within the justice system?

I spent 22 years in the NSW Police Force. For much of that time I was investigating the abhorrent crime of child sexual assault. I arrested paedophiles. I witnessed the heartbreak of child victims and I looked into their eyes. I interviewed young children who were victims of this most horrendous crime. It was my job to look after the welfare of victims. I gathered evidence and presented to the court the best case I could in order to get a conviction and to ensure the perpetrators received the longest sentence possible. It is human instinct to want these men castrated and to throw them down the deepest, darkest hole on earth. I understand that feeling because I feel that way. But that is not justice, it is vengeance. When I was doing that job many people would ask me how I could sit at an interview table across from an offender who had done such horrendous things to a child and not want to reach over and choke the life out of them.

Believe me, I did want to. That is human nature. But again, it is not justice, it is vengeance. As a police officer then and as a member of Parliament now my objective was and is to ensure the best outcome for the victim. Yesterday I tabled the joint select committee report following a one-year inquiry into the sentencing regime applying to this horrendous offence. As I have outlined, the committee was tasked on behalf of the Parliament to make recommendations to the Government based on evidence from the community and experts. The committee has achieved its task. The report is comprehensive and deals with complex issues and laws. I am confident that the committee has achieved its aim by making recommendations that will assist the Government in addressing these issues.

Recommendation 1 speaks about the current list of offences and the complexity amongst them when considering standard offences and levels of aggravation. The current framework contains too many

complexities. The report seeks to make offences clearer to ensure that the punishment fits the crime. Recommendation 2 provides that experts such as the NSW Police Force, particularly members of the sexual assault squad, Corrective Services, the Director of Public Prosecutions, together with representatives from the judicial system, are to create a series of offences that will remove the confusion and complexity. A clearer series of offences will give the State a better understanding of right and wrong and the appropriate punishment for the crime.

Recommendation 3 articulates that reviews of this type are occurring in other States and overseas and that better outcomes are being achieved in those jurisdictions. Recommendation 4 talks about the standard non-parole system operating in this State. Amazingly, that system does not apply to all offences of child sexual assault, and the committee says it should. It is hoped that the adoption of standard non-parole periods will address some of the issues arising when sentences are discounted too much or do not start from the correct base when weighting is applied. Recommendation 4 provides an opportunity to correct that. It is also covered in Recommendation 8, which provides that standard non-parole periods should apply to a clearly defined set of offences. This report will enable the Government and the justice sector to recalibrate the system.

Recommendations 5 to 8 speak to the obvious issues confronting us. During hearings we heard that the offence of sexual assault of a child under 10 years carries a standard non-parole period of 15 years, but on average offenders were sentenced to four years imprisonment and since the decision of Muldrock in the High Court the average has increased to eight years. That is unacceptable. Recommendation 5 is a key recommendation of the committee that anybody who sexually assaults a child under 10 years of age should be subject to life imprisonment. Anyone who says that message is not being sent clearly to perpetrators in order to protect victims in the future simply does not understand the issue. This Parliament and everyone in the community are in unison that life imprisonment should be the minimum standard for that offence.

Recommendations 6 to 8 go further to articulate the starting points on sentencing to make sentences commensurate with the seriousness of the crime. As we heard from Hetty Johnston from Bravehearts, the type of sexual assault offence does not matter; the heart and spirit of the child is infringed upon for life and the sentence must reflect that. This report will allow work to be done to achieve that outcome. A major issue facing the community is the lack of information about the sources the judiciary uses to come to its conclusions and sentences. Recommendations 9 and 10 call for more public information to be made available. In recommendation 11 the committee recommends that that information be made available through the Bureau of Crime Statistics and Research [BOCSAR].

Recommendations 12 to 16 speak about transparency about the way in which the judiciary arrives at its sentences. The recommendations also speak about enhancing the information that judicial officers use within the judicial information system so that they have better research, expert advice and information before them about the impact of offences against victims in order to arrive at more appropriate sentences. That is not occurring now, but it is a key recommendation of this report and it will be a significant win.

Recommendation 17 concerns guideline judgements. Increasing the amount of information on the judicial information system and articulating it in a purely legal sense will allow sentencing judges to achieve consistency in sentencing. That will help to ensure that matters are not repeatedly appealed and escalated and that sentences are appropriate. Recommendation 18 states that the NSW Sentencing Council should be given an expanded role and capacity to inform the judiciary and ensure that guideline judgements are developed in the right way. It will also include the community and victims' groups in the process. That presents the community with a vital opportunity that it did not have until the joint select committee recommended this approach to the Government for adoption.

Recommendations 19 and 20 talk about making the process for a child giving evidence in court on these horrendous crimes as easy and as comfortable as possible. The committee has pushed the recommendation for the expansion of pre-recorded evidence as one way of achieving that. This entire report is about ensuring the welfare of the child victim. Another key recommendation is the presumption for joint trials. That will remove the strain and burden of repeated appearances in court for the victim, which will have a massive impact. Today I was criticised on radio. I understand the broadcaster's emotion and applaud his passion for this subject matter. We need more of that passion and understanding. But we also need to comprehend these recommendations. For that reason I am always happy to explain the recommendations to the community.

I again offer the broadcaster the opportunity to invite me to explain the benefits of the hard work that the committee has undertaken. The broadcaster accused me of ignoring the strong evidence given by the Chief

Magistrate of the Local Court, Judge Graeme Henson, to the committee that the Local Court could take over the bulk of these types of hearings. Judge Henson said that the efficiency of the Local Court and the lower levels of complication and formalities could help the child victims. He gave valuable evidence. We have taken on board the view of Judge Graeme Henson, who is a distinguished man who knows what he is talking about, and we have gone further.

The committee has recommended that experts from across the judiciary, the police, the Director of Public Prosecutions, NSW Health and victims advocacy groups work together on a child sexual assault task force to develop and create a child sexual assault specialist court. The prosecutors, judges and magistrates at that court will understand the importance of this issue. They will understand the subject matter and we will not have variations across the judiciary where inappropriate sentences are handed down through lack of knowledge and experience. In addition, better support mechanisms, better education and better understanding will be built around the specialist court. It is an exciting opportunity for New South Wales to arrive at a model that puts victims first, achieves consistency and restores the confidence in the judiciary that is unfortunately lacking at the moment.

The views of Judge Graeme Henson have not been ignored. In essence, the specialist court would operate with all of the benefits of the Local Court operation that he put forward. However, it would have a far greater capacity for sentencing in line with the capacity of the District Court. I look forward to the work of the task force in achieving these outcomes. South Africa, the United States and Canada have better systems. The task force will be able to look at ways in which the benefits of those systems can be adopted in New South Wales.

Recommendations 24 and 25 talk about Corrective Services working more closely with NSW Health on diversionary programs. The committee considered at great length the use of anti-libidinal drugs as a sentencing option. The committee decided that the use of those drugs is not enough of an exact science for us to rely on them to ensure the protection of the community. We believe the option should be further considered and explored. The committee has recommended that that work occurs so that we can better inform the judiciary about its potential use as a diversionary program in sentencing options.

Recommendation 26 calls for extra resources for the assessment and supervision of child sexual assault offenders not only when they are in custody but also when they leave custody. Additional supervision orders are part of legislation that already has been brought before this House. Recommendation 27 refers to the extension and beefing up of supervision orders—a matter to be taken into account when the Government considers the allocation of increased resources as a result of recommendations made by the committee. It is acknowledged that courts must be independent. The independence of courts is an essential part of the structure and framework of the State and our society.

However, courts cannot be isolated from the community when sentences are imposed. Sentences must be commensurate with community expectations and supported by legislation, sentencing models, research and underlying support structures because, at the end of the day, it is all about the victim. If I thought for one second that mandatory sentences would help child sexual assault victims I would have sung their praises from the rooftops. Unfortunately, mandatory sentencing is not a panacea. If mandatory sentencing were applied to child sexual assault offences, it would result in lower rates of conviction and would impose greater pressure and stresses on victims by requiring them to give evidence more often.

The committee was not prepared to do a single thing that would jeopardise the welfare and safety of a child who already had suffered way too much. For the reasons I have stated, the committee did not adopt mandatory sentencing. The committee believes the recommendations offer better alternatives that are strong, clear and coherent. I am enormously proud of the work of the committee and I would go door to door to explain it. I emphatically thank members of the committee. However, I am disappointed with one committee member who on radio lied and misrepresented the deliberations of the committee to satisfy his own political agenda. He should be ashamed. His actions are a reflection on his character.

Ms MELANIE GIBBONS (Menai) [12.50 p.m.]: I begin my contribution to this debate by thanking the committee staff for all their efforts in organising witnesses, taking notes, providing guidance and, importantly, compiling the committee's recommendations. It was an extraordinarily confronting committee, not only for the parliamentary members who had the opportunity to agree or disagree to serve on it but also for the staff, including our Hansard reporters, who were exposed to the same confronting testimonies and submissions as were members of the committee. This morning I also listened to Ray Hadley on 2GB. There is no denying that Mr Hadley is a passionate advocate for the right of children to be safe, and I can assure him that every member of this committee has the very same passion.

We all want children to be safe and happy. We also want people who take away the innocence of children to be punished. I was disturbed that that was called into question on his program this morning. This has been a hard and confronting inquiry. I thank the Hon. Troy Grant, the member for Dubbo, for his chairmanship. He is an honourable man who wants to make a difference. In particular, the questions he put to members of our judiciary were direct and firm. I was pleased that he was able to stay on the committee and continued to chair it after he had been promoted to be a Minister. That is unusual but the other members of the committee had the opportunity to say whether or not he should continue to serve on the committee. Every member unanimously agreed that as we were so far along with our investigation it would be unfortunate to lose the Hon. Troy Grant's contribution and knowledge. I am very pleased he stayed as chair of the committee.

The committee listened to a wide range of people—victims, parents, support groups, doctors, the police and the judiciary. We had the chance to ask frank questions and to pose follow-up questions. The joint select committee was appointed to investigate and report on whether current sentencing options were appropriate and effective. In addition, it was asked to examine whether public confidence in the judicial system in relation to those offences could be improved through a more consistent approach to sentencing and the use of alternative sentencing options. There were no directives from the Government on the outcomes. In fact, I believe the Government would have preferred the committee to have recommended mandatory minimum sentences.

Let me briefly focus on why we do not automatically send those horrible offenders to jail. Quite simply, mandatory minimum sentences can lead to more pleas of not guilty, which will mean longer, more gut-wrenching and painful court cases for innocent young victims. My thought, although I am very much generalising, is that they would not work because there occasionally may be circumstances when a mum may discourage her child because of concern over the ramifications to her family and to the loss of their income. Most offending occurs within the household. Indeed, that is a horrible thought but, unfortunately, it does happen. The threat of violence to the victim or emotional blackmail also can be enhanced when mandatory sentencing is introduced.

Mandatory minimum sentences also would have required not taking into account so many other issues, which would have added another layer of confusion. For example, two young people of a similar age may think they are consenting but each or both may be under age—a factor that could catch them in a life-altering situation. Long and painful court cases, threats of violence, the thought of crimes being swept under the carpet and not reported or people being held accountable when perhaps they believed a person was consenting are not risks I am willing to take. Instead, the committee strengthened the framework for dealing with offenders, including a recommendation that the Attorney General consider guideline judgements.

The committee considered how to support reporting, how to support the giving of evidence, how to ensure appropriately tough sentencing and how to reduce reoffending in the community. The committee is not supposed to have all the answers, but we have identified the problems and put them all in one place. Specifically, why is the average sentence just a short four years when the legislation provides for so much more? The report highlights some of the confusion that victims must feel within the legal system. There is a confusing framework. The committee has suggested that offences should be consolidated or revised and perhaps even new offences should be created. The committee does not have all the answers, but we have directed the problems and identified them to the right areas.

Further reviews will need to take place. Unfortunately but necessarily, more committees will need to be established but they will involve the people and the stakeholders who have the knowledge and experience to solve the issues this committee has highlighted. I was surprised about the extent of conflicting experiences our witnesses revealed. Many of the witnesses asked for different recommendations. It was the committee's role to try to wade through those suggestions to see what would be best and what would help to change the system. The committee's report and recommendations will not please everyone, but we have tried to help children with reporting and, importantly, we have tried to keep them safe.

While the witnesses presented varying recommendations, I am pleased to note that there are no reports that dissent from the main report. All the members of the committee went into this inquiry with different ideologies and different experiences. I was surprised that people from such different political backgrounds as Reverend the Hon. Fred Nile from the other place and my colleague the member for Liverpool, as well as others, were able to come to consensus views on the issues. We had open and frank discussions but we agreed to the recommendations. The recommendations can be fleshed out and worked on by the stakeholder committees. I know they will make a difference.

The committee also examined the controversial area of the management and treatment of child sexual assault offenders in the State's criminal justice system, which so desperately needed to be addressed. I believe the public justifiably does not have confidence in the judicial system. The public does not believe the length and nature of sentences imposed meet community expectations or match the seriousness of the offences. The report provides recommendations that will simplify and streamline sentencing legislation to improve treatment options and to establish a specialist court to safeguard the interests of children who are caught up in the court process.

The report recommends anti-libidinal medication for high-risk offenders. This is a controversial topic because it can have major side-effects for the person who takes the medication. But my focus is on the safety of the community. The committee has asked for increased resources so that appropriate monitoring can take place and so that treatment can be commenced prior to the release of offenders from custody. We want to know that the treatment is effective before an offender's time in jail is completed. Diversionary programs again need to be given focus. They need to be part of a comprehensive treatment program for low-risk offenders. At some stage most offenders will be released from jail. We need to do all we can to prevent them from being a risk in the future.

The committee has shown its strong stance by recommending an increase in sentences from 25 years to life imprisonment for sexual intercourse with a child under 10 years of age. We have tried to make the reporting and the court processes less confronting for children. Historical cases attract sentences that would have been imposed at the time of offending. Generally, those sentences are lower than those offenders would receive now. With almost 40 per cent of offenders being sentenced up to 10 years after the offence, the committee's recommendation that data be quickly, readily and easily available is even more important in ensuring we can separate average sentences and that anyone who commits a horrendous child sexual assault crime will receive a sentence that is based on our communities' more appropriate and tougher standards.

I thank the people who submitted those 24 submissions to the committee. I was surprised we did not receive more submissions, but the ones that came forward were thoroughly researched and were from well-regarded organisations and people who offered their personal experiences. I thank them for being so honest and forthcoming in assisting us in forming our recommendations. The witnesses were honest. It was confronting to hear their evidence and to see the pain and anguish on their faces. The committee heard about the hard work of our police and of how they and the victims often feel let down when matters come before the court.

It is my hope that the recommendations will change that situation and that sentences will now be more in accordance with what the Parliament has put forward. We have supplied the framework, yet we feel let down once the matter goes to court. Before people pass judgement on the recommendations, I ask that they read the report and ask questions of the committee members. The community can be assured that we wish the best for our children and for the safety of our community. I believe the outcomes of the recommendations in the report will be far reaching and will make a difference in this most important of issues.

Mr CHARLES CASUSCELLI (Strathfield) [1.00 p.m.]: I speak in support of the report of the Joint Select Committee on Sentencing of Child Sexual Assault Offenders. I can think of no crime in Australia that is as abhorrent as the sexual abuse of children. I am momentarily minded of what is happening to children in the Middle East. I pray every day for their safety and deliverance from those forces of evil that are destroying their lives and taking away their childhood. On joining the committee, my attitude was similar to that of broadcaster Hadley: I did not feel that any punishment was enough for people who perpetrated crimes against the most vulnerable and innocent people in our community. In New South Wales there is community concern about sentences that, over time, have become manifestly inadequate when compared with the seriousness and the consequences of the crime of child sexual abuse.

For some time, community feeling has been that the judiciary has become "out of touch" with community expectations. After hearing the witnesses and reading much material—some of which I would describe as unpleasant, some as disturbing and some as disgusting—I have formed a number of views. It has been a process of education and enlightenment for me. On review of a significant number of sentences, including the worst in the child sexual assault category under section 66A of the Crimes Act 1900, I am of the opinion that sentencing outcomes do not reflect the extreme and heinous nature of the crime. The sentencing outcome—that is, the actual time served by perpetrators of the worst sexual offences against children—can be generally described as far too lenient.

I understand public misgivings about some of the trial outcomes that have caught the attention of the media. I believe—and I have observed this as a general malaise of our contemporary society—that there has

been too much of a shift to recognising the rights of the perpetrators rather than the consequences of his or her actions and their effect on victims. I also believe far too much weight has been accorded to mitigating factors in favour of the perpetrator—or, rather, excuses for what they have done. The effect has been the diminishing of personal accountability and shifting blame to other people, personal circumstances or personal history. This is unjust and challenges the collective morality of our community. It is interesting to note that the purposes of sentencing as detailed in section 3A of the Crimes (Sentencing Procedure) Act 1999 includes:

- (a) to ensure that the offender is adequately punished for the offence,
- (b) to prevent crime by deterring the offender and other persons from committing similar offences,
- (c) to protect the community from the offender,
- (d) to promote the rehabilitation of the offender,
- (e) to make the offender accountable for his or her actions,
- (f) to denounce the conduct of the offender,
- (g) to recognise the harm done to the victim of the crime and the community.

Of the seven reasons for imposing a sentence, six of them relate to personal accountability and protection of the community and only one relates to the potential for reform and rehabilitation. However, during the hearings I got the feeling that the potential for reform and rehabilitation tended to be given precedence in discussion and consideration. It did not sit well with me, but I did not simply dismiss opportunities that could be promoted and supported to rehabilitate when this was possible. It is sometimes very difficult to assess the relative weight of the punishment and protection of the community criteria versus the rehabilitation criteria. My own assessment is that we must always err on the side that ensures community protection. I believe the collective safety of our children should take precedence. The report makes a reasonable attempt at providing recommendations that address the concerns I have raised.

I am a supporter of standard non-parole periods and of mandatory minimum sentences as general concepts, both of which have a place in our sentencing regime. I am convinced that the meaning of "standard non-parole period" is unknown to the majority of the community. This creates unnecessary confusion between the community and the judiciary and, indirectly, the Government. I believed the term meant the absolute minimum sentence to be served, and I think that is the general community belief. We must aim at promoting community understanding of these terms to avoid emotive issues that can arise through misunderstanding when discussing sentencing outcomes. While I support the general principle of mandatory sentencing, the committee was particularly concerned about claims that mandatory sentencing may result in fewer guilty pleas. Providing incentives for guilty pleas in child sexual assault cases can assist child victims by ensuring convictions and minimising the trauma of participation in otherwise lengthy trial processes.

The committee considered that the standard non-parole period sentencing scheme is a preferable mechanism for assisting the judiciary with sentencing in complex matters, ensuring consistency in sentencing and improving public confidence in the judicial system. Given my previously stated observation that sentencing outcomes appeared inadequate, I have some reservations that by not recommending mandatory minimum sentences we may not have gone far enough. For the time being, I accept that criticism. It may need to be revisited should what is proposed be ineffective or inadequate. The report contains 29 recommendations, all of which are worthy of consideration by the Government. They were developed predominantly with the interests of our children in mind.

One issue which did not get enough attention in the report and which I would commend for further consideration by the Government is the concept of a child victims' advocate. The process from the moment that a child, or someone acting on their behalf, makes a complaint to the point where it is finally resolved—or resolved as best as it can be—can be very complex, emotionally draining and protracted. The person most affected and least deserving of that traumatic process is the child victim. A suite of public sector agencies and private sector support agencies are engaged at multiple points along this process that involves criminal investigation, case review, criminal proceedings, health support and associated social support services. The child victim comes into contact with many people, each with a specific role and focus, in many different environments. I brought to the attention of the committee the possible need for a child advocate—someone who can represent the child victim and their interests during the process.

My questions to the committee were: Who advocates on behalf of the child? Who can bear some of the burden of the process? Who has the trust and confidence of the child victim so that they do not feel alone throughout the protracted process? This is especially important when members of the child victim's family are implicated in the complaint. I will ask the Government to consider a role for an advocate on behalf of child

victims. I thank members of the committee secretariat. They did an outstanding job in the conduct of the hearings and the preparation of the report. I thank the chairperson, the Hon. Troy Grant; the deputy chair, the Hon. Melinda Pavey; and my fellow members for addressing an issue that was at times quite confronting. I commend the report to the Government.

Dr ANDREW McDONALD (Macquarie Fields) [1.08 p.m.], by leave: I make a brief contribution to the debate in support of the report by the Joint Select Committee on Sentencing of Child Sexual Assault Offenders. I speak, in particular, in support of the chairman, Troy Grant. As one who, like him, has worked extensively in child protection, I believe any criticism of the report and of the member for Dubbo is unfair and unwarranted. As someone who has met many victims of child abuse, I am fully aware of the lifelong consequences of that abuse.

One of the big problems for child abuse victims is that they are well aware of the consequences for their families of disclosure. Mandatory minimum sentences would make that disclosure more difficult, be less likely to result in guilty pleas and cause increased trauma to victims of child abuse. Troy Grant is a good and decent person and member of Parliament who has done the right thing in chairing this committee and delivering this report. I reject any criticism of the committee, its report and those who work in child protection. This is a good report and its recommendations are right. Any criticism of the Chair and committee members is unwarranted and unfair, and will only increase further the trauma for victims of this heinous crime.

Question—That the House take note of the report—put and resolved in the affirmative.

Report noted.

TEACHER ACCREDITATION AMENDMENT BILL 2014

Second Reading

Debate resumed from 18 September 2014.

Mr BRYAN DOYLE (Campbelltown) [1.11 p.m.]: It gives me great pleasure to support the Teacher Accreditation Amendment Bill 2014. In my maiden speech the group I thanked the most were my educators for their impact on my personal development as a man. That is why this Government's approach to driving teaching standards to higher levels is most worthy. The bill will further enhance the Great Teaching, Inspired Learning blueprint for action reforms resulting from extensive consultation undertaken by the former NSW Institute of Teachers.

The bill builds on this Government's commitment to provide high-quality education for all New South Wales students by implementing the necessary education reform and improvement to ensure the future social and economic success of New South Wales. The bill contains a few different provisions, including amending the definition of "teach" to require that all teachers be accredited. A range of teaching and related roles, such as school and early childhood education centre executives, non-school and early school education centre executives, and school counsellors have been defined to clarify the application of requirements for mandatory and voluntary accreditation.

This bill will require all schoolteachers—including those in oversight roles, such as principals—to receive mandatory accreditation to bring New South Wales into line with other jurisdictions. Currently, only those teachers who began teaching on or after 1 October 2004 or those who take a break from teaching for five years or more need to be accredited. One of the most important factors in this bill is the introduction of the mandatory requirement that all accredited New South Wales teachers have a Working With Children Check clearance, with all school and early childhood teachers to be accredited by the end of 2017. In line with the Great Teaching, Inspired Learning reforms, the bill also includes the provision that early childhood teachers will be accredited by the Board of Studies.

The bill includes amendments to require the accreditation of all teachers in early childhood centres, as defined under the Children (Education and Care Services) National Law (NSW), the Children (Education and Care Services) Supplementary Provisions Act 2011 and associated regulations. The early childhood sector supports and welcomes these changes, which are long-overdue reforms that acknowledge the important role of these teachers in the development of children. The reforms will not commence until a date to be proclaimed

following further collaborative consultation with early education stakeholders. It is important to note also that a person with knowledge and expertise in early childhood education and one elected early childhood teacher will join the Quality Teaching Council.

The bill includes amendments to allow for the voluntary accreditation of qualified schoolteachers who work in educational roles outside schools, and provides for the mandatory and voluntary accreditation of school counsellors who work in education roles outside schools. The Working With Children Check requirement is very important. At present employers are responsible for ensuring that each teacher working in a school has a current working with children clearance. As the Board of Studies will become the initial accreditation authority, a change to this process is required to prevent a teacher being accredited and then not receiving a clearance. Amendments to the Act will mean that the working with children clearances will be aligned with accreditation and the Board of Studies will require each teacher to have a current clearance for initial accreditation and be responsible for the maintenance of that accreditation.

Pursuant to sessional order business interrupted and set down as an order of the day for a later hour.

Pursuant to sessional order community recognition statements proceeded with.

COMMUNITY RECOGNITION STATEMENTS

ALBURY ELECTORATE EVENTS

Mr GREG APLIN (Albury) [1.16 p.m.]: Congratulations to Tumbarumba High School performers who participated in the Wakakirri national festival held at the National Institute of Dramatic Art [NIDA] Sydney in August. The school performers won awards for Best Projection, Best Cast and Ensemble, and Best School in Public—an off-stage award on the evening. This is the first time the school participated in the festival. Well done to all involved. Congratulations to Luke and Elisa Arcus and the team at Fastway Couriers Albury, who won the Fastway Courier Business of the Year award for a regional franchisee. They have only been operating for two years so this is a great achievement for a regional business.

On 9 October I was present at the dedication and opening of St Matthew's Village Community Centre, Albury, by the Right Reverend John Parkes, AM, Bishop of Wangaratta. The centre is named "The Martin Centre" after John and Helen Martin, who have been volunteers at the village since 1967 and involved in all aspects of the centre's development as well as mowing lawns and carrying out repairs for the residents. What a remarkable and humble couple. Thank you for your contribution to the community over the past 40 years.

FAIRFIELD RELAY FOR LIFE

Mr GUY ZANGARI (Fairfield) [1.17 p.m.]: As an ambassador for Fairfield Relay for Life, I attended a fundraising event at the Uruguayan Club, Hinchinbrook, on Sunday 12 October 2014. Fairfield Relay for Life launched its 2014 campaign titled, "A day with family and for a good cause" with the Spanish-speaking community. The event was a success, with Latin American musicians, singers and dancers entertaining 420 guests. Present at the launch were NSW Cancer Council officials; Mrs Multiverse Australia, Mrs Yolandi Franken; the member for Smithfield and patron of Fairfield Relay for Life, Andrew Rohan, MP; the member for Liverpool, Paul Lynch, MP; and Fairfield Relay for Life volunteers. The Fairfield Relay for Life team made a great start to the 2014 campaign, raising \$11,161. Congratulations to Cancer Council volunteer and co-chair of the Fairfield Relay for Life Mrs Sinilia Radivojevic and the organising committee on hosting a successful launch.

NSW CANCER COUNCIL SOUTHERN REGION

Mrs SHELLEY HANCOCK (South Coast—The Speaker) [1.18 p.m.]: I was honoured to attend the NSW Cancer Council Southern Regional Code Benefit Night at Sanctuary Point last Saturday night 11 October. The benefit reflected the significant work that members of my local community, particularly Dick Manwarring, do to raise awareness and help families and patients living with the challenges of cancer. More than 500 people attended and the benefit raised an incredible \$30,739, bringing the total to \$174,000 over the past few years. This money will be vital in ensuring that the Cancer Council can continue to provide evidence-based, up-to-date information on cancer research to doctors, patients and the general community. The benefit raises funds to assist

local cancer patients to access treatment, and most recently to purchase and operate a bus to allow easy access to cancer care services for South Coast bay and basin patients. I commend the organisers and also mention the St Georges Basin Country Club, which supports the hard work and success of this evening every year.

MARIE WALTON MAHON DANCE ACADEMY

Ms SONIA HORNER (Wallsend) [1.19 p.m.]: Liz and Jan are two tireless volunteers at the Hunter's highly renowned Marie Walton Mahon Dance Academy and support the Rose Walton Memorial Fund. They deserve special recognition for helping hundreds of parents save money on sourcing and maintaining dance outfits for examination, competition and concerts. They organise costume hire and purchases, prepare hair and make-up and help raise much-needed funds for the school. These delightful women, in conjunction with the Rose Walton Memorial Fund, allow our Hunter region dancers to gain confidence by wearing beautiful costumes, which gives them the opportunity to showcase their talent through the wonderful art form of dance. I congratulate Liz and Jan.

ALBURY COMMUNITY AWARDS

Mr GREG APLIN (Albury) [1.20 p.m.]: On 9 September retired nurse Mrs Roma Freeman was presented with a life membership badge for her 60 years of service with the Country Women's Association. Mrs Freeman joined the Country Women's Association Walla branch as a junior member when she was 15 years old and has held the positions of branch president, secretary and cultural officer with the Albury branch, where she is currently the international and publicity officer. Congratulations, Roma, on a marvellous achievement and thank you for a lifetime of service.

I congratulate Paul Grover, a lecturer in education at Albury Charles Sturt University, on being awarded the Australian Teacher Education Association's Pearson Teacher Educator of the Year Award for 2014. Mr Grover has been teaching for 37 years. Before becoming a full-time educator at Charles Sturt University, he was the head teacher in history and English at James Fallon High School, Albury, for 20 years. Whether teaching high school students or future teachers at university, Paul Grover has made a huge contribution to education in New South Wales.

BALLY'S PATCH COMMUNITY GARDEN

Mr RYAN PARK (Keira) [1.21 p.m.]: Recently I visited Bally's Patch, which is a wonderful new community garden in the heart of Balgownie, an urban suburb close to Wollongong's central business district. This community garden was developed after local resident Rebecca Lloyd decided that a parcel of land next to her family home that could never be built on was the perfect location for a community garden. The suburb of Balgownie has a great mix of young families. The community garden has been created by willing residents and retired community members pitching in at several working bees. The garden currently has a fruit tree grove. The next stage will be to create communal garden beds that will be available for rent to those who currently do not have the space for a veggie patch. The local preschool is also keen to bring children to see the garden so they can touch, feel and eventually taste the wonderful produce. I am sure that this community garden will be treasured by many future generations. I congratulate the team at Bally's Patch.

SLICE OF LIFE SUSTAINABLE LIVING GARDEN

Mrs SHELLEY HANCOCK (South Coast—The Speaker) [1.22 p.m.]: On Saturday 11 October I had the privilege of opening another stage of construction of the Slice of Life Australia [SOLA] sustainable living garden project at Terara in my electorate. I was pleased to secure two separate grants for this project from the Government, including \$80,000 in 2010 for stage one of construction and \$150,000 in 2013 to complete the project. The disability training facility and sustainable garden will create further opportunities for those living with a disability as well as provide opportunities in hospitality, horticulture and basic animal husbandry as it focuses on hands-on experience with small livestock, and growing and harvesting organic vegetables, which will be utilised by the organisation and its participants. SOLA has also partnered with Waminda to provide opportunities for local Aboriginal women. I commend the members of SOLA, particularly Karen Anstiss and Waminda Chief Executive Officer Faye Worner, who have worked tirelessly to make this project a success. I am confident that this project will be a meaningful and lasting part of a vibrant and environmentally conscious Shoalhaven.

CHESTER HILL NEIGHBOURHOOD CENTRE VOLUNTEER AWARDS

Ms TANIA MIHAILUK (Bankstown) [1.23 p.m.]: In September I had the pleasure to attend an award ceremony held at the Chester Hill Neighbourhood Centre's annual general meeting to recognise the contribution

of hardworking volunteers and their outstanding efforts in the community. The volunteers and staff at the Chester Hill Neighbourhood Centre do an extraordinary job providing a broad range of services to local residents in Chester Hill, Yagoona, Birrong, Sefton and Villawood. The programs range from aged care to youth programs, drop-in services and social activities that are based at the Roundabout Youth Centre in Sefton. Recently I was delighted to open the community garden, where local residents grow their own fruits and vegetables. There is a range of other programs, one of which is before- and after-school children's care. I take this opportunity to acknowledge the Chester Hill Neighbourhood Centre manager, Dale Donadel, the executive president, John Killey, and Raymond Robb and Philip Gray for their outstanding efforts.

COUNCILLOR PAUL GARRARD FORTY YEARS SERVICE

Mr TONY ISSA (Granville) [1.24 p.m.]: I ask this House to acknowledge Councillor Paul Garrard for his 40 years of service to local government. I congratulate Councillor Garrard on achieving re-election on 10 continuous occasions, serving five terms as Lord Mayor. I extend my best wishes to Councillor Garrard for all his future endeavours.

CHRISTINE CALLINAN AND BAY BABES

Mr BARRY COLLIER (Miranda) [1.24 p.m.]: I ask the House to acknowledge the outstanding and inspirational contribution of Christine Callinan, founder and president of Bay Babes. Following her own battle with breast cancer, Christine was determined to do everything she could to help other women suffering from this insidious illness. She began by establishing Bay Babes, which is a shire-based volunteer organisation that takes up the fight against breast cancer through active fundraising and on-the-ground support for local cancer sufferers. Christine's energy and passion have seen volunteer numbers at Bay Babes increase from 74 in 2006 to 700 today. It has raised \$290,000 for the National Breast Cancer Foundation. It also raises \$40,000 each year for the Oncology Unit at Sutherland Hospital.

Bay Babes volunteers who have faced this scourge themselves offer support to shire women who are undergoing chemotherapy and to those recovering from breast cancer. Bay Babes support includes the provision of recovery hampers that contain personal items that the sufferers will need in their fight against breast cancer. I recently had the honour of presenting Christine Callinan with a well-deserved New South Wales State Community Service Award. I sincerely congratulate Christine and Bay Babes on their fantastic service to the Sutherland shire community. I know the House will join me in doing so.

LORD MAYOR CLOVER MOORE MP SALARY TRUST

Mr ALEX GREENWICH (Sydney) [1.25 p.m.]: Today I highlight the achievements of the Lord Mayor Clover Moore MP Salary Trust, which this week handed over cheques to charities in the city. The latest projects bring the total to \$1.23 million that Clover Moore has given from her own pocket to 60 projects since becoming Lord Mayor. Projects with practical benefit include the Redfern Story Factory, which helps kids write; Asylum Seekers Centre, which helps refugees get jobs; scholarships for Indigenous students and young musicians; diabetes clinics for homeless people; and drug detoxification services. In my electorate ongoing support has been vital for the St Vincent's Mental Health Cadre Project that supports social housing tenants to look out for their neighbours who have a mental illness and may be in strife. I commend this impressive commitment and hope that Clover Moore's example will lead to others also making a personal difference to vulnerable people's lives—which is the reason many members in this place get involved.

STEPHEN BALI, MAYOR OF BLACKTOWN

Mr RICHARD AMERY (Mount Druitt) [1.26 p.m.]: I ask the Parliament to acknowledge that last week Stephen Bali was elected the Labor Mayor of the City of Blacktown. Stephen Bali has been the Ward 4 councillor. He has a family history in local government and his late father, Charlie Bali, who was also a Ward 4 councillor, held the position of deputy mayor. Mayor Bali's election was a surprise to many and follows a couple of years of turmoil in the area involving many issues. I am pleased to acknowledge the successful election of Stephen Bali as Mayor of Blacktown and wish him, his wife, Ann, and family good luck during the term ahead in this important office. Congratulations, Mayor Stephen Bali.

INTERNATIONAL FEAST DAY CELEBRATIONS

Mr RON HOENIG (Heffron) [1.27 p.m.]: I recently had the pleasure of attending the International Feast Day celebrations at St Michael's Catholic Church at Daceyville. The ceremony was particularly special because it celebrated the fiftieth anniversary of the ordination to the priesthood of Father Anthony Simari, the

sixtieth birthday of parish priest Father Jerzy Chzczonwicz and the International Feast Day of St Michael. The day provided the community with the opportunity to enjoy magic shows, eat international cuisine and participate in an international costume competition. Multiculturalism has always been at the core of Sydney, and it was fantastic to see our young community members embrace the various cultural traditions. The turnout from the community for this celebration was a testament not only to the devoted parishioners who attend St Michael's church, but also to the respect they have for Father Jerzy and Father Anthony, and the community's wish to celebrate their individual milestones.

HUNTER VOLUNTEER OF THE YEAR ANGELA CHORUSCH

Mr GREG PIPER (Lake Macquarie) [1.28 p.m.]: I congratulate Angela Chorusch from Woodrising, who has been named overall Hunter Volunteer of the Year with the Lake Macquarie mothers' support centre, Mum's Cottage. Mrs Chorusch, a mother of two, also received the Adult Volunteer of the Year Award. She has worked for Mum's Cottage for two years as a disability coordinator helping families cope with their child's diagnosis of cerebral palsy or Down syndrome. She has also established Aspire for children with autism, which is a program that assists these children and their families. I commend her for her hard work and care for her community. I wish her all the best in the NSW Volunteer of the Year Awards to be held on 5 December.

ITSOWEL

Mr GUY ZANGARI (Fairfield) [1.29 p.m.]: ItSoWel held its annual fundraising ball in Wollongong on 12 September 2014. The evening was in aid of aged care programs for Italians in the Illawarra area. Present on the evening were the member for Keira and shadow Minister for Education and the Illawarra, Ryan Park; ItSoWel board members; Co.As.It representatives; and ItSoWel partner service providers, volunteers and clients. ItSoWel has been delivering social services to the Italian community of the Illawarra for 26 years. ItSoWel plays a vital role in ensuring the health and welfare of ageing Italians via programs and activities. Congratulations to the President, Mr Renato Garnero, and the board of directors, as well as Mrs Giovanna Cardamone, Chief Executive Officer, and the management and volunteers of ItSoWel on their ongoing commitment to the Italian community of the Illawarra.

PITTWATER LIFE

Mr ROB STOKES (Pittwater—Minister for the Environment, Minister for Heritage, Minister for the Central Coast, and Assistant Minister for Planning) [1.29 p.m.]: I acknowledge the extraordinary contribution of the Southern family of Palm Beach to the profession of journalism in Pittwater. Having founded and operated *Pittwater Life*—the journal of note on the peninsula—Michael and Pam, together with their son, Luke, and other staff and supporters, have built an iconic brand noted for effectively capturing the spirit and ethos of our area.

Since 1991 *Pittwater Life* has helped local business and provided a forum for discussion and debate. Notably, an issue first raised in public in *Pittwater Life* by legal editor, Jennifer Harris—the discrimination encountered by older drivers in the licensing system—led to changes to the law to help safe older drivers to keep their mobility and independence. The long-time column by the mysterious "Pooter" provided hilarious insights into the intrigues of local Pittwater politics. It is great news that the strong legacy created by the Southern family will be inherited by new proprietors, Nigel and Lisa Wall. I wish them all the best in maintaining the strong voice that *Pittwater Life* has provided to residents and businesses on the northern beaches. I also wish Michael and Pam and family a long and rewarding retirement as they enjoy the Pittwater free of editorial deadlines.

KOTARA WOMEN'S BOWLING CLUB

Ms SONIA HORNER (Wallsend) [1.30 p.m.]: What a spirited bunch is the Kotara Women's Bowling Club. These delightful, talented and dedicated bowlers recently celebrated winning their maiden grade 2 State pennant, a bowler's feat and a high achievement. It is an achievement so important that it warranted a visit from the State women's president, Robyn Procter. The victorious members deserve an honourable mention: Maree Harman, Marilyn Unsted, Judy Handley, Olwyn Lane, Olga Hudy, Jackie McCabe, Karen Mulder and Beryl Thorpe. It has been more than 30 years since the pennant has been won in the Hunter, and it was wonderful to see the pennant unfurled at the club. I congratulate our local women, who trained hard for this accomplishment that all Hunter citizens will share.

Community recognition statements concluded.

[Acting-Speaker (Mr Christopher Gulaptis) left the chair at 1.31 p.m. The House resumed at 2.15 p.m.]

VISITORS

The SPEAKER: I draw the attention of members to the presence in the gallery of student leaders, their parents and teachers from St Anthony's Primary School, St Michael's Primary School, Ermington Primary School and Kent Road Primary School, guests of the Minister for Citizenship and Communities, Minister for Aboriginal Affairs, Minister for Veterans Affairs, and Assistant Minister for Education and member for Ryde. Welcome to the Parliament of New South Wales. I welcome to the Speaker's Gallery Mr Peter Kobot, Mr Brendan Wade and Mrs Anna Spear from ALPA, guests of the Deputy-Speaker and member for Lismore. I welcome also a delegation of Chinese business leaders, guests of the Parliamentary Secretary for Communities and member for Hornsby.

THE HONOURABLE ANDREW STONER, DEPUTY PREMIER AND MEMBER FOR OXLEY

Ministerial Statement

Mr ANDREW STONER (Oxley—Deputy Premier, Minister for Trade and Investment, Minister for Regional Infrastructure and Services, Minister for Tourism and Major Events, Minister for Small Business, and Minister for the North Coast) [2.18 p.m.]: I wish to advise the House that effective from tomorrow I will be stepping down as Leader of The Nationals and Deputy Premier and I will not be recontesting the seat of Oxley at the next election. This has been a very difficult decision for me to make. As a member in this place I am extremely privileged to serve the people of Oxley and to be part of an outstanding government that is delivering on all fronts—the economy, infrastructure and services for the people of this great State. I have a strong sense of excitement about this Government's plans to accelerate this positive reform in the next term; however, as all members will appreciate, this life is very tough on our families.

We all come to this place—Liberal, Nationals, Labor, Greens, Independent—with noble ideals. In so doing, we and our families make enormous sacrifices. This is especially true of regional members who are frequently away from their homes. Last year I was in Sydney more than 150 nights, and with visits to regional New South Wales, other Australian cities and overseas trade missions I spent around 200 nights and 250 days away from home. This has coincided with some challenging family issues for my wife and three children at home and I can no longer ask nor expect my wife, Cathy, to handle these challenging issues alone. This simply is the reason for my decision. I have no job lined up, I am not under any cloud; it is time for me to put my family first.

As I said earlier, this has been a very difficult decision but it has been made somewhat easier by the fact that I have achieved much of what I set out to do nearly 16 years ago. The Nationals, whom I have had the privilege to lead for almost 12 years, are today a contemporary party, representing the diverse regional communities that make up one-third of our State's population. Its 26 members in the New South Wales Parliament come from all walks of life and are truly representative of modern regional communities. We now hold 19 of the 20 regional seats, or 95 per cent, we contested and held Australia's first ever preselection in 2010 at Tamworth.

Mr Kevin Anderson: Hear, hear!

Mr ANDREW STONER: Good on you, Kevie. Record investment in regional infrastructure is underway—in fact, \$13 billion worth as we speak—on roads, bridges, hospitals, pipelines and dams that will leave a legacy of prosperity for regional communities. I am happy to say that Oxley is getting its fair share of this investment, with more than \$600 million allocated in this year's budget to upgrade our roads and hospitals in particular. A raft of decentralisation policies are also helping to drive economic and population growth for our regions.

The New South Wales economy is now growing strongly. We have partnered with industry to develop priority industry action plans for the next decade and we are boosting exports and investment through our international engagement work. Our global city well and truly has its mojo back with exciting new developments like the International Convention Centre Sydney being built at Darling Harbour, to name just one major project currently underway. Being part of and seeing these important achievements means that I can now step down knowing that our State is a better place than when I set out on my political journey.

Of course it has been a team effort, and I must acknowledge my fellow National Party members of Parliament, in particular George Souris, who was my leader when I started, and also the Liberal leaders with

whom I have co-led the Coalition over the last nearly 12 years—John Brogden, Peter Debnam, Barry O'Farrell and Mike Baird. Barry and I headed up the Coalition for seven years in Opposition—and no-one worked harder to bring about a change of government and the reform which has helped to turn this State around. Mike, like me, was a nonpolitician before being called to this vocation. He has great vision, courage and determination. I have every confidence in him. He will lead this State to even greater heights. The Premier has asked, in the interests of continuity and stability for the Cabinet and the Government that I continue in my portfolio role, which I am more than happy to do. I will do so with all my dedication right up until 6 p.m. on 28 March 2015.

QUESTION TIME

[Question time commenced at 2.26 p.m.]

POLITICAL DONATIONS

Mr JOHN ROBERTSON: My question is directed to the Premier. On 29 April the Premier said, in response to the Independent Commission Against Corruption [ICAC] investigations into illegal donations:

If any wrongdoing is found, the book should, and will, be thrown at the perpetrators.

Why has the Premier given a "get out of jail free card" to anyone involved in illegal donations at the last election?

Mr MIKE BAIRD: For a start, we have not. No, we have not. I absolutely back those comments, because so it should.

The SPEAKER: Order! The Leader of the Opposition will come to order. This is not an argument across the Chamber. The Leader of the Opposition has asked a question and the Premier is answering it.

Mr MIKE BAIRD: ICAC is doing its work. Recommendations have come forward. As they act, so they should. I am not going to stand here and be lectured on matters of probity by someone who wore out the carpet between his office and Eddie Obeid's office. He owes his leadership to Eddie Obeid and he comes in here and lectures us. We are not going to—

The SPEAKER: Order! The Leader of the Opposition will cease arguing and interjecting. I call the Leader of the Opposition to order for the first time.

Mr MIKE BAIRD: He does not like that.

The SPEAKER: Order! I call the Leader of the Opposition to order for the second time. The Leader of the Opposition will cease arguing and shouting. I call the Leader of the Opposition to order for the third time. Other members will also be placed on calls to order if they continue to interject. I call the House to order.

Mr MIKE BAIRD: Whatever he may have, what he does not have is the right credentials to lead this State. We have come into this place to make a difference. We have outlined a very significant program of reform. We have taken actions within our own party.

The SPEAKER: Order! Members will come to order. There is too much audible conversation in the Chamber and too much argument.

Mr MIKE BAIRD: We have put in a former director of ICAC to oversee governance in our party. We have given the finances of the party to a former Premier.

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

Mr MIKE BAIRD: We have taken action, as we should. We have done that. At the same time we have taken action in relation to lobbyists with a whole range of transparency measures. I note that the shadow Cabinet has said, "We don't want to provide our diaries. We don't want to reveal to anyone what we are doing or who we are seeing." Having said that, we know who the Leader of the Opposition is seeing time and time again. Union after union comes in and out they go. The big bat phone rings and they get whatever they want. We have also proudly brought forward the donation reform that we outlined yesterday. We are very happy to bring

forward stronger penalties and increased transparency and to lessen the influence of donations and ensure more public funding. That is what this State deserves. We are determined to deliver it and continue to deliver it. I do not care what lectures the Leader of the Opposition decides to give. He is someone—

Ms Linda Burney: Point of order: My point of order relates to Standing Order 129.

The SPEAKER: Order! The Premier is being relevant to the question he was asked. The member will resume her seat. I will not tolerate further spurious points of order when the Premier is clearly being relevant.

Mr MIKE BAIRD: The Leader of the Opposition wants to make this personal. He can go ahead and knock himself out. He can make it as personal as he likes. Government members are happy to follow the principles we have outlined.

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

Mr MIKE BAIRD: We are proud of our legislation that brings in tougher penalties. If members opposite want to play politics with it they can. Members on this side of the House will take any action necessary to restore trust. The Leader of the Opposition can play politics and pretend he wants to support it but the truth is he does not want to support it. There are many examples of him putting his own interests ahead of those of the State. I only need mention one name for the Leader of the Opposition and his colleagues to know how true that is: Morris Iemma. The Leader of the Opposition was very happy to roll him for his own interests.

Morris Iemma was trying to put forward policies for the good of this State, and members opposite know it. The member for Lakemba knows that is absolutely true. If the Leader of the Opposition is happy to put his own interests first he will ultimately be found out. That is why I say to this House that Government members are proud of the donations reforms we have brought forward. It is an important first step and we are acting now before the 2015 election. Members opposite can play politics all they like but we will put the State first every day.

STATE ECONOMY

Mr MARK SPEAKMAN: My question is addressed to the Premier. How is Government's strong economic management delivering for the people of New South Wales?

Mr MIKE BAIRD: That is the way to ask a question.

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

Mr MIKE BAIRD: It is a cracking question. I thank the member for Cronulla for his work. This morning it was great to visit the shire again to meet with local businesses.

The SPEAKER: Order! The member for Maroubra will come to order. There is too much audible conversation in the Chamber.

Mr MIKE BAIRD: The Leader of the Opposition does not want to hear good economic news, but I have good economic news for the State. I pay tribute to the Deputy Premier for his role in it and I acknowledge his incredible hard work for this State. All members of the House wish him well and thank him. New South Wales is a richer place because of his work. Part of the Deputy Premier's job was to help rebuild the economy and improve the budget position. It is not hard to remember what things were like for 16 years under members opposite. Members on this side of the House remember clearly where New South Wales was on economic growth. Where were we? We were not first. We were not second. We were right at the bottom. When it came to jobs growth we were right at the bottom. We were also right at the bottom on housing starts.

The SPEAKER: Order! The Premier does not need anybody's help.

Mr MIKE BAIRD: It is worth reminding members of where we were economically. The good news is that we have moved off the bottom. Where are we on those economic measures? We are back to number one. We have done that because we have brought the budget under control and adopted a clear strategy to invest in the drivers of the economy. We have done that in infrastructure and housing and we have made it more competitive to do business in this State. That has helped to drive the results and

New South Wales is again leading the nation on growth, jobs and housing starts as it should. The good news today is that Standard and Poor's has affirmed the State's triple-A credit rating and it is here to stay under this Government.

The SPEAKER: Order! There is too much shouting from Opposition members. Members who continue with that sort of behaviour will find themselves out of the Chamber.

Mr MIKE BAIRD: Not only was the triple-A rating affirmed but the negative outlook was also revised to stable. The triple-A rating is rock solid gold and it is here to stay. It has also been upgraded on the back of our economic management. The House should note that Standard and Poor's has said that New South Wales is demonstrating improved budget performance. That is what we would expect.

The SPEAKER: Order! I call the member for Fairfield to order for the first time. I call the member for Bankstown to order for the first time.

Mr MIKE BAIRD: Standard and Poor's says that New South Wales has demonstrated some balance sheet flexibility such as the long-term lease of some port operations. It has also revised the outlook to stable from negative. It is important that the House notes that the cornerstone of this decision that puts money on to the bottom line for more services and infrastructure is that it reflects New South Wales' stronger financial management over recent years. Even the ratings agency remembers what it was like under members opposite. It also says that we have exhibited better control over spending and a strengthening of the local economy.

Standard and Poor's has said that New South Wales is on a better course under this Government: the economy is stronger, the budget is better, debt is down, expenses are under control and revenue is up. That is what responsible governments do, and it allows them to better deliver record infrastructure projects. The Minister for Health has delivered record health infrastructure. The Minister for Transport has delivered record transport infrastructure. We said that we wanted to start one of the major road projects in this great State. We have started not one but three: the M5 East duplication, the M5 widening and lengthening and the F3 and M2 link.

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

Mr MIKE BAIRD: Members opposite can laugh and mock but that was their record. They spoke about those projects but what did they deliver? Absolutely nothing. They are specialists in delivering nothing. If we went anywhere in the world and asked how to deliver nothing people would say we should just look at members opposite. That is what it looks like and it is not a pretty picture. The good news for the people of this State is that the triple-A rating has been affirmed today.

Pursuant to standing order additional information provided.

Mr MIKE BAIRD: It is worth concluding by looking at the key measures that have led to today's result. One is strengthened financial management. That causes us to start thinking about what would happen if members opposite got into power. We know there would be a downgrade on financial management. Standard and Poor's noted that it is happy with our increased balance sheet flexibility. We know that members opposite are opposed to every measure that brings balance sheet flexibility. Standard and Poor's also says that it is happy that the debt level will be lower than it thought. What is the economic solution of members opposite to drive this State? It is more tax and higher debt. That is in their DNA.

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

Mr MIKE BAIRD: Labor's secret document that fell off the back of a truck said that if they got into power they would put taxes up and borrow to the moon. The people of New South Wales will have a lot to be afraid of if Labor members ever have the opportunity to come back to government. The decision of Standard and Poor's was confirmation that the policies and actions of this Government are the right ones. We have retained our triple-A credit rating despite other States losing theirs. That is the result of a lot of hard work. It has been a team effort and I pay tribute to all Ministers who have played a role. This team is delivering for the people of New South Wales and it will continue to deliver.

The SPEAKER: I indicated earlier that a delegation of Chinese business leaders was to attend question time. They are here now. They are guests of the Parliamentary Secretary for Communities and member for Hornsby.

POLITICAL DONATIONS

Mr MICHAEL DALEY: In directing my question to the Premier I refer to the fact that on 30 April this year he said:

I don't care what political badge you have. If you have done wrong and if ICAC has shown you have done wrong then I'm your worst nightmare.

I ask: When will he finally become the worst nightmare of his own corrupt members of Parliament?

The SPEAKER: Order! Members will come to order.

Mr MIKE BAIRD: For goodness sake, is that the best Labor can do? On the day the State has been given a triple-A rating that is the best Labor has.

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

Mr MIKE BAIRD: I will tell the member for Maroubra what the biggest nightmare is. The biggest nightmare is Labor again becoming the New South Wales Government. That is the biggest nightmare.

The SPEAKER: Order! I remind Opposition members that if they continue to interject they will be removed from the Chamber. This is not a debate or argument with the Premier. The Premier has the call.

Mr MIKE BAIRD: The member for Wollongong has said that if Labor wins government, it will build a convention centre.

Ms Noreen Hay: I am waiting for you.

Mr MIKE BAIRD: Is she going to pay for it?

Ms Noreen Hay: You pay for it.

The SPEAKER: Order! I remind the member for Wollongong that question time is not an opportunity for an argument.

Ms Noreen Hay: The Premier is inciting me to interject.

Mr MIKE BAIRD: The member for Wollongong said, "You pay for it." What did she say?

Mr Brad Hazzard: "You pay for it."

Mr MIKE BAIRD: I can pay for it, but her leader will not even pay for it.

Ms Noreen Hay: You have to pay for it.

Mr MIKE BAIRD: Your leader will not even pay for it.

The SPEAKER: Order! The Premier has the call. The Premier will return to the leave of the question.

Mr MIKE BAIRD: For heaven's sake.

The SPEAKER: Order! Government members are not being of much assistance at the moment.

[Interruption]

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

Mr MIKE BAIRD: I apologise to the school students in the gallery. This is not how public policy should be done, but apparently the new approach adopted by Labor is that they announce policies and we fund them.

Mr Michael Daley: Point of order: My point of order relates to Standing Order 129. The Premier was asked when he would finally make good on his promise to do something about the 10 non-Liberal members at the back of the Chamber.

The SPEAKER: Order! The Premier has answered the question. If the member for Maroubra asks a provocative question, he will get the answer he deserves. The Premier has the call.

Mr MIKE BAIRD: Every day something surprising happens with Labor members, but that is a pretty good approach.

The SPEAKER: Order! I call the member for Macquarie Fields to order for the first time.

Mr MIKE BAIRD: Maybe the member for Wollongong is hinting that the Leader of the Opposition will not win the next State election.

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

Ms Linda Burney: Point of order—

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

Ms Linda Burney: My point of order, not surprisingly, relates to Standing Order 129. Madam Speaker, I ask that you direct the Premier to confine his remarks to the leave of the question.

The SPEAKER: Order! The member for Canterbury, who did not have a point of order and never has a point of order, will resume her seat. The Premier has the call.

Ms Linda Burney: You could not even carry this in Cabinet.

The SPEAKER: Order! I call the member for Canterbury to order for the third time for taking a spurious point of order.

Mr MIKE BAIRD: I inform the member for Canterbury that I look forward to the ballot. But I digress. I will conclude by having something to say to the member for Wollongong, if she is backing this Government in to win the next election.

Mr Ryan Park: Point of order—

The SPEAKER: Order! If the member for Keira intends to take the same point of order as did the member for Canterbury, I will deal with him. What is the member's point of order?

Mr Ryan Park: Then call the Premier on it because he is canvassing your ruling. My point of order relates to Standing Order 129.

The SPEAKER: Order! The Premier is not canvassing my ruling. I did not uphold the point of order. I call the member for Keira to order for the second time.

Mr MIKE BAIRD: The member for Keira wants Destination NSW to bring Michael Bolton to Keira. He loves Michael Bolton. That probably would be pretty cheap. He probably would come for free.

Ms Noreen Hay: Point of order—

The SPEAKER: Order! The member for Wollongong should not tell me the Premier is inciting her because there is no standing order relating to inciting a member to interject.

Ms Noreen Hay: The Premier is inciting me to interject.

The SPEAKER: Order! I repeat that there is no standing order that applies to the Premier or any other member inciting, or exciting, another member.

Ms Noreen Hay: My point of order also relates to Standing Order 129 because the question was not about the member for Wollongong or the Wollongong electorate even though he raped and pillaged my electorate.

The SPEAKER: Order! The Premier is being relevant to a highly provocative question. The member for Wollongong will resume her seat. The Premier has the call.

Mr MIKE BAIRD: If the member for Wollongong wants Tom Jones, she should just say so. I do not know how Labor does policy, but this Government is very proud of the reforms it has implemented. A telltale sign of a responsible government is that it delivers a triple-A rating. If Labor members want to play political games, they may do so. But we will continue to look after the people of New South Wales.

STATE ECONOMY

Mr RAY WILLIAMS: I would like from the member for Wollongong a convention centre in the Hawkesbury electorate.

Ms Noreen Hay: You will never get one.

The SPEAKER: Order! The member for Wollongong will cease referring to convention centres.

Mr RAY WILLIAMS: I address my question to the Treasurer. How is the Government building a stronger economy for the people of New South Wales?

The SPEAKER: Order! Members will come to order. All members who were called to order on one or two occasions are now deemed to be on three calls to order. There is too much audible conversation in the Chamber.

Mr ANDREW CONSTANCE: I am pleased the member for Hawkesbury referred to convention centres because apparently a Labor member can announce one on the front page of a newspaper one day, but two days later her leader can announce that it will not be happening. If the Government pledges, the Government pays.

The SPEAKER: Order! The Minister for Education will come to order. The Treasurer has the call and will be heard in silence. He does not need anybody's assistance.

Mr ANDREW CONSTANCE: The worst thing is that the member for Wollongong's second article shows her standing outside a New South Wales State office block, so I presume that will be the new convention centre for Wollongong, which will be news to the Public Service Association in Wollongong. In all seriousness, today is a very important day for New South Wales.

The SPEAKER: Order! Members will come to order.

Mr ANDREW CONSTANCE: Today the New South Wales economy and the State's financial management received an upgrade from Standard and Poor's that confirms and maintains the State's triple-A credit rating. At a time when the rest of the world is being downgraded, New South Wales is being upgraded. That has happened as a result of 3½ years of discipline applied across the State's budget and spending measures, which were opposed by Labor at every stage, and will ensure that we will be able to continue to invest in housing, jobs, public infrastructure and core services that the community has a right to expect from the New South Wales Government.

Today's terrific news relates not only to the State's upgrade and removal from negative watch to stable but also to Australian Bureau of Statistics [ABS] figures released today that show housing starts of 46,715 for the last financial year and more than 52,000 housing approvals in the 12 months up until August 2014. That is a strong result, especially considering that six years ago under a Labor government the New South Wales Government hit a record low of just 23,000 housing starts across the State for the financial year 2008-09.

Mr Michael Daley: How are you going in Bega?

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

Mr ANDREW CONSTANCE: The member for Maroubra wants to raise Bega. When the Liberal-Nationals Government was elected, New South Wales was rated last on every conceivable economic indicator but we also inherited from the previous Labor Government a \$30 billion infrastructure deficit.

The SPEAKER: Order! There is too much audible conversation coming from Opposition members.

Mr ANDREW CONSTANCE: I hear Labor members saying "Oh". The only thing Labor built when it was in government was a \$30 billion infrastructure deficit.

The SPEAKER: Order! Having previously warned the member for Bankstown and the member for Cessnock to cease interjecting, I direct that they remove themselves from the Chamber until the conclusion of question time. The member for Cessnock did not hear me place him on three calls to order because he was so busy interjecting and making noise.

[Pursuant to sessional order the member for Bankstown and the member for Cessnock left the Chamber at 2.47 p.m.]

Mr ANDREW CONSTANCE: The danger in the member for Bankstown being removed is that she will hit the phones against the member for Auburn while she is out of the House. It is interesting to note events concerning coal industry jobs in the Cessnock electorate and what has been said about them by the Leader of the Opposition. The Leader of the Opposition, John Robertson, has secret plans to shut down the coal industry in the Hunter, and what will Labor replace them with? Apparently Labor will replace them with convention centre jobs, but has not yet worked out how they will fund that—"We've promised the Hunter a convention centre but we've allocated only \$5 million to build it."

Mr Ryan Park: Point of order: The Treasurer has departed completely from the leave of the question. Madam Speaker, I ask you to direct him to return to the leave of the question.

The SPEAKER: Order! The question was very broad. There is no point of order. The Treasurer has the call.

Mr ANDREW CONSTANCE: As I have referred to the State's triple-A credit rating, it is important to note that today Standard and Poor's stated, "The outlook revision reflects New South Wales stronger financial management over recent years, which we have reassessed to be very strong to strong. This improved financial management has boosted the State's financial performance." We are seeing that. That is why we are number one in terms of the national economy compared to our State counterparts. It is why we are seeing net debt levels being driven through the floor. It is why we are seeing record investment in projects across the State. The Deputy Premier, whom I would also like to—

Pursuant to standing order additional information provided.

Mr ANDREW CONSTANCE: The member is waiting for me to confirm that convention centre for Hawkesbury, and guess what? No. We have seen record infrastructure spend across the State. As was alluded to by the Deputy Premier in his earlier remarks, it is pleasing to see investment in regional New South Wales—ignored by those opposite—in terms of dealing with freight pinch points, water and roads infrastructure. In metropolitan New South Wales, the North West Rail Link and the WestConnex road and rail project is underway. That is the result of managing the budget with discipline and putting in place savings measures—as difficult as that may be. The Government has taken the tough decisions so that \$23 billion of savings can be directed back into the community where it is expected and needed.

To have Standard and Poor's reaffirm the State's credit rating today and lifted off negative watch when Moody's has graded the State triple-A, and when one sees that other States—including Western Australia—have been downgraded, it is a clear demonstration that the work that has been undertaken by the Liberal-Nationals Government should continue. We have a lot more to do to rebuild New South Wales. There are a lot more infrastructure projects to be undertaken across the State. We must work to unlock and decongest Sydney, and start to tackle the \$5 billion economic cost to the State of transport congestion across New South Wales. We have a \$20 billion plan to do this. The ratings agencies have recognised the enormous contribution this Government continues to make to financial management performance. The Government will keep it up, but it will be under threat if those opposite ever regain control of the Treasury benches.

POLITICAL DONATIONS

Ms LINDA BURNEY: My question is directed to the Premier. On 6 May the Premier said, "If you are doing wrong, we will find you and you will face the full consequences of your actions". Why did the Premier vote to ensure that there will be absolutely no consequences for anyone involved in illegal donations at the last election?

Mr MIKE BAIRD: For a start, that is completely and utterly wrong and the member opposite knows that it is wrong. Those opposite can spread that around, but it is not true. The Independent Commission Against Corruption [ICAC] is undertaking an inquiry and will bring forward recommendations.

The SPEAKER: Order! I remind the Leader of the Opposition that he is on three calls to order.

Mr MIKE BAIRD: I suggest those opposite should wait for the result of the inquiry. Members opposite can do whatever they like; they can paint whatever picture they like. On this side of the House we will continue to deliver for the State, as was seen today. Those opposite can pretend the triple-A rating did not happen. They can try to gloss over it, but that is a significant achievement because it enables us to say that 3½ years of work has paid off. Opposition members can pretend about what it was like when they were in Government. I know that some of them remember how terrible it was and what it was like in New South Wales when, every day, one read the paper and, on any economic measure you want to talk about, New South Wales was coming last. They can pretend that did not happen, but it is the truth. When we came to Government, I remember opening up the folder I received which said, "By the way, what Labor forgot to tell you—"

Ms Linda Burney: Point of order: I am simply trying to get the Premier to answer—

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

Ms Linda Burney: Clearly, it is relevance under Standing Order 129.

The SPEAKER: Order! Clearly it is not. There is no point of order. The Premier remains relevant to the question he was asked. The member for Canterbury will resume her seat. If the member takes another spurious point of order she will be sent out of the Chamber. The member is already on three calls to order.

Mr MIKE BAIRD: I have answered the question. It is completely and utterly wrong, and she knows it is wrong. I continue to speak on the matter of economic performance. The reason that this Government is going to focus on the job at hand is that the people of New South Wales deserve that. Today we can tell the community—on the back of 3½ years of hard work—that the New South Wales economy, which was running last, is leading the nation again. The credit rating we inherited was under threat but it has been restored, retained and is now triple-A gold-plated. That is what one would expect from a responsible government.

The Government will continue to deliver economically in health and in education. We will continue to deliver in family and community services, and in transport because that is what the people of New South Wales expect and that is what we will focus our attention on. If those opposite want to play political games they can knock themselves out. They can play politics because what the people of New South Wales have seen over the past 3½ years is a government delivering for them.

Dr Andrew McDonald: Point of order: My point of order relates to relevance under Standing Order 129. The question was about illegal donations.

The SPEAKER: Order! The Premier has answered the question. He may not have answered it to the member's satisfaction but he has answered it. He can now say whatever he likes because he has answered the question.

Mr MIKE BAIRD: That is the point. If those opposite want to play politics they can do so, but we will continue to deliver for the people of New South Wales because that is what they expect. The Government is proud of its record in the delivery of services, the building of infrastructure and the looking after of the vulnerable. We are proud of what we have done and will continue to do. What we have is a positive plan for the people of New South Wales—something that those opposite lack—and every one of us is determined to fight for it. The State has a once-in-a-generation opportunity and, should we be given the mandate and win the next

election, we will make every day count. The people of New South Wales expect us to focus on them, not on ourselves. Those opposite are used to focusing on themselves. They can do that, but we will get on with looking after the State.

STATE ECONOMY

Mr THOMAS GEORGE: My question is addressed to the Deputy Premier. What is the New South Wales Government doing towards strengthening New South Wales?

Dr Andrew McDonald: He's leaving.

The SPEAKER: Order! The member for Macquarie Fields will be leaving in a minute. The member for Macquarie Fields will come to order.

Mr ANDREW STONER: That is a good question from the member for Lismore. We have heard the good news from the Premier and the Treasurer about how strong the New South Wales economy is. I can tell members that the regional economy in New South Wales is also strong because of this Government's strong policy measures. It starts with the infrastructure bonanza that is happening wherever one goes across New South Wales. Up the Pacific Highway to Coffs Harbour is a slow trip because there is so much construction and so many jobs.

Mr Ron Hoenig: What's happening in Bega?

Mr ANDREW STONER: In Bega? I am glad I have been led to that because there is so much to tell. There is \$30 billion worth of infrastructure taking place in regional New South Wales at the moment—roads, bridges, hospitals. Thank you, Jillian the Builder, for rebuilding hospitals across our regional communities. The Minister for Education is building schools everywhere, such as the one at Lake Cathie, which is a much-needed school on the mid north coast. There is the Bridges for the Bush program, the Fixing Country Roads program and the Western Highway upgrades to seal the Cobb and Silver City highways. There is the Water Security for Regions program with more pipelines, bores and dams for regional communities. There is the Regional Tourism Infrastructure Fund, set up to deliver things such as rail trails for tourism, airport upgrades, and port upgrades to enable cruise ships to stop at our beautiful coastal cities. There is the Resources for Regions program, which is pumping more than \$200 million into mining-affected communities.

I mention all these programs—although it might bore those opposite—not only because of the thousands of construction jobs they generate but also because of the long-term economic benefit provided by investment in infrastructure on such a scale. It is about freight productivity for regional producers to get goods to market and to export destinations through enhanced transport infrastructure. It is about locking in those tourist dollars in places like Eden, where we have already funded an extension of the wharf to enable cruise ships to dock there. Tourists now flood off the cruise liners into one of the most beautiful little towns on coastal New South Wales. The Government also has policies to boost regional economies and populations, including the Regional Relocation Grants and the Skilled Regional Relocation Incentive to encourage people to consider making a tree change or a sea change. It is happening with the housing boom in New South Wales because when these people move they want to build a new house, and that results in more jobs.

We are seeing activity also in the decentralisation of public sector jobs. In the past 3½ years some 1,700 public sector jobs have been either newly created or decentralised to regional New South Wales. We have a target of another 1,500 jobs by 2021 to go to regional New South Wales. This is decentralisation in action. On the trade front, we are boosting exports through our International Engagement Strategy. New South Wales food products—some of the highest-quality food in the world is made in New South Wales—are on supermarket shelves in Singapore. Our food products were bought in large scale at the international Hong Kong Food Expo, including by Chinese buyers.

Some very big export contracts for New South Wales beef have gone to Hong Kong and China, and lamb to the Middle East, not to mention fresh milk from Norco in the electorate of the member for Lismore being exported to China and selling for up to \$10 a litre there. That is amazing. This is supported by my agency, NSW Trade and Investment, through its network of international offices and the Export Accelerator and Supply Chain Accelerator programs to help our small- and medium-sized enterprises [SME] sectors take advantage of these amazing export opportunities. But that is not all we are doing for regional New South Wales.

Pursuant to standing order additional information provided.

Mr ANDREW STONER: We are doing so much to grow the State and regional economies. We have developed industry action plans across a range of priority sectors. We are close to finalising the Agriculture Industry Action Plan and we are working on the Mining Industry Action Plan, both of which are critical to regional economies. Then we have events. We are pumping record funding into attracting amazing events to New South Wales.

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

Mr ANDREW STONER: That includes regional events. Last weekend the member for Bathurst had one of the premiere motor racing events in the world delivering massive economic benefits to that region, along with the World Rally Championship in Coffs Harbour delivering massive economic benefits to that region.

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

Mr ANDREW STONER: There are other regional events, such as the Ironman at Port Macquarie, or the Deni Ute Muster in delightful Deniliquin.

Mr Kevin Anderson: Or the country music festival.

Mr ANDREW STONER: And the Tamworth Country Music Festival. I am sorry I forgot that one.

Ms Linda Burney: Come on, let's get over it.

Mr ANDREW STONER: Is the member bored with stimulating regional economies? That is a shame.

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

Mr ANDREW STONER: Through our Regional Industries Investment Fund we are backing projects that create jobs at Costa farms at Guyra, which have the best tomatoes; the Orange Airport extension and, of course, the Eden wharf expansion.

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

Mr ANDREW STONER: I was happy, along with the Central Coast member, to officially open Cordina Farms' new plant, which is delivering around 100 jobs. We are priming the pump in regional New South Wales. [*Time expired.*]

POLITICAL DONATIONS

Mr JOHN ROBERTSON: My question is directed to the Premier. On 19 February he said:

Let's be very clear, if any wrongdoing is found, you should throw the book at those individuals. Full stop.

Why will the Premier not match his words with actions and make the laws retrospective?

The SPEAKER: Order! I am becoming less and less tolerant of the same questions being asked that are simply reworded.

Mr MIKE BAIRD: For heaven's sake.

The SPEAKER: Order! If Opposition members do not get the answer they want, that has nothing to do with me or with the Premier. It is the result of the same questions being asked three or four times. The Premier has the call.

Mr MIKE BAIRD: I apologise to everyone in the gallery. Unfortunately, this is what we have to put up with every day. I will answer that question as I have answered it previously. I absolutely stand by my words. The Independent Commission Against Corruption [ICAC] is doing a very good job, as it should. Whatever recommendations come from that inquiry should be implemented. We understand what ICAC is doing; let it finish its inquiry before any other comments are made. Those on the other side are a good example of how they do policy. I shall make a very simple point—

Mr John Robertson: Point of order: My point of order is relevance under Standing Order 129. Four questions have been asked about this issue and not one has been answered by the Premier.

The SPEAKER: Order! The Premier is being relevant to the question he was asked.

Mr John Robertson: These are very serious issues. He can run and hide, but he does not answer those questions—

The SPEAKER: Order! I cannot help it if the Leader of the Opposition is not getting the answer he wants. The Leader of the Opposition will resume his seat.

Mr John Robertson: —despite being given the opportunity to do so.

The SPEAKER: Order! The Leader of the Opposition will resume his seat. The Premier remains entirely relevant to the question he was asked.

Mr MIKE BAIRD: We have a very clear choice. We have a Leader of the Opposition who is happy to pursue his own interest and play politics and not play a role that cleans up New South Wales politics or puts together good policy, full stop. All of his team knows it. Every member of his team knows that he has no policy vision.

Mr Guy Zangari: Point of order: My point of order is relevance under Standing Order 129.

The SPEAKER: Order! The Premier remains relevant to the question he was asked four times in a row.

Mr Guy Zangari: What the Premier is talking about is irrelevant. The question is about retrospectivity and the fact he talks tough. He is not answering the question.

The SPEAKER: Order! The member will resume his seat. The Premier has the call.

Mr MIKE BAIRD: The expert panel made a recommendation in relation to that and we are following the expert panel, as we should. But I make the point also that when making policy announcements—

Mr John Robertson: Point of order: My point of order is relevance under Standing Order 129.

The SPEAKER: Order! The Premier remains relevant to the question he was asked.

Mr John Robertson: He can't keep bouncing around from one thing to another.

The SPEAKER: Order! The member will resume his seat.

Mr John Robertson: Answer the question.

The SPEAKER: Order! The member will resume his seat.

Mr John Robertson: It is a very serious matter. He is still smirking.

The SPEAKER: Order! The Leader of the Opposition will remove himself from the Chamber until the end of question time. I have asked him to resume his seat.

[Pursuant to sessional order the member for Blacktown left the Chamber at 3.06 p.m.]

Mr MIKE BAIRD: While he is out there he might do some homework because telling the people of Newcastle that he will spend \$300 million and not saying where that money is coming from is Labor of old. That tells the people of Newcastle that they are being taken for fools. The people of Newcastle will not take that from those opposite because they expect much better.

Ms Linda Burney: Point of order—

The SPEAKER: Order! I remind the member for Canterbury that she is on three calls to order. If the point of order is spurious and taken on relevance, I am going to be less and less tolerant.

Ms Linda Burney: I understand what you are saying.

The SPEAKER: Do you?

Ms Linda Burney: Clearly, he is not being relevant.

The SPEAKER: Yes he is.

Ms Linda Burney: These are your words.

The SPEAKER: Order! The member will resume her seat. There is no point of order.

Ms Linda Burney: They are his words.

The SPEAKER: Order! The member for Canterbury will remove herself from the Chamber for the remainder of question time. If members are on three calls to order and I ask them to resume their seat once, twice and three times, they can understand why they are removed from the Chamber. The Premier has the call. The member for Keira will be next if he continues with his disruptive behaviour.

[Pursuant to sessional order the member for Canterbury left the Chamber at 3.07 p.m.]

Mr MIKE BAIRD: I think everyone is backing the member for Wollongong. You know what? She is going to get the convention centre, but she still has to find the money.

Ms Noreen Hay: I will get it from you.

Mr MIKE BAIRD: You still have to find the money.

Mr Michael Daley: Point of order: Madam Speaker, you have removed five Opposition members for what, in your mind, are transgressions. Mass interjections are coming from the other side of the House. We ask you to apply the standing orders evenly to members on both sides of the House.

The SPEAKER: Order! The member for Maroubra will remove himself from the Chamber for the remainder of question time. I will not tolerate reflections on the Chair. If the member for Maroubra does not remove himself from the Chamber now, he will be removed from the Chamber for the rest of the day.

[Pursuant to sessional order the member for Maroubra left the Chamber at 3.08 p.m.]

Mr MIKE BAIRD: Madam Speaker—

The SPEAKER: Order! I do not like being bullied and I will not tolerate it. Government members should not try my patience either. The Premier has the call.

Mr MIKE BAIRD: We are going to continue to look after the people of New South Wales, as we have done.

HOUSING SUPPLY

Mr CHRIS PATTERSON: My question is addressed to the Minister for Planning, and Minister for Women. How is the Government boosting housing supply to drive the State's economy?

Ms PRU GOWARD: I thank the member for Camden for his question and for his strong interest in this matter, given the economic and housing supply growth in the south-west of this State. Today is an excellent day for the record books. Today we show the nation how much of a difference a good government can make. Under those opposite, New South Wales languished in the doldrums and suffered from a confidence crisis. As a consequence, as has been described, New South Wales was an economic basket case.

The SPEAKER: Order! The member for Macquarie Fields will remove himself from the Chamber until the end of question time.

[Pursuant to sessional order the member for Macquarie Fields left the Chamber at 3.09 p.m.]

Ms PRU GOWARD: The community had no confidence and nor did the industry. I am pleased to say that those days are well and truly behind us. Today the Treasurer and I are pleased to welcome the latest housing statistics from the Australian Bureau of Statistics, which shows how far New South Wales has come since the bad old days of Labor. Six years ago Labor, as the Treasurer said, led this State to a record low of 23,000 housing starts. Today, the latest figures show 10,874 housing starts for the June quarter alone. It took Labor six months to achieve those quarterly numbers when it was in office.

Every family struggling with housing affordability in this State should know that Labor did not care about them. Every family in this State should know that John Robertson and Labor absolutely, categorically and undeniably failed to plan for growth. They failed to put downward pressure on house prices. For all their talk of equality and equity, the one thing they denied young families of this State was access to home ownership. They failed to get the economy moving. It is clear that the community and the industry know that times have changed. When this Government came to office, it said it would kick-start growth and that is exactly what has happened.

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

Ms PRU GOWARD: Under Planning we have rezoned land for 50,000 new homes in Western Sydney. We have boosted housing approvals to the highest levels since 1999. Under Labor those approvals were around 2,600 a month but under this Government they have been around 3,400 a month. We have had 22 months in a row of more than 3,000 approvals per month. Approvals in New South Wales have grown 29 per cent in the last financial year compared with the national average of 21 per cent. That is a stark contrast with Labor's record lows and it shows that this side of the House and the Baird-Stoner Government takes supply of housing and housing affordability seriously. We have also announced the release of land for an additional 8,100 homes in Western Sydney. Affordability is driven by supply and that is what Labor could never do.

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

Ms PRU GOWARD: All this is supported by the fantastic work being done by my colleagues the Minister for Transport and the Minister for Roads and Freight to deliver the right infrastructure that accommodates growth. We are expanding the Western Sydney employment area to create more jobs close to where people choose to live. That means shorter commutes and more time with family. Again, that is something those opposite never thought about.

The SPEAKER: Order! I call the member for Auburn to order for the first time.

Ms PRU GOWARD: Good planning can deliver a greater quality of life, better outcomes for families with a strong, growing economy that will provide jobs for us and our children. The community expects its Government to deliver policies that provide them with choice. The community expects its Government to rebuild confidence in the planning system that was so badly broken by those opposite and it expects its Government to drive growth that will benefit everyone. We are delivering the policy settings that will enable a growth in confidence. We are delivering a more transparent and trustworthy system for the families of New South Wales.

WHITE BAY CRUISE SHIP TERMINAL

Mr JAMIE PARKER: My question is directed to the Minister for the Environment. As there have been ongoing reports of health impacts from cruise ship emissions in White Bay, when will the Government act to protect the health of local residents?

Mr ROB STOKES: I thank the member for Balmain for his question and for his continuing advocacy on this important issue for his local constituents. This issue arises because former Minister Joe Tripodi made a decision to build a cruise ship terminal in White Bay with no provision for onshore power and no regulation of emissions from cruise ships at berth. That decision, seemingly endorsed by then Labor member Verity Firth, showed nothing but contempt for the people of Balmain. The legacy of that decision is one that the Government is determined to address. The issue of noise is currently being addressed by officials from the Department of Planning and Environment as it monitors compliance with the terminal's planning consent.

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

Mr ROB STOKES: In my first week as Minister for the Environment I raised the issue of national regulation of cruise ship emissions with my State and Federal colleagues and the Federal Minister for the

Environment is keen to progress this issue as part of the proposed National Clean Air Agreement. In May this year, together with residents of the Balmain community, I was pleased to meet with the member for Balmain to discuss the impact of air emissions from cruise ships in White Bay. As a consequence, I asked the Environment Protection Authority [EPA] to determine how air quality in this area might be secured. The main problem with air emissions from cruise ships is the sulphur content in fuel. The main options that have been investigated and currently are under investigation to lower the effects of sulphur are a requirement to use low sulphur fuel, the installation of fuel scrubbers on marine vessels and shore to ship power whereby electricity is fed to ships from shore whilst they are docked.

Laurie Goldsworthy from the Australian Maritime College and Ian Galbally from the CSIRO have written recently about the need to reconsider regulation of marine vessel emissions in Australia more broadly. The regulation at an international level is administered by the International Maritime Organisation. The marine pollution requirements are outlined in the International Convention for the Prevention of Marine Pollution from Ships [MARPOL] Annex VI from 2008. This provides that the current global limit on sulphur content of marine fuels is 3.5 per cent, which will be reduced to 0.5 per cent in 2020. There are also higher standards that apply in emission controlled areas. Standards across many OECD countries such as the European Union [EU] and North America go further than the MARPOL standards.

The European Union currently limits fuel sulphur content to 0.1 per cent for ships at berth in EU ports. California has placed its own limits on fuel sulphur content whereby ships must burn fuel within 24 nautical miles of the coast. In 2012 the maximum fuel sulphur content in Californian waters was 1 per cent. This year it will reduce to 0.1 per cent as it is for ship machinery while in transit and at berth throughout North America. We have seen major companies in the Northern Hemisphere take steps ahead of regulatory schedules. Fuel scrubbers are being installed on ships for use in American and European waters and shore power facilities have been installed at ports.

The protection of coastal communities and marine life is a key priority of this Government. We have said to our important cruise industry representatives that we expect the same environmental standards that the industry meets in its biggest markets of North America and Europe to be achieved in New South Wales. Earlier this year I directed the EPA to engage in discussions with cruise industry representatives to develop a pathway towards effective solutions for the benefit of the community. Our preference is to move to higher standards in partnership with industry. Let me be clear: We will not allow any industry to remain completely out of step with environmental standards that they are happy to meet in other major markets. Surely the cruise industry would agree that the health of residents in New South Wales is just as valuable as the health of residents in Europe and North America.

In the past fortnight a major company in the cruise industry has rejuvenated its commitment to reducing sulphur in the fuel it uses by 2020. While this is a start, it only represents a commitment to meet the minimum standards concluded under international law. That will not be good enough for coastal communities and it is not good enough for this Government. The Environment Protection Authority will continue to develop a solution to reduce the impact of sulphur in cruise ship emissions well in advance of 2020 and we encourage the industry to come with us.

STATE FLEET VEHICLES

Mr KEVIN CONOLLY: I address my question to the Minister for Finance and Services. What reforms is the Government taking to make government services more efficient to further secure the State's finances?

Mr DOMINIC PERROTTET: This Government has always been committed to delivering best value for the taxpayers of this State. Unlike those opposite, we believe that managing taxpayers' money is a privilege, not a right. Unlike those opposite, we believe that government should always seek to do things in the most efficient way possible.

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

Mr DOMINIC PERROTTET: Unlike those opposite, we have taken action on a variety of fronts to ensure that our taxpayers' money is well spent and that wherever possible it is spent on services for them, not services for us. The core business of government is not running fleets of cars, being real estate agents or maintaining expensive technologies; it is service delivery. Indeed, that is the core focus of this Government and

our gold-plated triple-A credit rating is a result of that. Another example of reform in government services was the recent announcement about the use of government vehicles. The Labor Government thought it appropriate to expend hundreds of millions of dollars on buying, selling, owning and maintaining vehicles. This Government is not about waste; it is about value. That is why we have taken a number of steps to reform the way in which government vehicles are used.

A fleet-wide review identified that government vehicles were not being used anywhere near the extent needed to justify their retention. In one instance, a Toyota Camry travelled the equivalent of a one-way trip from the city to the airport each month. Since 2011 savings of \$20 million per year have been achieved from disciplined fleet management. That money is now being spent on infrastructure and services, rather than having cars sitting idle. Overall the size of our fleet has been reduced by more than 2,000 vehicles, or more than 7 per cent. Much of that work was done by the former Minister for Finance and Services, the current Treasurer Andrew Constance.

We have reformed the way in which surplus vehicles and vehicles no longer fit for purpose are sold. Previously government fleet vehicles were sold to the private market through several auctioneers. A single supplier will now generate savings by reducing the amount paid in fees. This will also make it easier for members of the public to purchase former fleet vehicles. It is estimated that these new arrangements will save a further \$2.3 million each year and, importantly, we have been able to achieve these savings without affecting service delivery. The public should not be burdened with the excessive cost of cars not being used for the efficient delivery of public services.

But we are not content to stop there. In June the Government initiated a review of the current funding and leasing arrangements of the government fleet and alternative models for delivering those services were considered, including options for greater involvement of the public sector expertise to drive further efficiencies and savings. The review found that more diverse and competitive fleet supply arrangements had the potential to further reduce annual fleet costs by up to \$20 million and recommended that we examine the future of the StateFleet monopoly on the provision of leased vehicles to government agencies. Over the next six months the Office of Finance and Services will seek proposals from private sector providers to fully assess the costs and benefits of establishing competitive panel contracts for fleet leasing and management services.

As I announced last week, my department will also conduct a trial of car-sharing services, such as GoGet and Hertz 24/7 as possible alternatives to maintaining agency car pools. This is yet another example of a progressive and innovative government ready to embrace new technologies in order to achieve savings. But these fleet management reforms are just one of the many ways in which the Government is securing the State's finances. As Liberals we understand that governments earn no money—we have no money and we make no money. Governments only have money because their constituents and businesses entrust a portion of the money that they earn for their labours to governments in taxes. The people of this State expect this Government to use that money wisely. Indeed, that is why we on this side are in government and those on the other side are not.

Question time concluded at 3.24 p.m.

PETITIONS

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

Como and Jannali Railway Stations

Petition requesting the restoration of train services from Como and Jannali railway stations, received from **Mr Barry Collier**.

Edgecliff Interchange

Petition requesting the upgrade of Edgecliff Interchange to provide full access for all passengers, received from **Mr Alex Greenwich**.

Sydney Electorate Public High School

Petition requesting the establishment of a public high school in the Sydney electorate, received from **Mr Alex Greenwich**.

Same-sex Marriage

Petition supporting same-sex marriage, received from **Mr Alex Greenwich**.

Inner-city Social Housing

Petition requesting the retention and proper maintenance of inner-city public housing stock, received from **Mr Alex Greenwich**.

Pet Shops

Petition opposing the sale of animals in pet shops, received from **Mr Alex Greenwich**.

Slaughterhouse Monitoring

Petition requesting mandatory closed-circuit television for all New South Wales slaughterhouses, received from **Mr Alex Greenwich**.

Pig-dog Hunting Ban

Petition requesting the banning of pig-dog hunting in New South Wales, received from **Mr Alex Greenwich**.

Sutherland Shire Fire Stations

Petition opposing closures of fire stations in the Sutherland Shire, received from **Mr Barry Collier**.

Container Deposit Levy

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

The Clerk announced that the following Minister had lodged a response to a petition signed by more than 500 persons:

The Hon. Rob Stokes—Flying Fox Control—lodged 10 September 2014 (Mr Christopher Gulaptis)

BUSINESS OF THE HOUSE**Suspension of Standing and Sessional Orders: Order of Business****Motion by Mr Anthony Roberts agreed to:**

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

- (1) Government business.
- (2) Private members' statements.
- (3) Matter of public importance.
- (4) The House to adjourn without motion moved at the conclusion of the matter of public importance.

CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY**State Economy**

Mr MARK SPEAKMAN (Cronulla—Parliamentary Secretary) [3.26 p.m.]: The motion I seek to be accorded priority reads:

That this House:

- (1) Notes that securing the State's finances is central to delivering good government.
- (2) Supports the hard work of the Government to maintain the State's triple-A credit rating.
- (3) Acknowledges that only a Liberals and Nationals Government can deliver strong economic management for New South Wales.

This motion should be accorded priority because of the dramatic turnaround in the State's finances over the past 3½ years. We were told three years ago that we would face a budget deficit of \$2.4 billion in 2014-15. We now have a 2013-14 budget surplus of almost \$1 billion, with a deficit of \$283 million forecast in 2014-15. What a remarkable turnaround. This motion should be accorded priority because the hard yards that this Government has done over the past 3½ years are now delivering dividends. This motion should be accorded priority because in six months the electors of New South Wales will face an important choice between a Government that has delivered fiscal responsibility and results for the people of this State and an Opposition that poses a real threat to our triple-A credit rating which was at real risk of being downgraded when we inherited office.

The Opposition has opposed every sensible savings measure that this Government has come up with. Indeed, if the Labor Opposition had its way policies would be implemented that would see our credit rating downgraded. This motion should be accorded priority because it was the actions of this Government that secured and maintained our triple-A credit rating. But do not just believe me. Do not take my word for it; take the word of the independent rating agency Standard and Poor's which endorsed the Government's fiscal strategy and said we have demonstrated:

... improved budget performance, reflecting the state's strengthened financial management and higher revenue growth in recent years. It has also demonstrated some balance-sheet flexibility, such as the long-term lease of some port operations, and has allocated the funds to address its infrastructure backlog.

Those long-term leases were opposed by those opposite. Standard and Poor's has revised its outlook from negative to stable, reflecting, it says, "that the risk of much higher debt levels to fund the State's high infrastructure needs has receded significantly". But that risk will come back if those opposite are elected to government in March, because they have not come forward with any plans to show how they will finance the infrastructure backlog and the front-line services that need to be delivered in New South Wales. This motion should be accorded priority because of the stark, fundamental choice that the people of New South Wales will face in less than six months.

Newcastle Revitalisation

Ms SONIA HORNERY (Wallsend) [3.29 p.m.]: This motion deserves to be accorded priority because Labor has committed to a landmark plan for the revitalisation of Newcastle. We believe in Newcastle. We believe in the potential of the entire Hunter. This is the time to position the region for an exciting future. Labor will ensure that at least \$750 million, or half the net proceeds from the sale of the port, is poured into the region. That is in stark contrast to the Liberal Party, which has left the Hunter so badly short-changed. It is not even running candidates in the by-elections caused by the scandals of its own members.

On 19 August the Premier promised to go door to door in the Hunter to win back trust. The Premier has obviously slipped out the back door, because he has not been seen in the region since. It is a disgraceful state of affairs when the Liberals plan to cut the Newcastle rail line on Boxing Day and yet are too scared to be held accountable for that decision at the ballot box. Under Labor the Newcastle rail line will stay, much to the relief of commuters. Other cities would kill to have a rail link into the heart of their central business district [CBD], and there is no way that the Government should be removing Newcastle's rail line.

Across Maitland and the entire Hunter so many people rely on the train, including families, students, senior citizens and people with disabilities. This week Labor has been proud to provide certainty and reassurance to them. Labor will complete the Glendale interchange and the Newcastle inner city by-pass and remove the Adamstown gates. We will expand the free bus service and introduce efficient train signalling to reduce the wait at level crossings.

We will also build a world-class convention and exhibition centre, redevelop the art gallery, and green and beautify the CBD. Labor has truly announced a plan that will be a boon for jobs across the entire Hunter region and transform Newcastle into a city of international stature. Today I call on the Government to reverse its ridiculous decision to rip out public transport as a Christmas present to a small vocal minority of developers. The Liberals would be standing candidates in the by-elections if they were proud of this plan. But they are not, and their cowardice is plain for all to see. It is time for the Government to admit that it has got it wrong and to back Labor's credible revitalisation plan instead.

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

The House divided.

Ayes, 55

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

Noes, 23

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

Pair

Mr Roberts

Mr Lalich

Question resolved in the affirmative.**STATE ECONOMY****Motion Accorded Priority****Mr MARK SPEAKMAN** (Cronulla—Parliamentary Secretary) [3.42 p.m.]: I move:

That this House:

- (1) Notes that securing the State's finances is central to delivering good government.
- (2) Supports the hard work of the Government to maintain the State's triple-A credit rating.
- (3) Acknowledges that only a Liberals and Nationals Government can deliver strong economic management for New South Wales.

Today there has been outstandingly good news for the people of New South Wales with Standard and Poor's reaffirming this State's triple-A credit rating and upgrading the outlook from negative to stable. Our State is now one of only two States in Australia with a triple-A credit rating from both major credit ratings agencies. When we came to Government we inherited expense growth that was out of control. Every year for 16 years Labor blew out its expense budget and spent more than it had. If Labor had kept to its budget we would now have \$20 billion more to spend on essential front-line services such as police, teachers, nurses, firemen and essential infrastructure.

This Government's efforts to rein in expenses through efficiency and savings measures have been opposed at every turn by New South Wales Labor. If Labor had its way the gap in our budget cumulatively to 2017-18 would be \$23.6 billion more. It would be a \$23.6 billion threat to our triple-A credit rating. Let there be no mistake, members opposite and their reckless economic policies—or lack of policies—pose a real threat to the fiscal stability of New South Wales. This is not airy-fairy economics; it can have a real impact on the ordinary citizens and workers of New South Wales. If Labor had its way and we suffered a downgrade of our triple-A credit rating it would cost our State an incredible \$3.75 billion in extra interest over the next 10 years. That is money that would not be available to be spent on teachers, police, nurses, firemen and infrastructure, yet at each and every turn we have taken to repair the budget we have been opposed by New South Wales Labor.

It is thanks to our fiscal responsibility that we have been able to employ 4,100 extra nurses, 755 extra teachers, 550 extra police and 255 extra paramedics. It is our fiscal responsibility and transparency with the electorate that will lead us to go to the election with a plan to turbocharge infrastructure in New South Wales with an extra \$20 billion. Indeed, in its commentary on the triple-A credit rating Standard and Poor's referred to our plan to avoid debt to meet infrastructure needs. We have heard no plan from Labor, at least publicly, about how it will fund anything in New South Wales. We have heard rather grandiose promises by the member for WallSEND about the Hunter region but we have never heard from the member about how any of them will be funded.

This Government's tight fiscal management has resulted in the dividend of improved front-line services that I have described and our ability to finance record spending on infrastructure over the next four years. Most importantly, if we leave aside the global financial crisis [GFC] sugar hits that helped the former State Labor Government, our State-funded infrastructure spend over the next four years will be approximately 50 per cent higher than the State-funded infrastructure spend over the last four years of the Labor Government. We are able to do that because of our tight financial management. It has allowed us to utilise the \$23.6 billion difference by 2017-18. That money would have been blown if members opposite, who have opposed every savings measure we have taken, were in government. Maintaining our triple-A credit rating is important for delivering front-line services and infrastructure in New South Wales. I commend the motion to the House.

Mr MICHAEL DALEY (Maroubra) [3.47 p.m.]: It is not surprising that this sort of self-congratulatory piffle is once again being brought before the Parliament. What is interesting is why the Government would do it today. Today was supposed to be all about good news on donations reform. The Premier and his staff would have met last night and been full of excitement about the bill's return from Parliamentary Counsel. They would have thought they were going to have a cracking day today. This morning their strategy session would have been all about how donations reform would be comprehensively welcomed by the media and the Premier, who had promised to be the worst nightmare of corrupt members of Parliament, was going to sail through with the spinnaker up and have a cracking day. Whack! How did that go for Mike Baird? I will tell the House: It came and went in two hours.

Mr Mark Speakman: Point of order: The motion is about the State's triple-A credit rating and the Government's sound financial management. The member for Maroubra is raising irrelevant matter.

The DEPUTY-SPEAKER (Mr Thomas George): Order! It is a wideranging debate. I am sure the member for Maroubra is about to return to the leave of the motion.

Mr MICHAEL DALEY: I am. I accept the compliment from the member for Cronulla, who wants to waste my precious five minutes. I also congratulate you, Mr Deputy-Speaker, for applying the standing orders correctly and not continuing to run the disgraceful protection racket we saw this afternoon in question time.

Mr Mark Speakman: Point of order—

The DEPUTY-SPEAKER (Mr Thomas George): Order! The member for Cronulla will resume his seat. There are procedures in this House for members to record their comments other than in this debate. That opportunity is available to the member for Maroubra. The member will return to leave of the motion.

Mr Kevin Conolly: Point of order: I understood the comment by the member for Maroubra to be a reflection on the rulings of the Speaker in question time. The member should withdraw that reflection on the performance of the Speaker.

The DEPUTY-SPEAKER (Mr Thomas George): Order! The member for Maroubra has been asked to withdraw those comments.

Mr MICHAEL DALEY: I will not withdraw anything.

The DEPUTY-SPEAKER (Mr Thomas George): Order! The member has refused.

Mr Kevin Conolly: To the point of order: The member is not willing to withdraw. Standing Order 73 provides that any criticism of another member should be made by way of substantive motion and not in the manner that it was. I ask you, Mr Deputy-Speaker, to rule that the member is out of order in making that comment.

The DEPUTY-SPEAKER (Mr Thomas George): Order! I have ruled that members have the opportunity to record their concerns through the proper means of this House and should not do so in debate on the motion accorded priority.

Mr Mark Speakman: To the point of order: Mr Deputy-Speaker, if the member for Maroubra refuses to withdraw remarks that reflect on the Chair he should be removed from the Chamber.

The DEPUTY-SPEAKER (Mr Thomas George): Order! I cannot direct members to withdraw comments. It is up to the member for Maroubra to withdraw his comments. The member for Maroubra has the call.

Mr MICHAEL DALEY: Thank you, Mr Deputy-Speaker.

Mr Mark Coure: Just apologise.

Mr MICHAEL DALEY: Apologise for what—the 14 budget surpluses in 16 years? Is that what the member for Oatley wants me to apologise for? Should I apologise for bequeathing to the current Government a triple-A credit rating, which this Government put on negative watch in November 2012? The curious aspect of the motion is that the Government is celebrating getting the State back to a triple-A credit rating, which this Government lost in late 2012. This Government inherited an economy that created 200,000 jobs in the last two years of the previous Government's term. Under this Government unemployment rates have gone up. We have a Premier who when he was the Treasurer lost \$1 billion. If Government members want to crow about economic management, they should examine the history of the economic conditions they inherited instead of moving rubbish motions. [*Time expired.*]

The DEPUTY-SPEAKER (Mr Thomas George): Order! Before I call the member for Monaro, I inform members that I have a two-page list of members who have been placed on three calls to order. The return to the Chamber of some members who were removed earlier during question time does not negate their three calls to order.

Mr JOHN BARILARO (Monaro—Parliamentary Secretary) [3.52 p.m.]: The shadow Treasurer had five minutes in which to explain Labor's position on the fundamental issues of running the State, the importance of the State's triple-A credit rating in the context of how that articulates with the promises Opposition members are making throughout the State, and Labor's record of State debt exceeding \$4 billion and a WorkCover debt of \$4 billion—a scheme that fell over under the administration of the shadow Treasurer. Instead of exposition, the Opposition member engaged in personal attacks. The fact that the Opposition is not able to articulate its position tells us that Labor has no plan or vision for the future of the State, especially in relation to fiscal management.

The affirmation of the State's triple-A credit rating is testament to the hard work of the Premier, the Deputy Premier and the Treasurer, who have ensured that the fundamental principle underpinning the State's budget is to live within our means. Anyone who runs a small business or a household budget understands the need to live within their means. Unfortunately, Labor was not able to do that and left a significant debt legacy, a backlog of unfunded infrastructure and many promises of infrastructure projects that it was prepared to undertake but never got around to doing because it did not have the funds. That is so disappointing. In contrast, this Government has established the foundations and platforms to ensure that the State lives within its means and invests in infrastructure and services that create jobs.

It is not the role of governments to create jobs. It is the role of governments to create an environment in which the private sector can create employment. The current Government, since it was elected, has played its

role in creating an environment in which 129,000 new jobs have been created in this State. In relation to unemployment levels, while we witness unemployment rates increasing across the country, New South Wales unemployment rates are trending well below the national average, which also is testament to the financial management of the State.

Standard and Poor's and Moody's are experts in assessing financial outlook. Right now the New South Wales Government is in a position to ensure that we can invest in the provision of future infrastructure and services. This Government also is making tough political decisions around asset transactions that will allow us to address the infrastructure backlog left by the previous Labor Government, which set the State back for more than 10 years. This afternoon Labor members have had a five-minute opportunity to state their ideas, platforms and visions for managing the State's budget.

Mr Michael Daley: I would have, if I had not been stopped for four minutes by Government members taking points of order.

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

Mr JOHN BARILARO: They have not been able to do that so re-election of a Labor Government in 2015 would mean the end of the State's triple-A credit rating. [*Time expired.*]

Mr Michael Daley: Give me back my four minutes and I will, John.

The DEPUTY-SPEAKER (Mr Thomas George): Order! The member for Maroubra cannot retrieve the time he has lost.

Mr NATHAN REES (Toongabbie) [3.55 p.m.]: After that confected outbreak about the State's budgetary position, I will revert to type and simply state the facts. Only one side of politics in this Parliament has had to steer New South Wales through the global financial crisis and managed to improve the State's credit rating during a global financial crisis [GFC]. I hope Government members never experience a global financial crisis. Having been a member of this Parliament twice as long as any Government member, I know rubbish when I see it. The confected outrage around the budget and the legacy alluded to by Government members is utter nonsense. The global financial crisis ripped out \$100 million in revenue each month, with no apparent explanation. It was dealt with by the previous Labor Government through a budget committee that I chaired, which delivered an improved credit rating. New South Wales was the only jurisdiction in the world of which I am aware that improved its credit rating during the global financial crisis.

For those reasons I will not take any nonsense from Government members about the current Government's economic credibility. I certainly hope that Government members never have to face a global financial crisis, but I can tell them that when it comes to difficult decisions, the previous Labor Government knew what to do. The previous Labor Government was the government that got New South Wales through that crisis with a lower unemployment rate than the current Government has achieved and with the creation of hundreds of thousands of additional jobs. To give the lie to some of the commentary made by the member for Cronulla, who asserted that capital expenditure will be 50 per cent greater over the course of this term, I will cite a Parliamentary Library research service, which states:

Average annual growth in general government capital expenditure during the current (55th) Parliament—

That means the Liberal-Nationals Parliament—

(including the 2014-15 estimate) is expected to be 9.7 per cent compared to 13.2 per cent in the 54th Parliament ...

It is stated by the Parliamentary research service in black and white, not by the flunkies who operate out of the Premier's office with their dodgy abacuses and who throw numbers onto bits of paper and rush them down in the lift to this House. The previous Labor Government's efforts during the GFC and to grow the State's economy were absolutely first rate and were consistent not only with the introduction of competition reforms introduced by the Keating Government but also with reforms emanating from the Campbell report that was commissioned by John Howard, who wet himself at the thought of implementing them. The reforms subsequently were implemented by Paul Keating.

Government members have criticised the previous Labor Government's planning policy, yet 3½ years into the term of the current New South Wales Government it does not have a planning Act of its own. Moreover,

the current Government has ripped the guts out of financial assistance for first home buyers. When I was the Premier, any first home buyer who purchased a new home worth \$650,000 received government assistance of \$42,000. That helped apprentices and low-income workers across western and south-western Sydney get their own homes. [*Time expired.*]

Mr MARK SPEAKMAN (Cronulla—Parliamentary Secretary) [3.58 p.m.], in reply: The member for Maroubra was very eager to discuss what the current Government inherited from the previous Labor Government, so I will examine what we inherited. That was 16 years, out of 16 years, of overspending the State's budget. Classic examples of that overspending are the Solar Bonus Scheme blowout of \$1.7 billion, \$500 million wasted on the Rozelle metro, and \$100 million wasted on electronic ticketing. The State has nothing to show for expenditure on those infrastructure projects. Indeed, not much to show at all but a \$30 billion backlog in infrastructure. The Government inherited that \$30 billion backlog as a result of the actions of a long-serving Premier, the former member for Maroubra Bob Carr. He declared that Sydney was closed, Sydney was full. He was a Premier asleep at the wheel and has a lot of responsibility to shoulder for the \$30 billion backlog.

It is true that in March 2011 New South Wales had a triple-A credit rating but when one compares this Government with the former Government one does not just look at a snapshot on a particular day, one looks at the trend. The trend New South Wales was facing in 2011 was expenses spiralling out of control, expenses that had been out of control for 16 years. Sixteen years of non-stop, continuous budgets and every year expenditure exceeded the budget. It is only because this Government has brought expenses under control with savings and efficiency measures that by 2017-18 we will save an accumulated \$23.6 billion. But the snapshot has continued as the trend and we still have the triple-A credit rating today. Make no mistake, the State was at real risk of losing that credit rating. The brilliant economic minds of those opposite have opposed every efficiency and savings measure we have undertaken but those measures will result in \$23.6 billion by 2017-18.

Pursuant to sessional order business interrupted and motion lapsed.

Pursuant to sessional order government business proceeded with.

RURAL FIRES AMENDMENT BILL 2014

Second Reading

Debate resumed from 16 September 2014.

Mr RON HOENIG (Heffron) [4.01 p.m.]: I lead for the Opposition on the Rural Fires Amendment Bill 2014. The Opposition does not oppose the bill. I thank the Leader of the House for allowing me to make my contribution to this bill at this time. The bill amends the Rural Fires Act 1997, the Rural Fire Regulation 2013 and the Criminal Procedures Act 1986 with respect to fire-related offences. The bill creates an amendment to section 99A of the Act, which provides that:

A person must not, without lawful authority, discard a lighted tobacco product or match or any incandescent material on any land.

Schedule 1 extends this provision of the Act and deems the owner or driver of a motor vehicle from which an object considered to be a fire risk is discarded is responsible and guilty of an offence. In other words, by virtue of schedule 1 it applies similar provisions that apply in respect of red light camera offences and speed camera offences. The exceptions in respect of the owner being deemed to be responsible are: the owner was not in the vehicle and can give details of the person who was in charge of the vehicle at the time; the owner can provide satisfactory evidence that he or she does not know and cannot ascertain the details of the offender; the owner can provide details of the passenger in the motor vehicle who discarded the fire object; and the driver can provide satisfactory evidence that he or she did not discard that fire risk object and cannot ascertain the details of the passenger who discarded the object.

In other words, if somebody throws a cigarette out the window of a moving vehicle the owner of the vehicle is liable for the offence, unless the owner indicates who the occupants of the vehicle were or who had charge of the vehicle. In the event of a vehicle being stopped the driver will be liable for such offence, unless the driver indicates who was responsible for throwing the cigarette out of the window of the vehicle. The exceptions are if the motor vehicle is a bus, taxi or other public transport vehicle, where a passenger discarded the object, or if the motor vehicle or trailer was stolen or illegally used.

The bill also makes provision to enable penalty notices to be issued to a person who sets fire on another person's land or property and permits fire to escape from land but no major damage has been caused. Discretion is given to the investigating officer. If the investigating officer deems that the circumstances of the case do not warrant prosecution in the court, then a penalty notice may be issued. This is a sensible amendment to the Act to enable minor breaches to be dealt with by a penalty notice. It makes it more efficient and certainly more cost effective. The maximum fine on a penalty notice will be \$2,200 and it can be issued by either officers of the NSW Police or officers of the NSW Rural Fire Service.

The principal Act, which provides for an offence under section 100 (1) if a person sets fire to another person's land or property or permits a fire to escape when there is a total fire ban, the bill makes provision for the fact that there is a total fire ban to be an aggravating factor when the court decides what penalty is to be imposed for that offence. In other words, the aggravating factor amounts to the same type of aggravating factor to be applied as those factors applied under section 21A (2) of the Crimes (Sentencing Procedure) Act 1999.

The bill creates an aggravated offence under section 100 (1) A. The prosecution for that offence must prove that there was a total fire ban in force when the fire was set or escaped and that the accused knew that there was a total fire ban in force. The aggravated offence carries a maximum penalty of 1,200 penalty units or imprisonment for seven years or both. If the prosecution cannot prove that a total fire ban was in force and that the accused knew there was a fire ban in force, then the accused may still be found guilty of the lesser offence under section 100 (1) of the principal Act. That offence attracts a penalty of 1,000 penalty units or imprisonment for a period of five years.

The bill makes another important provision, and one with which I agree. It makes provision for the offence to be able to be prosecuted summarily by adding offences under section 100 (1) to Table 2 offences in the Criminal Procedure Act. Therefore, the bill makes consequential amendments to that Act. Total fire bans are only put in place if weather conditions are severe enough, as the process of informing the community involves a highly coordinated effort. One always hopes that common sense will prevail when weather conditions are conducive to bushfires. Unfortunately, history does not provide us with that peace of mind when year after year parts of Australia are devastated by fire.

Many of the bushfires that rip through our communities start due to the weather. The combination of dangerous conditions, including wind, high temperatures and dry weather, fuels the severity of a bushfire. Given the devastation that bushfires bring to the community, there is no excuse for discarding from a vehicle objects that can start a fire, such as cigarettes and matches. By making minor amendments, the bill expands the circumstances in which the Commissioner for the NSW Rural Fire Service or the Commissioner of Fire and Rescue NSW can issue a fire permit. The bill provides for a permit to be issued if the lighting of fires does not contravene any other Act or law. The entire country bands together when bushfires ravage our community. Whether it occurs interstate or locally, it is a universally acknowledged tragedy.

Last year when the bushfires tore through the Blue Mountains, 196 homes were destroyed and 130 homes were badly damaged. The Blue Mountains community faced the worst disaster in its history. Whilst it will be nearly impossible to prevent bushfires from occurring, governments can do as much as possible by providing deterrents in the form of severe penalties on individuals for their thoughtless actions that have disastrous effects. Whilst the majority of those in our community would not think twice about committing one of the acts that are the focus of this bill, I can only hope that the minority, those who do not heed the advice of these warnings, see this legislation as their last chance and think again before they act so disgracefully.

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

[Quorum called for.]

[The bells having been rung and a quorum having formed, business resumed.]

EDUCATION AMENDMENT (NOT-FOR-PROFIT NON-GOVERNMENT SCHOOL FUNDING) BILL 2014

Bill introduced on motion by Mr Adrian Piccoli, read a first time and printed.

Second Reading

Mr ADRIAN PICCOLI (Murrumbidgee—Minister for Education) [4.13 p.m.]: I move:

That this bill be now read a second time.

I seek agreement in principle to the Government's amendments to the Education Act 1990 contained in the Education Amendment (Not-for-profit Non-Government School Funding) Bill 2014. This bill exemplifies the

Government's responsible approach to the regulation of non-government schooling in New South Wales. The bill's amendments are designed to give the community greater confidence that the significant financial investment in non-government schools, by both the Government and parents, is not directed to schools that operate for a profit. The amendments are proportionate and fair. They build on the longstanding requirement that non-government schools in receipt of public funding do not operate for profit. The measures aim to strengthen the rules around this funding condition, making it harder for operators to run a school as a profit-making business or to divert school funds to other individuals or entities.

The measures will also help schools better understand what they need to do to comply with the not-for-profit condition, including rectifying any policies and practices that may cause them to be in breach of the rules. The amendments in the bill are not about putting obstacles in the way of non-government schools, nor are they meant to constrain in any way a school's right to meet the particular needs of its community. The amendments enable the Government to meet the legitimate public expectation that funding provided to educate school students is used for that purpose rather than improving an investor's bottom line. The measures are not intended to disproportionately increase the regulatory burden for non-government schools. Government schools are subject already to the full range of regulatory requirements because they are public entities. Government schools are within the scope of the Audit Office of New South Wales, the Independent Commission Against Corruption, the internal audit processes of the Department of Education and Communities, and the NSW Police Force.

Government schools will now be required to demonstrate that they meet registration requirements monitored by the Board of Studies, Teaching and Educational Standards. This will strengthen existing quality assurance processes by ensuring there is independent verification that government schools meet required standards for operation. I take my role as Minister for Education for all schools very seriously. I am responsible for ensuring that all New South Wales students receive an education of the highest quality, and that extends to every school, regardless of location, religion or sector. Non-government schools greatly enrich the education landscape in New South Wales, providing a diverse range of choices for parents considering the educational needs of their children. Of course, the Government sees the non-government school sector as a key partner in our aim to have New South Wales students be the best in the world. This is more than rhetoric.

In 2012 we established the NSW Schools Advisory Council, which includes representation from the Catholic Education Commission and the Association of Independent Schools, to advise me on a range of school education matters from across the sectors. Since its establishment, the council has contributed important work in a range of areas, in particular, the governance of the Great Teaching, Inspired Learning reforms that aim to lift the standard of teaching in New South Wales. The council is now a vital part of the educational landscape of the State and I take this opportunity to thank members for their valuable contribution. In recognition of the role of non-government schools, the Government provides significant financial assistance to the sector. This is currently provided for in section 21 of the Act. In 2014-15 that assistance amounts to more than a billion dollars.

The community expects that public funding going to non-government schools be used only for the purpose of enhancing student outcomes. Parents have the same expectation concerning the fees they pay. That is why government funding is available only to schools that certify they are not for profit. It does not mean that a school cannot make a surplus; just that any surplus must be used only for the operation of the school. This Government will not countenance individuals enriching themselves at the expense of students. If school funds are siphoned off for other purposes, it means fewer dollars are available for resources to support student learning. This is unacceptable and prohibited under State legislation. To date only one school has been found to be operating for profit under the existing conditions of the Education Act. In establishing compliance with the existing legislation, a number of areas have been identified where strengthened regulation is called for, and where more nuanced responses need to be available.

The amendments I propose today strengthen the Act by removing anomalies, which will provide greater clarity and equip the Minister for Education with enhanced powers to ensure that schools comply with the not-for-profit provisions. This should not be seen in any way as a punitive exercise, nor is it a licence for unnecessary interference in a school's operations. The Government respects the autonomy of the non-Government school sector and has no intention of undermining that autonomy. As long as the requirements of the Act are met, a decision to employ staff or purchase equipment belongs solely to the school. We will not restrict the capacity of non-government schools to meet the needs and expectations of their communities, and to follow their particular mission or ethos.

For example, religious organisations perform many vital services in our community, including operating schools. The changes in this bill do not prevent those schools from purchasing appropriate resources

to support their unique mission. They do not challenge the right of the schools to deliver religious education. That fundamental human right is underwritten in common law and will not be undermined by this legislation. This applies to all faith-based schools, no matter what their religion. The changes will also not undermine schools that may have an emphasis on sports or performing arts. These schools would rightly be purchasing goods and services that support their particular focus.

I turn now to the specific provisions of the bill. Section 21 of the current Act, which provides for financial assistance for non-government schoolchildren will be renumbered and transferred to section 83B in the new legislation. This does not change any of the current arrangements for funding non-government schools. Section 83C (1) makes clear that the Minister must not provide any financial assistance to a for-profit school. Section 83C (2) (a) makes it clear that a school will be taken to be operating for profit if its income is used for a purpose other than for the operation of the school. This is an important principle and is intended to ensure school assets and income are used for the operation of the school such as paying teacher salaries, the school library, maintenance and many other related areas. The key test is that the payment is for the school and not for the benefit of another individual or entity.

Under the current legislation a school can make payments at above market value to a related party that is also not for profit. This exception has led to some uncertainty in implementing the regulations. Section 83C (2) (b) removes any doubt by requiring all financial transactions entered into by a school to be at market value. The Government will not be taking a heavy-handed approach to determining what is market value. For example, the Government will not be determining salaries within a school. It is up to the school governing body to determine the market in which the school operates and to set salaries according to that assessment. As with all other goods and services, salaries will only be considered as a for-profit issue if they are clearly beyond a reasonable level. The same section also requires that payments are necessary for the running of the school.

Section 83C (2) (b) further requires that payments are reasonable given the fact that financial assistance is being provided for the benefit of the school. The three tests—that payments meet market value, are required for the running of the school and are reasonable—work together to ensure that payments are genuinely required to meet the educational objectives and operational requirements of the school. The payment of fees to directors of school boards provides a means for some individuals to obtain significant personal benefit from a school. In most non-government schools, parents and community members volunteer their expertise and work tirelessly free of charge on school boards. Section 83C (2) (c) ensures that no payments are made to directors in connection with their activities as members of the governing body of a school beyond reasonable reimbursement for out-of-pocket expenses. The not-for-profit guidelines will require the school's proprietor to identify the governing body that has delegated authority for the school.

Section 83C (3) allows the regulations to provide further detail of uses of school assets or income that may or may not be considered for profit. This will ensure that we can take steps at a later time to prevent any future financial practices from occurring that seek to circumvent the legislation. The regulations may also enable prohibitions on particular types of entities or legal structures that may be established in the future with the purpose of evading the not-for-profit requirements. Sections 83C (3) and 83E (3) allow the Minister to apply graduated responses to less serious breaches of the not-for-profit requirements. While the Government is committed to the policy of not funding for-profit schools, and the bill maintains this prohibition, there are cases where a school may have a more minor infringement of the not-for-profit requirements that calls for a proportionate response.

The current arrangements impose a threshold whereby the only possible outcome for any minor breach of the not-for-profit requirements is to declare the school as operating for profit and cease funding. This is the only possible sanction no matter how serious or trivial the breach. This section enhances the Minister's regulatory powers by allowing for graduated responses that better fit the nature and severity of the infringement. These less serious cases that meet the legislation's definition of for profit, but in a more minor way, will be considered non-compliant and will allow the graduated responses under section 83E (1) to be invoked. More minor breaches could be an oversight or error, a one-off payment that breaches the requirements, or a transaction or practice that can be easily rectified and return the school quickly to a compliant status. A range of responses could be considered, such as withholding part of the school's funding, or funding the school on a month-by-month basis until the for-profit conduct is rectified.

There will also now be scope to impose conditions on the provision of funding. For example, the school could be directed to take certain actions in relation to its financial management. This change is consistent with

best regulatory practice. It avoids an unnecessary, heavy-handed approach. It is designed to ensure minimum Government intervention, which will reduce the burden on schools and concentrate resources on the highest areas of risk. It is not intended that these more graduated responses will apply to systemic breaches of the law. The prohibition on schools that operate for profit from receiving New South Wales Government funding remains in force. Schools that do not meet the not-for-profit requirements in any substantive way will continue to not be eligible for funding and funding may be recovered.

Section 83D provides that the Minister may declare a school to be operating for profit, if he or she is satisfied that is the case, for a specified time in the past or into the future. The declaration is conclusive proof that the school is a for-profit school. Once a declaration is made, steps can then be taken to stop payments and/or recover payments made during the period the school was declared to be operating for profit. I must emphasise that the declaration will be based in fact, follow a rigorous investigation process, be subject to independent scrutiny, and also take into account the outcome of any appeal made by the school against the declaration prior to it being made. The Minister will not make the declaration in isolation and will have the benefit of independent advice. This is demonstrated by the fact that under section 83D (2) the declaration can only be made on the recommendation of the Not-for-profit Advisory Committee, which will provide independent advice to the Minister. I will discuss the role and functions of the advisory committee in more detail later.

Additionally, section 83D (6) provides a reserve power for the Minister to make an alternative decision to that recommended by the committee if he or she considers that appropriate. The declaration will also occur at the conclusion of the process and will be based on the principles of procedural fairness. The bill also provides for a new type of declaration, which is one of non-compliance with not-for-profit requirements. This type of declaration is one step down from a for-profit declaration. As I have previously outlined under section 83C (4), it allows for a determination that better reflects the severity of the breach.

The distinction between for profit and non-compliant is important. A school may have been established purely for the purpose of making a profit, which it is legally entitled to do. However, in accordance with the Act, we must ensure there is no scope for that entity to access public funds. A school may also, in terms of its behaviour, demonstrate that it is, in fact, operating for profit, contrary to its declared not-for-profit status. For-profit declarations made by the Minister are reserved for serious infringements and remove any discretion to provide funding. Alternatively, under section 83E (3), where a non-compliance declaration is in force, the Minister will retain the discretion to stop funding or provide funding, albeit at a reduced level or on a different basis, such as month to month. This can only occur if the Minister is satisfied that the infringement is minor or more appropriate action could be taken instead of termination of financial assistance.

The new non-compliant declaration will be very helpful in giving the Minister the option of a more graduated response detailed in section 83E (1), which provides that the Minister may suspend, reduce or impose conditions on a non-compliant school. Other reasons for a Minister's declaration of non-compliance, in addition to minor breaches of 83C, can be that the school has not complied with a funding condition or a direction, or that it has failed to provide reasonable assistance in relation to the conduct of an investigation of the school. Some of these reasons are detailed in section 83E (2), but there may be others that arise in future. Under section 83E (4) if a school later becomes compliant it is not entitled to government funding during the period it did not receive any payments because it was non-compliant.

Under section 83F (1) the Minister may make a declaration that a school is non-compliant. As I have indicated, this is a second tier of misconduct and can range from minor infringements of not-for-profit requirements to hindering an investigation. Section 83F (2) provides that the Minister may make a declaration only on the recommendation of the Not-for-profit Advisory Committee. The Not-for-profit Advisory Committee may also recommend that the Minister impose funding conditions or other sanctions under section 83F (3) to ensure that the school rectifies any issues. Section 83F (4) provides that a declaration of non-compliance will be conclusive proof that a school is a non-compliant school and that there were grounds for making the declaration. Section 83F (5) allows the Minister to modify or revoke a non-compliance declaration at any time, and section 83F (6) provides a reserve power for the Minister in the use of the provisions. As with a for-profit declaration, the reserve power allows the Minister to make a decision without the advisory committee's recommendation if he or she considers this appropriate.

Section 83G requires the Minister to give written notice to the school or proprietor prior to making either a for-profit or non-compliant declaration. The school will then have a legal right to appeal to the New South Wales Civil and Administrative Tribunal under section 107 (1) (e2) prior to any decision by the

Minister. This is consistent with other government decisions. For example, if the Board of Studies, Teaching and Educational Standards should find a school non-compliant with registration requirements, the school will be able to appeal to the tribunal. The Office of Education will conduct an internal review of the advisory committee's intended recommendation prior to any appeal being lodged with the tribunal. Section 83G (a) gives the school 30 days to appeal the advisory committee's recommendation to the tribunal, while section 83G (b) requires the Minister to consider any contrary recommendation of the tribunal unless the appeal has been withdrawn under section 83G (c). The Minister must consider the advice of both the tribunal and the advisory committee prior to making his or her decision.

Section 83H (1) provides that the Minister will carry out an investigation into a school if any for-profit or non-compliant conduct is suspected. In practice this function will be undertaken by that part of the department that is separate to the area that has responsibility for the running of public education. This will protect against any conflicts of interest in terms of the regulation of non-government schools. Section 83H (2) requires the Minister to consult with the advisory committee before carrying out an investigation. Section 83H (3) gives the Minister the power to defer all or part of any payment to a school during an investigation. Deferral of funding is only to be undertaken where there are serious allegations of for-profit activity. This will ensure that Government funding is protected in cases where there is a reasonable suspicion that payments are not being properly directed to the school's operations.

Section 83H (4) provides that an investigation is completed as soon as is reasonably practicable. This will give reassurance to schools, particularly where funding has been suspended, that an investigation will not be open-ended or take an unreasonable amount of time to resolve. A specific time cannot be set for an investigation as it depends on the number and severity of the issues, but every effort will be made to progress investigations as quickly as possible. The Minister is also required under section 83H (5) to consider advice from the advisory committee in relation to an investigation. A key component of the changes to the Act is that the Minister will be able to give directions to schools. These directions include requiring a school to agree to an audit under section 831 (1) (a). This will ensure that schools must give the auditors access to the school and its financial records and provide reasonable assistance.

It is not acceptable for a school to refuse an audit, attempt to mislead or put up barriers to the auditors conducting their investigation or in any way prevent the audit from proceeding. Giving the Minister the power to require schools to pay for an audit under section 831 (3) will ensure that schools that have ongoing financial irregularities will pay for the costs of their increased regulation. The Minister may also direct a school to provide specified information relating to the affairs of the school or proprietor under section 831 (1) (b) in any form and time frame as he or she sees fit. Again, this should not pose any significant new burden on schools. There is a reasonable expectation that appropriate financial and other records are kept and can be readily accessed in relation to the operation of a school.

Section 831 (1) (c) gives the Minister the power to direct a school to cease any activity that is in breach of the not-for-profit requirements. The advisory committee would be consulted prior to any direction of the Minister, except for the information-gathering power under section 831 (1) (b). For reasons of practicality, this will be conducted on behalf of the Minister by the Office of Education in the Department of Education and Communities. If an investigation finds a school is operating for profit, it is reasonable that the school should repay the public funds received while the school was in breach of funding conditions. This is an important principle. There is community expectation that public funding provided during a period when a school was later found to be ineligible for funding will be recovered and returned to the people of New South Wales. At present, the only means of seeking repayment is by taking action through the courts. Under the current legislation, this has been a time-consuming and expensive exercise.

By inserting section 83J the Minister will be able to recover the money either as a debt in court under section 83J (3) (a), which is the current situation, or by offsetting it against future funding under section 83J (3) (b). In some cases both provisions will need to be applied. The intention of the debt-offset provision is to simplify any potential recovery proceedings. This will mean that if a school is currently compliant, but was not so during a past period, deductions can be made from future payments until the school has repaid the debt. Of course, there is no intention to take any arbitrary or unreasonable action against a school. It may be that the debt could be repaid in instalments. The outcome of the measure is simply to ensure there is a practical avenue for recovery of Government funds beyond an expensive and protracted court process.

Section 83J (2) also allows the costs of an audit to be deducted from future payments, while section 83J (4) outlines the responsible parties for repaying the debt owed by a school for breaches of the

not-for-profit requirements. The school, proprietor and any funding system are jointly and severally liable for repayment of the amount. A key aspect of the new not-for-profit arrangements proposed in this bill is the establishment of the Not-for-profit Advisory Committee. The committee will advise me directly on individual school compliance with the not-for-profit requirements. Establishing the advisory committee in legislation underlines the serious nature of its responsibilities and ensures transparency of its roles and functions. The relevant part of the bill is section 83K.

This legislative basis also sends a strong message to the community that the Government is serious about ensuring appropriate use of public funds. The advisory committee will be representative of the whole education community in New South Wales. Membership will include representatives of the Catholic Education Commission, the Association of Independent Schools, the Board of Studies, Teaching and Educational Standards, and the Department of Education and Communities through the Office of Education. To mitigate real or perceived conflicts of interest, the advisory committee will have an independent chair from outside government and the non-government schooling sector. This will ensure that the advisory committee has the highest standards of probity and transparency, and provide greater assurance of procedural fairness. There will also be independent experts and members of other relevant agencies, as determined by the Minister.

The advisory committee will be supported by the Office of Education, which will be responsible for the day-to-day management of the audit process and investigations. Section 83K (2) outlines the functions of the advisory committee. Primarily this is to advise the Minister on compliance by schools with the not-for-profit requirements under section 83C and to make recommendations on the making of for-profit or non-compliant declarations. The bill also specifies that the Minister has the power to develop guidelines under section 83L (1) to assist non-government schools to better understand their responsibilities under the Act. The advisory committee will be involved with the preparation of these guidelines under section 83L (2). The cumulative expertise and experience of members will be very valuable in this process.

In the future there may be emerging issues where the advisory committee will also need to have a role. There may also be a need to change the composition of the committee or its procedures. For this reason section 83K (3) provides that the regulations may contain these provisions in the future. Section 83K (4) provides that members of the advisory committee are not personally liable for any action, claim or demand arising from their committee work. New section 123(2A) states that if the Minister signs a certificate stating that an amount has been paid to the school or that a for-profit or noncompliant declaration is in force, this is evidence that the amount was paid or that the misconduct has occurred.

This evidentiary process will streamline debt recovery procedures. The transitional arrangements provide schools with time to make changes to their financial arrangements in order to be compliant with the new requirements. The not-for-profit requirements under section 21A of the current legislation will continue for three months from the date of assent of the amendments. This means that if allegations are made that a school was operating for profit prior to this time, the old definition of "for profit" will be used. There is no intention to backdate the new rules under the new legislation. There is no suggestion that the new definition of "for profit" under section 83C will be applied retrospectively, nor will there be any "fishing expeditions".

However, the new process—involving the advisory committee, appeals and declarations—will be used to assess any past breaches of section 21A and any that occur up to three months after the commencement of the Act. This is a sensible provision. It means that there will be one process that starts on the commencement of the Act, thus allowing the advisory committee to have an immediate advisory role. This will require the advisory committee to oversight investigations covering either the old or new definition of "for profit". In some cases there may be infringements covering the old section 21A and the new section 83C. In these situations, the advisory committee can make a recommendation that a school be declared to be operating for profit or noncompliant for past breaches under the old rules as well as the new rules proposed by this bill. However, each investigation will follow exactly the same process regardless of the law that applied when the breach occurred.

To recap, the process will allow the Minister to make directions that the school cooperate with an investigation, including undergoing an audit and providing information, and to cease any conduct that may breach for-profit requirements. At the end of the investigation, on the advisory committee's recommendation, the Minister can make the same "for profit" or "noncompliant" declaration irrespective of whether the old or new legislation has been breached. Any funding provided by the New South Wales Government during the period the school was assessed as noncompliant or operating for profit can also be deducted from future payments under section 83J. Again, it does not matter whether the breach was of section 21A or the new section 83C. The advantage for a school is that it will have a right of appeal to the New South Wales Civil and Administrative Tribunal which is not currently available for breaches of section 21A.

In addition, if a noncompliant declaration is subsequently made, a graduated response will be possible, rather than the only currently available option of terminating funding and recovering past funding. Only one school, Malek Fahd Islamic School at Greenacre, has been found to be operating for profit under current legislation. In the bill, a provision has been included to specifically address this finding. The provision will deem the school to have been operating for profit under the new legislation and allow a "for profit" declaration to be made. This will ensure that the Minister's finding is consistent with the amended legislation. The declaration will apply to the period 1 January 2010 to 31 July 2012.

These changes to the legislation are not intended to remedy every financial management issue at a non-government school. In recent years, allegations of financial irregularity have been referred to the Minister for Education and the department to investigate under the existing legislation around for-profit activity by non-government schools. These include allegations relating to corporate governance, tax evasion, fraud, corruption, grant acquittal, environmental protection and school management. However, investigating potentially fraudulent or criminal activity or breaches of corporation requirements is outside the scope of the education Act. This is appropriately the role of the NSW Police Force and other State and Federal agencies. Improved information sharing with other agencies will strengthen the protocols and procedures for referrals.

When the new legislative provisions have been in operation for some time, the Government will be in a better position to assess whether any unforeseen issues have arisen from the Act. For this reason, I will require the advisory committee to give a report on any unintended consequences of the legislation within three years of its commencement. I am pleased to advise that these amendments are fully supported by both the Catholic Education Commission NSW and the Association of Independent Schools of NSW. In particular I thank Dr Geoff Newcombe and Dr Brian Croke for their continued support in developing these necessary changes to the Education Act.

New South Wales has a long tradition of excellence in education, and the non-government sector has made a significant contribution to that tradition. The Government knows that the majority of schools in the sector do not want that contribution to be undermined by a small number of operators that could be using schools to line their own pockets. The sector's schools, teachers, parents and alumni are concerned only with providing a high-quality education for their students. They are committed to meeting the requirements associated with receiving government funding. This bill is a measured and appropriate response to ensuring that happens. I commend the bill to the House.

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

LIQUOR LEGISLATION AMENDMENT (STATUTORY REVIEW) BILL 2014

Bill introduced on motion by Mr Troy Grant, read a first time and printed.

Second Reading

Mr TROY GRANT (Dubbo—Minister for Hospitality, Gaming and Racing, and Minister for the Arts) [4.45 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce the Liquor Legislation Amendment (Statutory Review) Bill 2014. At the outset let me state that the New South Wales Liberals and Nationals are committed to reducing alcohol-related violence and the social harms caused from excessive alcohol consumption. On this point the New South Wales Liberals and Nationals understand that we need to strike the right balance between individual and industry responsibility if we are to tackle this problem. This bill implements significant reforms identified in the Government's response to the 2013 statutory review of the Liquor Act 2007 and the Gaming and Liquor Administration Act 2007. That review examined whether the policy objectives of the Acts remain valid and whether the terms of the Acts remain appropriate for securing those objectives. The review was informed by feedback and submissions provided by industry, community advocates, government agencies, local councils and the health sector. The review found that the policy objectives of the Liquor Act remain valid and recommended that they continue.

In securing the objects of the Liquor Act, regulators and licensees must have due regard to the overarching principles of harm minimisation, responsible consumption, and safe sale and supply. These principles recognise the importance of a properly regulated liquor industry that is able to develop in a way that is consistent with the public interest, whereby the risk of harm arising from the sale, supply and consumption of alcohol is minimised. The Government's response to the Liquor Act review supported 84 of the 91 recommendations made by the review either in full or in principle and noted five recommendations for further consideration. This bill forms a significant part of the actions outlined in the Government's response to the Liquor Act review. It introduces a number of new harm minimisation controls while also reducing costs and red tape and improving regulatory processes.

I now turn to schedule 1, which amends the Liquor Act 2007. The bill will reduce costs for non-profit community organisations by enabling liquor to be sold in limited circumstances at up to six fundraising events per year without the need to hold a liquor licence. These exempted events will be subject to a range of responsible service and community protection safeguards to ensure they are conducted responsibly by legitimate community organisations. This includes ensuring that alcohol is not sold or supplied to a minor or an intoxicated person; food and free water must be available; and persons selling or supplying alcohol at these events must have undertaken responsible service of alcohol training.

To emphasise the fundraising nature of these small-scale events, they will be limited to: a maximum of 250 people, a maximum continuous liquor sales period of four continuous hours between 6.00 a.m. and midnight, and a single bar from which liquor is to be sold and supplied. The bill provides an effective response to any concerns about an organisation or the conduct of an event by allowing the Secretary of NSW Trade and Investment to prevent organisations from using this exemption and by allowing the secretary to issue directions or impose further controls on events. As part of the notification requirements in the bill, non-profit organisations will be required to provide at least 14 days' notice of an event to the Secretary of NSW Trade and Investment as well as to the local police and the local council.

The bill precludes non-profit organisations from selling liquor at an event under the exemption provisions in certain circumstances, including where: a limited liquor licence is already held by the organisation; the Secretary of NSW Trade and Investment has issued an order declaring the organisation ineligible to be exempt; an order made by the Independent Liquor and Gaming Authority that a limited licence is not to be granted to any person on behalf of the organisation is in force; or where disciplinary action has been taken under the liquor laws in the previous six months against a person who held a limited licence for the organisation.

The bill also contains an important red tape reduction measure for non-profit organisations that sell liquor under a limited liquor licence by removing the requirement for these organisations to obtain approval from the Independent Liquor and Gaming Authority for each function. Instead non-profit organisations will be required to notify local police at least 14 days before a function is held. I will now address the sales to minors and the escalating penalty regime. The bill amends the Liquor Act to introduce a new escalating penalty regime for the offence of selling liquor to minors on licensed premises. This will safeguard our young people and is of particular interest to me.

I have worked closely with the department to develop an appropriately strong response. Under this regime significant penalties including suspension and cancellation of a liquor licence will apply where an offence is proven at court, a penalty notice is paid or an enforcement order is issued by the State Debt Recovery Office where a penalty notice has not been paid. For a first offence a notice will be issued by the Secretary of NSW Trade and Investment inviting the licensee to make a submission as to why his or her liquor licence should not be suspended for up to 28 days. In determining whether to suspend a licence after a first offence the secretary will take into consideration the compliance history of the licensed premises.

For a second offence the licence will be automatically suspended for 28 days where the second offence occurs more than 28 days after but within 12 months of the first offence. For a third offence a licence will be automatically cancelled and the licensee disqualified from holding a liquor licence for 12 months where the third offence occurs within 12 months of the first offence but more than 28 days after the second offence. Like a driver's licence, a liquor licence is a privilege and not a right. This new penalty regime sends a strong message to industry about the importance of complying with the under-age drinking laws and that the unlawful supply of liquor to minors can have significant commercial consequences for licensed premises.

In regard to intoxication reforms the bill introduces new harm minimisation controls and improves existing controls in the Liquor Act. The intoxication provisions of the Liquor Act will be strengthened by

requiring licensees to prevent intoxication through steps that will be set out in guidelines issued by the Secretary of NSW Trade and Investment. These guidelines, which will provide greater certainty for licensees and regulators, will recognise that licensees can implement a mix of measures.

The bill will also broaden the grounds where an offence is committed by a person who has been refused entry to a licensed premises, attempts to re-enter the premises or fails to leave the vicinity of the licensed premises. Currently, those grounds are generally limited to where a person has been refused entry because he or she was intoxicated, violent, quarrelsome or disorderly. This issue has been problematic for licensees in dealing with persons attempting to re-enter their premises after they have been asked to leave the premises on other grounds provided by the Act, such as the possession of a prohibited plant or substance. The bill makes it clear that an offence is committed where a person attempts to re-enter the premises or fails to leave the vicinity of the licensed premises for any reason provided by the Liquor Act.

I now turn to multi-occasion extended trading authorisations. Amendments made to the Liquor Act in January this year will result in a periodic licence fee scheme commencing in 2015. All licensees will be required to pay an annual fee under that scheme to assist in offsetting the costs of liquor regulation. That annual fee includes a base fee ranging from \$100 up to \$2,000 per liquor licence depending upon the type of liquor licence and other circumstances. In addition, venues that are authorised to trade after midnight on a permanent basis will pay a late trading risk loading of up to \$5,000.

The Government recognises that for some venues that only trade after midnight occasionally the late trading risk loading may have a significant impact. This is a particular issue for licensees in regional and rural areas of New South Wales where the local club or hotel may be the only venue that can meet a limited demand for late-night facilities to cater for important local functions. The commercial viability of maintaining full extended trading rights to meet demand for a limited number of late-night functions may be questionable where a late trading risk loading applies.

Therefore, the bill establishes a new type of extended trading authorisation for licensed premises that wish to trade after midnight occasionally to meet local demand for limited late-night functions. Regulation is being drafted that will provide the detail of this scheme. Known as a multi-occasion extended trading authorisation, this extended trading will be subject to an annual fee and enable a venue to relinquish its permanent extended trading while still being allowed to trade up until 3.00 a.m. on up to 12 occasions annually. Additionally, in announcing the outcome of the review of the Act I also announced the Government's intention to introduce a different type of licence for small wineries, distillers and craft brewers to better suit that sector's specific needs. This will reduce their annual fee from \$500 to \$200 and better align with their risk profile. This measure is being progressed via regulation in consultation with those producers.

In regard to precinct reforms the bill also makes fine-tuning amendments to the Kings Cross and Sydney central business district [CBD] precincts by enabling high-risk venues to apply for an exemption from the patron identification [ID] scanning requirements for the whole or part of the premises. However, an exemption can only be granted where the Minister responsible for the administration of the Liquor Act is satisfied that it is unlikely to increase alcohol-related violence or antisocial behaviour or other alcohol-related harm in that precinct and after considering a recommendation made by the Secretary of NSW Trade and Investment.

The bill also expands the grounds upon which the Independent Liquor and Gaming Authority can impose a long-term banning order on a person in the Kings Cross or Sydney CBD precincts. The bill will enable a long-term banning order to be imposed where a person has been charged with or found guilty of a serious indictable offence involving violence that was committed while either the offender or the victim were affected by alcohol. This will include an offence that is committed: in any public place; on licensed premises; on premises declared by the courts under the Restricted Premises Act 1943, which can include premises on which liquor or a drug is unlawfully sold or supplied or where drunkenness or disorderly or indecent conduct has taken place; or on premises used for the activities of a criminal group.

The bill also enables the authority to issue a long-term banning order when a serious indictable offence is committed on or in the vicinity of licensed premises in the Kings Cross or Sydney central business district precincts by the licensee or manager of the premises or by any person working for the licensee. The expanded banning order provisions will ensure that long-term banning orders can be applied in a broader range of circumstances when alcohol is a contributing factor in violent behaviour.

In relation to responsible supervision, the bill introduces a responsible supervision requirement when liquor is supplied to a minor away from licensed premises by a minor's parent or guardian or when liquor is supplied by another person with the consent of a minor's parent or guardian. The matters that are considered to be relevant when determining whether the supply of liquor to a minor is consistent with responsible supervision include the age of the minor, whether the person supplying the minor with liquor is intoxicated, whether the minor is consuming the liquor with food, whether the person supplying the liquor is responsibly supervising the minor's consumption of the liquor, and the quantity and type of liquor supplied as well as the time over which it is supplied.

A regulation-making power has been included should it be necessary to prescribe additional matters at a later stage. Importantly, the bill makes it clear that the supply of liquor to a minor who is intoxicated is not in any circumstances consistent with the responsible supervision of the minor. The responsible supervision provisions in the bill are consistent with a recommendation made by the Legislative Assembly Social Policy Committee inquiry into the provision of alcohol to minors. Regarding the schedule 4 amendment, the bill also amends schedule 4 to the Liquor Act to enable the Secretary of NSW Trade and Investment to extend the restricted trading period that applies to violent venues listed in that schedule for up to two hours before midnight. This will enable the special licence conditions, such as glass and drink restrictions, to be imposed on violent venues before midnight when there is evidence that alcohol-related violence is occurring on the premises during that period.

Regarding reforms for beer and spirits producers, statutory review reforms in the bill will assist businesses, particularly those in regional areas, by providing parity for all producers of liquor through an extension of the existing regulatory framework that applies to wine producers so that it also applies to the producers of beer and spirits. This will enable brewers and distillers that hold a producer-wholesaler licence to apply for an authorisation to sell liquor for consumption on their licensed premises if they wish to operate a restaurant bar or accommodation facility. This authorisation, which is currently available to wine producers, is subject to standard provisions under the Act relating to issues such as application processes, trading hours and responsible service of alcohol requirements.

The bill also provides that brewers and distillers will be able to conduct tastings and sell their products at a producer's market or at industry shows. Regarding red tape reforms and licence transfers, the bill contains a number of reforms that remove red tape and improve service delivery. The bill will introduce an alternative streamlined liquor licence transfer process when the business ownership does not change hands, the licence is being transferred to a person who is a current licensee or has previously held the same licence type within a three-year period and the person has not committed a serious offence under the Liquor Act in that time. In those circumstances a transfer will be able to be considered without the need for approval by the Independent Liquor and Gaming Authority. Instead notice of the proposed transfer will need to be provided to the authority, which can endorse the transfer.

The bill also reforms certain liquor licence transfer provisions to provide certainty for industry and regulators on the operation of the Liquor Act. In particular the bill makes it clear that a licence is suspended when a transfer application is not made within 28 days following a licensee being dispossessed by the business owner. These suspension provisions also will apply when a transfer application is refused by the authority until such time that a licence transfer to another person has been approved by the Independent Liquor and Gaming Authority. The fit and proper person test that must be considered by the Independent Liquor and Gaming Authority for liquor licence applicants also is strengthened by the bill. The bill does that by clarifying matters that must be taken into account in considering whether a person is fit and proper to hold a liquor licence. Those matters are whether the person is of good repute having regard to character, honesty and integrity and whether the person is competent to carry on that business.

Regarding industry training, I point out that to ensure a consistent regulatory approach the bill assigns responsibility for approving additional training courses for licensees and staff to the Secretary of NSW Trade and Investment. This is consistent with the secretary's current responsibility for approving training in relation to the responsible service of alcohol and responsible conduct of gambling under the liquor and gaming machine laws. The bill also contains regulation-making powers to require licensees and staff to undertake any additional training courses approved by the secretary. Those regulation-making powers are consistent with the Government's intention to introduce a tiered training framework that provides appropriate competencies for different industry sectors and reflects the risks of operating different types of liquor licences. This framework will be developed with the assistance of an industry working group over the next 12 months.

To ensure that incident registers, which are required to be kept by licensees, properly complement enforcement and intelligence activities by the police and liquor inspectors, the bill assigns responsibility for approving the form of these registers to the Secretary of NSW Trade and Investment. This will enable the use of incident registers to be expanded to record details of other types of incidents occurring on or near the premises including when a person is refused entry to a licensed premises. The bill also requires any information in an incident register to be retained for at least three years and for police and inspectors of the Office of Liquor, Gaming and Racing to be given access to those registers at any time.

The bill amends the Liquor Act to clarify that the primary purpose of the business or activity of an on-premises licence such as a restaurant must not be the sale or supply of liquor at any time. This will address concerns that some licensed restaurants with an authorisation under section 24 (3) of the Liquor Act 2007, which also is known as a primary service authorisation that enables liquor to be served without meals, trade as restaurants by day and then morph into bars later in night.

In relation to amendments to the Gaming and Liquor Administration Act 2007, I now turn to schedule 2 to the bill, which amends the Gaming and Liquor Administration Act. The bill implements a recommendation of the 2013 Liquor Act review that specific objects should be inserted into the Gaming and Liquor Administration Act 2007. That Act constitutes the Independent Liquor and Gaming Authority that has regulatory responsibilities under the Liquor Act 2007, the Casino Control Act 1992, the Gaming Machines Act 2001, the Gaming Machine Tax Act 2001 and the Registered Clubs Act 1976.

The bill amends the Gaming and Liquor Administration Act to introduce new objects that ensure the probity of public officials who are engaged in the administration of the gaming and liquor legislation, ensure that the authority is accessible and responsive to the needs of all persons and bodies who deal with the authority, promote fair and transparent decision-making under the gaming and liquor legislation, require matters under the gaming and liquor legislation to be dealt with and decided in an informal and expeditious matter, and promote public confidence in the authority's decision-making and in the conduct of its members. These objects are based on those contained in the Civil and Administrative Tribunal Act 2013.

The bill also makes amendments that are consequential on recent administrative changes, including the commencement of the Government Sector Employment Act 2013. These amendments distinguish between staff of the authority who are public service employees employed to enable the authority to exercise its functions and other public service employees who are engaged in the administration of the liquor and gaming laws. The authority will continue to have responsibility for ensuring that designated members of staff of the authority, including inspectors who exercise additional functions in relation to the casino, maintain the highest standard of integrity. Regarding amendments to the Gaming and Liquor Administration Regulation 2008, the decisions that will be required to be published by the authority and the secretary are prescribed by the bill and included in the Gaming and Liquor Administration Regulation.

The decisions of the authority and the secretary that are required to be published include: a decision by the secretary relating to a noise disturbance complaint; a decision by the secretary or the authority to impose a strike against a licensed premises under the three strikes disciplinary scheme; a decision by the authority under section 36A of the Gaming and Liquor Administration Act relating to the review of a decision made by the secretary; a decision by the authority relating to a short-term or long-term closure order of licensed premises; a decision by the authority in determining a disciplinary complaint taken under section 141 of the Liquor Act; and any decision by the authority under the Liquor Act relating to the granting of a licence, authorisation or approval where a category B community impact statement is required to be lodged with the application.

A category B community impact statement is required for high-impact licensing proposals, including an application for a hotel licence, a packaged liquor licence to operate a bottle shop, and permanent extended trading hours. The bill also enables an interested party to request reasons for decisions relating to licence applications for extended trading hours requiring a category A community impact statement. An "interested party" includes any person or body required to be consulted in relation to a licence application and any person who made a submission to the authority in relation to an application. Reforms in the bill amend schedule 1 of the Gaming and Liquor Administration Regulation to include local councils and other consent authorities in the list of bodies that are exempt from the Act's secrecy provisions. This will facilitate information exchange between councils and police at the local level on licensing proposals.

I now turn to amendments to the Liquor Regulation 2008, which are contained in schedule 3 of the bill. In relation to the revocation of the responsible service of alcohol [RSA] competency card, the bill extends

provisions currently applying in the Kings Cross and Sydney central business district [CBD] entertainment precincts which enable the Independent Liquor and Gaming Authority to suspend or revoke a person's responsible service of alcohol competency card or disqualify a person from holding a responsible service of alcohol competency card for up to 12 months if the person is found to have contravened their responsible service of alcohol obligations.

These provisions, which will operate throughout the State, will apply where a staff member has contravened fundamental responsible serving obligations, such as serving liquor to a minor or to an intoxicated person. Consistent with procedural fairness principles applying in the Kings Cross and Sydney CBD entertainment precinct, a person whose competency card has been suspended or revoked or who has been suspended from holding a competency card can apply to the NSW Civil and Administrative Tribunal for a review of the authority's decision.

Finally, the bill makes a number of consequential amendments to the Liquor Regulation, including the addition of various application and other related fees and penalty notice amounts arising from amendments made to the Liquor Act. The NSW Liberal-Nationals understand that we need to strike the right balance between individual and industry responsibility in the development of alcohol policy to the betterment of the entire community. I commend the bill to the House.

Debate adjourned on motion by Ms Tania Mihailuk and set down as an order of the day for a future day.

TEACHER ACCREDITATION AMENDMENT BILL 2014

Second Reading

Debate resumed from an earlier hour.

Mr BRYAN DOYLE (Campbelltown) [5.15 p.m.]: The accreditation of pre-2004 teachers is important. After 2004, teachers who began teaching or had a break from teaching for five years or more were required to be accredited. Just over half the teachers employed in New South Wales are now part of the new breed, that is, they are employed under the professional accreditation scheme. It is timely that the pre-2004 teachers are now brought into the scheme. Teachers who are required to be accredited are referred to in the Act as New Scheme Teachers. All teachers will now be known as New Scheme Teachers.

The requirement to become accredited will apply to those who take classes or teach individual students as well as those who have active oversight of and responsibility for the delivery of curriculum in a school and in the assessment of students. Specifically, school principals and other senior staff who have active oversight of these functions but who do not necessarily engage in classroom teaching will be required to be accredited as members of the teaching profession. This is in line with legislation of the teaching profession across the nation.

School counsellors also will be encompassed by the mandatory or voluntary accreditation arrangements depending on the context of their employment in relation to teaching. This amendment will not commence until a date to be proclaimed following further consultation with key stakeholders around the implementation and transition arrangements. The bill also contains amendments to allow for the voluntary accreditation of qualified teachers who work in educational roles outside of schools. In my first speech in this House I paid tribute to my educators, so great has been their impact and influence on me.

Mr Geoff Provest: Do they share the same view?

Mr BRYAN DOYLE: I will come back to that. I was with my Aunty June Ryan at the National Rugby League grand final the other night. She is a wonderful teacher and a marvellous supporter of that great Rugby League team the Rabbitohs. She taught me that love and dedication goes with being a Rabbitohs supporter. I caught up with Aunty June after the grand final as we were walking back to the train. Although she is crippled with arthritis she got to see the Rabbitohs' grand final victory. She took my older brother and sister to the 1971 grand final. I was too young to go then, but we have managed to close off that agenda item. In relation to my teachers, I was honoured to present to my English master a book of poetry that I wrote some 25 years after leaving school.

I did not quite understand poetry at school. Some of us are slow learners, but it was a great honour to present my English master with my book of published poetry. This bill recognises and raises the professionalism

of teachers who guide our students. Each year I acknowledge the professionalism of our principals by hosting a lunch at Parliament House for the principals from the various schools in my electorate of Campbelltown—primary, secondary, public, Catholic, Anglican, Muslim and Callithumpian. This enjoyable and professional luncheon is the only time these principals get together and many great outcomes have been achieved from it. This great bill will lift the teaching profession. I commend the bill to the House.

The ASSISTANT-SPEAKER (Mr Andrew Fraser): Order! I call the member for Tamworth.

Mr John Sidoti: The good member for Tamworth.

Mr KEVIN ANDERSON (Tamworth) [5.20 p.m.]: I note the interjection of the good member for Drummoyne, who is a strong advocate for public education in his electorate and often speaks about teachers in his electorate. We often talk about the educational differences between regional New South Wales and Drummoyne.

Mr John Sidoti: We are on a unity ticket.

Mr KEVIN ANDERSON: As the member for Drummoyne says, we are on a unity ticket. All members of the New South Wales Parliament are on a unity ticket in supporting teachers across this great State. I support our great education Minister, Adrian Piccoli, in his introduction of the Teacher Accreditation Amendment Bill 2014. Until now, only teachers who began teaching on or after 1 October 2004 or who had a break from teaching for five or more years were required to be accredited. The Act refers to teachers currently requiring accreditation as New Scheme Teachers.

Through this amending bill the requirement to be accredited now will apply to those who take classes or teach individual students as well as those who have active oversight of and responsibility for delivering the school curriculum and the assessment of students. Specifically, school principals and other senior staff with these active oversight functions who do not necessarily engage in classroom teaching will be required to be accredited as members of the teaching profession. This is in line with legislative delineation of the teaching profession across the nation.

School counsellors also will be encompassed in the mandatory or voluntary accreditation arrangements, depending on the context of their teaching employment. The Tamworth electorate has many public and private schools in which teachers do a fantastic job. As a father of three children going through the school system, I know that parents rely on teachers to provide the very best education to their children. At home parents can teach their children principles and how to interact with and respect family and community values. Parents rely on teachers to teach children the famous three Rs. These days teachers do more than just provide an education component; they also have to be counsellors—almost psychologists—and a number of other things, including being social workers, given the environment in which we all now operate.

Only the other day I was at Hillview Primary School, a small school in Tamworth. Principal Chris Shaw is doing wonderful things in that connected community school. Every couple of days it runs a breakfast club that 50 or 60 kids attend. These kids either do not have breakfast at home or do not have the opportunity or chance to. Volunteers from around the community bring donated food for the children to have breakfast at school. Principal Chris Shaw told me that he makes the children sit orderly around the table and use proper utensils to understand the basic etiquette of sitting enjoying a meal at a table—an opportunity many children do not have. Teachers now are taking on these sorts of tasks.

I know of teachers in the Tamworth electorate who have in their care students with diabetes or other ailments. Those teachers ensure those children have appropriate food to maintain their good health throughout the day. Many teachers across New South Wales do those sorts of things behind the scenes. They go the extra mile. Teaching is not just a nine o'clock to three or four o'clock job; teachers do things before and after school and on weekends. In some instances teachers almost perform pastoral care activities. In my home we sit around the table for dinner and find out what each person did during the day. That way our family knows what went on. We talk about what the children did at school, who was their teacher that day, what they did in class, what they are thinking, how they are feeling and what their teacher is saying. That gets us involved also in the classroom.

Parents should play an active role in their children's education so that they can relate to the teacher and have that bond. There is no point pushing a child out the door and saying, "See you later in the afternoon" and not having any further involvement. Parents need to be involved in their child's education; they need to take an

holistic approach to ensure their child is in an environment of which they approve. The teachers I know do a fantastic job in that sphere. I enjoy attending school presentation nights because they provide a mini snapshot of the school culture and are an excellent opportunity to engage with local schools to see the great work of teachers. It enables parents also to catch up with other parents, teachers, school staff, students and the principal.

Teachers have my respect because they have a difficult job. I certainly assist them in every way I can. Recently, I was a director of my child's primary school board. I try to take an active role with the school by manning the barbecue on Fathers' Day and also attend the school fair, which is approaching. I get on the microphone and run the chocolate wheel and do all that sort of stuff. The kids love it when their parents take an active role in their education and in the school they attend.

The education Minister is doing an outstanding job, ably assisted by his staff, of making sure our teachers have what they need. Great Teaching, Inspired Learning and Local Schools, Local Decisions are policies that certainly empower principals to run their schools appropriately, especially if they need assistance from special teachers at certain times. Each school is different and needs to be treated individually. Local Schools, Local Decisions is an excellent policy of this education Minister in addition to other policies he has rolled out. In respect of the Teacher Accreditation Amendment Bill 2014, I stand with my good friend the member for Drummoyne in supporting public education across the board. I commend, congratulate and thank our teachers on the front line every day, who are trying to give our kids the best possible start in life. Giving a child an education is giving them every opportunity to thrive and survive. Teachers have my full support. I commend the bill to the House.

Mr ANDREW ROHAN (Smithfield) [5.29 p.m.]: I support the Teacher Accreditation Amendment Bill 2014, which will amend the Teacher Accreditation Act 2004. The bill follows this Government's plan to ensure that all teachers in New South Wales are accredited by the end of 2017. Accreditation is necessary for public confidence in graduating teachers. This Government, as part of its Great Teaching, Inspired Learning Blueprint for Action reforms, has subscribed to a consistent, transparent Australia-wide system for accrediting pre-service preparation and continuing professional development programs. Accreditation encourages a comparable and professional level of skill and attainment for all new teachers.

The comprehensive set of reforms known as Great Teaching, Inspired Learning incorporates a detailed plan to increase the performance of the teaching profession in New South Wales, following extensive professional and community consultation. One of the key reforms included linking teacher career pathways to the attainment of the national professional teaching standards. This not only improves rates and standards to influence quality teaching but also attracts high-achieving individuals into the profession. Many professions have a direct impact on the economic productivity of this State and nation. Teachers, like other professionals, should be lifelong learners through the use of continuing professional development programs. The Charter of the Board of Studies, Teaching and Educational Standards [BOSTES] clearly indicates the objective to advance the status and standing of the teaching profession.

The bill will achieve these reforms by making accreditation mandatory for all teachers in schools and early childhood settings. Currently, accreditation is required only by teachers who entered the teaching profession after October 2004. The requirements extend to teachers who teach individual students as well as those who have direct oversight of and responsibility for the delivery of a school curriculum and to those who assess students but do not engage in teaching students. This requirement ensures that teachers who entered the profession prior to 2004 and those who take a break from teaching for less than five years will maintain the highest standard of teaching. It further brings teaching standards for early childhood teachers into line with the professional teaching standards that are expected of fully qualified and accredited teachers in schools.

Whereas previously an employer was held liable, the bill creates an offence whereby the individual is liable for remaining unaccredited while teaching at a school or in an early childhood setting. This shift in liability will complement the highest level of professionalism that the bill seeks to engender in the teaching profession. The bill enables BOSTES, which makes the rules pertaining to accreditation under the Board of Studies, Teaching and Educational Standards Act and the Teacher Accreditation Act, to closely monitor the skills that new teachers require to begin their professional careers by taking responsibility for teacher accreditation policies and procedures. This includes evaluating and reporting on the quality of initial and continuing teacher education courses as well as advising the Minister as to preparation degrees and professional learning providers.

Most importantly, the rules regarding accreditation will be considered by the Quality Teaching Council in conjunction with and subsequently by BOSTES and the Minister. The bill provides that the Quality

Teaching Council, which has a board of 22 members, will have an additional teacher who works in an early childhood setting to be voted onto the council, taking the number of members who are trained and accredited teachers to 11. The increased teacher representation at the front line can only enhance the reliability and potency of accreditation-related tools, which in turn will create a system aimed at better preparing graduate teachers.

The bill provides for various changes, including: a legislative scheme to deal with revocations of accreditation and to support accreditation of teachers; putting them on hold; extending time for accreditation applications; and reaccreditation. Dr Geoff Newcombe, Executive Director of the Association of Independent Schools of NSW, said that this scheme and the reform as a whole "provides an appropriate method for accrediting principals and other senior staff who may no longer be in the classroom on a regular basis". I commend the Minister for Education, the Hon. Adrian Piccoli, for introducing this bill following his announcement in March 2013.

It is not simply a matter of public confidence in our education system. Our State boasts a world-class teaching sector that can rival global leaders such as the Nordic nations. The bill, together with measures such as the requirement for 100 hours of ongoing professional development over five years, will see that the 75,000-strong cohort of teachers in New South Wales today are the first cohort of a completely accredited and high-quality teaching profession. I commend the bill to the House.

Mr MARK SPEAKMAN (Cronulla—Parliamentary Secretary) [5.39 p.m.], on behalf of Mr Adrian Piccoli, in reply: On behalf of the Minister for Education, I thank all members for their contributions to debate on the Teacher Accreditation Amendment Bill 2014. This bill is long overdue. The Government wants all teachers to be accredited by the end of 2017. This legislation has been introduced to make accreditation mandatory. Until now, only those teachers who began teaching after October 2004 or had a break from teaching for five years or more have needed to be accredited. For more experienced teachers who started teaching before 2004, the accreditation process will recognise their extensive experience and length of service.

These changes are part of the Government's commitment to further improve the status of the profession and the quality of teaching in all schools in New South Wales, as was outlined in the Great Teaching, Inspired Learning reforms. The quality of teaching is the single biggest in-school influence on educational outcomes. Bringing all teachers under the same mandatory accreditation system is an important step in ensuring the quality of education provided in all schools in New South Wales. Lawyers, accountants, architects and psychologists are among many professions that already require accreditation. It is entirely appropriate that a similar system is extended to the highly regarded teaching profession.

Changes to the Teacher Accreditation Amendment Bill 2014 will mean that 5,000 early childhood teachers will join their peers from schools in the accreditation system. This means that the Government is recognising that all early childhood teachers are professionals. They are university trained and are passionate about children and dedicated to their educational development. This change, supported and welcomed by the early childhood sector, is a long overdue reform. The Act will ensure that school principals and other senior staff who may not undertake classroom teaching are accredited while qualified teachers who work in educational roles outside of schools may choose to seek accreditation.

The Minister has asked me to thank the hardworking staff of the Board of Studies, Teaching and Educational Standards for their assistance with this bill, including the President, Tom Alegounarias, and the Executive Director, David Murphy. The Minister also acknowledges the significant consultation with the Department of Education and Communities, the Association of Independent Schools NSW, the Catholic Education Commission, the NSW Teachers Federation and the Independent Education Union, as well as numerous early childhood stakeholders. I thank them for their broad support of the scope of the reforms and for their agreement to participate in further consultation with BOSTES. I also take the opportunity to thank the staff of the New South Wales Parliamentary Counsel's office. 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 Mr Mark Speakman, on behalf of Mr Adrian Piccoli, 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.

RURAL FIRES AMENDMENT BILL 2014

Second Reading

Debate resumed from an earlier hour.

Mr DAVID ELLIOTT (Baulkham Hills—Parliamentary Secretary) [5.40 p.m.]: I speak in support of the Rural Fires Amendment Bill 2014. It frustrates me that as legislators we must sometimes legislate on things that are painfully obvious and unnecessary, such as not lighting a fire during a total fire ban and not throwing lit cigarettes out of car windows. Such acts are not always committed by those who set out to cause a massive fire, but because of people's carelessness. I do not want to legislate because of carelessness, but people are getting extremely careless.

I commence my contribution by paying tribute to the NSW Rural Fire Service [RFS] for its work in defending lives and property, particularly in The Hills shire. The bravery of those volunteers, including our Prime Minister, showcases the true Australian spirit. I often find it inappropriate when people are compared to our Anzacs, but the selfless sacrifice and courage those volunteers show when walking into the bush to fight a fire, not to protect one's own life or land but to protect the life and land of others, must come pretty close to the Anzac spirit. They do not ask for special recognition; they ask that we act responsibly. Sadly, too many people are not doing that; they are acting dumb. For example, too many people are lighting fires during a total fire ban despite conditions that obviously indicate the high probability of a bushfire.

This bill will allow the NSW Rural Fire Service and police to take appropriate action to penalise those who light fires on total fire ban days. They will be able to issue a penalty notice for up to \$2,200 for an offence committed under section 100 (1), such as letting a fire spread to another person's land where little or no damage is done and does not warrant prosecution in court. Further, it introduces aggravating factors in determining the penalty for an offence if a total fire ban is in place. Similarly, an aggravated offence is to be introduced for lighting an unauthorised fire knowing that the place in which the fire is lit is subject to a total fire ban. A decision to declare a total fire ban is not taken lightly; it is taken when conditions are such that the risk of a fire getting out of control is too great. This information is distributed widely throughout the media, in townships, on the RFS website and at fire stations. There is no excuse for not knowing a total fire ban is in place, particularly if one is conducting burning with a fire permit.

To light a fire when a total fire ban is in place is irresponsible. It puts lives at risk. The maximum penalty of a \$132,000 fine or seven years imprisonment, or both, is appropriate. The bill also streamlines the approval process for issuing a fire permit. A fire permit may be issued for a certain purpose if lighting a fire for that purpose is otherwise authorised to be carried out or does not need authorisation to be carried out. This summer an above normal bushfire season is expected throughout much of the State. It will be a tough summer for our RFS volunteers. We should not be making it any more difficult for our volunteers. This coming Saturday and Sunday is Get Ready Weekend. I encourage everyone to make a bushfire survival plan and prepare their homes, particularly those who live in bushfire-affected areas, for the coming bushfire season. I congratulate Stuart Ayres, Minister for Police and Emergency Services, on introducing this important bill, which will help the NSW Rural Fire Service ensure community safety. I commend the bill to the House.

Mr GEOFF PROVEST (Tweed—Parliamentary Secretary) [5.44 p.m.]: It is with much pleasure that I make a contribution to debate on the Rural Fires Amendment Bill 2014. Over the past 3½ years this Government has taken a common-sense approach in support of both city and regional areas; this bill is an extension of that common sense. The purpose of the bill is to enable the NSW Rural Fire Service to take appropriate action when unauthorised fires are lit during a total fire ban, to streamline measures for issuing fire permits, and to allow owners and drivers of vehicles to nominate a person who commits an offence under section 99A of the Act.

The proposals contained in the bill arose out of the October 2013 bushfires, the passage of amendments following the final report of the Independent Hazard Reduction Audit Panel and the introduction of the Rural Fires Amendment (Vegetation) Clearing Bill 2014. The amendments proposed in the bill will enable our emergency services to take swift action against those who commit these mindless acts. Members well know how quickly bushfires can get out of control, with devastating consequences. I find it amazing that this time last year we were fighting the Blue Mountains fires and yesterday snow was falling in some of the same places ravaged by those fires.

Mr Greg Piper: It could happen in the Tweed.

Mr GEOFF PROVEST: I do not know about snow falling in the Tweed, but I guess anything is possible. We all need to play our part in stepping up and reporting a cigarette tosser to the NSW Rural Fire Service on 1800679737, for example; or if anyone sees anything out of place they should contact Crime Stoppers on 180033300. We must act as one in our local communities. The effects of bushfires are well known—namely, loss of property and, sadly, at times loss of life. As the Parliamentary Secretary for Police and Emergency Services I regularly come into contact with large numbers of RFS people across this great State, from paid staff such as Commissioner Shane Fitzsimmons down to the volunteers. One could not find a more dedicated band of people. I never cease to be amazed by their commitment to the local community. The Government has supplied the RFS with up-to-date equipment and other community organisations often make donations, such as a recent donation of a large number of thermal cameras by Masonicare. I take this opportunity to thank them—

The ASSISTANT-SPEAKER (Mr Andrew Fraser): And its chairman.

Mr GEOFF PROVEST: Yes, and its chairman who has performed an admirable job. But it just goes to show the large amount of affection there is for them. I had the pleasure on Saturday of officially opening the new rural fire service facility at Pottsville. It is a two-storey, state-of-the-art centre that will service the good people of Pottsville and the fire service volunteers. It is a very professional organisation. I think it behoves us to do all we can to eliminate mindless acts, senseless acts, uncaring acts and selfish acts that have the potential to create horrendous bushfires and result in not only the loss of life but also the loss of property across our fine State.

This summer is predicted to be a fairly horrific one. We have had rain in recent times but it is predicted to be a very dry summer. Once again I must compliment the NSW Rural Fire Service [RFS]. I am advised that its hazard reduction burning across the State is up about 200 per cent on the previous year. Hazard reduction programs are very difficult to perform. In the past there have been cases where fires have actually gotten away and posed a danger to people. But overall I am very proud of our RFS and I am very proud of their volunteers.

Some time ago I had the honour of presenting long service medals to various people. One of those individuals was a member of the Bathurst Rural Fire Brigade, which is a very active rural fire brigade; it is a great rural fire brigade. The chap in question had clocked up just on 65 years as an active member of the rural fire brigade—it is a rather incredible statistic—and he is still going strong. It was amazing talking to him. When he started the brigade had an old army truck and the only equipment brigade members were issued with was a pole with a piece of wet hessian tied to the end. The only instruction members were given was, "There's the fire, son; and there's a bucket of water. See you later." Today we have state-of-the-art technology—state-of-the-art tankers and firefighting gear.

I know there is a strong commitment from the Government to keep up with technology and keep up with the equipment so that our volunteers and our paid staff have the best equipment available. This season we have launched a new software program that will actually predict the direction smoke plumes will travel in, particularly in relation to areas where there are major highways traversing bushland and so on. It is yet another sign of our commitment to supporting the RFS. There are a number of pertinent issues in this amendment bill. There are penalty notices. Police and RFS officers will be able to issue penalty notices for offences under section 100 (1). There will be amendments to the rural fires regulation 2013.

The bill introduces aggravating factors. When determining a penalty for an offence the court must take into account as an aggravating factor that the offence was committed when a total fire ban was in force. The bill increases penalties. The maximum penalty is seven years imprisonment or 1,200 penalty points, which equates to \$132,000, or both. Hopefully this will act as a further deterrent to those who commit mindless acts—whether it is someone who tosses a cigarette butt out of a car window or an arsonist who deliberately sets a fire during high-risk times knowing it has the potential to cause anarchy.

I compliment the Minister, his hardworking staff and the department. I have had the pleasure of dealing with them on a number of occasions. I have found them to be extraordinarily professional and to have a high level of integrity. Most importantly, they have a high level of common sense and understand the issues. It is a pleasure to work with them. Part of my role is to deal with the wider public on some of these issues. I have always found the Minister's staff and the department second to none in the support they give. With that, I commend the bill to the House.

Mr GREG PIPER (Lake Macquarie) [5.54 p.m.]: I speak in support of the Rural Fires Amendment Bill 2014. The previous speaker, the member for Tweed, spoke about the fires that raged in the Blue Mountains last year. A year ago I spoke in this Chamber to give thanks to and voice my support for the endeavours of the NSW Rural Fire Service in tackling the fires that raged in Lake Macquarie and surrounds. It was a frightening time for many residents of the region. Residents of western Lake Macquarie, which is part of my electorate, were very well aware that much of our area was at extreme risk of catastrophic fires—the kind we observed as we looked to the east at fires raging on the Wallarah Peninsula.

The fires burnt out nearly 3,000 hectares of bush; destroyed properties, including the historic Wallarah House; almost destroyed the Catherine Hill Bay Hotel; and, sadly, contributed to the loss of the life of a resident of Lake Munmorah. These were our neighbours in the State electorate of Swansea, and very much part of our broader family in the area. They were frightening times. In recent days a man from Mannering Park has been jailed for deliberately lighting 15 fires during that time in order to gain experience in putting them out. The threat from arsonists is very real and clearly exacerbated when times are ripe for fire. In this particular case the person concerned was a member of a rural fire brigade. It is therefore an even greater kick in the guts for the community, and particularly for members of the NSW Rural Fire Service who give their time and risk their lives to protect their community.

Many of the brigades from my area were active in that fight. It was a fire fight of the highest order. It produced dramatic stories and vision of what was occurring. I acknowledge the Mandalong Rural Fire Brigade and the Peninsula Rural Fire Brigade on the Morisset Peninsula. They were right there in the heat of that fire up on the Wallarah Peninsula. There was some amazing footage taken on a GoPro camera which showed what they were seeing, and it took my breath away. Members of the Martinsville Rural Fire Brigade and the Wyee Point Rural Fire Brigade were also there. Those brigades are all from the south-eastern part of my electorate.

Earlier today Government members were talking about their support for clubs in their communities. In many communities the heart and soul of the community is not a club; invariably it is the local rural fire brigade and its broader family. I pay my respect to them right across the State. I invite NSW RFS Commissioner Shane Fitzsimmons to pass on that thanks. The NSW RFS does a great job. I believe that this legislation will add to the deterrence for lighting fires during the bushfire season and hopefully make these individuals question their behaviour before they put the lives and livelihoods of many hundreds of people at risk. There are a number of amendments in schedule 1 to the bill which I believe are sensible and which would be fully supported by the community, particularly when they are once again facing the threat of uncontrolled bushfire.

For example, I am pleased that this bill targets head-on the disposal of lit cigarette butts out of motor vehicles. These offences will only be negated by proving that another individual was in control of the car at the time or that it was the passenger who committed the offence. The test is not unique, with a similar onus placed on the owner of a motor vehicle when a driving offence is committed. The provision will send a strong message that these acts—whether negligent, wilful or reckless—will not be tolerated. The events of last year are a salient warning of the sheer scale of destruction that a fire can cause, and how easily it can spread from a single, otherwise seemingly insignificant, action. I also welcome the broadening of the definition of fire risk object so that it covers not only cigarettes but all lit objects being disposed of in this manner.

I wonder whether a provision has been made for lit cigarette butts that are disposed of from other vehicles such as motorcycles or pushbikes. I suspect that may well be covered by other parts of the legislation but, for example, if somebody disposes of a cigarette butt while astride a motorcycle will it count in the same way as disposal of a cigarette butt from a car? There should be some way of addressing every situation in which somebody wilfully or recklessly carries out such an action. The severity of the total fire ban resonates strongly in schedule 1 (5) to this amendment bill. In allowing for the consideration of the implementation of a total fire ban at the time of the alleged offence the courts will be in a better position to decide on the appropriate penalty.

The act of lighting a fire during a total fire ban is clearly an aggravating factor and it is evidence as to the mind of the accused when he or she committed the infraction—that is, the accused deliberately lit a fire

when that person knew it was completely and utterly illegal to do so. I am glad to say that there is a proper safeguard to this provision. It is that the onus falls on the prosecution to prove the total fire ban was in place and that the accused knew it was in force. If the accused was not aware that the total fire ban was in force there may be leave for mitigating factors as to why that person decided to light the fire. These should be properly considered by the courts to achieve justice for the accused and to maintain the presumption of innocence.

We must act to deter arson attacks. Increasing the penalties attached to these crimes is a means to that end. Law-breakers will lose their liberty if they deliberately put the lives of others in danger by facing seven years in jail or a fine of up to \$132,000, or both. Lighting fires without lawful authority is inherently dangerous; it is only right that the penalties reflect the severity of the crime. There are many rural and semi-rural areas in my electorate. As I have said, illegal fires recklessly endanger our lives, houses and communities. I am thankful for the skill and courage of our firefighters, who saved many homes and businesses this time last year. I hope that they will continue to do so in the future and return safely home to their families at the end of the day. It is crucial that we legislate to properly punish offenders and regulate bushfire protocols to stop illegal fires from being lit. I commend the bill to the House.

Mr CHRIS HOLSTEIN (Gosford) [6.02 p.m.]: I support the Rural Fires Amendment Bill 2014 and take this opportunity to acknowledge the wonderful people in the rural fire services in the Gosford local government area. There are 23 units across the Gosford local government area, 16 of which are located in my electorate. We are at the forefront of the old F3, which is now called the M1, and bush abuts much of my electorate. Those people do a wonderful job. I commend Steve Marsh and the professional officers under his command.

I also commend the volunteers at the 23 units of Avoca Beach, Brisbane Water, the Bulk Water Unit, Calga Mount White, Copacabana, Empire Bay, the Gosford Comms Unit, the Gosford Catering Unit, Kariong, Killcare Wagstaffe, Macmasters Beach, Mangrove Mountain, Matcham-Holgate, Mooney Mooney, Narara, Patonga Beach, Pearl Beach, The Bays, the Trail Bike Unit, Somersby, Spencer, Wamberal and Wendoree Park. The volunteers in those brigades do an outstanding job. I acknowledge and pay respect to those men and women for the efforts they make to protect our community throughout every fire season.

In the quarter of a century that I have spent in civic life I have been amazed by the work of those volunteers. As some previous speakers said, they are a family that comes together for the benefit of others and they should be acknowledged for their wonderful work. I hope that they have a season that is safe not only for the citizens of my electorate but also for them. We do not think it will be a quiet season, but I hope it will be a season in which they all complete their duties safely.

During the 2013-14 bushfire season the NSW Police Force laid 61 charges for bushfire incidents or potential bushfire incidents in New South Wales. Common charges included causing or setting fire to another person's property, depositing lit cigarettes and intentionally causing a fire or being reckless as to its spread. The Government has made it clear that it will not let people get away with these careless and selfish actions. In preparation for this season the NSW Police Force is implementing a number of strategies. They include the commencement of Strike Force Tronto 2014, which will comprise the development of bushfire investigation training and information packages that will be delivered to the regions; the creation of bushfire ignition prevention plan strategies and the compilation of bushfire arson suspect profiles for distribution to all police regions.

New South Wales police work hand in hand with the NSW Rural Fire Service to reduce bushfire arson—especially that which occurs during a total fire ban. Total fire bans are necessary and important safeguards that proactively protect our communities from the threat of fire during our bushfire season. They are introduced on days when authorities believe that a fire, if started, would be difficult to control. They are usually hot, dry and windy days. In short, they are days when a fire would most likely threaten lives or property. When a total fire ban is declared the message is broadcast across radio and television, in newspapers and on social media. The message is frequently repeated in our towns and regional centres to ensure that the community understands the seriousness of the situation. Fire danger signs are also updated so that people know when a total fire ban is in force.

Whether we live in the city or the bush we know that a total fire ban means that there are certain things we can and cannot do during those critical times. For example, people cannot light a fire in the open; carry out activities that could cause a fire such as building a campfire; or conduct work such as general purpose soldering,

welding or grinding outdoors. The vast majority in our communities understand the importance of a total fire ban and are happy to comply with its terms. Sadly, there are a few who continue to disregard the important message a total fire ban brings. That is why we are introducing the measures contained in the bill today.

The aggravating factor contained in the bill recognises how serious the repercussions of lighting a fire during a total fire ban can be. In our rural and regional communities a bushfire can have a direct and serious effect on the livelihoods of our farmers and the economy. Adding the aggravating factor to section 100 (1) of the Rural Fires Act 1997 recognises that lighting a fire in a total fire ban is a more serious offence given the increased risk posed to our communities in terms of property and stock losses, injuries and fatalities. It also has a negative impact on community resilience.

The aggravated offence targets those who persist in lighting fires despite warnings not to do so from the NSW Rural Fire Service. The offence is for the group who, unlike the majority of responsible landowners, are not deterred by the existing penalty and for whom a more severe sentence is appropriate. Under the new arrangements if a person unlawfully lights a fire on another person's property, or allows a fire to escape from their land in a way that endangers others and their homes, and they know that the place where the fire was lit was under a total fire ban they can face a maximum penalty of seven years imprisonment or 1,200 penalty units, which is \$132,000, or both. Should a jury not be satisfied that a person was sufficiently aware that a total fire ban was in place it may still find a person guilty of an offence under section 100 (1).

The aggravating factor can also be taken into account. This will ensure that those who disregard the law will still be held to account and will not get away scot free. Let me be clear: We do not take these offences lightly and will do all that we can to ensure that people are deterred from performing such acts. It is important that everyone in our community is aware of fire bans that may be in place as the bushfire threat increases. We are now all socially aware and connected to the internet. People can find out where total fire bans have been declared simply by visiting the outstanding NSW Rural Fire Service website at www.rfs.nsw.gov.au or checking the weather forecast at www.bom.gov.au. They are tools that are available to everybody who has a mobile phone. People also can call the bushfire information line on 1800 679 737 and monitor weather reports on the radio, on television and in the newspapers. There are ways to act productively because, if we do not, the consequences of not complying with this legislation could be very costly. I commend the bill to the House.

Mr RICHARD AMERY (Mount Druitt) [6.10 p.m.]: My comments on the Rural Fires Amendment Bill 2014 will be brief. As the overview in the bill and the Minister's second reading speech make clear, the purpose of the bill is to empower authorities to prosecute people who commit breaches of bushfire regulations, with particular emphasis upon discarding lit cigarettes from the window of a motor vehicle and using any devices that could ignite fires, such as lit matches and firecrackers, particularly during high fire danger periods during bushfire seasons. Many members would not be able to count the times they drove behind a motor vehicle, irrespective of whether or not it is during a bushfire season, and saw somebody throw out the window a lit cigarette that bounced on the ground with sparks flying everywhere.

We can only wonder what flammable material might have been on the road where that cigarette was discarded and what might have happened, irrespective of whether a total fire ban applied during a bushfire season. It is time the Government cracked down on the practice of throwing lit cigarettes out of a car window. Offenders should be penalised under bushfire-prevention legislation or anti-littering legislation to put a stop to that practice altogether. Even in a built-up area where the danger of bushfires does not exist, I can easily envisage serious damage being caused by a big fire occurring after petrol spills onto a roadway and ignites in the aftermath of a motor vehicle accident.

I strongly support provisions that will allow infringement notices to be issued to people who commit the most common infringement—throwing a lit cigarette from a car—and people who are skylarking and throwing around firecrackers at different times of the year. That is antisocial behaviour and deserves to be penalised, but when it causes bushfires it is also very dangerous behaviour. Members who preceded me in this debate referred to many examples of dangerous bushfires and I will not reiterate the points they made. Members either have experienced the dangers of bushfires firsthand or know of people who have had that experience. As a police officer in the 1970s, I experienced bushfires in the Blue Mountains. As a person who has a weekender in Cootamundra, I also have had the experience of bushfires encircling the town and tragically killing two people.

All members would be aware of the well-publicised Victorian bushfires and that we will be commemorating the first anniversary of the terrible bushfires that swept through the Blue Mountains. An officer of this Parliament, Joe Andrade, was touched by that disaster when his home was destroyed completely. That

tragedy brought home to members of this Parliament the harsh reality that bushfires do not discriminate. I understand that Joe Andrade currently is having a new home built. The Blue Mountains bushfire disaster adversely affected Joe and his family as well as two members of my own electorate staff, Leisa Cabban and Sarah Hatch, who also have homes in the Blue Mountains. Sarah's children were sent home when their school was evacuated as the bushfires approached Falconbridge.

Leisa Cabban's neighbour's house in Yellow Rock, which is an area of high bushfire damage, was razed to the ground and Leisa's home suffered tens of thousands of dollars' worth of damage, including the loss of a granny flat that was occupied by her son. Her home is still undergoing repairs as a result of the bushfires. I am sure the member for Blue Mountains will provide more details of tragedies and loss associated with the bushfires in her electorate, which occurred only a year ago. In the past couple of weeks, New South Wales experienced record heat and more recently experienced record storms and rainfall, which shows that our climate really is changing. Consequently we will be confronted by the dangers of bushfires presenting much earlier in the summer season than previously has been the case, which will result in unprecedented extension of the summer bushfire season.

This bill will empower the police and Rural Fire Service personnel to crack down on people who cause widespread disasters through stupidity, criminality or psychological conditions. Why a person would light a large fire for personal satisfaction is beyond a reasonable person's comprehension. Any action that will result in a reduction in the risk of fires being deliberately or negligently lit should be applauded. The Labor Opposition wishes the NSW Police Force and the Rural Fire Service every success in prosecuting cases of fires being started by people deliberately lighting them, kids skylarking during school holidays, campers negligently failing to extinguish campfires, or people acting under a psychological compulsion.

Public awareness must be increased. A public information campaign to educate people about the consequence of lighting fires should be accompanied by big-stick penalties for non-compliance. The bill provides for penalties to be imposed on people who offend against the regulations. The Opposition will not oppose the bill and indeed supports measures that are intended to reduce the incidence of the outbreak of extremely dangerous fires. The bill provides increased powers for police and firefighters to prevent fires from occurring and increases the deterrent effect of penalties that may be imposed on offenders.

Mrs ROZA SAGE (Blue Mountains) [6.16 p.m.]: It gives me great satisfaction to participate in debate on the Rural Fires Amendment Bill 2014. As we know, many communities across New South Wales know how devastating disasters such as storms, floods and fires can be. My electorate of Blue Mountains is one of those areas. Much has been said today in this House about the 2013 Blue Mountains bushfires, and the first anniversary of that disaster is approaching. Everyone is keenly aware of the Blue Mountains bushfires. During my first year in office the Blackheath to Mount Wilson areas had a disastrous windstorm that snapped concrete light poles in half, and in some areas it took nearly a week to restore electricity. Last year devastating bushfires occurred that resulted in the loss of 211 homes and damage being caused to many more homes.

I offer my thanks to our fearless volunteers in the Rural Fire Service and other firefighters from Fire and Rescue NSW and the National Parks and Wildlife Service who do a magnificent job throughout the State, especially in my electorate. There are 23 brigades in the Blue Mountains area and 22 of them are in my electorate. I have witnessed firsthand their professionalism and teamwork in looking after our communities, but we can all step up and play our part by reporting a lit cigarette tosser to the New South Wales Rural Fire Service or reporting something that looks out of place to the New South Wales Crime Stoppers. Lit cigarette butts being discarded from a motor vehicle is a common cause of road-related fires.

In the past my local Warrimoo Rural Fire Service has been called to extinguish fires caused by lit cigarette butts being thrown out of cars onto dry mulch in median strip garden beds along the Great Western Highway. Those types of senseless actions, especially during total fire ban periods, both endanger the lives of firefighters, who have to put out fires on busy roadways, and have the potential to ignite and spread fires on either or both sides of the roadway. Blue Mountains bushland is mostly on both sides of the Great Western Highway.

As we enter an above-average bushfire season, we need to tell our communities that it is time to prepare. The message has been heralded loud and clear in the Blue Mountains community that this fire season has been declared at least a month early for fear that it will be difficult. Past experiences and lessons from fires in Victoria, Tasmania and recently in the Blue Mountains reiterate that the better prepared people are, the more

confident they will be in the face of an emergency. The mantra of the Rural Fire Service's community engagement is that planning to make a plan is not a plan. Preparation is the key. Know the risk. Do people live in a bushfire-prone area? In recent days there has been a lot of discussion about that aspect.

What can people do to address that risk? They must plan what they will do. They should talk to their family and make important decisions about when they will leave, what they will take, and what to do with their pets. They should not wait until the last minute. Those steps are vital. That conversation needs to be had with family and friends. Everyone should get their home ready: trim overhanging trees and branches, remove dead leaves, clean out gutters and downpipes, and check to make sure smoke alarms are working. People should be informed: know who to go to for information. A plethora of information is available about being prepared, especially on the website of the Rural Fire Service, which is a wonderful treasure-trove of information.

In the event of a bushfire, people should call the NSW Rural Fire Service. People can also contact their local State Emergency Service and in the event of house fires they can contact Fire and Rescue NSW. Importantly, people should be prepared psychologically and emotionally. Having one's house in order, so to speak, is key to having peace of mind in bushfire preparedness. One of the lessons learned from the Blue Mountains fires was about deciding whether people should leave their home or stay to defend it. The ferocity and speed of the 2013 fires made it impossible for some people to leave their homes even though they had been prepared to do so.

Everyone should have a plan B. Will they go to their neighbours? What will they do if they cannot get out in time? Do they know their level of insurance? What are they going to do with their pets? Most importantly, people should remember to look out for each other. They should share information with their family, friends and neighbours. One of the most distressing situations for family members is not knowing where their loved ones are at the time. I experienced that firsthand when the battery of the mobile phone of one of my friends ran out and he could not contact his wife. I was fortunate to be there at the time and I contacted his wife for him, which gave him great peace of mind.

When an emergency happens, people should help each other. It can sometimes be easy to forget that others need help as well when a bushfire approaches. It is important to talk to neighbours and know what they will be doing so that people can work together. Everyone should remember that there may be people who need extra assistance. The Rural Fire Service has a wonderful program, the Assist Infirm, Disabled and Elderly Residents [AIDER] program. That program helps people who have limited domestic support with bushfire preparation. Small gestures can make a big difference. There are many ways we can plan to increase the chance of a better outcome when a disaster such as a bushfire strikes.

A Bush Fire Survival Plan, which can be sourced from a local Rural Fire Service brigade or on the website of the Rural Fire Service, is one of the best ways to help people stay safe. It gives a step-by-step approach to what people should be doing and the decisions they should be making. Bushfire survival plans will enable people to make informed decisions, to prepare their property, to have a back-up plan and to make sure they have adequate insurance covering things like vehicles, farm machinery, sheds and fences, which many people forget about and then find they cannot claim on their insurance.

It is important to act quickly. People should have a trigger to put their Bush Fire Survival Plan into action. What is that trigger going to be? Is it the fact that a total fire ban has been called? Are people going to be prepared and ready to leave or to stay? People need to know what they are going to do. It is vital that every household knows and understands their Bush Fire Survival Plan: where it can be found and what sorts of clothes they are going to wear. It is no use wearing a singlet and thongs; people should be wearing long-sleeve, natural fibre coverings. The New South Wales Government has also provided our firefighters with the tools that they need. I was pleased to join the Minister for Police and Emergency Services and the member for Macquarie, Louise Markus, in welcoming our first firefighting Skycrane helicopter, Ichabod.

The Skycrane helicopters are an awesome tool that firefighters use. But we cannot rely solely on them; we have to make decisions for ourselves. Today the Government is introducing a raft of initiatives that will make a tangible difference in tackling reckless behaviour during a total fire ban. I have already mentioned how fires can occur on median strips. I hark back to my childhood, when I was living on a farm in south-east Queensland and we had a particularly silly neighbour who let a pile burn get out of control. The fire went onto our property and there we all were fighting fires in a very crude way at that time because of someone's stupid actions. The legislation clearly states that people have to keep any fires contained within their properties.

We are also introducing streamlined and effective measures for issuing fire permits and ensuring that people who throw lit cigarettes or matches from a vehicle will be held to account. The bill expands the ability of police and New South Wales Rural Fire Service officers to issue penalty notices where an offence has been committed but does not warrant prosecution. A provision to be introduced into the Act is that when a court determines a penalty for an offence the court must take into account as an aggravating factor that the offence was committed during a total fire ban. This acknowledges the potential dangers of lighting a fire during a total fire ban. People cannot even barbecue in the open when there is a total fire ban.

Together with existing initiatives such as bushfire survival plans and our Get Ready campaign, this Government is committed to ensuring that our communities are prepared and that appropriate action can be taken as our bushfire season unfolds. I urge all members to be aware of all the things they need to protect themselves in the event of a bushfire. The first anniversary of the 2013 fires in the Blue Mountains is on Friday and we will be commemorating what happened so that it gives closure to people, but equally we will be celebrating the community that we have—a community that banded together to help one another. Many people still face challenges but about 98 homes have development applications and are being built. I was privileged to visit a couple of families today who have just moved into their homes. Everything is looking up: we are not recovering, we are renewing and rebuilding.

Mr BARRY COLLIER (Miranda) [6.26 p.m.]: I am pleased to support the Rural Fires Amendment Bill 2014 which will amend section 99A of the Rural Fires Act 1997. This currently states that a person must not, without lawful authority, discard a lit tobacco product or match or any incandescent material on any land. The bill allows for a penalty notice to be served on a person who sets fire to another person's land or property or permits fire to escape from land but no major damage has been caused and the investigating officer deems that the circumstances of the case do not warrant prosecution in court. The maximum amount of this penalty notice will be \$2,200. Significantly, that penalty notice can be issued by the NSW Police Force or NSW Rural Fire Service officers.

Schedule 1 (4) extends section 99A of the Act and deems that the owners and drivers of motor vehicles from which an object considered to be a fire risk is discarded—such as a lit cigarette, a match, a firecracker or something along those lines—is responsible and will be guilty of the offence unless they can prove that they were not in the vehicle and they give details of the person who was in charge of the vehicle at the time. The onus falls on the driver of the car to provide the police or the relevant Rural Fire Service officer with the particular information. The bill also provides for an aggravated offence on days when a total fire ban was in force and a fire was set or escaped and the accused person knew that the total fire ban was in force. The aggravated offence carries a maximum penalty of 1,200 penalty units or imprisonment for seven years, or both. They are welcome reforms to the legislation and I commend the Government for them.

The member for Blue Mountains has spoken about the people in her electorate. We all remember the 200 or more homes that were destroyed and the ongoing tragedies caused by those fires. It was pleasing to hear that the community is rebuilding itself. It reminds us of the magnificent service that we receive year in, year out, day in, day out from our Rural Fire Service volunteers. I have had the honour and privilege of being the patron of the Grays Point Rural Fire Service since 1999. We, in the shire, live right on the edge of one of the explosive parts of the world for bushfires, the Royal National Park. In 1994 a person died at Jannali when fires jumped the Woronora River and destroyed homes. Those who went there to view the fire devastation would have seen one house in front of them, a house either side burned down and a house at the back, which for some reason was intact.

I also refer to the 2000 Christmas bushfires—again, I was there when people were evacuated to the Sutherland District Trade Union Club. Beds were everywhere and people were looking after their pets in the club—birds and other creatures. I recall the extraordinary courage and commitment of the Grays Point Rural Fire Service and other services throughout the State. The Roberts family from Grays Point and other locals have been serving the community for many years. Wayne Roberts has been the captain of the Grays Point Rural Fire Service for 25 consecutive years. The Roberts family and other members of the service will go anywhere, any time. They travelled to fight fires on the North Coast, interstate and in the Blue Mountains just last year. They are extraordinary people who are willing—at a moment's notice—to put their lives on the line to save others' lives and property. They are very special people.

People such as the Roberts family meet at the station house and train every second weekend. I had the privilege of being their Santa Claus and travelled on the back of the fire truck around Grays Point distributing lollies at Christmas time. It was a great community event and I did that for 10 years. Before the 2000 Christmas bushfires, we drove up one of the streets in Grays Point that bordered the national park, handing out lollies. We got to the top of the hill on the edge of the park and as they were about to turn the car around, a change came

over the volunteer firefighters. They had an instinctive sense that something was going to happen. Just the next day, up went the national park. Their willingness to go the extra mile is extraordinary. I pay tribute to them and to all the Rural Fire Services throughout the State for their dedication and commitment. The Roberts family and the other members of the Grays Point Rural Fire Service are just one example.

I also pay tribute to Superintendent Andrew Pinfold of the Rural Fire Service in the Sutherland shire. I have known Andrew for some time and he does a fabulous job. I support the Grays Point Rural Fire Service and all the fire services throughout the State. I am pleased that the Government has introduced the bill. It is crazy that people should be driving through a park or through the bush and carelessly, stupidly and—being a complete smart-arse—sometimes deliberately throw a lighted cigarette out the window to prove that they are a tosser. That is the sort of people they are. They think they are heroes and they do not care about anybody else. If such people commit that aggravated offence, I am sure the community would be behind them being jailed.

I hope that magistrates will take the offence seriously and bring the full force of the law against these people who pose a threat to communities in places such as the Blue Mountains and the Sutherland shire. Firefighters in both the Rural Fire Service and, of course, professional firefighters attend many of these blazes. This is an indictable offence with a penalty of seven years imprisonment. I hope that the Director of Public Prosecutions will take these stupid offenders to the District Court where higher penalties can be imposed than in the Local Court where the limit is two years. I support the Rural Fires Amendment Bill 2014. I commend the bill to the House.

Mr STUART AYRES (Penrith—Minister for Police and Emergency Services, Minister for Sport and Recreation, and Minister Assisting the Premier on Western Sydney) [6.33 p.m.], in reply: The New South Wales Government takes the protection of our communities seriously. Some disasters, such as floods or last night's storms, are out of our control. Bushfires, started intentionally, can often be more damaging but they are preventable. Knowing a fire has occurred because someone has ignored advice not to light a fire during a total fire ban adds an extra layer to the suffering of the victims of those fires. We tell communities to prepare for disasters. Having prepared well and having made good quality decisions before an emergency hits can help people to cope better. This change to the NSW Rural Fire Service Act is about ensuring that people have a clear understanding of the repercussions should they start a bushfire.

I thank the members representing the electorates of Heffron, Baulkham Hills, Tweed, Gosford, Lake Macquarie, Mount Druitt, Miranda and Blue Mountains for their contributions. This week marks 12 months since 200 homes were lost in those areas in one afternoon. We were reminded how devastating bushfires can be. We have just heard from the member for Miranda about the bushfires in his constituency that had a devastating impact in previous years. This bill makes those who irresponsibly discard objects from a vehicle answerable to the courts. It ensures that those who wish to conduct hazard reduction safely and responsibly can do so with minimal red tape. The bill ensures that those who foolishly start fires on total fire ban days are punished for doing so, particularly repeat offenders.

The member for Lake Macquarie asked some questions in relation to motorcycles. Section 99A of the Rural Fires Act is sufficiently broad to capture cigarettes being discarded from all modes of transportation, not just motor vehicles. Motorbikes will be captured by the provisions. "Vehicle" is already defined under the Act and it provides exemptions for public transport and stolen vehicles. I hope that information assists the member for Lake Macquarie. This legislation is about sending a clear message to the community that the Government will not stand by and allow perpetrators to go unpunished when they destroy what someone has worked years to obtain. We have seen communities devastated by bushfires that could have been prevented or that were caused by people who took foolish action.

I thank the emergency service agencies for the wonderful work they do in our communities, particularly in our hour of need. We saw it last night with the storms. We recognise that we are now approaching a particularly difficult bushfire season with an El Niño pattern in place with hot, dry and windy conditions. This bill is about sending a clear message to people that they need to adhere to the rules put in place to make their communities safer. Recognising the strong work that all members of our emergency services do but in this particular case, the members of the Rural Fire Service, I commend the Rural Fires Amendment Bill 2014 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 Mr Stuart Ayres 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.

STATE REVENUE LEGISLATION AMENDMENT (ELECTRONIC TRANSACTIONS) BILL 2014

Second Reading

Debate resumed from 10 September 2014.

Mr MICHAEL DALEY (Maroubra) [6.37 p.m.]: I lead for the Opposition on the State Revenue Legislation Amendment (Electronic Transactions) Bill 2014. I lead with pride because it was the Federal Labor Government under Julia Gillard that drove this prior to her becoming Prime Minister. It has been around for some years. I lead today on the third piece of legislation that will bring to fruition the seamless electronic conveyancing regime in New South Wales and across Australia. It is something that the Labor Party is proud of. The first time I spoke on this topic was during debate on the Electronic Conveyancing National Law (NSW) Bill in 2012. In February 2014 there was another piece of legislation. Today we are debating the final legislative plank in this regime, the State Revenue Legislation Amendment (Electronic Transactions) Bill 2014.

As I said in November 2012 and again in February of this year, the decision to introduce a national system for electronic conveyancing was made by the Council of Australian Governments in 2008 as part of a national partnership agreement to deliver a seamless national economy. Former Prime Minister Julia Gillard drove that. As a former lawyer and someone who started at the bottom, I feel strongly about this. I can think of law clerks, juniors, paralegals and the like throughout New South Wales who would be excited about the introduction of this national system because it means that they will no longer have to run all over the city with bundles of papers under their arms and make deadlines. Banks will be happy with it.

Mr David Elliott: No billing though.

Mr MICHAEL DALEY: I am sure they will find a way. Indeed, the savings associated with the national electronic conveyancing regime have been estimated at about \$600 million in the next couple of decades, according to the Australian Registrars' National Electronic Conveyancing Council. Under national agreements, New South Wales agreed to host the early parts of this regime to promote efficiency in property conveyancing throughout Australia, which led to a common legal framework. The early bills represented earlier steps in implementing the National Law. New South Wales was at the forefront of developing national conveyancing.

In 2010 I recall that National E-Conveyancing Development Ltd was formed with a partnership between New South Wales, Victoria and Queensland, and it built the first online platform to deliver a national electronic conveyancing solution for the Australian property industry. That led to the next big step, which was the development of the Property Exchange Australia, or PEXA. PEXA was to provide the ability to perform online lodgements and property settlements in a simple single transaction, including transfers of ownership settlements, caveats, mortgages and mortgage discharges. PEXA first began operating in New South Wales and Victoria, processing mortgage transactions for a single bank. Then it grew; other banks joined and now it is basically ready to go.

The bill, which is the final plank in the seamless electronic solution, has certain objects. It will amend the Duties Act 1997 and the Taxation Administration Act 1996 to make further provision for the assessment and payment of tax by electronic means. The amendments are entirely consequential on the enactment and implementation of the electronic conveyancing national law, which is called the National Law. The amendments inherent in this bill make it clear, firstly, that electronic instruments lodged under the National Law are regarded as written instruments for the purposes of the Duties Act 1997 and provide for the circumstances in which such an instrument is taken to be executed. Secondly, the bill provides for special arrangements for the assessment and payment of duty in respect of those instruments.

Thirdly, it permits the disclosure of information by tax officers in connection with the assessment of and payment of duty in respect of dutiable transactions and mortgages that are effected or partially effected

electronically under the national law. Fourthly, it allows banks and other parties to a transaction in respect of which a liability for tax arises to be approved to pay tax under a special arrangement. Fifthly, it simplifies the enforcement provisions relating to special arrangements. Sixthly, the bill provides for the registration of persons approved to pay tax under special arrangements.

Seventhly, it permits the Chief Commissioner of State Revenue to direct an approval holder to pay tax in accordance with a special arrangement. Finally, it permits the chief commissioner to direct the payment of tax by electronic means and to provide for the phasing out of the use of impressed stamps. Labor strongly supports the bill. We are proud of it. It has taken a long time to come to fruition—from 2008 until now. But as I said at the outset, many people across the spectrum of transactions will be hugely relieved that the law has finally caught up with technology. I commend the bill to the House.

Mr DAVID ELLIOTT (Baulkham Hills—Parliamentary Secretary) [6.45 p.m.]: I support the State Revenue Legislation Amendment Bill 2014. I acknowledge the contribution of the shadow Treasurer, the member for Maroubra. I am delighted that he is supporting the bill, although he and I know that if he were still in private practice this would probably cost him some lucrative billing hours. However, I digress. These amendments are necessary due to the introduction of the Property Exchange Australia [PEXA] and electronic conveyancing. It is similar to legislation being introduced in all jurisdictions to facilitate duties revenue collection with PEXA. These amendments ensure that stamp duty is paid on electronic transactions.

PEXA is an electronic settlement and Land and Property Information [LPI] lodgement process; it does not provide an end-to-end conveyancing package. PEXA accepts transactions such as transfers of land liable to stamp duty. It does not assess stamp duty. The Office of State Revenue will still be required to interact with PEXA to verify transaction details and ensure payment of the stamp duty. This system removes manual processes and paperwork because it allows transactions to occur through an online system. This will provide time and cost savings as it reduces time spent preparing instruments, and it removes the need to physically attend settlement. Furthermore, it will reduce the cost of buying and selling property as a result of increased efficiency of the settlement process.

PEXA aims to process 70 per cent of the property settlement market, or 3,000 properties every day nationally, and \$250 billion in annual property sales, or \$11 billion in annual duty collections. This gives some indication of the scale of the PEXA system. The amendments will ensure that PEXA will be able to effectively operate online. The amendment to the Duties Act clarifies that a liability to duty arises on certain electronic registry instruments and that individual counterparts of an electronic transfer are to be treated as one transfer instrument. It ensures that an electronic registry instrument is considered a written instrument for duties purposes and that these types of instrument are taken to be first executed when first digitally signed.

The Chief Commissioner of the Office of State Revenue will be permitted to approve procedures for the payment of duty on electronic instruments and the endorsement to evidence stamping, provided that the inclusion of a unique transaction identifier on an instrument is a form of stamp that can be used on instruments. This allows rubber stamps to be phased out, and enables the use of an electronic system. The amendments allow the disclosure of information to PEXA for the purposes of administration of a tax law. It is clear that these amendments allow for e-conveyancing to occur and operate effectively. Similarly, the Taxation Administration Act amendments allow for the operation of PEXA. These amendments allow the chief commissioner to give notice of tax owed through electronic means, such as PEXA.

These amendments allow the chief commissioner to register a person as approved to pay tax under a special arrangement and direct the person to pay tax under the special arrangements. The enforcement provisions are also simplified. Whilst the taxpayer will remain liable for tax not paid in accordance with special arrangements, it will now be an offence for the person given a special arrangement approval to contravene the conditions of approval. This is common sense in nature, as the person penalised should be the person responsible for the non-payment. These common-sense amendments are administrative in nature. They will allow the operation of PEXA and the introduction of e-conveyancing throughout the State, delivering significant savings. The Minister responsible, my colleague the member for Castle Hill, who is in the Chamber, is a passionate advocate for e-commerce and bringing down the costs of doing business with government. I commend the bill to the House.

Mr DOMINIC PERROTTET (Castle Hill—Minister for Finance and Services) [6.49 p.m.], in reply: I thank the member for Maroubra and the member for Baulkham Hills for their contributions to the debate. The New South Wales Government is committed to having best-practice revenue laws. The State Revenue

Legislation Amendment (Electronic Transactions) Bill 2014 amends the Duties Act and the Taxation Administration Act in recognition of the new national scheme known as PEXA—Property Exchange Australia—which removes the need for a paper transfer to register ownership of land. All States and Territories soon will have similar legislation. The amendments are necessary to ensure that the Office of State Revenue can administer stamp duty in this electronic environment. The bill provides for the stamp to be a unique transaction identifier number that will be used for the Office of State Revenue to electronically verify that the correct amount of stamp duty has been assessed and will be paid out of settlement funds. 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 Mr Dominic Perrottet 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.

Pursuant to resolution private members' statements proceeded with.

PRIVATE MEMBERS' STATEMENTS

OUR BIG KITCHEN

Ms GABRIELLE UPTON (Vaucluse—Minister for Family and Community Services) [6.51 p.m.]: I inform the House that Our Big Kitchen, a community-run kitchen in my electorate, recently was afforded the distinct honour of being inducted into the Restaurant and Catering Australia Hall of Fame for community service. Our Big Kitchen now sits among many of the nation's top restaurants on the Hall of Fame list but is unique in that as a community kitchen its purpose is to provide food to those most in need. Our Big Kitchen was founded in 2005 by Rabbi Slavin and his wife, Laya, in the basement of the Yeshiva Centre in Bondi. The idea for Our Big Kitchen grew from Rabbi Slavin's experience when he organised communal cook-ins to assist a woman suffering from illness. From this one act of compassion towards one person, Rabbi Slavin decided to replicate the experience on a larger scale to bring food to people in need within the wider community in the eastern suburbs and Sydney.

In a mammoth task, Rabbi Slavin successfully arranged for the basement of the Yeshiva Centre to be transformed into a 300 square metre commercial-grade kitchen through the generous donation of time and resources from builders, painters and electricians. The project was supported from the outset by other sectors of the community, including the local Greek and Italian communities. Although Our Big Kitchen is located below the Yeshiva Centre, it is a non-denominational organisation assisting all members of the community in need through its strong partnerships with organisations such as the Matthew Talbot Centre, the Wesley Mission and Uniting Care, amongst others. For his efforts, Rabbi Slavin received the 2013 Local Hero Award from Waverley Council—a well-deserved honour.

Recently I spoke about one of my constituents, Ruth Tofler-Riesel, who won an award at Waverley Council's 2014 Local Hero Awards for her work founding the organisation Kids Giving Back, which encourages young people to donate their time to charitable causes. Our Big Kitchen is one such organisation with which Kids Giving Back has worked by arranging for young people to run communal cooking sessions. Through its partnership with community organisations, local schools and sporting teams, Our Big Kitchen each year now delivers tens of thousands of meals to people in need. In 2013, 600 volunteers spent 12,000 hours creating 50,000 food portions. Our Big Kitchen also stands ready to respond when communities face crises, whether local or interstate, such as the devastating 2011 Queensland floods. Rabbi Slavin rallied the local community to donate its time to bake food for those flood victims.

The opportunity to use Our Big Kitchen's facilities is utilised also by companies who conduct cook-ins as a team-building exercise, as well as local schools and other community groups looking to give back to our local community. A testament to its impact and wide recognition, Our Big Kitchen has been visited by an Australian Prime Minister, New South Wales Premiers, and State and Federal members of Parliament. I note also that our Speaker in the Legislative Assembly and member for the South Coast visited Our Big Kitchen in 2012. I had the pleasure of visiting Our Big Kitchen before being elected as the member for Vaucluse and many times since. I can testify firsthand to the sense of camaraderie and cooperation one feels when participating in a communal cook-in. While one appreciates the benefits to those in need, the sense of teamwork also is fun. I understand why so many volunteers donate their time to Our Big Kitchen again and again.

I enjoy a strong relationship with Rabbi Slavin both in his capacity as the chief executive officer of Our Big Kitchen and as a Jewish community leader in my electorate. I look forward to continuing to work with him. I thank Rabbi Slavin and his wife, Laya, their family and Our Big Kitchen volunteers for all the work they do. I take this opportunity also to congratulate them on their recent honour of being inducted into the Restaurant and Catering Australia Hall of Fame. I commend my private member's statement to the House

SYDNEY AIRPORT COMMUNITY FORUM

Ms CARMEL TEBBUTT (Marrickville) [6.55 p.m.]: The Sydney Airport Community Forum [SACF] is an important community consultative forum that has existed since 1996 comprising representatives of State and Federal parliaments. It has provided a valuable forum for debate and exchange of information about aircraft noise and the operation of Sydney Airport. This week I received a letter from John Alexander, the Federal member for Bennelong and chair of SACF, advising that the electorate of Marrickville along with the electorate of Heffron, the other State electorate represented on SACF, will be removed from the next meeting in November. The elected State representatives will be replaced by a representative from the Department of Premier and Cabinet. The Australian Government is taking a very retrograde step. On behalf of my constituents, I am dismayed that the Marrickville electorate will no longer be represented on the SACF.

Earlier this year the Deputy Prime Minister and Minister for Transport indicated a review of SACF would be undertaken looking at its terms of reference and membership. The removal of the State representatives was the review outcome. The justification for taking this step is that the Government wants to rationalise the size of the committee, yet it has added a Qantas representative and representatives from the Tourism and Transport Forum and the Sydney Business Chamber. I have no issue with these organisations being represented, but their representation should not be at the expense of elected local State members. John Alexander claims also that a representative of the Department of Premier and Cabinet will provide a whole-of-government perspective on State issues. However, they will not be able to speak as an elected representative on behalf of the people whose lives are affected adversely every day by aircraft noise.

Sydney Airport and its operations are very important to the community I represent. The border of Sydney Airport begins less than one kilometre from my electorate of Marrickville, which is amongst the most aircraft noise affected electorates in Australia. Residents regularly raise with me their concerns and issues with the operations of Sydney Airport and its impact on their day-to-day life. Sydney Airport is unique compared with most other Australian airports because of its close location to the central business district [CBD] and being surrounded by large areas of residential development—with almost three million people within 25 kilometres of the airport. It is the only major Australian airport that maintains a curfew. The impact of Sydney Airport and aircraft noise has been a significant issue for the surrounding communities for a considerable period of time.

The establishment of SACF was one of the initiatives in response to strong community agitation about aircraft noise after the opening of the third runway. Its role of providing advice to the Minister on the abatement of aircraft noise and as the main body for consultation on the Long Term Operating Plan for the Airport are critical to its effective operation. While I am pleased that the chair has confirmed the terms of reference will not be changed, I am extremely disappointed that the other outcome of the review is to remove the State representatives. Many community members do not make a distinction between the responsibilities of State and Federal members of Parliament. Aircraft noise and the operations of Sydney Airport are raised with me regularly by my constituents.

Representation on SACF means that I have access to up-to-date information about Sydney Airport issues, which assists in providing appropriate and accurate information to my constituents. The wide breadth of matters relating to Sydney Airport include many State and local government issues, such as traffic and ground transport issues, public transport, land use, environmental impacts and, of course, planning and development.

For New South Wales parliamentary representatives, SACF is the only forum available to directly discuss such issues with the relevant authorities gathered together. It is crucial that this information sharing and dialogue be maintained.

I have already made these points in my submission to the review and it is unfortunate that the Federal Government has chosen to ignore them. The Sydney Airport Community Forum [SACF] is unique in its history and its responsibilities, particularly with regard to the cap and curfew. To date, it has operated satisfactorily in allowing members of the community and their representatives to raise the issues that matter with the Minister, the Sydney Airport Corporation and other aviation authorities. It is important that all three levels of elected representatives, especially those within the aircraft noise contour of above 20 ANEF, remain members of the forum in order to provide accountability to the local community.

Of course, we know that the only long-term solution to reducing the unacceptable impact of aircraft noise on my constituents and the other residents who live under the flight path is the development of a second airport for Sydney. It is pleasing that there now appears to be bipartisan support for a second airport at Badgerys Creek. While this is a welcome development, Sydney Airport will continue to have an impact on the constituents of Marrickville. I call upon the Federal Government to reconsider its decision to remove the elected State representatives from SACF.

ARMIDALE FUEL PRICES

Mr ADAM MARSHALL (Northern Tablelands) [7.00 p.m.]: I bring to the attention of the House the deplorable situation that exists in the city of Armidale in the Northern Tablelands with regard to fuel prices. I call on the Australian Competition and Consumer Commission to immediately investigate what I, and many residents of Armidale and the Northern Tablelands, believe are hugely anti-competitive practices by fuel retailers in the city of Armidale. Fuel prices are always a contentious issue in regional areas and there is an expectation that the cost of living in the best part of New South Wales will be more than in other areas. It is inevitable that fuel prices will be one of those higher costs because of the distance to the distribution outlets.

It is ridiculous that fuel pricing in Armidale over the past 40 weeks has consistently been more expensive by more than 8¢ a litre for unleaded petrol and more than 13¢ a litre for diesel than in almost every other centre in the New England north-west. The average price for a litre of fuel in Armidale over the past 40 weeks is almost 160.9¢ for regular unleaded and 166.5¢ for diesel. In Sydney, to give a comparison, the average price is 141.3¢ for regular unleaded and 149.9¢ for diesel. That is ridiculous. Obviously in regional areas prices will be a bit more expensive but of the more than 80 centres that the NRMA monitors for fuel pricing in regional New South Wales Armidale is the second highest in the State, beaten only by Tumut. I dare say if I could obtain figures going back further than 40 weeks they would show the same disparity.

At the moment unleaded fuel in Armidale is 8¢ a litre more expensive than at Inverell, 6.2¢ a litre more expensive than at Moree, 4.2¢ a litre more expensive than at Tamworth and 14¢ a litre more expensive than at Dubbo. A lot of people in rural areas use diesel for fuel economy because they travel long distances in types of vehicles that are required for stark conditions. To compare the average fuel price per litre for diesel, the difference between Armidale and Inverell is 13.1¢ a litre, Moree 11.5¢ a litre, Tamworth 7.8¢ per litre and Dubbo 12.5¢ a litre. That is ridiculous. Only 20-odd kilometres up the road at the Black Mountain Road House this very morning unleaded petrol was being sold for 154¢ a litre and diesel for 151¢ a litre—that is 6.9¢ and 15½¢ a litre cheaper than at Armidale.

The guidelines of the Australian Competition and Consumer Commission state that statistically regional locations pay more for fuel, and we accept that. It also states there are many reasons including: the limited number of retail sites operating in a particular regional market—that is, lack of competition—lower volumes of fuel sold, hence higher average costs; and distance-location factors. We understand that in regional areas but when one compares the city of Armidale with a population of about 25,000 people with other centres that are within one hour to 1½ hours' drive from the city and have a smaller population, less competition and fewer outlets it is unconscionable that people in Armidale are forced to pay so much more for fuel. In fact, it is a rip-off and it must be investigated by the Australian Competition and Consumer Commission.

I have received many letters and emails and contact over social media from people who are already doing it tough without being slugged at the bowser by unscrupulous retailers who are not providing the competition that would be expected in a regional city. I call on the Australian Competition and Consumer

Commission to investigate this matter. The Minister for Fair Trading has referred the matter to the commission as a result of my representations on behalf of my constituents. I repeat, Armidale is a magnificent city but the people of Armidale are being ripped off and it has to stop.

TRIBUTE TO HAJJ MUSTAFA "MAX" ANNOUS

Ms TANIA MIHAILUK (Bankstown) [7.05 p.m.]: I sadly advise the House of the passing Mustafa Bahiej Annous, affectionately known in the Lebanese-Australian community as Hajj but better known to us all as simply Max. Mr Max Annous was an extraordinary individual and will be remembered as a friend to all. His story is one that personifies the Australian spirit. He will be fondly remembered for his selfless and caring nature, his courage and determination, and his compassion, humility and respect for all. The story of Mr Annous is humble but encouraging. In 1967 Mr Annous migrated to Australia from Lebanon and settled in the small country town of Corryong, Victoria, to work on the Snowy Mountains Hydro-electric Scheme. The company eventually transferred Mr Annous to Sydney, where he was soon joined by his wife, Gada Annous, and three children. The Annous family settled in the Canterbury-Bankstown community, and another four children were to follow. This is where he began to make his extraordinary contribution to our wider community.

Mr Annous was an individual who dedicated his life to improving the fortunes of others. Following the start of the Lebanese Civil War in 1975, Mr Annous helped countless families displaced from the conflict to resettle in Australia and offered his friendship and guidance to the many single men who migrated without a family, having experienced the same circumstances. Mr Annous' home was open to anyone who needed assistance. His generous nature will be well remembered by all. Mr Annous was known to buy fruit and vegetables from the market, which he would hand out to those who may not have been able to afford them. His home was always open to anyone who required assistance.

Mr Annous was a true pioneer of multiculturalism in our diverse community, and he offered his generous time in assisting all people regardless of their background. For example, Mr Annous assisted in the construction of both the Iman Ali Bin Abi Taleb Mosque, also known as Lakemba mosque, and Our Lady of Lebanon Maronite Church in Harris Park. Anecdotally, Mr Annous was nicknamed the "mayor of Lakemba" by the current Mayor of Canterbury, Mr Brian Robson, who, in fact, was one of his closest companions. I know that he certainly regarded Brian as one of his dearest best friends. Mr Annous had a long history of working with council and all levels of government to advocate on behalf of significant community issues. One of Mr Annous' great passions was to promote harmony, diversity and safety within our local community. His long list of achievements speaks for itself.

Mr Annous was the coordinator of the Neighbourhood Watch Program for the local area, a role he proactively assumed following a break-in at his home. Mr Annous regularly volunteered his time as a justice of the peace, providing his services whenever they were needed. Mr Annous was also one of the creators of the successful Haldon Street Festival, which promotes the diversity of Lakemba every year. Mr Annous played a key role in building trust and communication between the Muslim community and the NSW Police Force, having represented the Lebanese Muslim Association on the Lebanese Police Consultative Committee.

Mr Annous regularly hosted roundtable discussions at his dining table with local members of Parliament, mayors, local councillors, religious leaders, police and members of the business community. His philosophy was simple: He firmly believed that open lines of communication could go a long way to resolving any type of dispute or disharmony. These series of consultations played a pivotal role in improving relations within the local community. Mr Annous was a true model in every essence of the word. He was instrumental in planting the seeds of community harmony. His family can be proud of the legacy he has left behind. I know how proud Mr Annous was of his son Senior Sergeant Walid Annous, from the Bankstown Local Area Command. Through his role in the NSW Police Force he is helping to foster greater trust and understanding with the Lebanese-Australian community.

Mr Annous has made his extraordinary contribution without ever seeking personal recognition, yet the accolades bestowed upon him for his community service speak for themselves. In 2000 he received the Commonwealth Recognition Award for Senior Australians. In 2003 he was awarded the Centenary Medal and, in 2004, he was awarded the Certificate of Appreciation from the Parliament of New South Wales for his outstanding contribution to the Canterbury-Bankstown community. Mr Annous will forever be remembered for his lifelong commitment to community service. This is undoubtedly a difficult time for his seven children, 21 grandchildren and four great-grandchildren. I trust that the entire Annous family take great solace in knowing that our society will be greatly enriched as a result of Mr Annous's ongoing legacy. They must be proud of him, his name and his legacy. Vale Mustafa "Max" Bahiej Annous.

NAIDOC WEEK IN ORANGE

Mr ANDREW GEE (Orange) [7.10 p.m.]: This week Orange celebrates NAIDOC Week. Although it is generally held in July, Orange holds the event in October when the weather warms up a little.

Mr Bryan Doyle: Hear, hear!

Mr ANDREW GEE: I thank the member for Campbelltown; it is a little cool at the moment. While the rain thinned the numbers for the annual march on Monday, it was great to see a strong turnout at the Orange Function Centre. This year the focus is on recognising the service and sacrifice of Indigenous Australians at war. In marking the Centenary of the First World War, it is worth remembering that 800 to 1,000 Aboriginal people served in that conflict and I know of five who are buried at Gallipoli. The service of Aboriginal people in the First World War and the Second World War is even more extraordinary when you consider that it occurred at a time when Aboriginal people did not have the right to vote. World War II fighter pilot Len Waters flew 95 combat missions for Australia. Like many others, when he returned to his community he found the doors of opportunity had firmly closed. It is fitting that we remember all the Aboriginal men and women for their service to Australia and the sacrifices that they made.

Local Wiradjuri elders handed out a number of awards to students from Orange schools. From Anson Street School, Kasey Holmes received an award for applying himself in all aspects of school and consistently trying hard in all of his subjects. Kiara Uppal received an award for starting high school with great enthusiasm and working well in all curriculum subject areas. From Glenrio Heights Public School, Aiden Fisher received an award for improved literacy and mathematic levels and being cooperative in class and always trying his best. Ty Nean received an award for having a strong work ethic and always staying on track. From Orange East Public School, Tia Pallier received an award for being a self-directed and highly motivated learner. Max Boney received an award for having a positive attitude towards his studies and being an outstanding role model for his peers.

From Calare Public School, Tyshani Ah-See received an award for being a committed student and giving her best every day. Shae Bates received an award for giving her best in all areas of her school and using her time productively in class. From Orange Christian School, Jay French received an award for showing great dedication to academic programs with improvements in all areas of school this year. From Canobolas Rural Technology High School, William Parsons received an award for engaging in learning tasks across all subjects and encouraging younger students to focus on their learning. Jada Murphy received an award for applying herself to all subjects and classwork with enthusiasm and being an excellent role model for her peers. From Nashdale Public School, Brienna Naden received an award for making excellent progress in literacy this year as well as achieving outstanding results in reading. Tyrell Pallier-Jones received an award for achieving outstanding results in mathematics and working confidently with numbers.

From Clergate Public School, Bailey Pringle received an award for demonstrating significant improvement in reading and is now reading fluently with excellent comprehension. From Catherine McCauley Catholic Primary School, Caitlyn Shields received an award for consistently high scores in all class assessments and excellence in reading and story writing. Ethan Dillon received an award for his outstanding attitude and work ethic and his academic achievement in mathematics. From Bowen Public School, Jase Edwards received an award for raising more than \$1,000 by shaving his head for cancer. Jamaine Christian received an award for applying himself fully to all learning tasks and making fantastic progress in all areas of literacy. As a result, he has improved in 15 levels in reading.

From Orange High School, Tom Ford received an award for aiming high in all subjects and for his great skills in engineering. Atahlia Sutherland received an award for being a featured artist in this year's School Spectacular and her achievement in the talent development project. From Bletchington Public School, Natalie Dziergas received an award for completing all work to a high standard and for her impressive reading comprehension and mathematic skills; Claudia Frost received an award for her all-round academic achievement at a high standard, coupled with an outstanding attitude.

From Orange Public School, Tyler King received an award for being a caring and considerate class member, working hard and showing steady progress in academic studies. Georgia Campbell received an award for being an excellent role model for her peers and a conscientious student who works consistently well across all academic areas. From Kinross Wolaroi School, Shania Sarsfield received an award for working consistently this year and applying herself to study. She also achieved some excellent results in a variety of subjects. Cody Walker received an award for achieving first place in his yearly industrial technology exam and for an outstanding achievement in drawing and printmaking in visual art.

On top of these awards, 36 Indigenous students are currently completing their Higher School Certificate. They are: from Anson Street School, Terry Hammond and Tynu Lamb; from Canobolas Rural Technology High School, Ricky Beckingham, Aaron Bell, Taylor Clark, Sharni Dixon, Damien Little, Kirstin McIntyre, Rhiannah McIntyre, Bradley McLean, James Napier, Leslie Palmyre, Ebony Parkes, Drew Schwarz and Brittany Walker; from James Sheahan High School, Alisha Agland, Hamish Gully, Eleise Linklater, Sarah White, Dylan Wright, Mikayla Dukes and Ebony Bliss; from Orange High School, Hope Carr, Taniesha Croaker, Kishaya Delaney, Trent French, Jayden Gibbs-O'Neill, Billy Greatbach, Lucy Hill, Demi Lawler, Nathaniel Mephram, Kiara Webb and Joshua Leece; and from Kinross Wolaroi School, Tony Pellow, Moana Prescott, Drew Kennedy, Madison Ryan and Ashley Hudson.

I also pay tribute to the Orange NAIDOC Week committee members, Ronny Leonard, Danielle Annesley and Gerald Power, Chair of the NAIDOC Week committee. I also thank the elders for attending NAIDOC Week and the community for its involvement. There were many different organisations at the Orange Function Centre, including Lions Club members, who cooked the barbecue on the day. Congratulations to all of the organisers and all of the participants. NAIDOC Week in Orange is an important step along on the road to reconciliation.

SENATOR LEE RHIANNON

Mr DAVID ELLIOTT (Baulkham Hills—Parliamentary Secretary) [7.15 p.m.]: The role of a member of Parliament is one of sacred trust. The public entrusts us with not only their hard-earned money but also their confidence. Members of all persuasions often deal with matters of a sensitive nature for their constituents and we are bound by our ethical duty to not breach the faith and trust that the public places in us. Unfortunately, a former member of the other place has not only breached that trust but has demonstrated an incapacity to serve the public and a complete disregard for all common standards of public behaviour. Senator Lee Rhiannon was recently famous for being a shrill to big oil by leaving her office lights on overnight while exhorting the rest of us to live in caves. She also recently launched an unjust, unfair and false smear campaign against Group Colleges Australia.

I understand that the faction of The Greens from which Lee Rhiannon hails is little more than disaffected former Communists who seek to rewrite history with a view to claiming that communism won and that we are now members of the Comintern. Rhiannon's efforts to rewrite the truth of history should not be repeated in efforts to rewrite the truth about individuals and organisations seeking to contribute to our education system today. Rhiannon has accused Alan Manly, an extremely well-respected constituent of the Baulkham Hills electorate and Managing Director of Group Colleges Australia, of being a branch-stacker in 1994 for the former Prime Minister on the basis of an email from a former employee of Mr Manly, which has since been discredited and withdrawn by the same individual. It is worth noting that not one mainstream media outlet—not News Limited, Fairfax, ABC or SBS—picked up on Rhiannon's accusations and sought to run with them.

I am not surprised by this accusation of branch-stacking, given Rhiannon's efforts to hijack an environmentalist party and turn it into the next incarnation of the Bolsheviks. She also made claims that a \$100,000 donation made by Group Colleges Australia has influenced policy decisions. I can only imagine how much of herself Lee Rhiannon has sold off—or out, for that matter—given that her party accepted a \$1.6 million corporate donation, which is the largest in Australian history. I have known Alan Manly and his wife, Jenny McCarthy, for 10 years. They are wonderful people. They have worked hard for their success. It is an indictment of Lee Rhiannon that she should seek to use parliamentary privilege to launch such an unfounded smear against private citizens and constituents of Baulkham Hills whose only crime is that they have a different world view from hers.

Alan Manly has advised me that he is seeking to exercise his rights in the Senate to provide a citizen's reply. I wish him well in this endeavour. I hope that when the Senate allows him his reply Lee Rhiannon is sitting in the Chamber and listening to every word so that she may learn that her role is to represent the people of this State and not to abuse her power by waging personal vendettas in search of a long-lost dream of a communist dictatorship. Mr Manly is in the public gallery today. He is an honest businessman, published author and generous member of the Baulkham Hills community and on behalf of the people I was elected to represent, I am obliged to offer him a formal apology. An unjust and defamatory attack has been made on one of my constituents and I am horrified at the pain and suffering that this has caused him.

WINGHAM SOCCER CLUB

Mr STEPHEN BROMHEAD (Myall Lakes) [7.19 p.m.]: I inform the House that I had the pleasure of attending the Wingham Soccer Club junior presentation last Sunday 12 October. Wingham Soccer Club is a

wonderful, successful, family club that has juniors and seniors. Dozens and dozens of children and young people, their families and friends attended this great event on a beautiful day, the type of beautiful weather only to be found in a paradise such as Myall Lakes. I shall highlight for the House some of the award recipients. Coach of the Year Award was presented to Andy Goodman while the Encouragement Team Award went to the under 14 Wanderers.

The Wooden Spoon Award—being the stirrer of the club, not for coming last—went to Noel Peckett. The Least Goals Conceded Award was presented to the ladies team and the under 16 men's team. The under 16 men's team won the premiership this year against all the odds; it was totally unexpected except by the team. The Most Goals Scored Award, for 54 goals, was awarded to the under 13s. The Club Person of the Year Award went to Treasurer Margaret Black, a wonderful, hardworking lady, the type of person these small clubs have who dedicates their life to the club and kids. Margaret is certainly one of those people.

The Casey Vandermey Award went to Kodie Ward while the Service Award went to David Castro. In the under 12 Warriors, the Best and Fairest Award went to Zoey Clarkson, the Encouragement Award went to Logan Faunt, while the Player of the Year Award went to Matt Stepowikow. With respect to the under 13 Warriors, Megan Smith and Jordan Goodman were the winners of the Most Consistent Player Award while Sam Morse was the winner of the Most Improved Player Award. In the under 14 Wanderers, the Best and Fairest Award was won by Bon Morse, the Most Improved Player Award was won by Harry Morton and the Player of the Year Award was won by Jesse Clarkson.

With respect to the under 14 Warriors the winner of the Most Valuable Player Award was Jaafar Villagrancia, the Most Consistent Player Award was won by Aaron Walker and the Quiet Achiever Award was won by Master Gillett. Finally, for the under 16 Warriors, the Best and Fairest Award winner was Toby O'Donnell, the Most Consistent Player Award winner was Harley McCully and the Most Improved Player Award winner was Jai Tisdell.

The presentation was held at Wingham soccer ground next to the canteen under the magnificent new extended undercover area, which was funded by a Community Building Partnership grant obtained by the local member. This would have cost two or three times the amount of the grant had it not been for the work of the volunteers, members and players, who were able to build on the Community Building Partnership grant and achieve much more. It is fantastic that the Government is supporting Community Building Partnership grants, which are so important to regional New South Wales. They might not be so important to some of our metropolitan friends but it is great to see so much money going into regional areas and the many villages that struggle to get recognition and funding. Regional areas need the money and Nationals members know what regional communities need and want. They ensure the Government supports them and provides funding to those towns and villages.

Wingham Soccer Club is a fantastic club that has the kids and young people playing soccer, being involved in a healthy activity and being part of a team. It was interesting that there was not an obese child to be seen; all the kids looked fit and healthy and that is because they are taking part in sport. As the local member I encourage kids to be part of sport and a family club—and I know the Government encourages this also—where they learn not only how to play sport but also good sportsmanship. Being a family club they are also taught the club culture of respect, being part of a team and looking after other people rather than just oneself.

MACARTHUR DISABILITY EXPO

Mr BRYAN DOYLE (Campbelltown) [7.24 p.m.]: It gives me great pleasure to share the experience I had this morning when I had the privilege to represent the Minister for Ageing, and Minister for Disability Services, the Hon. John Ajaka, MLC, at the opening of the 2014 MacArthur Disability Expo held at the Campbelltown Catholic Club at the Cube in the heart of the opal of the south-west, the very best part of the Macarthur. The focus of this year's expo was the introduction of the National Disability Insurance Scheme [NDIS] and the exciting opportunities for people living with a disability to directly control their own futures.

I told those present that while the rollout of the NDIS would be a learning curve for service providers, carers and people living with disabilities, for the first time it would also provide great opportunities for a customer-focused service. I am very pleased that New South Wales was the first State to sign up. The opening was a welcome to country by my friend Leo Dynevor, a very talented rugby league player who played with the Newcastle Knights when they won the grand final. As part of the event a panel of experts from the Hunter region, where a rollout of the NDIS is currently underway, was organised by Patrick Vasquez, who chaired an in-depth two-hour question and answer session with many members of the public.

Some members of the panel included Ellie Robertson, a Living Life My Way ambassador; Alix Goodwin, Director of the Individualised Options Directorate; Mark Cliff, Cluster Manager of Hunter, RichmondPRA; and Catherine Mahony, Community Disability Alliance, Hunter. A wide range of service providers and support agencies from around the mighty Macarthur area supported the day's events and included both government and non-government providers, who were all actively engaged with those present. I take this opportunity to extend a special thanks to the Macarthur Disability Services team for organising this year's event and to Steve Wisbey, who did a marvellous job as master of ceremonies and is a tireless promoter of all things good in the Campbelltown area. This year's Macarthur Disability Expo was well attended and well marketed by our local radio station C913. It is designed to help people with disabilities make the most of every day and to live their lives to the best of their ability. I commend the expo to the House.

2014 PARLIAMENT OF NEW SOUTH WALES ABORIGINAL ART PRIZE

The DEPUTY-SPEAKER (Mr Thomas George): I acknowledge that the Parliament presently has a spectacular showcase of Aboriginal art, culture and creativity as part of the 2014 Parliament of New South Wales Aboriginal Art Prize, which Campbelltown City Council strongly supports. I know the council has been thanked by the Speaker and the President for its involvement. I encourage all members to visit and inspect that wonderful display.

Private members' statements concluded.

Pursuant to resolution matter of public importance proceeded with.

ANTI-POVERTY WEEK

Matter of Public Importance

Ms CARMEL TEBBUTT (Marrickville) [7.30 p.m.]: This week is Anti-Poverty Week and tomorrow is United Nations International Day for the Eradication of Poverty. Anti-Poverty Week focuses on poverty around the world especially in the poorest countries, but also in wealthier countries like Australia. The aim is to improve understanding of the causes and consequences of poverty and hardship, and to encourage research, discussion and action to address poverty. While we like to think of ourselves in Australia as an egalitarian country with a fair go for all, the truth is we tolerate high levels of poverty and inequality. According to a report from the Australia Institute, the top one-fifth of households earns five times the income of the bottom one-fifth but they hold 71 times the wealth.

On Sunday the Australian Council of Social Services released a report entitled "Poverty in Australia", which revealed that one in seven Australians, or 2.55 million people, live below the poverty line. Disturbingly, one in six children is living in poverty. The poverty line is defined as 50 per cent of the median income, which was \$400 a week for a single adult in 2012. The report shows the percentage of Australians living in poverty rose between 2010 and 2012. New South Wales is the only State where the residents in our capital city are more likely to live in poverty than those in non-metropolitan areas. Foodbank Australia, one of Australia's largest food relief agencies, said the amount of food distributed to welfare agencies in New South Wales rose by 22 per cent in the last year and nationally one in six children goes to school each day without breakfast. This is on top of research done by the National Centre for Social and Economic Modelling, which shows that the poorest federal electorates have been hit hardest by the recent changes in the Federal budget.

These are very concerning statistics, but we need to also look behind them and think about what it means to live in poverty. Living in poverty can mean going without food or eating poor quality food, putting off seeing the doctor or buying medication because one cannot afford it, living in substandard accommodation or being homeless and going without the things that so many people take for granted—dentures, school excursions, new clothes, going to the movies or buying a cup of coffee. But it is not just at the individual or family level where poverty is felt. Research shows that equal societies do better with higher rates of social cohesion, mental and physical health, and economic productivity. This is being recognised by major international institutions.

Earlier this year the World Economic Forum, which is a gathering of some of the largest corporations in the world, listed income inequality as chief among 31 risks threatening social and political stability, and economic development. The International Monetary Fund has said that inequality is undermining economic growth and social stability. Economic growth is, of course, a critical part of addressing poverty. If we cannot grow the economic pie, if we cannot provide jobs for all those who need them, then we cannot begin to address

poverty. But on its own without appropriate government intervention it will not be enough. Governments need to ensure that an effective social security system is in place so that the people are supported in times of need. Lifting pensions and benefits to the poverty line will help—the Newstart Allowance currently falls way below the poverty line.

Education is critical in providing the most effective pathway out of disadvantage. Unfortunately, as the Gonski review showed, the link between student background and educational achievement is more marked in Australia than in other high-performing countries. That is why implementing the Gonski reforms, where funding is based on need, is so important. All children need to be able to access a quality early education program. Early intervention programs that help families that are struggling and affordable after school care so that parents can hold down a job matter enormously. Good quality health and dental services that provide the right care when people need it must be accessible to all.

A recent article by Lisa O'Brien, Chief Executive Officer of the Smith Family, reminds us of what else is necessary. In the article she told the story of a teacher at a high school in Sydney's west who asked her students to interview a parent or someone else close to them about their job, what they do and how they found it. While the teacher thought this was a relatively straightforward task, it turned out that only two students in her entire class knew someone in work. Lisa said:

When a young person comes from a home and community characterised by long term unemployment, it is unlikely they will have the kind of connections to give them the same opportunity or imagine a different future from what is around them.

So if we are to address poverty, governments also have a critical role to play in bridging the gap from school to work or study, helping to bring schools and businesses together and smoothing young people's pathways to a job. It is a great shame that the federally funded Youth Connections program, which did exactly that, was axed in the recent budget.

Ms MELANIE GIBBONS (Menai) [7.35 p.m.]: I thank the member for Marrickville for bringing this important matter to the attention of the House tonight. Anti-Poverty Week is a chance to highlight the significant issues and severe hardships experienced by those who live in poverty, as the member for Marrickville said, even in a lucky country like Australia. I am proud to be part of a Government that puts people first, a Government that at the core of its being wants to better protect and deliver for the most vulnerable people in the community. We are not content with simply managing disadvantage. We want to stop the intergenerational cycles of disadvantage referred to by the member for Marrickville. We want every member of the community to have the opportunity to reach to achieve a better life for themselves and those they love.

In this year's budget the New South Wales Government has invested \$5.8 billion in Family and Community Services. That significant investment is an increase of \$384 million on the 2013-14 budget projection and will allow us to deliver more support for vulnerable children, young people and families in need. The Government will use this money to progress its reform agenda across the portfolios to improve services and, more importantly, outcomes. It is critical that we invest in our families, children and young people to protect and support better results for the community. The Government has increased funding of the child protection system by \$500 million over four years. The groundbreaking Safe Home for Life reforms will improve the effectiveness of the child protection system and will mean more services and better outcomes for children at risk and in care.

The reforms will create a stronger, better child protection system to give our children and young people a good start and the best chance at a better future. The New South Wales Government has also delivered the most significant reforms to specialist homelessness services in a generation. The Going Home Staying Home reforms will mean more money and better services are delivered to the areas of greatest need. It will mean more money and better services for regions like mine in south-western Sydney. It will also mean that those in need will get the best possible help from quality organisations like Wesley Mission, where I recently attended a launch with the Minister and the Premier. We are providing a significant amount of money towards improving social housing services.

Overall the Government will invest \$1.1 billion in social housing and homelessness services. We are working to make social housing fair and strong. Since 2011, we have made waiting lists transparent to help people make more informed and better decisions; run amnesties to crack down on those rorting the system; introduced a vacant bedroom charge so more people can access housing; and made decisions such as that relating to Millers Point, which will help put social housing back on solid financial ground. We are committed to breaking the cycle of disadvantage to prevent people from falling below the poverty line in the first place.

However, we cannot do this alone. The Government has made a deliberate decision to capitalise on the strengths of the non-government sector and work together in partnership to break disadvantage. They are our great partners on the front line.

In the 2014-15 budget \$2.7 billion has been provided to the non-government sector to deliver specialist services. This will allow us to reach more people and make a greater difference to people's lives. Governments do not hold all of the wisdom and resources needed to deal with the complex issues that disadvantaged people face. Communities are closest to issues and often are best placed to offer solutions. That is why the Department of Family and Community Services has applied a collective impact model across nine of its districts. The Community Investment Collective is about gathering local community around projects, directing local time, talent and resources to help those who need it. The Community Investment Collective is a collaboration between local businesses, not-for-profit groups and governments. The Government is committed to working with its stakeholders in developing and driving a range of effective policies and programs to help address the issues faced by people in poverty or those at risk of poverty.

In my research on this subject earlier today I came across an article that said it is a misnomer to call this Anti-Poverty Week because we should not be anti anyone experiencing poverty. The Government is keen to support those going through hard times and to help them break that intergenerational cycle so they can make the most of their lives and those of their children. We also need to think about the daily struggle of some of our elderly citizens. We need to do all that we can to support them in putting food on the table and paying for their medical care. I again thank the member for Marrickville for bringing this important matter to the attention of the House tonight.

Mrs BARBARA PERRY (Auburn) [7.40 p.m.]: Poverty is one of the biggest issues affecting our communities today. As with other members in this House I see firsthand that those who did not have financial challenges over the past five years do so now. John Falzon, CEO of the St Vincent de Paul Society, quoted Helder Camara, the Archbishop of Recife in Brazil, in an article entitled *You don't have to be a communist to stand up for the poor*, stating:

When I give bread to the poor I am called a saint but when I ask why they have no bread I am called a communist.

That underlies what we have been talking about tonight. What worries me, as John Falzon has pointed out, is "the perpetuation of the myth that people living in poverty are to blame for their own situation". That is wrong. If we do not have the fabric of our society we do not have anything. The social fabric of our society is what economic growth and prosperity is built on. The causes of poverty are many and are often interrelated: long-term unemployment, mental health, disability and ill health, but most of all what we are seeing in this country is government policies. They are directly impacting on poverty in this country. I do not wish to be political, but there is enough literature and reports from the National Centre for Social and Economic Modelling [NATSEM] to clearly make the correlation between this year's Federal budget and how that will impact on the most vulnerable in our community. It will impact on low income families in Western Sydney.

It is clear from the NATSEM report that low- to middle-income families could be worse off by more than \$3,500 per year. Suburbs such as Mount Druitt and Whalan in Sydney will be the hardest hit by the Federal budget. This is not about class warfare but the facts. The suburbs least affected by the Federal budget include Warringah in Sydney. The bottom line is that members have a responsibility for policy. In this State the Government has removed the early intervention programs from Family and Community Services. The Minister stated today concerning affordable housing, "Let's meet demand and that will create affordability." That is naive, to say the least. As members of this Parliament we have a responsibility to everyone but most of all to those that who are finding it very difficult— [*Time expired.*]

Ms CARMEL TEBBUTT (Marrickville) [7.43 p.m.], in reply: I thank the member for Menai and the member for Auburn for their contributions to this important debate. Both members made the link between government action and funding, and policies and programs to reduce inequality and address poverty. That is extremely important. I agree with the member for Auburn that this is not about class warfare. Too often when this issue is spoken about the response can be, "You are pursuing a class position and a class warfare line." It is unhelpful when addressing an extremely pressing problem.

I agree with the member for Menai that governments do not hold all the wisdom but we know, as both members outlined, that action to address inequality and poverty does require government intervention and that takes funding. Governments at both State and Federal levels are doing a certain amount, but many of the

initiatives that I outlined in my introductory statement will require additional funding. Some funding can be found by reordering existing priorities, but improving public infrastructure and public services needs an appropriate revenue stream. This may mean tax reform. We should not shy away from that. If there is tax reform it must be targeted at those who have the ability to pay.

The low effective rate of taxation that is paid by some of the major corporations in the country must be looked at. I hope the current Senate inquiry looking at this issue will provide some way forward in this regard. Addressing poverty and inequality is becoming pressing in Australia and internationally. Poverty has a debilitating impact on individuals and families. It has a detrimental impact on society. Increasing numbers of people with diminished incomes, and poorer levels of health and education are a drain on productivity and reduce social cohesion. I will end with a quote from David Morawetz, Ph.D., Founder and Director, Social Justice Fund:

Addressing these issues is not just a matter for governments. Poverty is bad for our social relationships, and for our sense of community. Most of all, it is bad for those who are experiencing it: for their sense of self-worth, for their physical well-being, and perhaps most importantly for their children, for our future generations. We all need to do something about it. This is the reason why I strongly support this timely report. It's a call to arms for all of us. It's time to act.

They are fine words. Anti-Poverty Week is a time to highlight these issues and recommit ourselves to take action to address poverty and to reduce the impact on the current generation and future generations to come.

The DEPUTY-SPEAKER (Mr Thomas George): Order! I thank the members who have contributed to the matter of public importance.

Discussion concluded.

**The House adjourned, pursuant to resolution, at 7.46 p.m. until
Thursday 16 October 2014 at 10.00 a.m.**
