

# LEGISLATIVE ASSEMBLY

Tuesday 31 March 2009

---

**The Speaker (The Hon. George Richard Torbay)** took the chair at 1.00 p.m.

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

## BUSINESS OF THE HOUSE

### Notices of Motions

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

### PRIVATE MEMBERS' STATEMENTS

**Question—That private members' statements be noted—proposed.**

### WARNERVALE ANNUAL FAIR

**Mr DAVID HARRIS** (Wyong) [1.07 p.m.]: With all the hype and negativity reported by the media highlighting events that are happening in our economy and in certain sectors of society, it is easy to feel rather hopeless and helpless about the future. However, a lot of good things are happening to communities in the electorates of all members. It is a privilege to talk about events within this forum and to bring to the attention of members the wonderful events that unite people, help communities flourish, and support their members. One such example is the annual Warnervale fair that was held on 21 March. This fun-filled family event, which has been running for 11 years, has got bigger and, in the words of the organiser, better each year.

This year my family and I attended the event and we thoroughly enjoyed watching many people enjoying displays and affordable activities such as rides and sampling a variety of food. Warnervale fair had something for everyone but it also had a strong focus on kids and families. As this year's fair coincided with Harmony Day, a lot of multicultural displays and stalls added to the diversity of activities. Each year since the commencement of this event the Warnervale community has had an opportunity to nominate for Warnervale community awards people who have made outstanding contributions to their community. These awards are coordinated by UnitingCare Burnside's Warnervale Family and Community Centre, which recognises local stars who work with local agencies to build a sense of community.

Tricia Carlson, Burnside's Warnervale Community Centre community connector, said that the Warnervale community awards are a great opportunity for local schools, community groups and services to honour publicly the valuable contribution of volunteers. This year 13 community members were nominated: Bronwyn Barnes, Su-Anne Watts, Jordan Purcell-Ashburner, Sonja Lloyd, Ronda Keenahan, Lorrie O'Brien, Nancy Beveridge, Glennys Blyth, Helen Cuneo, Wendy Dalton, Margaret Goode, Carolyn Chidgey and Ray Rauscher. The major winners were Jordan Purcell-Ashburner and Lorrie O'Brien. Jordan, who has not yet turned 25, has had extensive community involvement across many organisations, for example, LandCare Australia. He is a founding member of Central Coast Wild Plant Rescue and Whale Call International.

He has also had extensive community involvement in or is a member of the Central Coast Community Congress, the Community Environment Network, Gravity Community Park, Toukley Rotary, Workwise—Links to Learning, Sunnyfield Independence Disability Service, the International Council on National Youth Policy, Wyong Youth Council, Headspace—Mental Health Services, Wyong Shire Council, the Federal Government's Youth Consultations and the Australian Sister Cities Conference, to name just a few. Jordan, a remarkable mentor and positive role model to many young people in the area, leads by example and demonstrates how dedication and commitment can overcome many barriers.

Lorrie is known as an angel. She has provided much-needed support to the members of one local family who experienced a difficult time when their young son was diagnosed with cancer. Lorrie organised to care for their three daughters, thus enabling them to stay at Ronald McDonald House to be near their son, and

she also organised a fundraiser to assist the family with medical and general living expenses. Lorrie is also heavily involved with St Marys Primary School and is well known for her generosity and dedication to the school community. As the popularity and size of the Warnervale Annual Fair has grown over the years, so has the number of sponsors that have become involved. These sponsors include Lake Haven Shopping Centre, Delta Electricity, Central Coast Business Park, Warnies Cafe and Store, Tyrade Pty Ltd, A Dozen Roses, Bunnings Lake Haven, North Haven Christian Outreach Centre and Wyong Shire Council. Their input and support is greatly appreciated by the local community.

I take this opportunity to commend the community of Warnervale, staff of the Uniting Care Burnside's Warnervale Family and Community Centre and all involved for having the vision and making the mighty effort to coordinate and hold such a wonderful community event. It was refreshing to see friends and neighbours enjoying themselves, united by the fact that they live in and support their community. It was also really good to see a number of schoolchildren performing from a number of local schools and also a local Aboriginal community, which opened proceedings with a very good welcome to country. The Warnervale annual fair is truly a reflection of the following quote from an unknown author:

Where much is expected from individuals, the best rise to meet the challenge and make everything brighter.

### **BEECROFT ROAD, EPPING**

**Mr GREG SMITH** (Epping) [1.12 p.m.]: Again I draw the attention of the House, as I have in local papers, to the problems on Beecroft Road, Epping when it rains. Last Monday a car went through the window of the Nara Japanese Restaurant for the sixth time since 2006. This matter has been constantly drawn to the attention of the Roads and Traffic Authority [RTA]. In October last year when a car drove into the restaurant I drew to the attention of the RTA the likelihood that one day someone would be killed, either a patron of the restaurant or a pedestrian outside the restaurant. The restaurant is located on a bend, and clearly it is a dangerous spot, yet the RTA has not fixed the problem. The RTA expert on guardrails informed my staff that discussions are taking place as to the type of guardrail to be used because it is a gateway to Epping and therefore must be environmentally friendly. What a farce. Who cares about the environment at the side of the road when people sitting in a restaurant could be killed?

The RTA has been on notice for three years that these accidents have been happening. It was certainly put on notice last October when I informed an RTA officer that he could be liable in the future because cases of manslaughter have been brought against people in the railways who had not undertaken the appropriate safety precautions. In this case the RTA are aware of six accidents involving the restaurant and surrounding businesses in three years yet it has failed to take any action. The RTA officer told me a meeting was held with the bus network consultant about the proposed guardrail and its suitability for urban planning. Apparently he needs clearance from Sydney Buses before installing the guardrail as it will affect the bus stop. Buses only drop passengers off at that bus stop; they do not pick them up. Apparently it is also used to fill in time. Also, prior to installation of a guardrail, utilities in the area and the condition of the road are checked as part of the program. It is the condition of the road when it is wet that causes the problem!

Obviously the road has a camber that causes cars to lose control. Even though the suggestion was made to put a sign up on the bridge at Epping to warn motorists to be careful in wet weather, the RTA has not taken that suggestion on board. How many times do we have to ask the Roads and Traffic Authority or the Minister for Roads to take action? He is a confident Minister, a nice guy, and I like him, but when will we get this guardrail? Do we have to get some money together ourselves and build the guardrail or put some spikes on the road that come up when it is wet? The Government has a duty of care to protect the citizens of New South Wales, not just its favoured electorates. It must protect people from risk of harm. This is a clear case where the Government is failing in its duty to provide that protection.

The RTA officer said a further delay was that nothing could go ahead without funding. I would not have thought it would cost too much to put in a guardrail; it would not be many thousands of dollars. One would think that the Roads and Traffic Authority would have contingency funding for an emergency, and this is certainly that. The RTA officer said he would tell us when funding has been approved and when the project will start. This is not the officer's fault because he has not received the necessary backing, but Mrs Niccols, who owns the property, is very concerned because her insurance premiums have risen substantially because she has made six claims in the past three years.

I am sure all those affected would be prepared to contribute to the funding to safeguard pedestrians and patrons of the restaurant. Will it take a death before any action is taken? Is it like pedestrian crossings where

lights are not installed until someone dies? Surely we are not being subjected to that primitive attitude. Epping First National Real Estate, ANZ Bank, Daly and Bernar Real Estate and Nara Japanese Restaurant have all complained and in October last year, following the last crash, they sent a petition, signed by 22 Beecroft Road businesses, to the RTA calling for action. We keep drawing this matter to the attention of the Minister and the authorities but nothing has been done. The problem must be fixed.

### SUSTAINABILITY EDUCATION

**Mrs KARYN PALUZZANO** (Penrith—Parliamentary Secretary) [1.17 p.m.]: I speak about schools showcasing sustainability. Local schools in the lower Blue Mountains were recognised for their outstanding achievements in sustainability education at the fourteenth Blue Mountains School Environment Awards. I commend Blue Mountains City Council and its environment team for hosting these awards, which all schools can participate in. I took pleasure in joining Councillor Mark Greenhill at the awards ceremony where the award winners for 2008 were awarded their certificates. The students participated in a range of award categories, including the caring for catchment award, the environmental education award, and the planning, waste management, kitchen garden, environmental achievement and sustainable school awards.

Blue Mountains Grammar School was the runner-up and Wentworth Falls Public School was the winner of the Caring for Catchment Award. Our Lady of the Nativity School was the runner-up and the Katoomba North Public School was the winner of the Environmental Education Award. Katoomba Public School was the runner-up and Lapstone Public School was the winner of the Planning Award. Katoomba High School was the runner-up and Blaxland East Public School was the winner of the Waste Management Award. Warrimoo Public School was the winner of the Kitchen Garden Award. Blackheath Public School was the runner-up and Katoomba North Public was the winner of the Environmental Achievement Awards. Blackheath Public School was the runner-up and Ellison Public School was the winner of the Sustainable School Award.

The awards are outstanding because the schools have their own plan of how to win the award. Lapstone Public School, the previous winner, hosted the awards ceremony. It has its own kitchen garden but does not have a canteen. Occasionally the produce from the kitchen garden is used on a cook day when students participate in cooking up the produce and selling it as a soup or perhaps a pesto. They have an innovative way of getting the water to the garden. I am a former student of the school, which is on a lovely incline at the foothills of the Blue Mountains; it is a rather sloping site. To get the water from the rainwater tank to the garden, they have hooked up a bicycle to the pump, and students must get on the bike and pump the water to the garden. I had a go at this and the students thought it was a remarkable achievement that I could do it.

This is a demonstration of schools achieving great things at a grassroots level: the future of our community depends on these types of grassroots environmental initiatives. The fantastic projects that were showcased are further proof that schools are leading the way in sustainability for the future. Councillor Greenhill and I were extremely proud of those achievements. This could not have been facilitated without the work of Blue Mountains City Council and major sponsors. These included Blue Mountains Bushcare Network, Blue Mountains Youth Hostels Association, Blue Mountains Conservation Society, Grasshopper, Blue Mountains School Environmental Network, Aussie Solar, Oasis Horticulture and Earthworks. I note also that grants from the New South Wales Environmental Trust, which supports rehabilitation projects, research and education, will close shortly. I recommend that all Landcare groups and schools investigate these grants and apply, where appropriate.

A previous trust grant was provided for Glenbrook Lagoon. Glenbrook has the one and only aquatic Landcare group that looks after the aquatic plant and riparian vegetation, and undertakes remediation for the lagoon. Werrington Creek, which threads through the Penrith electorate into the Londonderry electorate and forms the south side of the major western rail link in Kingswood, needs assistance. Hopefully Penrith City Council will make application for an environmental trusts grant to ensure Werrington Creek receives appropriate care. I acknowledge also the work of Knapsack Landcare Group. Hopefully it will participate in rehabilitation projects, research and education as part of the New South Wales environmental trust grants.

**Ms ANGELA D'AMORE** (Drummoyne—Parliamentary Secretary) [1.22 p.m.]: I thank the member for Penrith for highlighting the fourteenth Blue Mountains school environment awards, which allows local schools to showcase their sustainability within their communities. I note the member's acknowledgement that Blue Mountains City Council instigated these awards and also her acknowledgement of sponsors such as the Blue Mountains Bushcare Network, Grasshopper and Earthworks, which participated in the event. It is great to see our students engage in our local communities to come up with sustainable initiatives. As the member for

Penrith stated, it is important that these initiatives come from the grassroots. It is fantastic that our students have embraced these awards. It is a great way to showcase their schools and the great work they do in our local communities. I thank the member for her contribution.

### **CROWN RESERVES AND ROADS**

**Mr ANDREW FRASER** (Coffs Harbour) [1.23 p.m.]: Today I refer to a number of Crown land and Crown road issues in the Coffs Harbour electorate. The latest issue concerns the Orara Valley Recreation Reserve, which was highlighted in today's *Coffs Coast Advocate*. For many years this reserve has been utilised by soccer clubs, tennis clubs, cricket clubs and many other sporting organisations across the Coffs Harbour area. The highly successful Orara Valley Fair is held at the reserve each year. Money raised from the fair goes towards maintaining the reserve hall and grounds—a caretaker lives on site. The community strongly supports the use of the reserve. However, during the recent North Coast wet weather the tennis courts were damaged by the floods and now a sign on the gate states that the grounds are unsafe for use by schools or community groups.

The Crown Reserve Management Fund was established by the Coalition when it was last in office. Currently, that fund has in excess of \$14 million, yet many small reserves do not benefit from the fund. It appears that the funds are being loaned for commercial reserves and in return the fund receives a percentage of commercial turnover with interest. The initial purpose of the fund was to support the upkeep of smaller showgrounds and recreation reserves—in fact, all Crown land reserves across the State without a commercial bent attached to them. I ask the Government to release some money as grants for these small reserves and to provide some flood repair funds for the Orara Valley Recreation Reserve.

Additionally, we need clarification of who exactly is responsible for the upkeep of Crown roads. During the recent floods two roads in my electorate and one road in Bellingen, formerly in my electorate, were washed out. Council states that Crown roads are not its responsibility. In Bellingen the previous Greens candidate, Gabrielle Tindall, and nine other people cannot gain access to the town because a bridge on Boggy Creek Road has been washed out. Basically, council and the Government have said, "Look, it's not our responsibility." These people do not have the money to repair the road. I wrote to Coffs Harbour City Council regarding damage to Walters Road, Upper Orara. Council replied as follows:

Crown roads are eligible for funding, with Walters Rd being included within this funding application.

The council further stated:

It should be noted that should Council carry out restoration works on Walters Rd from the disaster relief funding, future maintenance would not be carried out by Council.

The dichotomy we have is that these are public roads. Councils allow subdivisions, and "paper" roads were approved many years ago to allow people access to their properties. Recently I inspected a dangerous hole in the road culvert on Morrows Road, Nana Glen. The people who utilise that road banded together to foot the repair bill to ensure the road was safe to use. A resolution is needed regarding responsibility of Crown roads and Crown reserves. The Coffs Harbour Golf Club leases part of its land from the Crown and has faithfully maintained and managed that portion of land for many years. In the past few weeks the Minister for Lands advised the club that its rent would increase to \$27,000 per annum. Obviously, the golf club cannot afford this exorbitant increase.

The Coffs Harbour Yacht Club, Coffs Harbour Deep Sea Fishing Club, Park Beach Bowling Club, Coffs Harbour Surf Life Saving Club, and Woolgoolga Surf Life Saving Club all operate on Crown land. The Government's regime is to increase rents hugely. In many cases those organisations cannot afford such high rents. Mr Sanderson at Urunga rents some Crown land for his taxi relay station for \$137 per year. Last August I wrote to the Minister and eventually received a reply last week that said the rent has now increased to \$2,500 a year. This is just for a relay station on Crown land for radio cabs that are utilised by the community. It is time the Government stopped ripping into the utilisers of these reserves and resolved the issue of responsibility regarding Crown land so that everyone knows where they stand now and in the future.

### **SHELLHARBOUR TRADE SCHOOL**

**Ms LYLEA McMAHON** (Shellharbour—Parliamentary Secretary) [1.28 p.m.]: The Rees Government gave a commitment to deliver the largest public education and training capital works budget ever undertaken in New South Wales, which would require spending in excess of \$2 billion over the next four years. The

Government continues to deliver. On Monday 9 February 2009 the people of the Shellharbour area were the recipients of a portion of this spending: the new Shellharbour Trade School was officially opened by the Minister for Education and Training, the Hon. Verity Firth. As the member for Shellharbour I was close at hand to share in this momentous occasion, along with other dignitaries and distinguished guests that included Ms Dianne Murray from the Illawong Institute; Mr Graeham Kennedy, Regional Director Illawarra and South East Region; Mr Phil Hirst, School Education Director; Ms Bernadette Iannou, Manager Community and Corporate Relations; Aboriginal elder Uncle Reuben Brown, who performed the official Welcome to Country at the commencement of proceedings; and Mr John Boss, from Shellharbour TAFE, who also was Master of Ceremonies. Also present were students and principals from local high schools at Warilla, Oak Flats, Lake Illawarra and Dapto.

The Shellharbour Trade School is located at the existing Shellharbour TAFE college to maximise the use of specialist facilities and experienced teaching staff. The New South Wales Government has invested \$525,000 to refurbish the college and, therefore, provide students with up-to-date technology and facilities. The upgrade includes a simulated hospital clinic so that students will be able to train in an environment similar to what they can expect in the industry. As the trade school is located within Shellharbour TAFE campus, students will have access to industry-standard training facilities and equipment. Industry-experienced TAFE NSW teachers will teach the courses. The new Shellharbour Trade School specialises in healthcare and automotive vocational education and training. This means that students who want to start their training in nursing, aged care or mechanics can do so while continuing to study for their Higher School Certificate.

Additionally, students from local schools already in part-time apprenticeships will work a number of days a week on the job with an employer and will have completed the equivalent of their first year of an apprenticeship before they leave school. By addressing these skills shortages we are strengthening the local economy and giving students a head start in their career. Students from both local government and non-government high schools already have enrolled in the trade school. In 2008 more than 140 students from these and other schools accessed Shellharbour TAFE college for their Higher School Certificate vocational education and training courses. In 2009 this number will grow, with some students having already started their apprenticeship or traineeship in the new trade school.

The Shellharbour Trade School is one of 25 trade schools being established across the State. Their primary aim is to provide students with real skills, making them more job ready, and strengthening the skills of tomorrow's workforce whilst enabling them to complete their tertiary studies. Local employers also benefit from the new trade school by having access to new recruits who already have a head start in their apprenticeship. As part of its Learn or Earn Policy the Government will continue to invest funds in the trade schools, thereby creating more than 12,580 training places for young people across the State. The Rees Government is spending a record \$648 million on school upgrades and \$230 million on school maintenance in 2008-09. The Shellharbour Trade School is a great example of the Government's commitment to tackling skills shortages in the most practical way.

It is anticipated that this will be a contributing factor in reducing unemployment in the Illawarra, by providing training in skills shortage areas. The new Shellharbour Trade School is just another example of this Government delivering on its commitment to families, and meeting the State Plan goals to increase vocational education and training options for all students. I thank the following students who completed year 12 last year and are now at university and who assisted me in the planning process for the trade school and other initiatives: Samantha Murray, Emma Purdy and Thomas Doyle from Lake Illawarra High; Frank Soto and Talitha Stevens from Kanahooka High; Adam Rozadilla and Tania Lincoln from the University of Wollongong; and Teagan Lacey, a trainee at one of the local childcare centres. Last year, as part of a forum with young people at all the local high schools, those students were instrumental in assisting me to address the issues in relation to youth training, the increase in the school leaving age, and access to trade schools. I particularly thank them for their assistance with the project.

#### LAKE ALBERT WORKS FUNDING

**Mr DARYL MAGUIRE** (Wagga Wagga) [1.33 p.m.]: It seems ironic that as I am about to bring to the House's attention the terrible drought and its effect on water storage in the Wagga Wagga electorate it is absolutely teeming with rain in Sydney. It just shows us how diverse weather conditions can be. We in Wagga Wagga would dearly love to have some of the rain that is falling. The drought in regional and rural New South Wales is continuing, particularly in the south where I come from. It is having a devastating effect on storage levels in dams, rivers and lakes. I bring to the attention of the House a problem we have with Lake Albert,

which is our primary water source for aqua pursuits in the city of Wagga Wagga. Over the years the water level in the lake has been declining because of evaporation and drought but also because of engineering that has occurred in the upper catchment of the lake area, on the creek known as Crooked Creek, and on the intake from Koorringal and Tatton. The local council has identified what needs to be done and it has come up with a strategy. However, to implement that strategy the council needs funding.

The council has applied to the Federal Government for about \$2 million in funding to rectify the inflow problems. Currently the water bypasses the lake. Urgent works need to be carried out on a set of barriers that will direct the water from Tatton and Koorringal into the lake. Environmental works need to be carried out in the lake itself, including the installation of a pipe in Marshalls Creek to pipe water down to the lake. This would result in even the smallest amounts of rainfall being captured for the lake and the excess will then flow into the Murrumbidgee River through the overflow. I acknowledge that volunteers have done an enormous amount of work on the project. Given that the council was able to put only \$30,000 towards the project, volunteers have come to the fore. Indeed, this week it would have been a strange sight to see lawnmowers and slashers working on the lake floor, but that is what occurred. Also this week heavy machinery in the form of scrapers have been used to remove silt and sand from the lake so it can be used on sporting grounds, where it will be valued.

Some weeks ago I met with Minister Costa, the Minister for Water, and Minister for Regional Development, to discuss with him the problem we have with Lake Albert. I informed him that the council had put in a submission for funding from the Federal Government. The purpose of raising this issue in the House today is to draw members' attention to our plight. Currently Lake Albert cannot be used. The people of Wagga Wagga have to travel to Lake Talbot, near Narrandera, to Temora, or to Blowering Dam near Tumut. It means that opportunities for tourism and sport are lost for the city of Wagga Wagga. We really need to solve this problem. I seek the Minister's timely response as to what he has been able to achieve on our behalf. Has the Minister been able to support our application to the Federal Government for infrastructure funding through the Water Fund?

Has his department been able to assist the hardworking Save the Lake Committee, which has worked tirelessly on our behalf under the leadership of Mayor Kerry Pascoe? What has the Minister been able to achieve? In my meeting with the Minister he suggested he would like to visit Wagga Wagga to have a look at the problems firsthand. Of course, we would always welcome that. This problem is not political in nature; it is simply Mother Nature at work. We need to find a solution to it—not a political solution but a funding solution that will allow the work that is now being carried out by volunteers to continue. The volunteers are removing the silt from the northern end of the lake, which will allow for a greater depth of water. All the works that are being carried out have been planned for and signed off by the Department of Primary Industries. There is unanimous agreement regarding the work that is being carried out in the lake, but there is a serious lack of, first, funding for the project and, second, rain.

I know the Minister cannot solve the rain problem, but I ask him to solve the funding problem. We urgently need more funding to allow the volunteers—that is Mick Henderson and his crew, who have organised the heavy machinery and have put in tireless hours of work—to continue their work, before the rains come and fill the lake. The rains will come, but we need to ensure that these environmental works progress. That is why a report to the people of Wagga Wagga, or indeed to the Parliament, would be appreciated on the progress the Minister has been able to make. The invitation is always open for the Minister to visit Wagga Wagga to see the problems with the lake firsthand and to discuss other initiatives I have raised with him in the past regarding a structure in the river to give us a permanent water supply.

#### **BANKSTOWN CITY NETBALL ASSOCIATION 2009 COMPETITION**

**Mr ALAN ASHTON** (East Hills) [1.38 p.m.]: As many members would be aware, netball is the most played sport in Australia. Last Saturday week I had the pleasure of attending the official opening of the Bankstown City Netball Association Competition for 2009. Once again the opening took place at Deverall Park, in Condell Park. I congratulate Bankstown City Council on its continued efforts in maintaining and improving the netball facilities at Deverall Park—often as a result of continuous requests and support from Councillors Allen Winterbottom and Ian Stromborg, the Federal member Daryl Melham, and me. The highlight of the official opening is always the Tracey Bird-Titmuss Memorial March Past. This year's march past consisted of all the clubs entered in the 2009 competition and the 2009 Bankstown City Netball Association representative teams.

I will mention the teams individually to show the growth of the Bankstown City Netball Association competition. The teams are Allum Park, Bankstown Blues, Bankstown Sports, Birrong Sports, Condell Park

Wattles, Crest, Greystanes Panthers—that is a pick up for this year—Linx, Padstow RSL Demons, Picnic Point Pumas, Saints, Wattle Grove, Auburn Breakers, Bankstown RSL, Bankstown Trotters, Chipping Norton, Classics, East Hills, Lakeside, North Bankstown, Panania RSL Youth Club, Revesby Workers—for which my daughter played for many years, and I note the member for Tweed is very appreciative of the club's netball team—and St Christopher's. That is a lot of teams. None of those teams are going bankrupt or being forced out of the competition either.

The competition's key sponsors are Revesby Workers Club and Athletes Foot at Liverpool. The march past this year was once again a colourful site—which is obvious, with all the girls in their colourful uniforms, which are very trendy now—and the winner of the Tracey Bird-Titmuss Trophy was, for the first time in the 10 years I have been going along, Revesby Workers Club, of which I have the great honour of being patron. I acknowledge the official guests at the opening. They included Daryl Melham, Federal member of Parliament; Mayor Tania Mihailuk; Councillors Allen Winterbottom and Ian Stromborg; Mark Bird; Joan Broadfield Smith and Betty Moore, local members of the Bankstown City Netball Association; Steve Nash; Debbie Poole; Diane Scott; and Rick Titmuss.

I also acknowledge the Yagoona District Band, which once again entertained thousands of people at the opening event. What is so good about netball is that, whereas the council has responsibility for the upkeep of so many different grounds for rugby league, soccer and cricket, all the netball teams play at one large venue, Deverall Park, Bankstown, which is near the airport. It is a massive site and there are literally hundreds of people who attend, and perhaps on some occasions thousands of people who pass through there while the games are played from approximately 9 o'clock in the morning until five o'clock in the evening. It is a tremendous site.

I conclude my remarks by expressing my genuine appreciation of the executive of the Bankstown Netball Association, whom I will mention by name as a way of thanking them for the countless hours of voluntary work they do for netball as a sport and for the benefit of young girls and young women. I thank the president, Carol Baiton; the vice-president, Graham Carnegie; the secretary, Marie Leonard; the treasurer, Denise Howard; the coaches convener, Julie Martin; the competitions convener, Linda Tunnicliff; the umpires convener, Tracey Pessego; the assistant secretary, Simone McDonald; the representative convener, Virginia Riseham; the registrar, Linda Burgess; the public officer, Wayne Chesterton; and the returning officer, Bruce Harvey. It is good that some men also are involved in the sport.

I began to take a very active interest in netball when my daughter commenced playing. I will not use the term "warned off", because that is too serious, but when I used to turn up every week and tried to coach when I was not supposed to, and cheered when I was not supposed to, on more than one occasion people said, "Alan, you've got to keep quiet. You've got to go over here. You can't do this." I found it almost impossible to keep quiet, as the Parliamentary Secretary and the member for Menai have noted. Netball is a great sport. Now my daughter has taken up soccer, so I digress to say that when I watched her play on Sunday I noticed that the team did not have a coach, a manager or a cheer squad—so I became all three! They won, two goals to one, and when the game was over I said, "That was a really great game." Some of the girls said, "You enjoyed it more than we did"—it was approximately 37 degrees Celsius! I cannot help myself: I just love sport. Netball is a really great sport. I know that the member for Tweed once worked in the Revesby district for many years. If he does not mind, I will mention that he used to work in the Revesby Workers Club.

**Mr Geoff Provest:** No, I do not mind.

**Mr ALAN ASHTON:** He was a respected employee there. Netball is a great sport in Bankstown. It is a pity that commercial television stations do not realise how many people would like to watch netball on television. Thank God the ABC usually does.

#### CASUARINA REC CLUB

**Mr GEOFF PROVEST** (Tweed) [1.43 p.m.]: I am 100 per cent for the Tweed. I inform the House of an event I attended last Sunday, the official opening of the multimillion-dollar renovation of a very large gymnasium and wellbeing complex at the Casuarina Rec Club in the Tweed electorate. It is appropriate to trace the origins of the club. The club was opened in November 2002 and is the dream of David Simons. David met a local developer, Don O'Rourke, in 2000 and told Don of his dream to establish a first-class gymnasium and training facility in the Tweed. David's vision has become a reality. On the club's opening day in 2002 there were

100 members and three members of staff. Currently membership has increased to well over 1,000 members and there are 15 members of staff. The gymnasium now includes a heated swimming pool, where learn-to-swim classes are held for groups of young babies and young children as well as mature age groups.

The club conducts more than 35 classes a week and is decked out with some of the world's best training equipment, including computer-controlled training systems. The complete refurbishment cost several million dollars, and in my opinion the complex now is one of the best gymnasium and wellbeing facilities in Australia. An important feature of the club is that it is the only centre in the world that hosts Surfing Australia's high-performance program. That has special meaning for me because many years ago I chaired a Federal Government initiative under the sustainable regions program that funded a large percentage of the program. The program trains up-and-coming surfers, both young men and young women, and assists them to achieve high performance. Other activities conducted at the club include yoga, Pilates, tennis coaching, swim squads, learn-to-swim programs, massage, and a new course, Element X, which is a high-performance Surf Life Saving program.

Recently it was my pleasure to meet both Trevor Hendy and Carla Gilbert, who are renowned Ironman and Ironwoman champions respectively. The privately funded Element X program is a six-hour course designed to provide young people who are under the age of 16 years with training and techniques that eventually will bring them to the peak of their swimming and physical exercise powers. Some of the subjects include breathing control, creativity, decisive action development, and positive mind development. The course also teaches young people about nutrition and training and concentrates on the development of motivation and a competitive instinct. It trains young people to get out there and participate. It is an action-packed program that delivers to kids increased fitness, a knowledge of teamwork, advanced training techniques and recognition of their own strengths as well as what works for them.

The personal development benefits of the course apply not only to sport but also to many life skills from which young people on the North Coast particularly may benefit. My young son Jack, who currently attends Kingscliff TAFE, currently is training to be a gym instructor and ultimately wishes to become a personal trainer. That is a really great ambition. I have noticed a big change in him since he started working towards his goal. He is training hard and he is careful about his diet. The more we can get our children involved in exercise the less will be the social costs of obesity in the future. The Casuarina Rec Club also conducts corporate teambuilding activities. A number of Australian Football League and National Rugby League teams have trained there, and corporations such as Toyota have held team-building programs incorporating physical fitness programs. The club provides a unique family experience and programs for all people, young and old.

I have been a member of the club for the past 13 months. It is truly a great club, providing nutritional advice and exercise routines for members. Bearing in mind the extent of obesity in our communities, the Casuarina Rec Club should be applauded for its full program and for keeping pace with modern trends in recreational activity. The Casuarina Rec Club has created a world first. It is not just a gym for elderly people, a gym for middle-aged people or a gym for young people: it is a gym for people of all ages. There is an atmosphere in which not just mum and dad go to the gymnasium on their own; they can take their kids along. Even my mother, who is 84, goes to a gymnasium in Wauchope. I wish David Simons, Craig McGarry, who is a former defence force sergeant and a dedicated trainer at the club who puts me through my paces, and the Casuarina Rec Club every success in the future. It is yet another icon on the Tweed. Once again, I am 100 per cent for the Tweed!

### **SUTHERLAND SHIRE FAMILY SERVICE**

**Ms ALISON MEGARRITY** (Menai) [1.48 p.m.]: On Monday 30 March 2009 I was honoured to join my colleague the member for Heathcote in attending the annual general meeting of the Sutherland Shire Family Services Inc., which is located in Soldiers Road, Jannali. The mission statement of this wonderful organisation is as follows:

Sutherland Shire Family Support Service aims to promote, support and carry out programs designed to contribute to the elimination of poverty and the promotion and maintenance of well-being amongst families living in the Sutherland Shire.

Approximately a dozen specific objectives lead on from that mission statement. The reports given by individual services during the annual general meeting clearly demonstrate that the organisation is delivering both on its mission statement and on each of its stated objectives. In October 2008 Sutherland Shire Family Services celebrated its twenty-first birthday. When it commenced operation in October 1987, with Joy Goodsell



employed as coordinator, it was known as the Sutherland Shire Family Support Service. Its first home was a small office above Miranda Fair. Lola Hearn was employed in February 1998 as an administration worker and remains a tower of strength in that role to this very day.

In 1988 the service moved to an older school site in Caringbah and employed its first family worker. Three more family workers and a childcare worker were later employed. Due to the redevelopment of that site the service moved to the Sutherland Police and Community Youth Club [PCYC] complex, and later moved to a small rented house in Merton Street, Sutherland. The New South Wales Department of Community Services funded construction of a multifunction centre at Jannali and the service moved there in August 1995, with Djanaba Occasional Care Service opening in January 1996 after more childcare workers were employed. Djanaba means laughter in the local Tharawal indigenous language. Occasional childcare services were able to be provided for the general community as well as respite child care for parents with very high stress levels, but who may have been unable to afford child care.

In 2008 the Sutherland Shire Family Services Inc. received funding of \$335,073, including \$46,578 for a youth and family worker position, and \$40,008 for the Djanaba Occasional Care Service from the Department of Community Services. The Southern Sydney Women's Domestic Violence Court Assistance Scheme also received \$174,816 from Legal Aid NSW in 2008. In the second half of 2008 the St George and Sutherland Aboriginal Family Worker Project and the Sutherland Family Worker Project received funding of \$55,000, including GST per project respectively. Establishment funding of \$20,000 per project was also received during this period. In June 2008, \$101,418 including GST was made available through the Department of Premier and Cabinet Office for Women's Policy to continue the Domestic Violence Pro-Active Support Service [DVPASS] until early 2010.

The very capable and hardworking Diane Manns manages the project. Diane made a special presentation at the annual general meeting about the number and type of DVPASS referrals from the Sutherland and Miranda local area commands since her re-employment in 2008. In fact, the project started in July 2007 as a six-month pilot with Sutherland Shire Family Services and Southern Sydney Domestic Violence Court Advocacy Service, working in collaboration with the Sutherland local area command, to provide early intervention for victims of domestic violence. The pilot was an outstanding success but the end of the pilot period also created a great deal more work for the existing workers. It is easy to understand why Diane's return, made possible through the current funding, was very warmly welcomed by the Sutherland Shire Family Services and the rest of our community.

I understand that a submission has been made that could see this valuable project continue beyond its current funding period. Diane gave us two compelling examples of two 17- and 18-year-old girls who had been helped enormously through this project, and I hope the service will continue beyond the current funding period. Helena Menadue stood down from the role of committee president after a remarkable six-year stint. She said:

The six years that I have been president of Sutherland Shire family services has contributed greatly to my life experience, especially seeing the organisation growing and achieving many of its goals. It has been a privilege being involved with this organisation over many years. I would like to thank all our talented management committee members for their time and commitment.

Helena also noted her special thanks to Kathy Jones for her great work as the coordinator and Lola Hearn, whom I mentioned earlier, for her tireless efforts to keep everything running smoothly. It is wonderful that Helena will remain part of the management committee and she will no doubt be a valuable support to Rita Pearce as she takes on the role of president this year. Regrettably, time does not permit me to detail all the very important and valuable services provided by the women and men of Sutherland Shire Family Services Inc. I will conclude with two quotes from the client evaluations of these services:

In crisis situations, my family worker was there for us when there was no one else.

Support, someone to confide in, to listen and to understand. My worker is one fine person, ... [made] me feel strong and gave me hope.

With the fallout from the global financial crisis, services such as these are badly needed in our communities.

### **BAULKHAM HILLS ELECTORATE TRANSPORT**

**Mr WAYNE MERTON** (Baulkham Hills) [1.53 p.m.]: Former Premier Morris Iemma announced twelve months ago that the North West Metro was to be built and the Labor Government was committed to

ensuring that work on the rail link would commence in 2010. The MetroLink brochure stated that the growth in population and employment was placing increasing demands on Sydney's road and rail network. It confirmed that residents of The Hills district have less access to public transport than residents in other parts of Sydney. The brochure also stated that the North West Metro would result in a significant decrease in traffic volumes from the north-west along the M2. Now, one year on, the North West Metro is just a distant memory and the people of north-western Sydney continue to face longer and longer troubled times in an effort to get to their places of employment.

Today I bring to the attention of the House one particular spot of major congestion: the intersection of Lexington Drive and Elizabeth Macarthur Drive with Norwest Boulevard. I am told that to undertake a project to fix that spot it would cost \$7 million. The problems of this intersection have been compounded following the opening of the M7 motorway. The Hills Shire Council has applied to the State Government for help in funding this intersection upgrade through the Roads and Traffic Authority pinch point program and the bus network development program. However, the council has received no indication that there are any plans for the Roads and Traffic Authority to enter into a joint funding arrangement to address the problem. Because of the horrendous delays experienced by motorists travelling on Norwest Boulevard, Old Windsor Road and the M7 motorists are shortcutting through local residential streets in Bella Vista, causing additional problems along Bingara Crescent, Providence Drive, Bella Vista Drive and Reston Grange. I have made countless representations to Ministers over many years about the problems faced by motorists in north-western Sydney. I quote from a recent response I received from the Minister for Planning:

An ambitious employment capacity target of 191,000 jobs has been set for western Sydney and key centres such as Rouse Hill and Norwest Business Park [which] have been identified for more intense commercial and retail development.

There are plans to target 191,000 jobs but it would appear that there are no plans to improve the traffic situation. With many major employers, including Resmed, Wyeth Pharmaceuticals and Woolworths, already operating in Bella Vista, it is imperative for the Government to take action to improve the traffic situation in the area as more organisations, which will provide additional employment, open in Bella Vista. I understand that Woolworths is going to open a further retail outlet in May and The Hills hospital will be opened in September.

It was 11 years ago that former Premier Bob Carr launched his Action for Public Transport 2010, which included the north-west rail link that was scheduled to commence operation in 2010. After scrapping the plans for the north-west rail link, former Premier Iemma announced plans for the North West Metro to commence construction in 2010—when the north-west rail link was supposed to be up and running. The scrapping of the north-west rail link is another example in the litany of broken promises and delivery failures by the State Labor Government that have frustrated the residents of north-western Sydney. The decision to axe the metro makes no sense. The population and traffic in the area is increasing, more homes are slated for construction and businesses within the Norwest Business Park were relying on a new rail link to drive further investment. The Government spent more than \$4 million on television advertising on staff salaries for the metro with absolutely no benefit to anyone. Many people bought homes in The Hills believing a railway was imminent. These same people are now trapped in their vehicles on a daily basis.

In November 2006 former Premier Iemma announced the pinch point program, which he said was aimed at improving traffic flows on Sydney's major road corridors. I call upon the Government to liaise with The Hills Shire Council to ensure that the necessary funding is provided for the project to address the major traffic congestion occurring at the intersection of Lexington Drive, Elizabeth Macarthur Drive and Norwest Boulevard in Bella Vista. Fixing the problem will also assist with the increasing traffic congestion occurring on the M7. It is true to say that the residents of north-west Sydney are literally captive to our roads, and buses are the only form of public transport on offer. It is time for the situation to be rectified.

The Government has a shocking record of broken promises on traffic improvements in the area. I ask the Minister for Roads to look urgently at the situation so that the many thousands of people who moved to Bella Vista in the expectation of a rail link are assured of a reasonable and decent way of travelling to and from work and other activities. The intersection of Lexington Drive, Elizabeth Macarthur Drive and Norwest Boulevard is busy at any time of the day but it is virtually at gridlock during peak hour. This matter requires urgent consideration.

#### **TAMWORTH ELECTORATE TRANSPORT**

**Mr PETER DRAPER** (Tamworth) [1.58 p.m.]: For a developed nation in the twenty-first century the provision of public transport in rural and regional areas is abysmal. I often hear metropolitan members of

Parliament, such as the member for Baulkham Hills who we have just heard speak, complain about transport shortfalls in their area, and I can sympathise with city commuters facing traffic jams or having to travel on buses where rail extensions should have been built. However, in many rural and regional areas public transport is virtually non-existent. Tamworth is a regional city with an urban population of more than 42,000 and yet there is no public transport, apart from taxis, to disperse crowds from entertainment venues most Friday and Saturday nights.

I welcomed the recent introduction of pensioner Regional Excursion Daily [RED] tickets for country seniors as a positive step to remove the long-term transport discrimination they faced compared with their city cousins. But this initiative has highlighted many problems that must be addressed when providing public transport for rural and regional residents. Transport is essential for people needing to access health services and the many other services that people require in their daily lives. It seems that the announcement of the RED tickets was rushed through, with bus operators not fully aware of the tickets' availability, while the transport authorities have failed to think the process through properly. It has brought forward many shortcomings that I will attempt to address today, and will detail further in future.

When examining transport options in country areas one can see that there are clear distinctions in services. School bus services are either A contracts, the old non-commercial contracts, or B contracts, which are mostly town-orientated services. A contracts are not RED ticket eligible, while B contracts are. For example, Millerd's service from Breeza and Curlewis to Gunnedah is a B contract, allowing passengers to transfer without extra charge to Hopes' bus service in Gunnedah. Hope's service to Lake Keepit is a B contract, with RED tickets available. However, the connecting McPherson's bus to Tamworth is an A contract, where RED tickets are unavailable. That means the only public transport option for Gunnedah residents is a long train trip to Werris Creek and then a change onto the Tamworth Buslines service to Tamworth. When people reach Tamworth they have less than an hour and a half to do their business before catching the bus again for the long return trip. I challenge members to try to get from Gunnedah to Tamworth hospital for a medical appointment under those time restrictions. It is impossible.

The Quirindi and Werris Creek bus to Tamworth is a B contract, with RED tickets allowed, and probably provides the best link available. However, Boggabri to Gunnedah is a real problem. Both Hopes and Haire's, which was formerly McKenzies, are A contracts and have no access to RED tickets. Until March 2004 there were three Boggabri to Gunnedah buses, with Hopes of Boggabri supplying two, and a McKenzies bus providing some additional capacity for other travellers. However, falling numbers led to the cancellation of one of Hopes' services. Patronage has picked up again and the Hopes bus that starts from Willala Hall and then runs through Boggabri to Gunnedah has 65 seats, but up to 75 students travelling. Haire's is a 57-seater with 65 students on the list. Not every child travels daily, but it appears that Haire's bus has students standing every day, and Hopes has students standing on some days. There is no capacity for adults or pensioners to use these buses.

All B contract buses, being public passenger services, come under the requirements of the Disability, Discrimination Act of 1992, while A contracts, being exclusively school buses, are exempt. Under the B contract, all buses used must have low floor access by 2022. Since 2007, one-quarter of buses now comply, 50 per cent must comply by 2012, 75 per cent by 2017 and the full complement by 2022. These buses have lower capacity, with 49 to 53 seats, compared with 61 to 65 seats. The Tamworth Buslines fleet will require about seven low-floor buses by 2022 to service Quirindi-Werris Creek, Manilla, Bendemeer and their town services. The remainder are exempt. Similarly, Hannafords has to comply for its Westdale and Coledale town services, but its school buses are exempt. Hannafords realise that many country people are likely to help should a bus break down out of town, so it lets these people on and radios ahead for a town service to give them a RED ticket when they arrive in Tamworth.

Tamworth Buslines is trying to work out a similar way to get around the problem. The A contract buses are fully funded plus costs, while B contract buses are funded per passenger carried and have route obligations—that is, town services. One operator advised me it was told that the RED tickets were not introduced to increase patronage but, rather, to fill vacant seats while not leading to a need for extra bus capacity. The discrepancies in rural and regional areas must be addressed to allow all bus services to carry seniors and other travellers who cannot access a car. Until the problem is fixed, health services, educational facilities, including TAFE, and many other essential services remain out of reach for far too many country people. This situation needs urgent attention from the Government. Bus New South Wales has detailed the anomalies to transport officials, who seem reluctant to act because it may cost more. One operator told me that the Ministry had dug itself another hole without thinking about it properly. Country taxpayers need public transport, and they deserve to have a reliable and usable service.

## PORT MACQUARIE EDUCATION AND SKILLS FORUM

**Mr PETER BESSELING** (Port Macquarie) [2.03 p.m.]: Given the right environment and the support of the broader community, Monday 30 March 2009 has the potential to be marked as an important date in the history of education and skills training provision for the Port Macquarie area in particular, but also for the mid North Coast of New South Wales. Yesterday marked the first occasion that local education providers, administrators and facilitators, as well as industry and trade representatives, linked with the local, State and Federal representatives as part of the newly formed Port Macquarie Education and Skills Forum. The forum has resulted from a greater recognition of factors that will determine how education and skills training are provided into the future and how not only that training and education can enhance opportunities for students but also how those links can be developed with an industry focus and educational outcomes in mind.

It was evident from the stakeholders and participants present at yesterday's meeting that the forum has the potential to change significantly the way that students of all ages and across all subjects will have their courses delivered to them. It will look at maximising the infrastructure that will be available to training and teaching organisations across the local area. All participants demonstrated goodwill in working towards a common purpose, guided by common principles and following a common approach to see local students access locally provided tertiary education, trade skills development and accreditation, and a range of community learning opportunities. Participants in the forum included representatives from the North Coast Institute of TAFE, the University of Newcastle, the General Manager and Economic Development Officer of Port Macquarie Hastings Council, the Executive Officer of the Mid North Coast Regional Development Board, representatives from Newman College and John Paul College, Mid Coast Youth Careers Services and the schools coordinator for TAFE delivery and vocational education and training, not to mention both Independent State and Federal members of parliament.

This is but a sample of industry representatives that the Port Macquarie Education and Skills Forum would like to access when considering ideas and proposals that will see better outcomes for local students and includes an important mixture of both government and non-government services. Rather than try to reinvent the wheel, the forum has relied upon some of the other initiatives that have been developed throughout the State that provide a valuable source of information and a template for how other areas have taken a similar approach to providing a collaborative solution to education and skills provision. We are grateful to the Gwydir Learning Region Model for publishing the independent evaluation carried out by Dr John Mitchell that deals, in particular, with the relatively poor educational and economic circumstances of the residents of the Gwydir shire—something that is relevant to our area, which maintains a low socioeconomic demographic.

The model provides details ranging from how projects were managed to the specific nature of the projects and the key findings from their evaluation—an important part of determining quantifiable successes and measuring whether programs achieved their objectives. As a result of the implementation of the model, TAFE enrolments in the region increased by 30 per cent from 2001 to 2005, from 336 to 435. There was a high level of engagement in vocational education and training programs due to the collaboration between schools, TAFE and adult community education. These results provide hard evidence that institutions working together will deliver better outcomes for students and also offer the encouragement and inspiration needed to motivate stakeholders in the Port Macquarie area to become actively involved in the forum.

Another valuable research source was the "Crossing Borders, Breaking Barriers" report by Stephen Crump, who was the University of Newcastle representative at the forum, and Mallory Mills, with Marie Larkins. The report examines the breaking down of sectorial barriers to combine community, secondary, further and higher education, using a case study of Central Coast campuses in New South Wales. It quotes the national inquiry into rural and remote education as stating that: "Ideological and historical barriers to the sharing of facilities and resources are inhibiting the capacity of rural and remote Australia to deliver a quality education to all children". I look forward to working closely with the Port Macquarie Education and Skills Forum, and equally look forward to what may result from the cooperation of all education and training providers in our area for the benefit of our local community.

**Question—That private members' statements be noted—put and resolved in the affirmative.**

**Private members' statements noted.**

*[The Assistant-Speaker (Mr Grant McBride) left the chair at 2.08 p.m. The House resumed at 2.15 p.m.]*

## ASSENT TO BILLS

Assent to the following bills reported:

Barangaroo Delivery Authority Bill 2009  
Children and Young Persons (Care and Protection) Amendment (Children's Employment) Bill 2009  
Crimes (Appeal and Review) Amendment Bill 2009  
Parking Space Levy Bill 2009

## MID NORTH COAST FLOODS

### Ministerial Statement

**Mr STEVE WHAN** (Monaro—Minister for Emergency Services, and Minister for Small Business) [2.17 p.m.]: I advise the House that the mid North Coast communities of Kalang and in the Darkwood area of the Bellingen valley are currently isolated due to rising floodwaters. The two areas are home to approximately 500 people each. I further advise the House that the township of Bellingen, which is home to 1,700 people, is expected to be cut off, with the likely closure of Waterfall Way at Marks Hill. The State Emergency Service [SES] continues to monitor northern Bellingen, which is also expected to be isolated today, potentially isolating a further 1,200 people. A band of torrential rain has started to hit the area and is expected to clear later tonight before returning again tomorrow. Up to 100 State Emergency Service volunteers are already out in the rain assisting, where possible. More than 10,000 members of the State Emergency Service stand ready to help their communities during emergencies, such as floods and storms.

Our State Emergency Service volunteers do an outstanding job in often unpredictable circumstances. Currently, our dedicated volunteers are on standby to respond to any calls for assistance that result from a low pressure trough off the northern New South Wales coast, which is moving south and is forecast to develop further. The isolation of the community is expected to be short term. However, the Bellingen State Emergency Service unit will maintain contact with residents and will be prepared to conduct a resupply operation. Should it be required, the State Emergency Service will deploy aircraft for reconnaissance and flood rescue. Since the weather warnings were issued, the State Emergency Service has received in excess of 40 requests for assistance from communities in northern New South Wales. The majority of requests relate to leaking roofs and sandbagging to prevent water ingress. No doubt, further requests for assistance will be made, given the forecast weather conditions.

The State Emergency Service State Operations Centre is now operating on a 24-hour roster in response to the forecast weather conditions. Once again, we see our highly trained and well-resourced State Emergency Service outfits swing into action when called upon by the wider community. As always, they are tireless in their efforts. On behalf of the entire New South Wales community, I thank our dedicated State Emergency Service volunteers for their unwavering commitment to keeping our community safe from natural disasters. I know I speak for all members when I wish them a safe and swift response to the weather being experienced by our northern communities.

**Mr ANDREW STONER** (Oxley—Leader of The Nationals) [2.20 p.m.]: Only six weeks ago the mid North Coast suffered extensive flooding and extensive damage courtesy of a similar system of weather that moved off the New South Wales coast. A low-pressure trough is currently off the mid North Coast, and once again heavy rain has fallen in the same area that was hit by flood just six weeks ago. Rainfall totals for the 24 hours to 9.00 a.m. included 225 millimetres at Dorrigo, 196 millimetres at Bellingen and 104 millimetres at Thora. The ground up there is saturated, so all this rain is run-off, swelling the rivers and creeks and once again affecting many communities, including Thora and Kalang, which have been cut off. It seems that Bellingen will be isolated, with Waterfall Way again likely to go underwater. I am told that further downstream in the Bellingen Valley, Repton is likely to be isolated again, and towns like Glenreagh in the Orara Valley cut off.

**Mr Andrew Fraser:** Central Bucca.

**Mr ANDREW STONER:** And Central Bucca, says the member for Coffs Harbour, who lives there. Again, we dips our lids to the State Emergency Service and its tireless efforts in assisting those in the community who are struggling from the effects of this latest flood and weather incident. I thank members of the Bellingen State Emergency Service, Toby Cutthell and Tim Leader and members of the Coffs Harbour State Emergency Service, including Bob Ray, who no doubt will be required to assist, especially in Repton and Glenray. I also thank sincerely, on behalf of our communities, ambulance and police personnel and power workers who are called out when powerlines go down.

## REPRESENTATION OF MINISTER ABSENT DURING QUESTIONS

**Mr NATHAN REES:** I advise members that during the absence from the Chamber today of the Deputy Premier, Minister for Climate Change and the Environment, and Minister for Commerce due to her attendance at the funeral of Sergeant Brett Till, the Minister for Education and Training, and Minister for Women will answer questions relating to her portfolio.

## BUSINESS OF THE HOUSE

### Notices of Motions

**Government Business Notices of Motions (for Bills) given.**

## QUESTION TIME

---

### SYDNEY POWER FAILURE

**Mr BARRY O'FARRELL:** My question is directed to the Premier. How could the Premier build a central business district emergency warning system without any emergency backup power supply?

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

**Mr NATHAN REES:** Yesterday at approximately 4.40 p.m. a significant power outage occurred affecting the central business district, east Sydney and other inner eastern suburbs. Energy Australia advised last night that approximately 70,000 homes and businesses were affected during the afternoon peak. The Government apologised to people who were inconvenienced by yesterday's blackout and I repeat that apology this afternoon. Jeff Lilliss, the Acting Chief Executive Officer of Energy Australia, advised that this was a highly unusual fault because it affected both our normal supply as well as the backup. He further advised that four 132,000-volt cables automatically shut down as a precaution, which is what they are supposed to do. The New South Wales Police Force, emergency services, Energy Australia and the Roads and Traffic Authority moved quickly. There was a plan in place, and it was implemented immediately.

Last night I attended the State Emergency Operation Centre with the Minister for Emergency Services. I was briefed by him, by Deputy Commissioner Dave Owens, and by the Director of the Office for Emergency Services, Stacey Tannos. I was told that the traffic management control of the Roads and Traffic Authority had alerted police that traffic lights across the central business district were out. Police responded soon after by deploying officers to more than 40 major traffic lights and intersections within the central business district. I am also advised by police that the traffic coordinator of police and the Roads and Traffic Authority moved speedily to implement the traffic management plan, including having police deployed to approximately 40 major traffic lights. Police and Fire Brigades also responded as quickly as they could to dozens of calls from people caught in lifts and trapped at intersections.

At approximately 5.20 p.m. Deputy Commissioner Owens sent an SMS message to 2,462 recipients, people who were building wardens across the central business district. The message read "Major power outage affecting Sydney's central business district. Power crews working to resolve issues." From 5.06 p.m. to before 6.00 p.m. various government agencies were issuing statements to the public and media by way of interviews and by notices lodged on websites. These statements confirmed the power outage and that Energy Australia, police, Fire Brigades and the Roads and Traffic Authority were working to resolve the issues. For example, the Fire Brigades issued statements on the radio at 5.06 p.m. and issued half-hourly updates. The Roads and Traffic Authority posted an announcement on its website at 4.47 p.m. and a spokesperson was on radio at 5.15 p.m. Police media commenced to issue statements to media outlets at approximately 5.50 p.m. In an event like the one last night, police, the Roads and Traffic Authority, emergency services and Fire Brigades rely on a range of communications channels, making statements to radio stations.

**Mr Barry O'Farrell:** Point of order: I am grateful to the Premier for thanking all those who assisted people last night.

**The SPEAKER:** Order! What is the point of order of the Leader of the Opposition?

**Mr Barry O'Farrell:** In relation to Standing Order 129, the question was specifically: How is it possible in an emergency to have an emergency system without a backup power supply?

**The SPEAKER:** Order! That is not a point of order. The Premier has the call.

**Mr NATHAN REES:** Mr Speaker, in an event like the one—

**Mr Barry O'Farrell:** An event like an emergency, you mean? We have an emergency sound system.

**The SPEAKER:** Order! The Leader of the Opposition will allow the Premier to respond to the question. The Premier has the call.

**Mr NATHAN REES:** In an event like the one last night the police, the Roads and Traffic Authority, emergency services and Fire Brigades rely on a range of communications channels. These include making statements to radio stations, issuing text messages to building wardens, and lodging initial reports via the Internet. This morning I was advised by the Department of Premier and Cabinet that due to the loss of power 17 of the 49 speakers that make up the public warning system in the central business district were last night inoperable. This is unacceptable.

**Mr Andrew Stoner:** Hence the question, you see?

**Mr NATHAN REES:** Hence the response.

**The SPEAKER:** Order! Opposition members will allow the Premier to respond to the question.

**Mr NATHAN REES:** Accordingly, this morning I asked the Director General of the Department of Premier and Cabinet to review immediately the capacity of the public address system in Sydney's central business district. As part of this review the Roads and Traffic Authority will urgently provide costings on the provision of an uninterrupted power supply system to the 49 speakers that are in place at traffic lights across the central business district. Obviously, I want the system to operate when it is needed most. In addition, the Government is working on the development of the capability to provide landline and SMS messages to individuals.

This system will be able to provide timely warnings to the general public in times of emergency and it is the subject of discussion with the Commonwealth and other States and Territories. The discussion on the development of an expanded SMS service is planned for the next Council of Australian Governments [COAG] meeting in April. Despite those 17 speakers not working, there were key elements of the plan that went exactly as they should have, which included the shutting down of the other three cables to prevent an Auckland-like scenario and the on-time train running last night. The early advice is that during the afternoon peak there was 99.4 per cent on-time running.

**The SPEAKER:** Order! The House will come to order. Members will cease interjecting.

**Mr NATHAN REES:** As I said, the inoperability of those 17 out of 49 speakers is not acceptable.

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

**Mr NATHAN REES:** We will move to fix that situation; that review is underway.

### OUTLAW MOTORCYCLE GANG COUNTERMEASURES

**Mr ROBERT FUROLO:** My question is addressed to the Premier. What action is the Government taking to combat outlaw motorcycle gangs?

**The SPEAKER:** Order! I call the member for Wakehurst to order. I call the member for Murray-Darling to order.

**Mr NATHAN REES:** Criminal gangs have no place in our community and the Government will support our police force in its efforts to eradicate them. Dedicated members of the New South Wales Police Force deserve our gratitude and respect for their tireless work in this regard. They have the support of this

Government. The Government is putting in place new measures to stamp out these criminal gangs. Operation Ranmore, the police operation targeting individual gang members, made more than 900 arrests, laid 2,072 charges and seized large quantities of illicit drugs and firearms. The operation was an outstanding success. I made it clear that the Government would go further to stem the tide of violence and criminal activity.

After a full briefing from Commissioner Scipione last week I announced Strike Force Raptor, immediately deploying an additional 75 police officers, building a force of 125 police officers dedicated to investigating criminal gangs. I also announced Reference Leeton, bringing the powers of the New South Wales Crime Commission down on criminal gangs. Over the past weekend the first of the high-impact strategies was initiated by Strike Force Raptor. The operation took place around Parramatta and the Sydney central business district, commencing at about 8.00 p.m. on Saturday. A total of 25 people and four vehicles were searched, and 11 licensed premises were patrolled. A total of eight move-on directions were issued throughout the evening and a vehicle, which was allegedly linked to a Comanchero, was issued a defect notice in Kings Cross. Twenty-five traffic infringement notices were issued throughout the evening, including six speeding offences. That is all great police work, with outstanding results.

Further, I committed the Government to investigating new laws to give the police additional powers to deal with outlaw motorcycle gangs. I can report to the House that the bill is in advanced stages of drafting. We are determined to get these laws right. It is essential not to rush important legislation. We will be cautious in the drafting and we need to get the necessary legal advice so it withstands legal challenge. In that regard we are seeking legal advice from the Solicitor General and other eminent lawyers in the lead-up to the introduction of the bill. The Government will introduce laws that will enable gangs to be declared criminal organisations, which will help us to strip them of their assets, ban gang members from associating with each other and introduce strong new search warrant powers for police. We will also remove the presumption in favour of bail for these offences to keep gang members off the streets.

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

**Mr NATHAN REES:** Our proposed laws will allow gangs to be declared criminal organisations. Police will apply to the Supreme Court to declare members of outlaw motorcycle gangs as well. It will be an offence for these declared members to associate with one another. If gang members continue to associate, they will face jail—up to two years for a first offence and up to five years for offences after that.

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

**Mr NATHAN REES:** Declared members will also be banned from working in a number of industries that are vulnerable to organised crime. A declared gang member will not be able to associate with another declared gang member. Each declared member will be prevented from working in high-risk industries. Advice from the commissioner is that gang members use the security industry to gain access to weapons, to establish drug distribution networks and to use standover tactics. They are also involved in the tow truck industry, which they use as a source of parts in car rebirthing as well as drug running. That is why the Government will strip the licences of declared gang members to work in these industries. If a declared gang member seeks to apply for a licence to enter those industries the application will be refused. The Government is also moving ahead with powers to strip outlaw gangs of ill-gotten assets, including property, motorcycles and other assets.

These new powers will not just extend to declared gang members but to anyone who has been engaged in offences under existing gang legislation—that is, anyone who participates in an organised crime group. The Government also will introduce new search warrant powers for police to combat organised crime. Under our proposed laws police now will need reasonable suspicion that a person is committing a criminal offence. Traditional warrants require reasonable belief. These warrants will be available by telephone 24 hours a day, but will require the approval of a Supreme Court judge. They will help police seize items in connection with offences believed to have been perpetrated by a gang. The Government has listened to front-line police. Our plan to fight criminal gangs is based on new powers and solid operational responses. The Opposition has no plan. The Government's laws will give police the power to disrupt and dismantle criminal gangs.

### **SYDNEY OPERA HOUSE RENOVATION**

**Mr ANDREW STONER:** My question is directed to the Premier. How could the Premier be surprised that Kevin Rudd dismissed his out-of-touch \$1 billion proposal for the Sydney Opera House—



**The SPEAKER:** Order! I call the Minister for Planning to order. I call the Minister for Transport to order. The Leader of The Nationals will restate his question.

**Mr ANDREW STONER:** How could the Premier be surprised that Kevin Rudd dismissed his out-of-touch \$1 billion proposal for the Sydney Opera House when over the last six months he put forward \$45 billion in projects, including his \$10 billion M4 extension idea, to be funded from the remaining \$8 billion in the Building Australia Fund, which is meant to go around every State and Territory?

**The SPEAKER:** Order! I call the Minister for Roads to order.

**Mr NATHAN REES:** I refer to the answers I gave to this question last week. The Government has not committed a single dollar to the Sydney Opera House—let alone a billion dollars, as some media reports suggest.

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

**Mr NATHAN REES:** I have said that education infrastructure, health infrastructure and roads infrastructure remain the priority for this Government. All other bids will be considered in the context of putting together a budget. Interestingly, the week after the Coalition scrapped the proposed \$4.8 billion CBD Metro—including the hundreds of jobs proposed—there is still no announcement about what would replace it.

**Mr Greg Smith:** Build the north-west rail link.

**Mr NATHAN REES:** No, you were not going to build the north-west rail link; you were going to build the north-west rail link and the south-west rail link for \$4.8 billion. We are still waiting to see where those proposed rail lines are going to finish, and we have a pretty rough idea. I will get to that later.

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

**Mr NATHAN REES:** As the Opposition is busy scrapping jobs and putting Max the Axe to work to put together its policy proposals—

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

**Mr NATHAN REES:** The 40 key infrastructure tasks underway in New South Wales at present include for Minister Macdonald, who represents the portfolios of Primary Industries, Energy, Mineral Resources and State Development, some 15,000 jobs; for Minister Borger, who represents the portfolio of Housing, some 2,000 jobs; for Minister Campbell, who represents the portfolio of Transport, some 1,600 jobs. I could go on.

**Mr Chris Hartcher:** No, go on, please!

**Mr NATHAN REES:** Okay. There is \$56 billion—

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

**Mr NATHAN REES:** There is \$56 billion over four years, the biggest spend in Australian history, underpinning—

**Mr Barry O'Farrell:** You've been saying that for the last 14 years.

**Mr NATHAN REES:** As the Government is building, the Coalition is scrapping.

**The SPEAKER:** Order! The Leader of the Opposition will come to order. I call the member for Willoughby to order.

**Mr NATHAN REES:** Last week the Coalition scrapped nearly \$5 billion worth of infrastructure.

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

**Mr NATHAN REES:** As I have said repeatedly with regard to the Infrastructure Australia fund, there is around \$1 trillion worth of bids from each of the jurisdictions across Australia. Infrastructure Australia, an arms-length standalone body of the Commonwealth Government, will assess each of those bids. We will await its judgement. There are 150,000 jobs being underpinned each year by a \$56 billion infrastructure program. In addition, there is \$6.5 billion from the Federal Government for projects in the education sector and the public housing sector. That is another 30,000 jobs each year for the next two years. That is our stimulus package.

That is the package that was opposed by members of the Opposition. They do not want jobs. They have Max the Axe standing by ready to implement all the policies that he was not able to implement previously. Last time on his watch 24,000 jobs were axed. Our record on jobs is solid. We have a plan: \$56 billion worth of detailed plans to deliver jobs right across New South Wales.

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

**Mr NATHAN REES:** There are 4,000 apprenticeships, 2,000 cadetships and 150,000 jobs each year from our money and another 30,000 jobs each year for the next two years from the Federal Government's stimulus package as we insulate New South Wales from the worst effects of the global downturn. In response, from the Opposition we have had the scrapping of nearly \$5 billion worth of infrastructure and nothing to replace it with.

### HEALTH SYSTEM REFORM

**Mrs KARYN PALUZZANO:** My question is directed to the Premier. What is the latest information on how the Government is investing in a better health system?

**Mr NATHAN REES:** New South Wales—and indeed Australia—has a world-class health system.

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

**Mr NATHAN REES:** We do not hear that said enough, but it makes it the truth nonetheless.

**The SPEAKER:** Order! I call the member for Clarence to order for the third time. He is on his final warning.

**Mr NATHAN REES:** That is not a subjective measure. In November last year Peter Garling, SC, submitted his report to us, all 1,200 pages and 139 recommendations. In making those recommendations Mr Garling found that our health system is "one of the better public health care systems in the world". He found that, "Doctors, nurses and clinical staff are well-trained and skilled ... caring and dedicated and able to provide some of the most sophisticated medical care in today's world." Our public hospitals and health services have never been busier. More than two million visits are made to emergency departments every year in New South Wales, 700 major operations are performed on a typical day, and hundreds of thousands of occasions of care are provided by our hardworking community and allied health staff.

The vast majority of patients will experience high quality care provided in a timely fashion by skilled, experienced staff. For some it is life-changing—the premature babies we keep healthy in those critical early days and weeks inside what amounts to a self-contained emergency department little more than a metre long; the children who benefit from, for example, split liver transplants using adult organs cut to size; the patients with gut and liver disease who can now swallow a tiny camera which provides up to 14 images a second to help doctors make a diagnosis. Cancer patients can undergo positron emission tomography scanning, giving their doctors a detailed picture of their condition. Of course, those high-tech procedures are coupled with the more routine procedures that happen every day across the State—50 hip or knee replacements, 50 cataract surgeries and 28 surgeries to repair broken bones.

We know that as good as our health system is it is at a crossroads. Demand is increasing, the complexity and cost of treating conditions is increasing, and expectations are increasing. On top of that we have an ageing population with more patients than ever with chronic and complex illnesses. Our hardworking staff, some 100,000 of them, face challenges every day that we can only imagine. The Garling report demanded a clear and categorical response, and that is precisely what we have provided.

**Mrs Jillian Skinner:** You did not!

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

**Mr NATHAN REES:** You may take your health policy from the newspapers, Jillian, but we take it from the experts. We have accepted 134 of his 139 recommendations, with three still under further consideration.

**The SPEAKER:** Order! The member for North Shore will cease interjecting.

**Mr NATHAN REES:** We have responded with a \$485 million package over four years to deliver sensible and achievable measures that target the things that matters most—our patients. The response to the Garling report is not just about providing patients with better treatment; it is about providing them with better care. Yesterday the head of the Doctors Reform Society, Con Costa, said our response was "a victory for commonsense". Last week, Brian Morton, head of the Australian Medical Association (NSW), said that our initiative to return wherever possible to accommodating men and women in separate areas was "a good idea". That same day the *Daily Telegraph* editorial said it was a commonsense solution and "other expected reforms are similarly sensible".

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

**Mr NATHAN REES:** Today's editorial has a similar theme, noting that "Many of these moves are simply common sense. Returning nurses to what they do best—nursing, instead of paperwork—is one obvious example." Yesterday the Hospital Reform Group, a group of eminent health care specialists from all facets of the health system, said that it was "encouraged by the positive response of the Health Minister and the Government to the recommendations of the Garling Inquiry". Yesterday we accepted 134 of the 139 recommendations. There is a detailed \$485 million implementation plan from the Government. How has the Opposition responded? A measly six-point plan, not one of them targeted at improving patient care—and we know what its record of patient care is. Last time the Coalition was in control of hospitals it tried to close, privatise or downgrade 30 of them. It closed more than 7,000 beds. The member for North Shore used the phrase "tinkering at the edges" today. She should know, because her response to a system under challenge does not even tinker. The response we released yesterday itemises how we will be taking on 134 of—

**The SPEAKER:** Order! The House will come to order.

**Mrs Jillian Skinner:** Read the *Herald* editorial today, Nathan.

**Mr NATHAN REES:** That may well be your measure of success, Jillian, but I am more interested in the patients in the system.

**The SPEAKER:** Order! Members will come to order. The Premier will direct his remarks through the Chair.

**Mr NATHAN REES:** The efforts of Garling and the clinicians, who put together their submissions as Garling went exhaustively throughout the system consulting clinicians and patients and administrators, led him to make recommendation 134: "I recommend that there be no alterations to the current area health service governance structure ..." In recommendation 135 he said he did not "recommend boards of directors whose task it is to govern various area health services". We accepted those recommendations, but they were completely and utterly ignored by the Opposition.

**Mrs Jillian Skinner:** We did not ignore them.

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

**Mr NATHAN REES:** The nonsense the member released as health policy last week is contrary to the recommendations of Commissioner Garling. We will be creating a new role of medical executive director for major metropolitan hospitals and hospital networks. They will become clinical champions, working at a local level to support local decision-making and the uptake of clinical innovation. We will be cutting red tape and making sure decisions and actions on critical issues—such as filling local clinical vacancies, planning clinical services and the purchase of equipment—can be made quickly and locally. We are establishing the Bureau of Health Information to get independent health data collected and in the public domain.

**Mrs Jillian Skinner:** That is in our policy.

**Mr NATHAN REES:** It is not your policy—it was recommended by Garling!

**Mrs Jillian Skinner:** Yes, and it is in our policy.

**Mr NATHAN REES:** The Coalition was dragged kicking and screaming to it. We foreshadowed this months ago.

**The SPEAKER:** Order! The House will come to order.

**Mr NATHAN REES:** We are getting chief executive officers to publish budget, performance and care status down to a ward level so staff can be better informed on how they can improve their services.

**The SPEAKER:** Order! Members on both sides of the House will cease interjecting.

**Mr NATHAN REES:** Yesterday I stood side by side with a terrific group of health professionals—a cross-section of those members of staff who have worked with us putting together our response to the Garling report. All those health professionals were there to show their enthusiasm for our reforms that will give them more resources and more support in delivering treatment and care to their patients—reforms that will engage them and draw them into the planning and decision-making process. Yesterday, Professor John Dwyer, a highly respected physician and co-chair of the New South Wales Medical Staff Executive Council, acknowledged that our response proposed "major reforms" that would require "political courage".

He is right on both counts, which is why we have responded to the Garling report by accepting the vast majority of its recommendations, backing them up with the required resources, and grounding our response in a renewed spirit of cooperation with our front-line staff and a renewed commitment to putting patients back at the centre of all decisions—clinical and administrative—in our hospitals and our health services. We have accepted recommendations to establish a clinical innovation and enhancement agency and an institute of clinical education and training, giving clinicians greater opportunities to work together to improve the care provided to groups of patients.

On top of that our response deals with the needs of patients. More nurses will be removed from behind their desks and put back on the wards to coordinate care and to ensure that patients and families have information. We are putting more clinical pharmacists in hospitals to better manage medications and to prevent errors. We are putting more nurses in emergency departments to take care of patients waiting for assessment. We are also expanding the hours of allied health coverage and creating more specialist training places. A six-point plan in response to the exhaustive work done by Ms Garling is a joke. More importantly, it does a disservice to the hundreds of front-line staff that have contributed to this process and that are committed to working with us to see it through.

### **CBD METRO COSTS**

**Ms GLADYS BEREJIKLIAN:** My question is directed to the Minister for Transport. Why is it that on 14 November 2008, three weeks after he announced the \$4.8 billion CBD Metro, key staff in his department were still in the dark about the cost of the project and were simply relying on press releases to piece together how the costs were arrived at?

**The SPEAKER:** Order! The House will come to order. The Minister for Planning, the Minister for Roads and the member for Murrumbidgee will come to order.

**Mr DAVID CAMPBELL:** Last week, in an interview on Channel 9, the Leader of the Opposition was making up policy on the run. He had not spoken to the shadow Minister for Transport.

**The SPEAKER:** Order! Members will cease interjecting.

**Mr DAVID CAMPBELL:** He had not spoken to the shadow Minister for Transport because she knew nothing about his decision to kill the CBD Metro. The Leader of the Opposition, in making his commitment to a project worth about—

**The SPEAKER:** Order! The Leader of the Opposition will cease interjecting. I call the member for Willoughby to order for the third time.

**Mr DAVID CAMPBELL:** The Leader of the Opposition did not consult the shadow Treasurer. Last week the shadow Treasurer said that if the Coalition were ever returned to government—which is most unlikely—it would never increase expenditure more than income; in other words, it would always have a surplus budget. Last week the Leader of the Opposition was caught out making up policy as he went along without consulting with the shadow Minister for Transport or the shadow Treasurer. As I advised the House last week, he obviously consulted the member for Upper Hunter, who is an expert on Luna Park. He did not consult with the shadow Minister for Transport or the shadow Treasurer because the Coalition has only enough money in the funding envelope to build a north-west rail link from the central business district to Luna Park. However, the Leader of the Opposition has not explained where the money is coming from to meet that policy or pronouncement on the run.

**Ms Gladys Berejiklian:** Point of order: My point of order relates to relevance under Standing Order 129. I accept that you allow a degree of latitude, but the Minister has been speaking for several minutes and he has not yet answered the question. Why did his staff not know what the cost of the project was more than three weeks after it was announced?

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

**Mr DAVID CAMPBELL:** In contrast, the Government, as part of its mini-budget, allocated \$4.8 billion to provide the backbone for a metro system for Sydney—the CBD Metro—which will enable an intermodal shift from heavy rail to metro, from bus to metro and then to heavy rail. The Government's intermodal shift strategy will bring together all these forms of transport in an integrated plan. In contrast, Opposition members make policy on the run.

### **CBD METRO AND JOBS**

**Ms ANGELA D'AMORE:** My question is addressed to the Minister for Transport. What is the latest information on how the Government is supporting jobs by building the CBD Metro?

**Mr DAVID CAMPBELL:** I know from continuing discussions of the member's interest in the delivery of integrated public transport to serve the inner west area that she represents. Metro rail, the future of Sydney's transport, is proceeding as interested parties come forward to express their desire to be involved in the CBD Metro project. The underground metro line will revolutionise transport in the central business district and be the starting point for future metros branching out in greater Sydney. Construction is set to begin next year. Businesses are being asked to register their interest in the design and construction as part of a streamlined tendering process. The process has been put in place to cater for the high levels of interest from the private sector.

Last month an industry briefing saw representatives from over 100 businesses in attendance. Advertisements have been placed in major newspapers informing industry that the first major package of work will be for the design and construction of the permanent route infrastructure. Businesses need to register their interests by 5.00 p.m. on 17 April. The Government is getting on with the job, creating employment and stimulating the economy. Government members are the builders and Opposition members are the wreckers. I refer to the Engineering Jobs Australia website. I have a photocopy of one of the pages from that website which has as its tagline "Engineering job possibilities". The article on that page is entitled, "Tunnelling engineers wanted."

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

**Mr DAVID CAMPBELL:** As I said a moment ago, the Leader of the Opposition dug a hole for himself while trying to come up with a transport pronouncement. He should listen to what I have to say. The article on that website, which deals with reference No. 58100—

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

**Mr DAVID CAMPBELL:** The article on that website states:

Job description: Here is your chance to work on the largest infrastructure projects in the World Today.

**The SPEAKER:** Order! I remind the member for Willoughby that she is on three calls to order. I warn the member for the final time.

**Mr DAVID CAMPBELL:** The website continues:

The Sydney CBD Metro and the Hong Kong West Island Line ....

Tunnelling Engineers to help design and build the future transport systems of these two great cities.

Positions range from engineers all the way through to project directors.

The article on that website goes on to state much more. Sydney and Hong Kong are great cities and this Government is determined to ensure that Sydney remains a great city. Government members are the builders and Opposition members are the wreckers. We are creating jobs in New South Wales and we are continuing to use our large infrastructure spending to boost the economy in tough times. Businesses across the globe see this as a key project—an important and cutting-edge transport development and the first of its kind in this country. However, those opposite have decided that they want to kill off metro rail in Sydney and seek politically expedient heavy rail options—heavy rail options about which the Leader of the Opposition is refusing to answer some very simple questions. How much will his planned north-west heavy rail link cost?

**The SPEAKER:** Order! The House will come to order.

**Mr DAVID CAMPBELL:** Most importantly, what services does he plan to cut and how many jobs of teachers, nurses and police does he plan to axe in order to make up the shortfall required to pay for his ill-conceived pronouncement on the run? It simply does not add up.

**Mr Chris Hartcher:** Point of order: The Minister has asked a question and the answer is zero. The Opposition will sacrifice no jobs at all.

**The SPEAKER:** Order! The member for Terrigal will resume his seat. The Minister has the call.

**Mr DAVID CAMPBELL:** The Coalition is not going to grow expenditure faster than income. That means it is going to have to find service cuts or more taxes; having surpluses means just that. The member for Terrigal, in his haste to interject and try to take a point of order—it was not a point of order—again has demonstrated that those on that side of the House are making it up on the run. We are the builders; they are the wreckers.

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

**Mr DAVID CAMPBELL:** As expected from the announcement by the Leader of the Opposition yesterday, there is no detail and no follow-through. But we should not be surprised; it is much like the Opposition's plan for Victoria Road. The member for Drummoyne is particularly interested in this issue. The Opposition wants to add an extra lane to the Iron Cove Bridge—another attempt to land in a populist position. From that side of the House we get pure populism. The problem, as always, is that the Opposition has adopted the wrong position. The University of Newcastle looked at adding an extra lane to that bridge and came to the same conclusion as the Roads and Traffic Authority: the bridge has to be strengthened, so that would be more expensive; and a separate bridge has to be built for pedestrians, and that is less safe and less efficient.

The Government's proposal is less expensive and more effective. It is all in the report on the Internet. If Opposition members had just taken a leaf out of the member for Vacluse's book and spent five minutes on Google, they would have been able to read that report and they would have been aware of that information. We used to hear about Google every second day; on that side of the House it is always the *Daily Telegraph*. Whatever the *Daily Telegraph* says we know we are going to be asked a question on it. At least occasionally the member for Vacluse went to Google to look somewhere different. Maybe Barry needs to reconsider where he is getting his advice. Is Max the Axe indeed the author of these harebrained Opposition pronouncements? Barry is taking advice from the same man who, as chair of Sydney Airport, can claim the honour of a special hat-trick: three years in a row his airport was named the worst airport in Australian Competition and Consumer Commission reports. That is where he is getting his advice about the services he will cut and the taxes he will increase.

**The SPEAKER:** Order! The House will come to order.

**Mr DAVID CAMPBELL:** The choice is stark: a plan over here by builders, pronouncements and policy on the run over there by wreckers.

**The SPEAKER:** Order! The House will come to order.

#### **SOUTH EASTERN SYDNEY AND ILLAWARRA AREA HEALTH SERVICE STAFFING**

**Mrs JILLIAN SKINNER:** My question is directed to the Premier. Given the Premier's commitment to keep "front-line staff right where they are," how does he explain the 111 staff, including front-line nurse managers, cut from the South Eastern Sydney and Illawarra Area Health Service?

**Mr NATHAN REES:** Yesterday we announced \$455 million, of which \$176 million—

**The SPEAKER:** Order! The House will come to order and allow the Premier to respond to the question.

**Mr NATHAN REES:** —was for 500 ward-based clinical support officers, 64 additional clinical pharmacists and 30 additional clinical initiatives nurses; \$5 million was for the establishment of the Health Information Bureau; \$12 million was for support for single-sex wards where possible; \$22 million was for expanding our live health coverage; and \$15 million was for 20 extra specialist trainees. I could go on.

**Mr Adrian Piccoli:** Max the Axe has been there.

**The SPEAKER:** Order! Members will cease interjecting.

**Mr NATHAN REES:** The Opposition has its own backbench onto Max the Axe. It was laid bare: 24,000 jobs axed by Max the Axe.

**The SPEAKER:** Order! Members will cease interjecting.

**Mr NATHAN REES:** I am advised that the South Eastern Sydney and Illawarra Area Health Service has almost 22,000 employees; 111 redundancies have been offered to administrative and management staff. I expect all health managers, in fact managers everywhere, to manage within their budgets. The Garling inquiry, an exhaustive examination of the public hospital system in New South Wales, comprised extensive consultation with clinicians, administrators, nurses, allied health workers and so on over many, many months. In contravention of what Garling recommended, the Opposition proposal is to more than double the health bureaucracy from eight area health services—

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

**Mr NATHAN REES:** —to 20 area health services. That is more than doubling, and the Deputy Leader of the Opposition knows that. She also knows that it will need to be serviced by a bureaucracy. She also knows that each of the boards the Coalition proposes will need to be serviced. It all requires money that I would prefer go to front-line workers looking after patients. In the body of the Garling report commentary commissioner Garling said that health services—

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

**Mr NATHAN REES:** No-one doubts the challenge in delivering world-class health services in an environment characterised by increasing demand, but Garling makes the point that health should not become a political football. Those opposite have laced up their boots.

#### **PORTS AND ELECTRICITY**

**Ms NOREEN HAY:** My question is to the Minister for Ports and Waterways. Will the Minister update the House on the Government's policies on ports and electricity?

**Mr JOSEPH TRIPODI:** The Rees Government is investing \$56.9 billion in infrastructure over the next four years—the biggest infrastructure investment of any State Government in Australia. It is a great fiscal stimulus package.

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

**Mr JOSEPH TRIPODI:** These investments are sustaining an average of more than 150,000 jobs each year. Part of the Rees Government's record infrastructure spend is investing in major upgrades of port infrastructure to keep New South Wales competitive. The Port Botany expansion is underway as we speak, creating 2,000 jobs during construction and underpinning 9,000 new jobs on completion. This project will boost the State's economy by \$16 billion over the next 20 years and inject \$800 million a year into the New South Wales economy. It will allow New South Wales to take full advantage of trade opportunities when the world economic situation inevitably turns around.

If we go south to Port Kembla, the inner harbour development delivers the first element of this modern twenty-first century port and is supporting more than 1,000 jobs in the region. The State Government has invested more than \$170 million in new port infrastructure. The Port Kembla development is adding around \$140 million per annum to the region's economy. Last week the Government approved the purchase of one million tonnes of blast furnace slag to be used for the reclamation of eight to 10 hectares for an outer-harbour project.

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

**Mr JOSEPH TRIPODI:** This reclamation will create 15 new jobs, with about 50 new jobs for the whole of the stage one harbour redevelopment. The development is underway. If we go north to Newcastle, the Government has granted approvals for a massive expansion of capacity in the Hunter Valley coal chain.

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

**Mr JOSEPH TRIPODI:** This will provide a major expansion of the existing Kooragang Island Terminal to provide a total capacity for Port Waratah Coal Services of 145 million tonnes and a new \$922 million coal terminal with a capacity of 66 million tonnes to be constructed on Kooragang Island by the Newcastle Coal Infrastructure Group. We are working on the fourth coal terminal, which will be a great addition and the basis upon which we will be able to grow the economy in the Hunter Valley. We want to contrast our record on ports with the record that has popped up over the weekend from the Opposition. Before doing so, let us go back in time and look at the Opposition's fiscal policy. Over the Christmas break Santa Claus popped up and announced a new policy. Only Santa Claus could deliver such a policy. He promised to build more infrastructure, he promised to cut taxes and at the same time he promised to keep the triple-A credit rating. Of course, what he forgot to mention is his plan to cut services because that is the only way he could possibly keep to the Christmas policy announcement.

Last week we had the Liberal Party's first fiscal policy. Was that not a success! It lasted a full day. The shadow Treasurer said that expenses would not grow faster than revenue under the fiscal policy. Of course, the next day that policy was trashed by the Leader of the Opposition who announced that he would spend \$14.8 billion. He never explained where that money would come from and he has never explained what taxes would be increased or services would be cut. He said he would spend \$14.8 billion to build a new heavy-gauge rail for the north-west and south-west. He provided no detail, no maps, no indication of where the rail line would go, and definitely no funding. The Opposition was busy over the weekend also. Finally the Opposition is cranking up the big policy machine. The *Sydney Morning Herald* published a new policy announcement from the Opposition. The article states, "A sale of public assets that may include privatising the State's ports"—apparently it will privatise the State's ports—"and the electricity industry ...".

**The SPEAKER:** Order! The House will come to order.

**Mr JOSEPH TRIPODI:** This is about the fourth position on the electricity industry the Opposition has adopted in eight months.

**Mr Adrian Piccoli:** Point of order: My point of order relates to Standing Order 129. The question was what, if anything, the Government is doing about ports. The Minister has been going on for five minutes. His response has nothing to do with the question. If he wants to quote journalists, he can go ahead, but he should reference the quotation to the journalist.

**The SPEAKER:** Order! The member for Murrumbidgee has stated his point of order. I will listen further to the Minister.



**Mr JOSEPH TRIPODI:** I will reference it to the journalist. It was Andrew Clennell. I am sure the member for Murrumbidgee would agree that his credibility is impeccable.

**Mr Adrian Piccoli:** Excellent!

**Mr JOSEPH TRIPODI:** The article stated:

A sale of public assets that may include privatising the State's ports and the electricity industry are on the agenda of a future Coalition Government ...

**The SPEAKER:** Order! Andrew Clennell needs no help from the Chamber.

**Mr JOSEPH TRIPODI:** The article goes on to state:

The Opposition leader also confirmed that he may outsource part of the Department of Community Service's work ...

The Opposition has not given up on that one. It still has the policy of chopping the Department of Community Services [DOCS]. You still have the policy of chopping DOCS. You need to flesh out that one because we want to know what you are up to.

**The SPEAKER:** Order! The House will come to order. The Minister will make his contribution through the Chair.

**Mr JOSEPH TRIPODI:** The Opposition claims to have a safety valve on all that policy reform it has defined—a very comprehensive safety valve. The article goes on to state, "We have a public interest test and we will do what is in the public interest ...". That is it! That is the safety valve! That is the policy framework that the Opposition has defined. The Opposition failed the public interest test immediately it was announced because the two assets that the Opposition identified for privatisation are monopoly infrastructure assets.

**Mr Adrian Piccoli:** Point of order—

**The SPEAKER:** Order! The member for Murrumbidgee will state his point of order.

**Mr Adrian Piccoli:** My point of order relates to Standing Order 129. The Minister's response has nothing to do with the question.

**The SPEAKER:** Order! I have heard enough on the point of order. The member for Murrumbidgee will resume his seat. I call the member for Murrumbidgee to order for the second time. I draw the attention of the Minister to the question.

**Mr JOSEPH TRIPODI:** The Opposition is welcome to withdraw its policy position whenever it is ready: it will give them a lot of headaches. The first area of privatisation is ports, which are a natural monopoly in the economy upon which small businesses rely for equitable access. The exporters from rural and regional New South Wales need to have access to ports. The Opposition has identified ports, which are part of the natural monopolies in the economy, to be earmarked for privatisation. What is the Opposition's electricity privatisation policy? What is the Opposition's plan for the poles and wires? Will the Opposition compromise reliability to bring cash into the coffers? That is what the Government wants to know. John Howard had a public interest policy.

**The SPEAKER:** Order! All members previously called to order are now deemed to be on three calls to order. Members who interject in a disorderly fashion will be removed from the Chamber. The Minister will conclude his answer.

**Mr Adrian Piccoli:** Point of order: Apart from the length of the answer, if you allow the Minister to continue to mislead the House with irrelevancies about what the Opposition has said, what do you expect from the Opposition? You either control this House, or you do not.

**The SPEAKER:** Order! The member for Murrumbidgee will resume his seat. The Minister will conclude his answer.

**Mr JOSEPH TRIPODI:** The former Federal Government used the Liberal-style public interest test when it sold the airports. One only has to read today's *Sydney Morning Herald* and the headline "Queues, Chaos:

welcome to Sydney Airport" to know that. The Australian Competition and Consumer Commission has stated its findings: check-in times have continued to grow over the past five years, the airport has achieved record profitability over the past five years, and investment in services has failed to keep pace with growth in profits. Who delivered that? Max the Axe—the Opposition's policy guru. What the Opposition is lining up for this State is wholesale privatisation, no policy framework, no protection for consumers and no protection for workers—a wholesale sell-off.

### **WATER TRADING CAPS AND JOBS**

**Ms KATRINA HODGKINSON:** My question is directed to the Premier. Given that Victoria's refusal to lift its water-trading caps means that the Commonwealth's \$1.9 billion buyback funds will mostly be used to buy out New South Wales water rights, and according to the New South Wales Irrigators Council will cost more than 5,000 jobs, why has he failed to take the fight up to the Commonwealth and act to protect New South Wales jobs?

**Mr NATHAN REES:** The member clearly was missing from the Chamber when I made exactly that point in this place the other week. No State has done more on water reform than has New South Wales.

**The SPEAKER:** Order! I remind members who have been called to order that they are now deemed to be on three calls to order.

**Mr NATHAN REES:** No State has done more on water reform than has New South Wales in relation to urban water supplies or the provision of irrigation water. No State has done more than New South Wales. We are well and truly ahead of the pack on that front. We have made no secret of the fact that we believe Victoria should do more to alleviate some of the South Australian problems. The New South Wales Government and New South Wales irrigators have done more than their fair share of the heavy lifting on that front. That is the position that we take to the Commonwealth.

### **DISABILITY SERVICES AND JOBS**

**Mr ROBERT COOMBS:** My question is addressed to the Minister for Disability Services. What action is the Government taking to support jobs through better disability services?

**Mr PAUL LYNCH:** I thank the member for Swansea for that important question. In this State, the delivery of disability services is determined by the plan Stronger Together, which is a 10-year plan reflecting a commitment to improving services for those with a disability, their families and their carers. It commenced in 2006 and was backed by \$1.3 billion in extra funding over its first five years. Of course, Stronger Together has other obvious benefits. Principal among those is the significant number of jobs that flow from it.

**The SPEAKER:** Order! There is too much audible conversation in the Chamber. Members who wish to conduct conversations, including the member for Wakehurst, should do so outside the Chamber.

**Mr PAUL LYNCH:** Principal among the benefits flowing from Stronger Together is a significant number of jobs that flow from the policy set out in the plan. That includes jobs in relation to the delivery of services and jobs generated in the construction of new facilities. In the vicinity of 4,600 extra jobs have been generated in the first five years of Stronger Together, and 3,300 of those are in service delivery whereas 1,300 are in construction. Obviously service delivery covers a whole range of services. For example, we have created 1,000 extra therapy places—including occupational therapy, speech therapy and physiotherapy—for children and adults up to the end of June 2008, and that will result in an extra 310 positions by the end of the current financial year for professionals in case management and therapy.

There are also 440 positions for new community participation and other day-care programs. There are an extra 100 positions in family and children's programs. Another significant increase in services is provided through the attendant care program. During the first five years of Stronger Together, an additional 320 attendant care places have been provided. That provides personalised care to people with a disability who have high-level care needs. In real terms, that allows people to keep living in their own home and in their own communities. That also means 200 new jobs.

Another area of significant development is the provision of support accommodation. In the first five years of Stronger Together, 990 additional places have been generated, which results in more than 2,000 jobs for

care workers and related support staff. Since 1995 the funding for respite places has doubled. This year's State budget creates an additional 350 respite places, and an extra 150 jobs are associated with that funding. Since 2007, approximately 160 positions in government and non-government organisations have been created under the criminal justice program. That is a particularly important program because of its preventative nature.

The program focuses on the provision of post-release support to people who are otherwise at risk of harm to themselves and others through reoffending. Provision of that support benefits not just those directly receiving it but the broader community as well. In addition to the provision of direct services, Stronger Together also includes significant construction, which, in turn, involves significant employment. Over the first five years of Stronger Together a capital budget of \$390 million is projected. That equates to more than 1,300 jobs. The funding commitment of Stronger Together is critical to the improved delivery of services and facilities to the disability sector—to people with a disability, to their families and to their carers. It translates into increased services, increased hours of care and new facilities. It also translates into about 4,600 new jobs. It builds services and delivers jobs, because that is what Labor governments do.

**Question time concluded.**

### **BIOFUEL (ETHANOL CONTENT) AMENDMENT BILL 2009**

#### **Agreement in Principle**

*[Deferred division]*

**The SPEAKER:** Order! The House will now proceed with the deferred division on the question: That this bill be now agreed to in principle.

**Division called for and Standing Order 181 applied.**

**Noes, 4**

Mr Besseling  
Mrs Fardell  
Ms Moore  
Mr Piper

**Question declared resolved in the affirmative.**

**Motion agreed to.**

**Bill agreed to in principle.**

#### **Passing of the Bill**

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

### **LEAVE OF ABSENCE**

**Motion by Mr Daryl Maguire agreed to:**

That leave of absence be granted to Michael John Richardson, member for Castle Hill, until 2 June 2009.

**The SPEAKER:** I advise members that the member for Castle Hill has been involved in a serious accident. I have passed on to him the good wishes of the House.

### **VARIATIONS OF PAYMENTS ESTIMATES AND APPROPRIATIONS 2008-09**

**Mr Tripodi** tabled, pursuant to section 26 of the Public Finance and Audit Act 1983, variations of the Consolidated Fund receipts and payments estimates and appropriations for 2008-09 arising from the provision by the Commonwealth of specific purpose payments in excess of the amounts included in the State's receipts and payments estimates.

## **COMMITTEE ON THE OFFICE OF THE OMBUDSMAN AND THE POLICE INTEGRITY COMMISSION**

### **Reports**

**Mr Kerry Hickey**, as Chair, tabled the following reports:

- (1) Report on an Inquiry into Early Intervention Systems in the NSW Police Force, dated March 2009
- (2) Report on the Ninth General Meeting with the Inspector of the Police Integrity Commission, dated March 2009

**Ordered to be printed on motion by Mr Kerry Hickey.**

## **COMMITTEE ON THE INDEPENDENT COMMISSION AGAINST CORRUPTION**

### **Reports**

**Mr Frank Terenzini**, as Chair, tabled the following reports:

- (1) Review of the 2007-2008 Annual Report of the Inspector of the Independent Commission Against Corruption, dated March 2009
- (2) Review of special reports tabled in 2008 by the Inspector of the Independent Commission Against Corruption, dated March 2009

**Ordered to be printed on motion by Mr Frank Terenzini.**

## **LEGISLATION REVIEW COMMITTEE**

### **Report**

**Mr Allan Shearan**, as Chair, tabled the report entitled "Legislation Review Digest No. 4 of 2009", dated 31 March 2009.

**Ordered to be printed on motion by Mr Allan Shearan.**

## **PETITIONS**

### **Drink Container Deposit Levy**

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

### **National Parks Commercial Developments**

Petition opposing the construction of commercial developments in national parks, received from **Ms Clover Moore**.

### **Tumut Renal Dialysis Service**

Petition asking that the House support the establishment of a satellite renal dialysis service in Tumut, received from **Mr Daryl Maguire**.

### **Deniliquin Dialysis Centre**

Petition requesting a renal dialysis centre at Deniliquin Hospital, received from **Mr John Williams**.

### **Schofields Railway Station**

Petition praying that Schofields Railway Station remain on its current site, received from **Ms Gladys Berejiklian**.

**Bus Service 311**

Petition praying that the Government urgently improve bus service 311 to make it more frequent and more reliable, received from **Ms Clover Moore**.

**Caged Birds Trade**

Petition requesting that legislation be introduced to stop the trade of caged birds, and ban trading and selling of Australian native birds, received from **Ms Clover Moore**.

**Pet Shops**

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

**Sow Stalls**

Petition requesting a total ban on sow stalls, received from **Ms Clover Moore**.

**Alstonville Tropical Horticulture Centre**

Petition opposing the closure of the Alstonville Tropical Horticulture Centre, received from **Mr Donald Page**.

**TAB Operations on Good Friday**

Petition requesting the closure of TAB operations on Good Friday, received from **Mr Malcolm Kerr**.

**Hornsby Electorate Homeless**

Petition requesting funding and resources to map homeless people in the Hornsby electorate, received from **Mrs Judy Hopwood**.

**BUSINESS OF THE HOUSE****Suspension of Standing and Sessional Orders: Routine of Business****Motion by Mr John Aquilina agreed to:**

That standing and sessional orders be suspended to permit:

- (1) the resumption of the debate and passage through all remaining stages at this sitting of the Surveillance Devices Amendment (Validation) Bill;
- (2) the postponement of consideration of the matter of public importance until the conclusion of Government business; and
- (3) the House to adjourn without motion at the conclusion of the matter of public importance.

**CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY****Jobs in Rural and Regional Communities**

**Mr GERARD MARTIN** (Bathurst) [3.30 p.m.]: Earlier I gave notice of a motion that this House congratulate the Government on supporting country jobs through the new \$85 million Building the Country Package; that this House note that since July 2007 the Government has helped secure 455 projects worth over \$1.24 billion in investments and over 7,600 jobs; and that the Government call on the Opposition to support the Government's support for jobs, particularly in rural and regional communities. The last point is particularly important because of the deafening silence from the Opposition in relation to the stimulus packages that have been announced in this State and federally. We know that members of the Opposition are taking their instructions from the rapidly disappearing Malcolm Turnbull. The Leader of the Opposition has slipped and slid. We want the Opposition to talk about supporting country and regional New South Wales. We know that members of The Nationals will not support it. We get rid of flashy blokes like the member for Barwon, who is

running around pushing his own career, and knifing the member for Coffs Harbour along the way. That is all the member for Barwon is interested in. He should address some of the issues of his constituents. He should get back to what The Nationals are about.

**The SPEAKER:** Order! The member for Bathurst will resume his seat.

**Mr John Williams:** Point of order: The member for Bathurst was arguing why his motion should be accorded priority. He is not here to attack members.

**The SPEAKER:** Order! As the member for Murray-Darling is aware, I extend a degree of latitude during these debates. The same latitude will be extended to the Leader of the Opposition when he seeks to establish why his motion should be accorded priority.

**Mr GERARD MARTIN:** I will let the matter rest there. I will come back with all guns blazing in a few moments.

### **Jobs Protection**

**Mr BARRY O'FARRELL** (Ku-ring-gai—Leader of the Opposition) [3.32 p.m.]: Earlier I gave notice of a motion that deserves priority and ought to be supported by the member for Bathurst because if it were it would help to protect 130 jobs in his own region. Four months ago when the mini-budget was handed down, one of the proposals was to do away with the coal freight subsidy for those coalmines west of the Great Divide, coalmines upon which people's livelihoods depend, including those in the electorate of the member for Bathurst, and 130 production and construction jobs are at threat because of that decision in places such as Clarence, Springvale, Charbon and the new Airly Mine at Capertee. It would be nice if Government members who like to hide under the skirt of Kevin Rudd—

**Mr Gerard Martin:** Point of order: My point of order is relevance of the matter to which the Leader of the Opposition refers. The Government was represented in December and a solution is in the pipeline.

**The SPEAKER:** Order! The member for Bathurst will resume his seat. There is no point of order.

**Mr BARRY O'FARRELL:** As I argued before, nothing that happens with the motion moved by the Government will prevent a single cent of Federal stimulus money coming into New South Wales, money that Opposition members support. The member for Bathurst, the member for Cessnock and the member for Blue Mountains could put in place a stimulus package to assist people in New South Wales maintain their jobs. We know that the Premier has a degree in English Literature. It is clear that it is a degree in fiction because that is all we ever hear from the Premier—150,000 fictional jobs—while 37,400 families across New South Wales have lost real jobs and 200 jobs a day going backwards out of this State. Labor's so-called working families are being cast idle across this State but the Premier and his colleagues have not put a single dollar on the table.

The Government has not announced a single project since last year's June budget, nor since the mini-budget, in the midst of the global crisis. The two biggest lies told by our Premier since he became Premier were in a speech to the Committee for the Economic Development of Australia [CEDA]. He said, "Of course, Labor governments in this State have always invested heavily in infrastructure." That will come as a great surprise to those people who front up today and in the future to our hospital system and those who work in the hospital systems. It will also come as a great surprise to those people who front up to Central Station and other stations across this city to use rail systems to get home. It will come as a great surprise to teachers, students and parents who operate in the 22,000 public schools across this State. It will come as an enormous surprise to people who this afternoon across this State will try to use this State's road systems. That is the first lie. We saw Bob the Builder and nothing happened. We saw Morris Minor and nothing happened. Now we have got Nothing Nathan, and nothing is still happening.

The second biggest lie told by the Premier in that speech to CEDA was that we will not sit back and leave all the hard work for the Commonwealth. That is precisely what the Premier has done—not a single dollar! As the member for Manly proved last week in relation to the mini-budget, two months after the Premier became Premier of New South Wales, thanks to John Robertson, he said we were facing the toughest financial situation the State, the nation, the Commonwealth and the world had ever seen. His response was to tax families and businesses and to cut infrastructure projects. We can no longer afford to be dealing in fiction. We need to deal in the facts. The facts are unless we have a response from this State Government and unless the Premier and

his Ministers start to come to the table and support families and businesses across this State, more jobs will go. Two hundred jobs a day—real jobs not fictional jobs, not the fantasy that the Premier went through today when he claimed 15,000 jobs in Energy, 2,000 jobs in Housing and 16,000 in Transport. We need to protect the jobs of those families and the jobs that businesses are trying to struggle with. Members of the Opposition have no doubt.

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

**Mr BARRY O'FARRELL:** Government members are the leaders, yet they always put upon individuals and families and try to shut down people. Members of the Opposition are the lifters who want to unleash the potential of individuals and businesses across this State, who understand the beneficial view of government. They know that members of the Opposition are here to help them and we must demonstrate in tough times that we want to lift them up. Members of the Government can be the leaders but members of the Opposition will always be the lifters. Members of the Government—they are hypocrites—should support my motion.

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

**The House divided.**

**Ayes, 49**

Mr Amery	Ms Gadiel	Ms McMahon
Ms Andrews	Mr Gibson	Ms Megarrity
Mr Aquilina	Mr Greene	Mr Morris
Ms Beamer	Mr Harris	Mrs Paluzzano
Mr Borger	Ms Hay	Mr Pearce
Mr Brown	Mr Hickey	Mrs Perry
Ms Burney	Ms Hornery	Mr Sartor
Ms Burton	Ms Judge	Mr Shearan
Mr Campbell	Ms Keneally	Mr Stewart
Mr Collier	Mr Khoshaba	Mr Terenzini
Mr Coombs	Mr Koperberg	Mr Tripodi
Mr Corrigan	Mr Lalich	Mr West
Mr Costa	Mr Lynch	Mr Whan
Mr Daley	Mr McBride	
Ms D'Amore	Dr McDonald	<i>Tellers,</i>
Ms Firth	Ms McKay	Mr Ashton
Mr Furolo	Mr McLeay	Mr Martin

**Noes, 39**

Mr Aplin	Mr Hazzard	Mrs Skinner
Mr Baird	Ms Hodgkinson	Mr Smith
Ms Berejiklian	Mrs Hopwood	Mr Souris
Mr Besseling	Mr Humphries	Mr Stokes
Mr Cansdell	Mr Kerr	Mr Stoner
Mr Constance	Mr Merton	Mr J. H. Turner
Mr Debnam	Ms Moore	Mr R. W. Turner
Mr Dominello	Mr O'Dea	Mr J. D. Williams
Mr Draper	Mr O'Farrell	Mr R. C. Williams
Mrs Fardell	Mr Page	
Mr Fraser	Mr Piccoli	<i>Tellers,</i>
Ms Goward	Mr Piper	Mr George
Mrs Hancock	Mr Provest	Mr Maguire
Mr Hartcher	Mr Roberts	

**Pair**

Ms Tebbutt

Mr Baumann

**Question resolved in the affirmative.**

**JOBS IN RURAL AND REGIONAL COMMUNITIES**

**Motion Accorded Priority**

**Mr GERARD MARTIN** (Bathurst) [3.44 p.m.]: I move:

That this House:

- (1) congratulates the Government for supporting country jobs through the new \$85 million Building the Country package;
- (2) notes that since July 2007 the Government has helped secure 455 projects worth over \$1.24 billion in investment and over 7,600 jobs in regional New South Wales; and
- (3) calls on the Opposition to support the Government's support of jobs in rural and regional communities.

This is indeed a very important matter. The Rees Government is investing in country New South Wales to support jobs and ease the pain on families. New South Wales, as we know, is not immune to the global financial crisis. Growth has slowed and things are likely to get worse before they get better. But the Government is taking decisive action to protect New South Wales jobs during the global financial crisis. The Government is embarking on the biggest infrastructure expenditure of any State—\$56.9 billion over the next four years. That is \$1.6 million every hour of every day supporting 150,000 jobs on average each year. The Government is also working closely with the Rudd Federal Government to deliver the national stimulus package that will create jobs through construction at every school in New South Wales—some \$3.5 billion over the next 2½ years.

Most importantly, the Government is actively seeking out and assisting businesses that want to invest, expand and create jobs in local communities. I point to this key fact: Since July 2007 the Government has helped secure 455 projects worth over \$1.24 billion and created over 7,600 jobs in regional New South Wales. It is about standing by our small country towns during these tough times. The Government, through the Department of State and Regional Development, has a number of programs to help businesses offset the costs of expansion and relocation. There is also the opportunity to offer payroll tax rebates for employers taking on new staff and creating jobs.

Existing government programs were given a significant boost late last year when the Premier announced the new \$85 million Building the Country package at the Country Labor conference at Port Macquarie, a five-year program targeted directly at country towns building community pride and creating jobs. Building the Country is made up of seven programs that deliver real benefits for country and rural communities—a great package strongly supported by my Country Labor colleagues and myself. The funding programs include \$52 million for a local infrastructure fund, and bids are now being assessed; \$11.6 million for community broadband; \$9 million for country libraries; \$2.5 million to renew country halls; \$9 million for a water innovation fund; \$450,000 in the community awareness fund; and \$450,000 for small chambers of commerce.

Building the Country will fund small but vital pieces of infrastructure that create jobs through business investment and expansion; it will fill gaps in the New South Wales broadband network that have been missed in the national broadband initiative; it will deliver millions into country libraries to provide access to upgrade their resources; it will aid local economies by supporting small chambers of commerce and promoting tourist attractions in small towns through grants for local marketing campaigns and tourist websites; and it will invest in businesses pursuing water innovation in irrigation areas which have undergone water reform. We know that New South Wales has been at the forefront of water reform in this nation in recent years.

That is Building the Country in a nutshell, a very comprehensive and worthwhile funding package indeed. There has been a great deal of community interest in Building the Country and the money is flowing. My Country Labor colleagues will no doubt be happy to provide more details on the level of community interest later in the debate. The Rees Government's efforts are directed towards attracting investment and supporting businesses to keep jobs in regional communities. We are working now to support regional jobs and ensure that as the economy recovers we grow sustainable jobs for the future—jobs that will help the long-term prosperity of New South Wales—unlike members of the Opposition, who have no plan to save and support New South Wales jobs. They only have plans to slash services out of country New South Wales using Max the Axe to rip basic support out of country towns.



His record under the previous Coalition Government is there for all to see. Teachers, nurses and police will all be on the chopping board and that was brought home to us last Saturday in the *Sydney Morning Herald*. It seems Max has the support of the shadow Treasurer as well if his comments on radio last week are anything to go by, when the member for Manly clearly said, "We would never deliver a budget where expense growth grows faster than revenue growth. As revenue drops during the global financial crisis, Barry O'Farrell and the New South Wales Opposition will be out there cutting back to ensure a surplus." There will be cuts to infrastructure and cuts to front-line services in country towns. The spots on the animal opposite never change. Services and investment will be out the window along with jobs in country towns, crippling country and regional New South Wales. Look who is standing by saying nothing—the good old, limp National party. All the members of The Nationals are falling quietly into line, falling in behind Max the Axe and the shadow Treasurer—

**Mr Thomas George:** Point of order: My point of order is relevance under Standing Order 129. Would the member also include the 400 jobs the Government is cutting from the North Coast Area Health Service?

**The DEPUTY-SPEAKER:** Order! The member for Lismore will resume his seat. As an Acting-Speaker of this House he is well aware that Standing Order 129 applies only to question time.

**Mr GERARD MARTIN:** I think I liked members of The Nationals more when they were infighting and doing nothing for country New South Wales. Now they are sitting silent and supporting cutbacks. It is a sad day when The Nationals have to support cutbacks in country New South Wales at the behest of their Liberal masters. Earlier the Leader of the Opposition and the show pony from Barwon talked about 130 jobs going in the coal industry in my electorate. That is wrong, wrong, wrong. This issue has been debated for months. They picked up a story in the Lithgow paper a couple of weeks ago and suddenly they are aware of the issue. The Premier is already on the record as saying representations have been made and there is a solution to the problem. We are working with the coal industry. The coal industry trusts me and it trusts the Labor Government. They do not trust those dopes on the other side.

**Mr ADRIAN PICCOLI** (Murrumbidgee—Deputy Leader of The Nationals) [3.51 p.m.]: Is it not embarrassing? The member for Bathurst has been here for 10 years and he still cannot make a speech without having absolutely every word written down, probably not by him. I know he can read but I am not sure he can write. It was probably written by some public servant or ministerial staffer. He cannot even talk about jobs and so-called Labor achievements over 14 years without having to read every word, turning the pages, and with all the gags written by somebody else. That is what is pathetic about this Government. We see it in question time every day. Ministers get a Dorothy Dixier from their own side such as, "What has the Government done for ports and waterways?" That is a good question. We certainly do not get an answer. Everything has to be written down, word for word, because none of the Ministers are across their brief. That is causing problems—

**Mr Kerry Hickey:** Point of order: The member is not speaking to the motion. He is speaking about anything but the motion. I ask you to bring him back to the leave of the motion before the House.

**The DEPUTY-SPEAKER:** Order! The member for Cessnock is well aware that a degree of latitude is extended during these debates.

**Mr ADRIAN PICCOLI:** The member for Cessnock did not let me get to the point. That is what is causing all the problems in country New South Wales. Ministers are not across their brief. They do not know what they are doing. They do not know the impact of their decisions on country New South Wales. That is why many parts of country New South Wales are really struggling. The member for Lismore took a point of order about the 400 jobs that have been lost in the North Coast Area Health Service. Government members can talk about all the jobs they have created and all the proposed developments but they have to take responsibility for the jobs they have cut. Four hundreds jobs have been cut from the North Coast Area Health Service. One hundred jobs have gone from the Department of Primary Industries [DPI] in the latest cut—21 jobs from Condobolin DPI in my electorate, a few from the Temora DPI and about a dozen jobs from the Griffith DPI. There are jobs at risk in the Speaker's electorate of Northern Tablelands. These are jobs that this Government, of which members opposite are a part, has directly cost country New South Wales.

Members opposite talk about an additional \$85 million, which is fine, but they have to deduct what they have taken out of country New South Wales. There is a fancy proposal to spend \$1 billion on the Opera House. I am sure people in Bathurst and Lithgow are thrilled about that. All the thousands of people in the member for Bathurst's electorate are going to flock to the Opera House to see a Puccini opera. They are all

going to access the billion dollars the Government plans to spend! I am sure they would prefer to see that money spent on roads or hospitals—widening the doors so that the gurneys can get through. The Government denies it plans to spend the money on the Opera House, but Nathan Rees was quoted in the newspaper as saying he is committed to pushing ahead with a \$1 billion restoration. Even during question time the Premier tried to deny it. There is no denying it. This is where the Government has its priorities wrong. They think they can throw a few crumbs to country New South Wales while spending a billion dollars on refurbishing the Opera House.

The Government also has to take some responsibility for economic conditions in country New South Wales. The Government is directly responsible for the Government jobs cut out of country New South Wales and it also has to take responsibility for the economic conditions. Here are just a few private sector jobs that have been lost in country New South Wales recently: Inverell Supercoat pet food factory, 160 jobs; Boral's Walcha Timber Mill, 23 jobs; King Gee at Kempsey, 70 jobs; Greens Pasture in my electorate between Leeton and Griffith; Pacific Brands, 520 jobs, including some jobs in the electorate of Cessnock.

**Mr Kerry Hickey:** Eighty-three.

**Mr ADRIAN PICCOLI:** I thank the member for Cessnock for reminding me how many jobs his Government has been responsible for losing from his electorate. Drivetrain Systems in Albury only a few weeks ago lost 208 jobs; Telstra, 21 jobs at Dubbo; 14 accounting jobs out of Westoil Petroleum in Orange. Members can talk about private sector investment, which is welcome, but they have to take responsibility for their actions in New South Wales and the condition of the New South Wales economy. I mentioned the 400 jobs lost in the North Coast Area Health Service, the jobs lost from DPI, and the member for Bathurst mentioned the 130 jobs at risk because of the cut to the fuel transport subsidy.

**Mr Gerard Martin:** No jobs at all.

**Mr ADRIAN PICCOLI:** Have we had a commitment from the Government that the subsidy will be brought back?

**Mr Gerard Martin:** No jobs at all.

**Mr ADRIAN PICCOLI:** No, we have not had that commitment at all. I will welcome it right now if we get that commitment from the Government.

**Mr Gerard Martin:** No jobs are being lost.

**Mr ADRIAN PICCOLI:** Have we got a commitment that the money is coming back?

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

**Mr ADRIAN PICCOLI:** The lion of Bathurst! "I'll go down to Parliament and I'll get that \$5 million back." He gets back here and he's the mouse of Macquarie Street. How many commitments did we get about no jobs would be lost in the restructuring of the Rural Lands Protection Boards [RLPBs]? There was to be no increase in rates. We have seen the consequences. We have seen jobs lost in the electorates of Murrumbidgee, Murray-Darling and Barwon. We have seen jobs lost from the RLPBs right across country New South Wales. What happened to the rates? They have gone up by as much as seven times, I have heard. There are the tax increases, down go the jobs. It is the responsibility of members opposite. They have been in Government for 14 years and they have run out of excuses. The mouse of Macquarie Street has run out of excuses.

**Mr FRANK TERENCEZINI (Maitland) [3.58 p.m.]:** One thing I have noticed about Opposition members is that they have no trouble with smiling, laughing, joking and carrying on. If I had been in Opposition for 14 years I would not be happy, I would not be smiling and I would not be cracking jokes. It proves one thing: Opposition members are settled, institutionalised and happy on that side of the House. They have become used to that side of politics, which is why they have no policies. That is why their Treasury spokesperson said he would not let expenditure exceed income. Last year Opposition members opposed electricity privatisation but now they are saying that they want it to occur.

The position taken by Opposition members depends on the time of the day, the day of the week or the temperature during the day. The political wind determines their policies. From their position on the North Shore the Leader of the Opposition and the shadow Treasurer cannot see very well over the ranges. Things become a

bit hazy when they go over the ranges and into country New South Wales. Opposition members do not care and are not worried about what The Nationals think; they are worried only about themselves. The only issue that The Nationals have spoken about in this House relates to nuclear power stations. When I asked each member of The Nationals whether they would like a nuclear power plant in their electorates the silence was deafening. They did not say anything about it.

The only issue that The Nationals raised at their conference last year was nuclear power plants. Apart from that all that they do is dovetail and cruise along with members of the Liberal Party and as time goes by their popularity ratings go down. Members of The Nationals are content to remain in Opposition. They are happy to continue cruising down the track, as this is all a big joke to them. In contrast, Government members are working in unison with the Federal Government's stimulus package to create hundreds of thousands of jobs in years to come. This Government is attempting to underpin 150,000 jobs a year while Opposition members are able to offer no policies or put forward any ideas. Opposition members are comfortable in their positions on the Opposition benches.

**Mr Thomas George:** What have you offered? Nothing!

**Mr FRANK TERENCE:** The member for Lismore is another member who is nice and comfortable on the Opposition backbenches. All Opposition members have been institutionalised. Over the past 14 years their popularity rating has gone down.

**Mr JOHN WILLIAMS** (Murray-Darling) [4.01 p.m.]: Government members, who are devoid of ideas, have moved another smoke and mirrors motion that might look good reported in the press. Two positions in Broken Hill courthouse have not been filled because of a job freeze and a senior staffer at the courthouse is at home on stress leave purely because those vacancies have been not been filled. Consequently, no work is being done at that courthouse. Government members talk about the importance of public service jobs and condemn Max the Axe when they are doing the same thing. Two jobs at Broken Hill courthouse have been lost. The remaining senior staffer has been under so much stress from the volume of work that she has had to do that she has had to go on stress leave.

I find disgraceful the ridiculous motion that has been moved today to create jobs in country New South Wales. Government members said that 7,600 jobs have been created in country New South Wales. Where have those jobs been created? Have any jobs been created in the Broken Hill electorate? This Government is responsible for the loss of 125 public service jobs in Deniliquin and jobs in Balranald have also been lost. Because of its need to get into bed with the Greens, this Government is talking about locking up Barmah red gum forest and cutting jobs, with the resultant collateral damage. An amount of \$85 million has been allocated over four years to be divided amongst all local government areas in country New South Wales, which will not amount to a great deal of money.

Good luck to any local government area that is able to get a \$2,000 allocation. This big fix-it package is supposed to allocate \$2,000 to chambers of commerce in local government areas on the condition that the community has a population of fewer than 5,000 residents. How many chambers of commerce have been established in communities that have a population of fewer than 5,000 residents? It would be impossible to allocate funding of that sort in my electorate, as only one chamber of commerce would qualify for the \$2,000 grant. This Government's magnanimous offer of funding would not be available to anyone.

**Mr KERRY HICKEY** (Cessnock [4.04 p.m.]: I welcome this opportunity to inform the House of this Government's commitment to small business and jobs in country New South Wales. The New South Wales Government's \$85 million Building the Country package is part of its commitment to supporting businesses and communities in regional New South Wales.

**The DEPUTY-SPEAKER:** Order! I call the member for Lismore to order.

**Mr KERRY HICKEY:** The \$11.6 million Community Broadband Development Fund is an important element of this package, as it will help to deliver services to smaller communities that we take for granted in metropolitan areas. Does the member for Murray-Darling have anything negative to say about that initiative? The member for Murrumbidgee made reference to the fact that Country Labor members were speaking positively in their communities. Only an election ago Coalition members were prepared to sack Department of Community Services workers—those who were working in the critical area of caring for children and making a difference for families in New South Wales. Coalition members were prepared to reduce the number of staff in

the Department of Community Services. The member for Murrumbidgee is blaming the State Government for global financial issues and for the problems being experienced by Pacific Brands, which shows just how small-minded Opposition members are. They need to get out of their homes and look around this State of ours.

The member for Murray-Darling complained about all sorts of issues, but I have been told that he is selling plenty of cars in Broken Hill and he is doing quite well. This Government is delivering for small communities across New South Wales. It is good to see the member for Murray-Darling, the member for Lismore and the member for Ryde—the tail of the dog—in the Chamber. They wag their tails, nod their heads and tug their forelocks. This State Government is delivering for small country communities—something that members of The Nationals walked away from years ago. I do not think that the member for Murray-Darling visits his electorate very often. In my role as a former Minister I visited Deniliquin and was told by members of the community that it was two years since the local member had visited that area. Opposition members should visit country New South Wales more often.

**Mr GERARD MARTIN** [4.07 p.m.], in reply: I thank the member for Murrumbidgee, the member for Maitland, the member for Murray-Darling and the member for Cessnock for their contributions to debate on this motion. The member for Murrumbidgee was critical of Government members for being organised, for getting their thoughts together, for putting them on paper and for stating the facts. I do not apologise for doing that. The approach of Government members has been more appropriate than the approach of Opposition members. At no time did the member for Murray-Darling even address the motion. He reverted to smear and innuendo like a pumpkin on steroids. He raises the subject of the plans for the Sydney Opera House. The Premier has made quite clear the position about the Sydney Opera House. Certainly, the Leader of The Nationals and the member for Murrumbidgee, who spend most of their time in Sydney's eastern suburbs, are regulars at Opera House cocktail parties.

The motion is about jobs in country areas, so we must remember that the spots on the leopards opposite have not changed. The last time the Coalition was in government it sacked 2,500 teachers, 1,800 Department of Community Services workers and 6,000 FreightCorp workers, and it closed 30 country hospitals and 18 country branch lines. Coalition members say they are all about jobs in the country and they wonder why they were on the treasury benches for such a short period. One major reason was that they ripped the guts out of country and regional cities around this State. Public servants lost their jobs left, right and centre.

Now the Coalition talks about leading the way on payroll tax reform. The legacy of the Coalition when it left office was a deficit of billions of dollars and payroll tax at 8 per cent. Coalition members have the hide to say they are interested in jobs and that they have fiscal responsibility. Their record is there for everybody to see. They are hypocrites. Who is their shadow Treasurer? A merchant banker! If anyone's popularity is lower than The Nationals, it is a merchant banker—they get us into strife. Coalition members should look at the books of HSBC, the company for whom he worked. What a lot of confidence we would have if he were Treasurer of this State! When the Coalition was last in office it was an absolute failure. Things will never get better.

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

**Motion agreed to.**

**The DEPUTY-SPEAKER:** Order! The motion accorded priority having concluded, the House will now consider Government business.

## **SURVEILLANCE DEVICES AMENDMENT (VALIDATION) BILL 2009**

### **Agreement in Principle**

**Debate resumed from 26 March 2009.**

**Mr GREG SMITH** (Epping) [4.10 p.m.]: The Surveillance Devices Amendment (Validation) Bill 2009 amends the Surveillance Devices Act 2007 to validate certain warrants purported to have been granted by an eligible judge of the Supreme Court between 3 March and 7 March 2008 under the Listening Devices Act 1984. That Act was repealed by the Surveillance Devices Act 2007. The Surveillance Devices Act came into operation only on 1 August 2008. Although the bill was passed nearly a year ago, the Listening Devices Act continued to operate. It prohibited the use of listening devices to record private conversations without the use of a warrant granted by an eligible judge, except in circumstances set out in the Act.

An eligible judge was a judge of the Supreme Court who consented to being involved in the grant of warrants and in respect of whom a declaration was in force declaring that judge to be an eligible judge for that purpose. In this particular case the newly appointed Supreme Court judge in the period 3 March to 7 March 2008 gave the requisite consent to the issuing of certain warrants, however, a declaration was not in force. Although the judge had signed all the necessary documents some weeks before, it appears some error or oversight had occurred in the Minister's office. Nevertheless, the Opposition does not want to make a big thing about that. This bill validates those warrants issued during that period by the particular judge. The overview of the bill states:

The validation puts beyond doubt the use of listening devices pursuant to the warrants and ensures that evidence obtained by the use of the listening devices will not be inadmissible solely on the ground of any technical invalidity.

It is possible that if this bill is not enacted, in pending cases where the product of listening devices is sought to be used in evidence, the defence could make the technical argument based on section 138 of the Evidence Act that the evidence has been illegally or unlawfully obtained. The magistrate or judge—probably a judge because that is more likely where the debate would occur—would have to decide whether the evidence should be admitted or rejected. That chance should not be available because the purpose of this bill is not to provide unfairness. No trick or illegality is involved because the Listening Devices Act remained ongoing. Since 1984 the Listening Devices Act was the precursor and had been accepted in this State that regarding serious crime the police with proper grounds could obtain warrants from judges to bug conversations in houses, cars or anywhere else.

The Surveillance Devices Amendment (Validation) Bill is only a technical amendment. Any valid objection to the warrant during the relevant period will not otherwise be affected. For example, if it were proved that facts sworn in an affidavit were false or matters of that sort, which would be a rare event, that might be a ground for declaring a warrant invalid. However, I doubt a District Court judge would want to declare a Supreme Court warrant invalid. Nevertheless, that is one argument that could otherwise affect the evidence in a case. Validation of warrants is necessary to ensure that otherwise admissible evidence obtained may be used in criminal proceedings. This bill will ensure that prosecutions based on evidence obtained pursuant to the warrant are neither prejudiced nor subjected to technical objection based on the fact that the issuing judge was not an eligible judge to issue the warrant. The Opposition has sought consultation from the Law Society, the Bar Association, the Director of Public Prosecutions and Legal Aid. I appreciate the reasons for rushing this bill through the House. The Opposition has not received any submissions. We do not oppose the legislation.

**Mr BARRY COLLIER** (Miranda—Parliamentary Secretary) [4.17 p.m.], in reply: I thank the member for Epping for his support, consideration and contribution to this debate. The approach taken in introducing the Surveillance Devices Amendment (Validation) Bill 2009 is that it is considered appropriate in the interests of certainty for the technical defect in the affected warrants to be remedied by a narrow legislative amendment. The bill remedies a technical defect in certain listening device warrants arising from the fact a Supreme Court judge who issued the warrants did so prior to the requisite consent of the Attorney General. This is not a matter of the relevant warrants being subject to an inadequate level of scrutiny and is not one that touches on the grounds of the issue of the warrants in question. As the member for Epping correctly stated, this bill does not affect any other challenge to the relevant warrants beyond the issue of the judge's status as an eligible judge at the relevant time. It is only that defect that the bill addresses.

As I have indicated, this very brief bill remedies the technical defect in certain warrants issued under the former Listening Devices Act 1984 by a Supreme Court judge during a period immediately before she was declared by the Attorney General to be an eligible judge. Before its repeal by the Surveillance Devices Act 2007, the Listening Devices Act 1984 prohibited the use of listening devices to record private conversations, except in circumstances set out in the Act, without the use of a warrant granted by an eligible judge. An eligible judge was a judge of the Supreme Court who had consented to being involved in the grant of warrants and in respect of whom a declaration was in force declaring the judge to be an eligible judge for the purposes of that Act.

As I have stated, the object of the bill is to amend the Surveillance Devices Act 2007 to validate certain warrants purporting to have been granted between 3 March 2008 and 7 March 2008 under the 1984 Act by an eligible judge when the judge concerned had given the requisite consent, but in respect of whom a declaration was not in force. The validation puts beyond doubt the use of listening devices pursuant to the warrants granted in that period and ensures that evidence obtained under them by the use of the listening devices will not be

inadmissible solely on the ground of any technical invalidity. It is not appropriate to go into specifics as to the prosecutions affected by the invalid warrants. In the interests of certainty, by this bill the Government proposes to remedy the technical defect in the affected warrants by a legislative amendment.

This bill makes a very specific amendment to the principal Act, which confines its effect to the warrants issued by one judge during a specific period. It does not validate any other warrants on any other grounds, nor seek in any way to enlarge generally the scope to issue warrants or the bases on which they may be valid. In addition, it does not validate the warrants in issue in any respect other than that relating to the fact that the judge had consented, but not yet been declared eligible. There is no suggestion that the technical invalidity in any way affected the level of scrutiny given to the warrant applications or the ultimate decision to grant them, nor is there any suggestion that the applications were not made in good faith, or anything other than the mistaken belief that the judge was an eligible judge for the purposes of the Act. Having said that, I commend the bill to the House.

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

**Motion agreed to.**

**Bill agreed to in principle.**

### **Passing of the Bill**

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

### **WESTERN LANDS AMENDMENT BILL 2008**

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

### **LAW ENFORCEMENT (POWERS AND RESPONSIBILITIES) AMENDMENT (SEARCH POWERS) BILL 2009**

#### **Consideration in Detail**

**Consideration of the Legislative Council amendment.**

*Schedule of amendment referred to in message of 25 March 2009*

No. 1 Page 6, schedule 1 [5], proposed section 46A (2), line 10. Insert "or 15A (Child pornography)" after "(Child prostitution)".

**Mr JOHN AQUILINA** (Riverstone—Parliamentary Secretary) [4.23 p.m.], on behalf of Mr David Campbell: I move:

That the House agree to the Legislative Council amendment.

**Mr GREG SMITH** (Epping) [4.23 p.m.]: The Legislative Council amendment relates to an oversight or deliberate decision by the Government not to include the serious offence of child pornography in the definition of "serious offence" in schedule 1, new sections 46A to 46C, to which the legislation specifically applies. A number of instances are given of other types of offences that would be caught by the definition of "serious offence". They must be indictable offences punishable by imprisonment for a period of seven or more years and they must involve offences in the nature of rape or sexual assault, offences under section 80D of the Crimes Act relating to causing sexual servitude, or offences under section 80E of the Crimes Act relating to the conduct of business involving sexual servitude, and offences under division 15, part 3, of the Crimes Act relating to child prostitution.

The offence of child pornography is one of the most despicable offences in the community. There have been instances in which people have been found guilty of manufacturing or of being in possession of child pornography that have elicited enormous public outcry as well as very adverse publicity. The Premier at his press conference highlighted child pornography as something that could be investigated under the amended powers of the Law Enforcement (Powers and Responsibilities) Amendment (Search Powers) Bill 2009, or the

LEPRA bill as it is known. Yet strangely, despite its being mentioned in new sections 46A to 46C under the definition of "searchable offence", it was not included originally in subsection (2) with the types of offences that might be caught by what we now know to be covert search warrants. Under new section 46a (1) (a) "searchable offence" includes:

- (i) an indictable offence,
- (ii) a firearms or prohibited weapons offence,
- (iii) a narcotics offence,
- (iv) a child pornography offence,
- (v) an offence involving a thing being stolen or otherwise unlawfully obtained ...

New section 46A (2) states:

- (2) In subsection (1):

*child pornography offence* means an offence under section 91H or 578C of the *Crimes Act 1900*.

Clearly, the nature of the offence of child pornography involves people being secretive, and usually pornography is found on computers. Changes to the Act allow removal of items from computers for up to 28 days at seven-day intervals. In the normal course of events that would allow police, using the equipment they have, to enter premises under a covert search warrant and download material already stored by the computer. That could be most important in the investigation of child pornography offences when police do not want to tip off the suspect because they are following up other matters. Why the Government would leave out child pornography, the Opposition does not know. Has the Government lost interest in prosecuting child pornography offences? Was this a deliberate oversight? We do not know.

However, the member for Ryde, Mr Victor Dominello, drew the oversight to our attention as part of a very close examination of the bill. The Opposition moved an amendment in the upper House to which the Government, in effect, has been forced to cave in and agree. When the amendment was moved in the upper House the Attorney General stated that he really did not see the need for covert search warrants for child pornography investigations. If he does not see the need for child pornography investigations, why does he see the need for the other offences that are mentioned in the bill? Let us face the fact that child pornography is a more serious offence in society than are many of the other offences listed in the bill, and it is a much more common offence. Omitting the offence of child pornography from the bill was a terrible oversight, if it was an oversight. Government members, particularly the Attorney General, the Hon. John Hatzistergos, must have lots of egg on their faces.

**Mr VICTOR DOMINELLO** (Ryde) [4.28 p.m.]: Section 4 of the Crimes Act 1900 defines a "serious indictable offence" as an indictable offence for which the penalty is a term of imprisonment of five or more years. According to the Law Enforcement (Powers and Responsibilities) Amendment (Search Powers) Bill 2009, which I will refer to as the LEPRA bill for convenience, a crime is a serious offence if it consists of the following elements: first, it is an indictable offence; second, it is an offence that is punishable by imprisonment for seven years or more; and, third, it is one of the offences noted in the bill.

My first request is that the Government indicate in reply why a serious offence under the Crimes Act is defined as five years but under the Law Enforcement (Powers and Responsibilities) Act it appears to be seven years. Is the Government moving the goalposts to suggest that an offence is serious only if it carries a maximum penalty of seven years imprisonment or more? Laws should be consistent and clear, and this bill is neither as it does not appear to be consistent with the definition provisions in the Crimes Act as to what is a serious offence. Child pornography is undoubtedly an indictable offence. Child pornography is an offence punishable by a period of imprisonment of seven years or more. Indeed, child pornography offences carry terms of imprisonment of 10 and 14 years. However, alarmingly, prior to amendment the bill did not regard child pornography as a serious offence. The Liberal-Nationals Coalition moved an amendment in the Legislative Council that child pornography be included as a serious offence within section 46A of Schedule 1 to the bill. In response, the Attorney General said:

Generally speaking, I suspect that in cases involving child pornography the police would be using ordinary search warrants rather than covert search warrants.

I ask the Attorney General to indicate on what basis he suspected that the police would use ordinary search warrants rather than covert search warrants in relation to child pornography offences. Did the Attorney General

base his suspicions on any meaningful dialogue with law enforcement agencies, or are his suspicions based on his own experiences and intuition and judgement? If it is the latter, then the Attorney General's judgement is clearly in error. As the member for Epping noted, senior police officers have told us that covert search warrants would be most suitable for the investigation of child pornography offences because of the secretive nature of the offence itself. This response by the Labor Government is completely inadequate.

It is difficult to understand why child pornography was not included in the original bill for a number of reasons. Firstly, it is clear that child pornography was considered serious enough to warrant the exercise of search warrants under the 2002 primary legislation. Section 46A (1) (a) (iv) of schedule 1 specifically nominated child pornography as an offence for which ordinary search warrants could be obtained. Indeed section 46A (2) of schedule 1 goes on to define what a child pornography offence means. Second, the bill regards child prostitution as a serious offence, child prostitution being an offence under division 15 of part 3 of the Crimes Act. Child pornography is an offence under division 15A of part 3, which is the offence immediately after child prostitution in the Crimes Act.

The second request I make is for the Government to explain in reply why it did not consider that child pornography is a serious offence. If this omission was an oversight, then it was a very serious one and the Labor Government should acknowledge the omission. But if the omission was intentional, then the Labor Government must explain to the parents of New South Wales why, prior to the amendment of this bill, it did not consider child pornography as a serious offence. This is a far bigger issue than party politics. Despite the rhetoric that occurs in this Chamber, I genuinely believe that all members of Parliament do their best to make our society a better place. The Government should put on record whether the omission was an oversight or intentional. I note that section 242A of schedule 1 requires the Government to table a detailed annual report on the exercise of covert search warrant powers pursuant to part 5.

I expect and hope that proposed section 242A will in due course reveal that the investigation and prosecution of child pornography offences are taken seriously. As I said in my inaugural speech, I will fight to protect the vulnerable in our society, and there is no-one more vulnerable than our children. I am proud that the Liberal-Nationals Coalition has secured this important amendment that recognises that child pornography is a serious offence within this bill and goes a long way to fighting the appalling crime that is child pornography. Finally, I note that in 2002 the Government thought it was appropriate for the Ombudsman to review and report on matters relating to the search of an individual upon arrest or in custody, including frisk and strip searches. The power of the State to strip search someone is an enormous infringement on the privacy of an individual.

One can readily understand that there should be careful checks and balances in place to ensure that this power is not abused. Hence, the wisdom of the important safeguard provisions in the 2002 legislation that required the Ombudsman to report on the exercise of these powers. However, the proposed amendment to section 242A (1) appears to remove the Ombudsman's function in relation to these police powers and, instead, provides the Ombudsman with a review function limited to the police power to obtain and execute covert search warrants, including the ability to search and seize property. The Law Enforcement (Powers and Responsibilities) Act came into effect on 1 December 2005.

Under section 242 of the Law Enforcement (Powers and Responsibilities) Act 2002, the Ombudsman is required to monitor certain police functions for a two-year period from the date of the commencement of most provisions of the Act—this is from 1 December 2005—and at the expiration of that period furnish a report to the Attorney General and the Minister for Police as soon as practicable. The Ombudsman published his issues paper on 26 June 2007 while still in the required monitoring period. The issues paper called for submissions from the general public in preparation for a final report to be completed after the monitoring period ended. However, the final report is still outstanding, and therefore a report on the operation of the 2002 Act has not even been tabled in Parliament.

**Mr Barry Collier:** Point of order: The member for Ryde is canvassing the whole bill, upon which he had the opportunity to comment when it came before this House. Today we are talking about an amendment to the bill specifically to insert particular words. I ask you to bring him back to the leave of the amendment.

**ACTING-SPEAKER (Mr Matthew Morris):** Order! I uphold the point of order. The member for Ryde will confine his remarks to the Legislative Council's amendment.

**Mr VICTOR DOMINELLO:** The third request I make is that the Government indicate in reply why the Ombudsman's function to review the exercise of certain search warrants, such as strip searches, have been deleted in circumstances—



**Mr Barry Collier:** Point of order: The member for Ryde is canvassing your ruling. Once again the member is talking about the powers of the Ombudsman, not the insertion of particular words into the Act by way of amendment suggested by the Legislative Council. I ask you to bring the member for Ryde back to the leave of the amendment.

**ACTING-SPEAKER (Mr Matthew Morris):** Order! I again ask the member for Ryde to confine his remarks to the Legislative Council's amendment.

**Mr VICTOR DOMINELLO:** I am speaking to the provisions that relate to the Law Enforcement (Powers and Responsibilities) Act as amended. These important matters should be raised in the context of this bill. To stifle debate on this important issue is an appalling act by the Government.

**Mr Barry Collier:** You had your chance when the bill was introduced.

**Mr VICTOR DOMINELLO:** With great respect, I have only one paragraph to go, and I seek that indulgence.

**Mr Barry Collier:** Make it relevant! That's what we are asking you to do.

**ACTING-SPEAKER (Mr Matthew Morris):** Order! The member for Ryde will address his remarks to the amendment.

**Mr VICTOR DOMINELLO:** In 2002 the Government deemed it necessary for the Ombudsman to review and report on the exercise of these highly invasive powers. In 2007 the Ombudsman called for submissions from the general public in preparation for the final report into the law enforcement powers and responsibilities legislation. Finally, the final report on the review of the police powers has not yet been tabled in Parliament. For those reasons I ask the Government to indicate why the Ombudsman's function in the current legislation has been removed.

**Mr JOHN AQUILINA** (Riverstone—Parliamentary Secretary) [4.38 p.m.]: I listened intently to the comments of the member for Epping and the member for Ryde on the straightforward amendment that has come from the other place. The member for Ryde in particular saw fit to give almost a contribution to the agreement in principle debate again. We have already been through the agreement in principle debate, and the member should have raised those issues at that time. His remarks had no relevance to the amendment before the House. This is a straightforward process. An amendment has been moved in the Legislative Council to insert the words "child pornography" in schedule 1, item [5], proposed section 46A (2) line 10 after the words "child prostitution".

The member for Epping tried to make out that including the words "child prostitution" was a covert attempt by the Government to omit the words "child pornography". My response is that nothing could be further from the truth. Most of the matters raised by the member for Ryde are irrelevant to this debate and therefore it is not appropriate that I respond to them. His concerns should have been raised in the Legislative Council to evoke an appropriate response from the Attorney General. Schedule 1, item [5], section 46A deals with searchable offences and refers to section 47 (1) of the former Law Enforcement (Powers and Responsibilities) Act. Proposed section 46A (1) (a) (iv) spells out a child pornography offence. Subsection (2) states:

In subsection (1):

*Child pornography offence* means an offence under section 91H or 578C of the *Crimes Act 1900*.

This legislation contains specific reference to child pornography; obviously the Government has had regard to child pornography as a specific offence. I do not know why that offence was not included. The Attorney General would say it is appropriately covered under child prostitution or in another way, or perhaps it was an omission. Be that as it may, the Government is more than happy to specifically include the words "child pornography" as it appears in this amendment. The Opposition has tried to make out that this was a clandestine attempt by the Government to omit those words, but that is totally and abysmally wrong. The Opposition should not attempt to make an issue out of a non-issue: that is not what debating legislation in this House is about.

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

**Motion agreed to.**

**Legislative Council amendment agreed to.**

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

**APPROPRIATION (BUDGET VARIATIONS) BILL 2009**

**Agreement in Principle**

**Debate resumed from 25 March 2009.**

**Mr MIKE BAIRD** (Manly) [4.43 p.m.]: On behalf of the Opposition I speak to the Appropriation (Budget Variations) Bill 2009. The bill presents a very good opportunity to look at the economic record and the approach of the Labor Government to general budget discipline, which is at the core of the Opposition's concern about this legislation. The overview of the bill states:

The object of this Bill is to appropriate additional amounts from the Consolidated Fund for recurrent services and capital works and services for the years 2008-2009 and 2007-2008 for the purpose of giving effect to certain Budget variations required by the exigencies of Government.

The additional amounts appropriated for the 2008-2009 year are:

- (a) \$343,195,000 in adjustment of the vote "Advance to the Treasurer", and
- (b) \$10,891,000 for recurrent services in accordance with section 22 (1) of the *Public Finance and Audit Act 1983*, and
- (c) \$520,505,000 for other additional recurrent services.

The additional amounts appropriated for the 2007-2008 year are:

- (a) \$303,144,000 in adjustment of the vote "Advance to the Treasurer", and
- (b) \$240,010,000 for recurrent services and capital works and services in accordance with section 22 (1) of the *Public Finance and Audit Act 1983*.

This bill is another example of the Government's economic mismanagement. Only five months ago a high-taxing mini-budget was handed down in this Chamber that was supposed to draw New South Wales out of the economic mess in which it found itself. When the mini-budget was handed down Eric Roozendaal said he was going to hunt waste and shred it. Yet the Government is back in this Chamber today seeking approval for an extra \$1.4 billion that was neither budgeted nor accounted for. Going back to 2007-08—notwithstanding we had gone through a budget process, an appropriation process and the Auditor-General had signed off on it—New South Wales has \$540 million that sits alongside supposed surpluses, which highlights that this Government has lost control of its expenses and that is the reason we are in this position.

In the current economic climate the worst possible signal that can be sent to external investors, institutions and the market as a whole is that New South Wales still does not have its financial house in order. Additional funds of \$1.46 billion over 2007-08 and 2008-09 show a complete lack of discipline in relation to expenses. I will go into detail about what that means. There is a lack of transparency and, ultimately, accountability because each budget will have within it a treasurer's advance. The Treasurer's Advance is available for recurrent and capital purposes, but it is constantly overrun by this Government. We need to look at the external view of the economic mismanagement of this Government. Why is the level of New South Wales expenses of concern in this bill?

For 14 years—from 1995-96 to 2006-07—New South Wales had surpluses that totalled almost \$11.3 billion. Many people ask, "Where has it gone? How has it been squandered? What has it been used for?" We had a mini-budget and we now have a revised budget deficit as at 31 December of about \$1 billion, and who knows how far it will rise? The ongoing issue is the continuing growth in expenditure beyond the increases in revenue. I know, and we have heard that both the Minister for Finance and the Premier know, that this is a concern the market has with the State Government. The Government's Vertigan and Stokes report, "New South Wales Audit of Expenditure and Assets" found a 5 per cent growth in revenue but a 6 per cent growth in expenditure for the previous four years, and that has been a constant for this Government. The report states that the difference in growth rates of 1 percentage point per annum applied to an annual budget of \$40 billion means expenses have increased by \$400 million more than revenues each year. In other words, the State has gone backwards by \$400 million. The budget is now up to about \$47 billion, so it is \$470 million if it is run in that context.

The respected John Pierce, who has gone on to greener pastures, highlighted that issue. Treasury as a whole is commended for raising this concern and for trying to call the Government to account. In relation to

expense management John Pierce told the estimates committee, "If we read the budget papers it is a constant theme Treasury is raising and which we have tried to address". Treasury is telling the Government that its expense management is out of control. Vertigan and Stokes conducted an independent audit of the expenditure of this State, which also revealed that expenses are running out of control. The third leg is that the credit rating agencies have also sounded a warning. In August 2008 Standard and Poor's revised the State's credit rating outlook from stable to negative.

**Mr Paul Pearce:** They're a trustworthy lot.

**Mr MIKE BAIRD:** This was ahead of the impact of the financial crisis. We will hear many comments about its impact on our credit rating and many will try to blame this on the global financial crisis, but we went onto credit watch before its impacts were felt on our shores. That is a fact that the member cannot argue with. Standard and Poor's analyst Brendan Flynn said that there remained a two-in-three chance that New South Wales would retain its triple-A credit rating provided that—and this is the crux—the Rees Government was "going to be able to re-jig their spending like they're planning". The agency said that expense control is a problem for this particular Government and that is one of the key reasons that the credit rating is at risk. Regardless of whether you agree with the ratings agency, the way markets work is that, if we lose our rating, we are going to be up for significant amounts of money that could be used for other services across the State, whether it be health, transport or infrastructure.

**Mr Barry Collier:** Which markets are you talking about? Are you talking about financial markets?

**Mr MIKE BAIRD:** Financial markets, professor. Notwithstanding clear concern from ratings agencies, we have a clear concern from John Pierce in relation to expense control management and we have identified in a Vertigan and Stokes report commissioned by the Government a complete lack of interest in this particular issue. Nathan Rees's approach must be questioned. His approach to economic management is a fascinating little exercise. I will read a few quotes because they need to be put together to follow them. Back in September 2008 when Nathan Rees was made Premier of this State he started off by saying, "Fiscal responsibility will be the cornerstone of my premiership." But shortly after that, when rushing from one Cabinet meeting to the next, he said, "I don't have the time or the inclination to examine why we've got those estimates wrong", in relation to why all of a sudden we were faced with a mini-budget and why the State was ultimately put on credit watch. That is the precursor to what became the mini-budget period.

This goes to the heart of the bill because ultimately financial discipline, having the ability to deal with the market you are operating in, anticipating the impacts and putting in place policies that mitigate the impacts on the State that you are governing are critical. We need to understand what Nathan Rees meant when he said, "If we knew then what we know now we would have done things differently". We all remember that; he said it back in February. I am not sure what he was reading or what he was doing—obviously he was getting up to speed. On 15 October 2008, almost a month before the mini-budget was delivered, Kevin Rudd, who is often put forward by those on the other side of this Chamber as being without peer in what he does in relation to everything, made this comment: "Make no mistake—this is the single greatest threat to our economic security in a generation. And it's the most significant upheaval in the global financial system in our lifetime." Another guy, Alan Greenspan, said that we are in a once-in-a-century financial crisis, "I can't believe we could have a once-in-a-century type of financial crisis without a significant impact on the real economy globally".

**Mr Grant McBride:** He oversighted the collapse of the Western world and you are quoting him as an authority?

**Mr MIKE BAIRD:** I am just quoting him as someone who—

**Mr Grant McBride:** A selective quote, of course.

**Mr MIKE BAIRD:** I quoted Kevin Rudd for you. Kevin Rudd was your economic barometer. We had a clear position before the mini-budget that we were heading into the most turbulent economic times that we could imagine. That is unquestioned. Pick any commentator out of the library and they would have said it before the mini-budget. What did we get in the mini-budget? A position where, whatever spin the Premier and the Minister for Finance put on it, we cut infrastructure. We hear a lot about the infrastructure program, which was announced well ahead of any sign of the impending global financial crisis. At the first opportunity for response, using Kevin Rudd's words in particular—"This is the single greatest threat to our economic security in a generation"—what did we do?

What did Nathan Rees and Eric Roozendaal do? They cut infrastructure, and raised taxes and charges. This is exactly the wrong response at the wrong time. Every single government around the world was doing exactly the opposite, including the Government's Federal colleagues in Canberra. We really have to start to wonder who is advising the Government. We can see through the words of John Pierce at estimates that Treasury has been trying to get the Government to control its expenses for a long, long time, but it has not been listened to. At the same time Premier Rees told listeners to ABC radio that he was not sure if they have to save or spend. One minute they have to save and the next minute they have to spend. It goes on and on.

The Premier has tried to make fiscal responsibility the cornerstone of his premiership. The ratings agencies, John Pierce, and the community at large want better bang for their buck—they certainly want every single dollar spent in this State closely watched—but we seem to have thrown in the towel. If we turn to external comments post the mini-budget, the Business Council of Australia said, "Australia cannot afford to have state governments running fiscal policies that work against growth. Now is the time to abolish lingering state taxes, not to lift taxes", which is what Nathan Rees and Eric Roozendaal did. The director of Access Economics said, "This is just not a recession. It will be the sharpest deceleration Australia's economy has ever seen ... New South Wales is drowning, not waving, and 2009 will be a long year. Pretty much anything that could go wrong in New South Wales has gone wrong."

That is the backdrop against which we find ourselves. In that context, how you can be in a position where you would not want to manage your expenses is really beyond words. We are talking about a basic day-to-day budget discipline, that is, managing revenue and expense growth—that is the premise of it. The Premier effectively has put up the red flag not just to the ratings agencies but also to the market and everyone in New South Wales. He has lost control of expenses and he does not care, which is why today we are debating an appropriations bill that seeks approval for \$1.4 billion across two budget periods.

The failure of the Government to get its expenditure under control is ultimately why the budget is now in the red. We have to ask the real questions. If there were any form of decency, transparency or honesty from the Premier or the Treasurer, we would ask that they declare not just in this Chamber but to the whole State the true state of New South Wales finances. We saw it in Queensland. The Government went to the market before the budget and made the point very clearly that revenues were falling and, most importantly, expenses were rising. Why is there concern about the true picture of New South Wales finances? We all have an interest. Whatever politics you play, on whatever side of the Chamber you sit, ultimately there is a desire to look after the people of New South Wales in the most prudent, fiscally responsible way. Each budget from this Labor Government is an opportunity to hide the facts and deliberately mislead the people in New South Wales. Rather than attacking the expenses, which has been requested by all the stakeholders I have referred to, we see it as a means to prop up revenue.

A couple of years ago the Sydney Airport land tax bill was introduced. It was a great ruse—it just covered the surplus. If it did not exist we would have been in deficit. We have not heard a peep about that bill. We know that it has been going through the court system. No-one knows whether it has been dismissed, but that is the sort of approach that has put us in this position. Rather than cutting some of its expenses, the Government is propping up revenue. What does that mean? It means that we have the position we have today. Unfunded superannuation was subject to one of the greatest ruses that I have seen in State finances in the couple of years that I have been in this place. While every State and Federal government was dealing with its unfunded superannuation in a prudent way, we were not using a discount rate, which was in accordance with the accounting standards of today. The rate was about 6 per cent. Basically every State and Territory was using a rate of 6 per cent or below. However, we used a discount rate for unfunded superannuation of 7.3 per cent.

That means we depressed our unfunded superannuation obligations, which means that the Government had to put in less money in each budget. My conservative calculation is that we have put \$300 million or \$400 million less a year into unfunded super. That is another example of the way the Government has played with the revenue and not attacked a key problem, which are expenses. That chicken has come home to roost. We are not sure where the bottom will be in unfunded super. There is also a real problem with workers compensation. That fund will be under siege; there is no doubt about that. We need to see a response from the Government in relation to workers compensation. What is the Government going to do about unfunded super in this budget? Will it deal with it openly, transparently and honestly, or will the Government again try to manipulate the numbers and hide the problem?

The people of New South Wales deserve to see clearly the true state of the State's finances because there is no doubt that we are in a much worse position than anything that has been reported or anything that has

been said by the Treasurer or the Premier. If the Premier wants fiscal responsibility to be the cornerstone of his premiership, he needs to come clean. In relation to day-to-day budget management, the Premier and the Minister for Finance, Joe Tripodi, do not have to raise taxes or slash jobs to ensure basic discipline. It is a fact of day-to-day budget management. There may well be times of exceptional circumstances such as when there are complete and utter market dislocations when one-off payments are required. However, as a rule, in exercising budget discipline and day-to-day budget management, expenses should not exceed revenue growth. Those are the facts and that is the way it should be.

What are some of the expenses we could cut? How do you run a budget where revenue growth exceeds expense growth? We can look at some of the expenses that should be as plain as the nose on everyone's face. We can start by looking at Governor Macquarie Tower. This is one of the prime office spaces in Australia and indeed the world. In my previous role I had the opportunity to travel to some cities around the world and I can tell members that the lease costs of Governor Macquarie Tower are right up there with some of the most expensive real estate on the planet. Only Nathan Rees and Eric Roozendaal can answer the question: do they think it is in the best interests of the taxpayers of New South Wales that they sit in that sort of space? They are paying close to \$1,000 a square metre when a number of large corporates in this city are paying half that for space not far from Parliament House itself.

This comes back to the bill because appropriations are about expenses that we have lost control of in the sense that they were not in the original budget, and we are not sure why they were not, and now the Government is seeking approval for them. If the Government wants to attack expenses and bring in a different culture it needs to look at Governor Macquarie Tower and similar office space. I challenge the Premier to go to the owners of Governor Macquarie Tower and say, "Here is your lease. In the interests of the people of New South Wales we want expense growth to be less than revenue growth." Then they can cut some of the expenses that are part of the perks of a long term in office. It is time they went. It is in the Premier's control and the Treasurer's control right now to make some hard decisions and have the entire Cabinet say, "We are going to cut some of that waste."

Another thing the Government could look at is Government advertising—\$112 million is an incredible amount to spend. If members go through the Auditor-General's report, which was tabled last week by the Public Accounts Committee, they will see it is compelling. If one wanted to look at cutting costs, this is where one would start. The Auditor-General identified several concerns. He said:

There was no central record of the total amount spent on advertising as, although the Department of Commerce annually reported media placement costs, there was no requirement for agencies to detail the cost of advertising research, development and production in their annual reports and very few did provide such information.

If you were in Treasury and you saw that sort of thing appear in a report you would be horrified. Behind that line item is a culture of complete and utter loss of interest in any form of expense control whatsoever. Not only is there a loss of interest, but also they do not know what the total cost is. That is why we are discussing this today. We have lost control of expenses in this State. There is a runaway train called expenses and it is coming to a suburb near you because the impacts are going to be felt far and wide. It is not possible to oversee a process where not only does the entire cost not have to be reported, but also no-one is even sure what it is. We know Government advertising cost \$112 million, but it could be \$150 million or \$200 million, or even \$250 million. We may well be able to unearth some of these costs in the appropriation bill next year or the year after. The fear is that we will not and that they are hidden in the bowels of government. It is time that someone got the information. I certainly encourage Treasury to continue to put the pressure on this Government and hold it to account to try to put some processes in place that will tackle the nub of the problem and change the culture. The Auditor-General goes on to say:

The guidelines were not sufficient to prevent the use of public funds for party political purposes because there were no general principles prohibiting such practices and there were no criteria to help agencies determine whether a campaign could be seen to be party political.

I think anyone in this State would agree that Jack Thompson running around and telling us in advertisements what a great job this State Government did prior to the last election—

**Mr Barry Collier:** He is an honest man, Jack.

**Mr MIKE BAIRD:** I am not sure that is a good use of taxpayers' funds. When the Minister for Finance and the Premier of this State say they are not interested in basic financial discipline and controlling a budget and they are looking for expenses to cut, they need look no further than Jack. Jack is a classic case of using public

money to promote the Government. That is not in the interests of anyone in New South Wales. That is not in the interests of driving infrastructure. That is not in the interests of any hospital in this State. That is where the Government needs to focus its intention. If members opposite were honest with themselves they would know that they can go on and on with the sort of processes that have brought them to this position.

**Mr Allan Shearan:** And you are!

**Mr MIKE BAIRD:** Not really. I could go on a lot longer but I will be brief. I turn now to project control and again there is something wrong in this Government. The Premier says he wants fiscal responsibility to be the cornerstone of his premiership, so he should do something about it. We want someone to embrace it. I remind members of the T-card project, which cost almost \$100 million over 10 years and we still have nothing to show for it. There is something fundamentally flawed in the way this Government goes about its expense priority and its project control. I need hardly touch on the Epping to Parramatta rail line, which ended up being half the distance, three years late and double the cost. That is the culture at the core of this Government and it is the reason we find ourselves in this position.

There will be times when additional expenditure is required to invest in the future, but that is not what we are seeing in this bill. This bill is very much about a whole range of expenses that have not been identified, and some of them are almost two years old. Imagine any company being in a position where its expenses of \$540 million still have not been reconciled. It is beyond belief. My recommendation is that we need to start unravelling the culture of this Government. A change of attitude is needed so that the Government sticks to its budget. There is no sense of accountability or responsibility from any Minister. I have asked a number of Ministers through questions in this House about how they manage their budgets and the responses I received explain a lot.

**Mr Barry Collier:** Responsibly.

**Mr MIKE BAIRD:** I am sure the member for Miranda would be surprised to know that not one of the Ministers takes the time to review his or her budget expenses on a monthly basis.

**Mr Barry Collier:** How do you know that?

**Mr MIKE BAIRD:** That is exactly what they said.

**Mr Barry Collier:** How do you know that?

**Mr MIKE BAIRD:** The member for Miranda is surprised to hear that, as indeed is the whole State of New South Wales.

**Mr Barry Collier:** No, don't misrepresent me.

**Mr MIKE BAIRD:** The Ministers do not check their expenses on a monthly basis.

**Mr Barry Collier:** How do you know that?

**Mr MIKE BAIRD:** Because the answer came back to me and it is outsourced. Expense management is outsourced to the Department of Premier and Cabinet. We have a Minister of the Crown that runs a budget, sometimes tens of billions of dollars, and he or she is not interested in checking on a monthly basis on how that department is running. Ministers let someone in the Department of Premier and Cabinet deal with financial issues, which is why we get overruns in this State and appropriation bills have to be introduced. Every Minister should be asking, "What are contractors costing this department every month? What are our mobile phone bills? What are our property and lease costs? What are our car, fuel and taxi costs?" I give as an example Sydney Ferries. Ministers should also be asking, "What are our credit card costs?" Last year over \$1 billion was spent on new cars. This Government should be able to save \$200 million to \$300 million in the cost of new cars.

**Mr Grant McBride:** What will we do? Cut out ambulances, police cars and emergency services cars?

**Mr MIKE BAIRD:** The Government should cut out the Land Cruisers. Are Ministers interested in the supply chain? Each department has a number of supply chains but how are they benchmarked? Do Ministers know whether their departments are receiving value for money from service providers? Does the Government conduct regular surveys?

**Mr Barry Collier:** Of course it does!

**Mr MIKE BAIRD:** How can Government members say that the Government conducts regular surveys when Ministers do not check their expenses on a monthly basis?

**Mr Grant McBride:** It is done all the time.

**Mr Barry Collier:** You would get an annual report.

**Mr MIKE BAIRD:** The Opposition intends to change that behaviour. Each month a Minister will receive a report and he or she will be responsible for checking every dollar that has been spent. The people of New South Wales want to know that the Government is checking every dollar that is being spent and obtaining value for every dollar. That simple proposition is outlined in the document prepared by the Opposition. We have stated in our document "Planning for Prosperity" that there would be collective Cabinet responsibility for infrastructure and day-to-day budget discipline. We will provide a budget discipline that encompasses not just individual departments but also every financial decision. I question this Government's infrastructure announcements.

The Government announced the North West Metro project with great fanfare and amidst a flurry of advertisements, brochures and handouts. Six months later that project was axed. Infrastructure was announced one day and it was costed the next. Earlier today the shadow Minister for Transport referred to an email that was received a number of weeks after the announcement of the CBD Metro. That email revealed that the principals involved in the decision had no idea of the costing. Some of them are asking whether the Government's costing is \$1.8 billion or \$4.8 billion. Weeks after the announcement of the proposal they are still guessing on the costing.

Ultimately, that sort of culture will result in increased costs, a delay in the delivery of some projects, and projects such as the North West Metro will be cut. The Government established that it could not afford the North West Metro six months after announcing that project. When this Government makes an infrastructure announcement it should verify the cost of the project, know how it fits into the forward estimates, and invoke some sort of delivery cost control. None of that has happened in the past. If Minister Joe Tripodi is attempting to cut costs without cutting jobs he should start with expenses in his ministerial office. Almost \$2.8 million has been allocated to upgrade a number of ministerial offices. I do not know on which offices it has been spent but I am sure that it will make someone very happy.

I argue strongly that this is not in the best interests of the public of New South Wales. An amount of \$1.8 million has been allocated for improvements to the Better Regulation Office. I am sure that all members support the need for better regulation but if they asked small and medium-size businesses in this State for their view I am sure they would be told that this State was overregulated. I am not sure what the Better Regulation Office is doing at the moment because during estimates committee hearings it could not provide clear details on what it does. Another \$1.8 million has been allocated to that office. A management fee will be paid to the Department of Commerce to maintain a government mobile radio network, which sounds terrific! Only the Department of Commerce could invent something like that.

**Mr Grant McBride:** That is an emergency services network.

**Mr MIKE BAIRD:** Would members prefer it to be paid on management fees or on back-up systems?

**Mr Grant McBride:** I am just saying that that is what it is for. You asked what it was for and I told you what it is for.

**ACTING-SPEAKER (Mr Matthew Morris):** Order! Members will cease interjecting.

**Mr MIKE BAIRD:** I have a problem with the Department of Commerce charging a management fee. That money should be spent on front-line services.

**Mr Grant McBride:** It is for management, like Telstra.

**Mr MIKE BAIRD:** That sort of expenditure could not be justified. I refer, next, to recent by-election costs. It was sad when John Watkins left, but we are delighted with the new member for Ryde, Victor Dominello, who is making a great contribution.

**Mr Grant McBride:** We love him.

**Mr MIKE BAIRD:** We do love him. Recently \$750,000 was spent on by-elections because Ministers and Premiers decided that they had had enough. There was also a legal dispute involving the Conservatorium of Music. This Government is involved in a whole range of activities that deserve closer scrutiny. This Government must spend a lot more time in developing a culture for delivering better outcomes in this State. I ask the Premier and the Treasurer to take an interest in the finances of this State, for example, budget discipline and infrastructure costs. Earlier the Minister for Transport referred to a project worth \$4.8 billion and he said that that was all the money that was available for future projects. Is the Minister aware that funds can be raised externally to help with infrastructure projects?

**Mr Grant McBride:** We did that. There is an example of that.

**ACTING-SPEAKER (Mr Matthew Morris):** Order!

**Mr MIKE BAIRD:** Because of the current culture this Government has no interest—

**Mr Grant McBride:** You might want to comment on that.

**ACTING-SPEAKER (Mr Matthew Morris):** Order! The member for The Entrance will cease interjecting.

**Mr MIKE BAIRD:** This Government has no interest in maintaining expenses or imposing any form of discipline in the infrastructure process. The rating agencies, Treasury Secretary John Pierce, and the Stokes and Vertigan audit have identified that this State has an expense problem and it is failing to deliver the sorts of services that should be delivered. Is the Government aware that this bill highlights the fact that it is not managing this State's finances, it has lost control of its finances, and it is unable to deliver the services that the people of New South Wales deserve?

**Mr JOHN AQUILINA** (Riverstone—Parliamentary Secretary) [5.18 p.m.]: I listened intently to the shadow Treasurer's long and at times somewhat repetitious speech. In his presentation today he never mentioned the world financial crisis. It appears as though New South Wales and Australia live in a vacuum and what is happening in this State is totally unrelated to anything that happens anywhere else in the world. Not only that, he had the audacity to invoke the name of Alan Greenspan, the great economic guru, who, more than any other individual in recent history, probably is responsible for the current world financial crisis. If that is some measure of the Opposition's kind of economic leadership, I am glad I am on this side.

We have the trust, experience and know-how of the Treasury as well as the Treasurer and the Premier. We are progressing and proceeding with this matter properly and plausibly in the best interests of the New South Wales taxpayers. The shadow Treasurer said several times that the Government has lost control of expenses in this State and does not know what it is doing. That is why we have the Appropriation (Budget Variations) Bill 2009. In my 28 years in this Parliament we have debated 28 appropriation budget variations bills for each appropriate year. Every year we go through this process because it is part of the regular process of budgetary measures and controls of this State. I refer the shadow Treasurer to the opening statements when the bill was introduced.

**Mr Mike Baird:** Is it always \$1.4 billion?

**Mr JOHN AQUILINA:** I will get to that in a minute. The Appropriation (Budget Variations) Bill is a key part of the annual budget process. It is not an extraordinary budget process; it is an annual budget process. It is not possible to seek in advance the Parliament's authority for unforeseen and urgent expenditure. Provisions established for these types of situations include the Treasurer's Advance and section 22 of the Public Finance and Audit Act 1983. The validity of this particular appropriation provision dates back to 1983. Of course, other appropriation budget provisions bills were in place prior to the enactment of the Public Finance and Audit Act in 1983.

Under the Act an advance is appropriated to the Treasurer to cater for unforeseen and urgent expenditures that could not be forecast at budget time. The current world financial crisis could present one of many instances. This bill includes provision for validation of expenditure details from the Treasurer's Advance to ensure a transparent accountability process to Parliament of how the Government's money is spent—another



purpose for this legislation. Also under section 22 of the Public Finance and Audit Act 1983 the Treasurer with the approval of the Governor determines that amounts are paid from the Consolidated Fund for exigencies of government in anticipation of appropriation by Parliament. The bill further provides a duty to fulfil to ensure that details of payments are made known. That has been a provision of appropriation bills since at least 1983 and similar provisions applied prior to the Public Finance and Audit Act 1983.

The shadow Treasurer interjected earlier, "Oh yes, but was it always \$1.4 billion?" For this year, taking into account also the adjustments for the previous year, the total amount is \$1.417. The shadow Treasurer is trying to make out that this process is something extraordinary. Obviously, he does not know very much about the economic history of this State. In 2005-06, when we were in flush financial times, the appropriations bill covered \$1.540 million. If we go further back to 2002-03, when we were also flush with funds and making sure that we were spending money on behalf of the taxpayers, the appropriations bill covered \$2.953 billion. What is happening today is nothing extraordinary; it is part of the regular process of government.

**ACTING-SPEAKER (Mr Matthew Morris):** Order! Members will cease interjecting.

**Mr JOHN AQUILINA:** If we go back through the history of all governments, irrespective of political persuasions, similar appropriations bills will be found because that is part of the orderly process of government. That is what government does. Governments have been engaging in this same process every year regardless of their political persuasion, and they do it appropriately. That is what we are doing today. The Opposition will use this debate as an opportunity to raise a lot of issues, as the member for Manly has done, and try to make out that this is all waste. In actual fact, we are going through the motions of what needs to be done to ensure that government expenditure remains transparent and that the appropriate legislation is complied with.

What have we spent this money on, or are spending it on, that we have a duty to report to Parliament and to ensure that legislation covers that expenditure? The list of projects in schedule 1 reveals an example of the good works performed by government throughout this financial year. How would we have foreseen giving money to the Red Cross Victorian Bushfire Appeal when we brought down a budget? Of course, the exigencies of government will ensure that we make an appropriate contribution. This Government contributed \$1 million, but we must account for that through the appropriations bill.

There is also the development of Safe Families Programs and the celebration of the achievements of our Olympians and Paralympians. Schedule 1 illustrates the commitment the Government has made on behalf of the people of New South Wales to look after the less fortunate among us—those who through no fault of their own have struck difficult times. On 10 February 2009 the Premier announced that the Government would donate \$1 million to the Red Cross Victorian Bushfire Appeal, which was set up to assist individuals and communities affected by the terrible recent bushfires in Victoria. No-one doubts the worthiness of that appeal, or that it could not have been forecast by budget processes at the beginning of the financial year.

The devastation wrought by the bushfires earlier this year was only matched in breadth and intensity by the display of generosity. Along with the wonderful efforts of our emergency service workers and other New South Wales personnel who travelled to Victoria to assist their Victorian colleagues, the Government is proud to have played its part in this very worthy fundraising exercise. The Safe Families Program involves agencies working together to provide services to prevent child sexual assault. The Government has provided funds for four years and the program will run in five communities. The program works closely with Aboriginal communities to help keep children safe from sexual assault. Safe Families wants to work with Aboriginal communities so they have a say about the things they want to change to help stop child sexual assault in their community. Safe Families will spend a lot of time building relationships with the community and working with them to make the changes to keep kids safe. This is another example of the commitment the Government has made to the vulnerable in our community.

Whilst the Government has tried to alleviate the suffering of those less fortunate amongst us, it also has joined in the celebration of our victories, and I shall refer to three specific examples. One of those victories, as outlined in schedule 1 to the bill, is the achievement of our State's Olympians and Paralympians. On 15 September 2008 the Government hosted a welcome-home parade in Sydney for the New South Wales members of the 2008 Australian Olympic team. I am advised that 435 athletes represented our country at the Summer Olympics in Athens and won 46 medals, 14 of which were gold. What was the Government to do in its budget prior to the Olympics? Make some kind of commitment by pulling figures out of the air as to how many medals we may need or what the cost may be to give a proper celebration for what these Olympians achieved?

Of course, we wanted to make sure our Olympians were looked after and were congratulated, honoured and feted appropriately, but we could not allocate funding before we knew exactly how much we would be committing. The exigencies of government enabled us to spend that money and now we have the responsibility to detail those matters. Again, that is the reason for the appropriations bill. The Australian Paralympic Team returned from the Beijing Paralympic Games with an amazing 79 medals, 23 of which were gold. As I indicated at the outset, governing this State is a dynamic and often unpredictable process necessitating the need for an annual appropriation to the Treasurer's Advance to cater for unforeseen and urgent expenditures that cannot be forecast at budget time.

As outlined in various schedules in the bill, the expenditures are all important and related to worthy Government measures. As I have indicated on previous occasions, there is nothing extraordinary, unusual or untoward about this process. The bill is part of the orderly process of economic management. That has been the case in this State since time immemorial, as it is the case in every other State, as it is a case in the Commonwealth, and as it is the case in most Western democracies under the Westminster system. I commend the bill to the House.

**Mr RAY WILLIAMS** (Hawkesbury) [5.29 p.m.]: At the outset I state that the Appropriation (Budget Variations) Bill 2009 is a damning indictment of the State Government and shows that it cannot produce a balanced budget. To hear the Leader of the House attempt to justify Labor Governments over the past 14 years coming to Parliament with cap in hand to seek the appropriation of billions and billions of extra dollars because they have been unable to balance the budget is quite remarkable. The Government expects the Parliament to approve more funds while Labor continues to waste the New South Wales taxpayers' money, and that has been the case for years.

The bill before the House relates to two financial years, 2007-08 and 2008-09, and a request for an additional \$1.4 billion. What a damning indictment of a Government that it cannot run a balanced budget! Recently I heard the Premier condemn statements made by the shadow Treasurer, who said that the Coalition would not allow its budgets to be characterised by expenditure increases exceeding income. The Premier berated the Opposition's policy and said that the only way it could achieve that is if the Opposition slashed and burned services and jobs. His statement perfectly exemplifies the endemic problems that beset the Government. It shows that the Premier has a lack of understanding of the basic principles of sustainable economic management. That is very worrying, to say the least.

I acknowledge that there are many contributors adding to the expenditure of a government's budget, none the least of which are contracts awarded for major infrastructure projects. The fact that the Government has awarded projects over the past decade that have significantly blown out, some to the tune of billions of dollars, is testament to the Government's fiscal mismanagement. I could refer to no better example of that than the Epping to Parramatta rail line. What the Government delivered was half the length of the rail line it had promised—the rail line that was eventually built was only from Epping to Chatswood—but at twice the cost of the original proposal. Even if that billion-dollar blow-out could be spread over 10 budgets, it is a significant amount that is likely to blow out any budget, even though spread over a decade. In any event, it certainly adds strength to the point that the Government cannot maintain its budget bottom line.

Another example of project blow-outs is the Tcard, on which the Government wasted \$100 million. There is no way to describe it other than that the Government got nothing for its \$100 million—not so much as a ticket roll, let alone a Tcard ticketing system for the commuters of New South Wales. Once again New South Wales taxpayers are up the spout to the tune of another \$100 million. Blow-outs of that magnitude certainly add to the woes of the State's budget every year and necessitate the Government coming to the Parliament every year with an Appropriation (Budget Variations) Bill to request more and more money.

Right across New South Wales there is a total lack of confidence among the majority of businesses. While it is fair to say that that is due in part to the current economic uncertainty, it is equally fair to say that the New South Wales Government's decision not to provide any form of stimulus for New South Wales years prior to the international financial collapse has exacerbated the crisis. As the shadow Treasurer has said, it is vital for any government, regardless of political persuasion, to provide leadership to provoke sustained investment and promote business confidence in these challenging times. Governments throughout the world are doing just that. They have continued to provide stimulus packages to sustain business investment and to retain the confidence of the business sector. Unfortunately, the New South Wales Government has become completely disengaged with the economy and certainly has become disengaged with the community.

When a government prefers to bring Brian Eno to New South Wales instead of Tiger Woods—he is going to Victoria—that is indicative of the current malaise. For the Premier to say that he thinks New South Wales would get more value out of Brian Eno than from Tiger Woods demonstrates perfectly how out of touch he is with the people of New South Wales. Let me say first and foremost that while Brian Eno is a marvellous musician and produces great albums, comparing Tiger Woods with Brian Eno is like comparing chalk with cheese. There is no doubt that businesses are doing it tough and that next year will certainly be challenging, but while Australia might remain slightly more insulated than are other countries in coming to terms with the global financial collapse the very many businesspeople to whom I have spoken over the past few months are bracing themselves for a very uncertain year ahead.

The Chifley Centre in the Sydney central business district was the home of Babcock and Brown. In one instance, 800 employees were lost to that area. Coffee shop proprietors in the Chifley Centre have noticed a 25 per cent reduction in the number of customers they served as recently as a couple of months ago, and that is representative of the downturn's effects. Western Sydney is not only an area in which I live and in which I support an electorate, but also a place where I focus my concern over what the effects of the downturn in the economy will mean. Over the past couple of months many businesspeople from the Windsor area, in particular, have approached me after having received an increase in land tax of between 15 and 98 per cent. The reason that occurred is that their land valuations were increased by the Valuer-General, who answers to the New South Wales Government.

The Valuer-General made the comment during the last three months that property values right across the State, but particularly the Hawkesbury, have not increased. It could be stated unequivocally that property values have decreased, nevertheless the Valuer-General imposed significant increases in property valuations that have forced up land tax. At this point in time, businesses are not able to sustain any increases in taxes because any such increase will create uncertainty in the workplace and potentially force retrenchments, with the result that many people will lose their jobs. While people in New South Wales would consider Sydney to be the gateway to Australia, during the past decade many major events have been lost to Victoria and Queensland. Similarly, if New South Wales is to compete on a world stage, it must have clearly defined goals and directions for future growth.

The New South Wales Opposition recently proposed a 15 per cent reduction in payroll tax. New South Wales businesses already face the highest rates of tax in the country, with businesses typically facing payroll tax bills that are 13 per cent higher than the national average. It would be a great incentive and one way of retaining business investment, confidence and employment if payroll tax could be reduced by 15 per cent. A 15 per cent reduction in payroll tax across the board effectively would reduce the New South Wales payroll tax rate to 4.89 per cent, making it one of the lowest rates in the nation. Against that background, the willingness of the New South Wales Government to make high-profile billion-dollar investments in New South Wales could have had a positive effect on the overall outlook and confidence of the New South Wales business sector. That is a policy initiative that I do not think we can expect will materialise in the short term, despite how much it should happen.

As I stated earlier—and as I repeat for emphasis—the bill is a sad indictment on the Government, particularly as year in and year out the Government comes back to Parliament for repeated handouts because it has blown its budget. Although the Government can ask for repeated handouts from the New South Wales taxpayer, I cannot imagine any other business being regarded as viable when year after year it continues to blow its books. It would end up in receivership and would be out the back door if it were asking for proportionally similar amounts and in similar percentage terms to those the Government has been asking for each year over the past 14 years. Certainly the Government's pattern of seeking increased revenue is a damning indictment of the way in which it operates the State's economy and the Government's budget. It represents a gross mismanagement of taxpayers' funds.

We should also bear in mind the fact, as the shadow Treasurer mentioned, that Ministers do not check monthly to see how their own budgetary figures stack up. People may be extremely surprised to know that. I can imagine what would happen if a director of any company were to ask senior managers to report on the financial condition of the company only to find the senior managers replying, "Well, I don't know. I haven't even bothered to check. I really don't know how the budgetary requirements are going. But, hey, what the hell—at the end of the year when we blow the budget, we'll just ask the bank for a few more dollars and we'll ask shareholders to kick the tin for even more millions of dollars, just to sustain the company." That is unrealistic. It just does not happen. That is not how business operates. It is certainly not how the Government should operate. It is a damning indictment on the Government that it is unable to operate in accordance with its own budgetary requirements.

**Mr GRANT McBRIDE** (The Entrance) [5.39 p.m.]: I have listened to a number of speakers on the Appropriation (Budget Variations) Bill 2009. All we have heard from Opposition members is dross—absolute dross. The Greiner Government first introduced an Appropriation (Budget Variations) Bill to regulate the process of variations to the budget. The legislation was put forward and accepted by the Parliament. A budget variations bill has been used in this Parliament for 18 or more years; the process has occurred for nearly two decades. Members opposite are pretending that somehow this is a change to the process and is a reflection on the Government's management of the budget and the State's finances, although they know that that is nonsense.

From a political point of view, this debate is an opportunity for members opposite to slag the Government and its performance. And that is what they have done. They totally ignored the bill. They totally ignored the fact that budget variation bills have been around for nearly 20 years, that they were introduced by the Liberal Government of the day—a Government that prided itself on being a business financial manager. That Government revolutionised the way the State was managed from a financial point of view, and this was one of the changes it made.

**Mr Jonathan O'Dea:** Thank goodness.

**Mr GRANT McBRIDE:** The member for Davidson thinks it was a good decision. We also think it was a good decision, because it brought transparency to the process. This debate gives members opposite the opportunity to do a circuit around the whole of government and talk about all sorts of issues, but they have not spoken about the legislation and its purpose. I enjoy the fact that the shadow Treasurer comes from a family with enormous political experience.

**Mr Mike Baird:** We often come from families!

**Mr GRANT McBRIDE:** Yes, but not all families have enormous political experience. They certainly do not have the in-depth knowledge associated with the New South Wales Government that the member for Manly would have learned at his father's knee—that is, he talked about issues in terms of expenditures. The member for Manly said, "Let's go through line by line the expenditure on cars", as if a line-by-line review of the expenditure on cars will somehow change this bill. Not at all—what a lot of nonsense! If I went along with the game he played I would ask him to tell me which cars would be retired from the fleet. Would they come from the police? I should imagine so; the police have a large number of vehicles. Would the vehicles come from the Ambulance Service? That is another group of large and specialised vehicles.

Then we look at other services. What about the Department of Community Services [DOCS]? DOCS workers use vehicles. Would we cut their cars? That would be a good idea. Before the member for Manly joined the frontbench, the Opposition would have cut the whole of DOCS. If we got rid of DOCS we would save a lot of money on cars. Let us not worry about the people who drive the cars and deliver the services. We will just talk about the cars. The bottom line is that members opposite ignored the legislation and the history of the legislation and pretended that the bill is a Government device to somehow change the process or to cover up what they interpret as a waste of money or whatever. But it is not; these funds are being specifically allocated for works and services that have been developed and given to the people of New South Wales. The bill sets out the many and varied ways the Government is investing in the State's future.

Economies around the world are struggling, but that is another issue. The member for Manly forgot about the world meltdown; there was a meltdown in New South Wales only. It is interesting to consider the meltdown in Queensland. It is interesting to compare the performance of the Queensland Government with that of the New South Wales Government. It is interesting to compare what is happening in Western Australia to what is happening in New South Wales. However, the member for Manly chose to ignore all of that because such comparisons do not give him the answer he wants. At a time when economies around the world are struggling with the real challenges of a global financial crisis, it is imperative that the Government remain accountable for its spending and the budget processes remain transparent. That is what it is. Before this legislation was introduced the process would have happened at budget time. According to the legislation, we are bringing this forward to the Parliament in a transparent manner. The practice of seeking parliamentary approval for supplementary funding has become an integral part of the annual budget process. It is a process endorsed by the Auditor General, as well as the Legislative Council's General Purpose Standing Committee No. 1.

The bill as it stands provides an account to Parliament on how the 2008-09 Treasurer's Advance has been applied towards recurrent and capital expenditure. The bill seeks appropriations of \$343.2 million in adjustments of the Treasurer's Advance. This includes \$56 million for additional health capital works;

\$50 million to Housing New South Wales to stimulate activity in the housing industry; \$29.1 million for drought assistance programs—that is of interest to the member for Dubbo—and \$15 million for the increased cost of disabled school student transport. These costs are all set out in black and white in the bill. The transparency of the budget process and the Government's accountability for its commitments lie in stark contrast to those of the Opposition. In the face of a global financial crisis, the Government has acted swiftly to protect jobs and encourage investment in New South Wales.

While the Government is investing in a better future, only last week the member for Manly suggested that "we would never deliver a budget where expense growth grows faster than revenue growth". I will not repeat what I said earlier in the Chamber; I will move on. The member for Manly can respond to that at another time. What would that mean for the people of New South Wales? In 2007-08 it would have meant a cut of more than \$2 billion in government services. That is \$2 billion! The Premier was quite right when he said that the only way this could be achieved would be to cut services or to raise taxes. Earlier the member for Manly was talking about cutting cars and vehicles.

**Mr Mike Baird:** Point of order: My point of order is relevance under Standing Order 76. The Government can deliver cuts without cutting services.

**ASSISTANT-SPEAKER (Ms Alison Megarrity):** Order! There is no point of order. The member for Manly will resume his seat. The member for The Entrance has the call.

**Mr GRANT McBRIDE:** I thought the member for Manly, who came from the commercial sector, would understand that if you walk out of a lease early you pay a penalty. You come from the commercial sector.

**ASSISTANT-SPEAKER (Ms Alison Megarrity):** Order! The member for The Entrance will direct his comments through the Chair.

**Mr GRANT McBRIDE:** It is a bit scary when the member for Manly does not know the basic things associated with the finance industry. The Premier was right when he said that the only way this could be achieved would be to cut services or raise taxes. As I said, a cut of \$2 billion would mean forgoing more than 2,000 nurses or shutting down eight high schools. But perhaps we are being unfair. Maybe the member for Manly had no intention of cutting services. Perhaps he just intended to raise taxes and fees. But who knows what he meant, because he has not told us. He has not given us any detail. He talked about cars and saving money on cars and somehow all of this would be dealt with by trimming ministerial budgets. While the Government has remained open and transparent about its policies, expenditures and plans for the future, the Opposition has provided the public with precious little information about how it intends to fund its promises—\$17 billion to date and counting, as we saw at the last election.

This bill is presented to ensure that both Parliament and the people of New South Wales have the opportunity to scrutinise government expenditure. It is about finding an appropriate balance between accountability and flexibility in public finance management. I turn to what happened in Queensland a week ago last Saturday when the electorate of Queensland had the opportunity to choose between a Liberal-National government and a Labor government. Members will remember that overwhelmingly the view was that somehow the Queensland Labor Government would get done over—that was the view of everyone from the experts through to the person on the street corner. However, that did not happen. That begs the question: In tough economic times why do the Australian people reject the Liberal-National Coalition? The answer was summed up on the last day, Friday, when the two parties set their themes.

**Mr Jonathan O'Dea:** Point of order: My point of order is relevance.

**ASSISTANT-SPEAKER (Ms Alison Megarrity):** Order! I think the member for The Entrance is trying to illustrate a point. I am listening closely to the member.

**Mr GRANT McBRIDE:** On that day the contrast in the theme was Lawrence Springborg promised to cut 10,000 public service jobs—

**Mr Mike Baird:** Point of order: My point of order is relevance during debate under Standing Order 76. The member for The Entrance gave a long diatribe and lecture at the commencement of his contribution to debate on this bill. He is now talking about the Queensland elections. I ask that he brought back to the leave of the bill and the expense mismanagement of this State.

**ASSISTANT-SPEAKER (Ms Alison Megarrity):** Order! I ask the member for The Entrance to confine his remarks to the leave of the bill.

**Mr GRANT McBRIDE:** I will conclude because the member for Manly will not be embarrassed. The Leader of the Labor Party, Anna Bligh, promised the creation of 100,000 jobs. The difference is that on the Friday before the Queensland election the Coalition promised to cut 10,000 jobs and the Labor Party promised to create 100,000 jobs. The message is simple: The Coalition is in free-fall in New South Wales. The Leader of the Opposition is the Lawrence Springborg of New South Wales politics. Two years after the last election he has no policies, plans, ideas or directions, and no talent on the front bench—except for the member for Manly and the member for Davidson. I admit they have some talent, but some of the old retreads in the Opposition need to go and it is about time the member for Manly made a move to get rid of them and took over the leadership of the Opposition. The Leader of the Opposition is going absolutely nowhere. A good politician has a succession plan.

*[Interruption]*

A good politician always has his daughter first in his succession plan—and she is very talented.

**Mrs DAWN FARDELL (Dubbo) [5.52 p.m.]:** In speaking to the Appropriation (Budget Variations) Bill 2009 I advise that cars can make a difference. The shadow Treasurer spoke well on economics. I also acknowledge what the Government has delivered and what it needs to keep delivering. This bill is about the Government seeking extra allocations for provisions that have not been made in the annual Appropriation Bill. The issue is not when the Appropriation Bill was introduced; the issue is whether the Government can justify seeking more money. When I run out of money I go to the bank; I cannot go to the Speaker or the Treasurer and ask for more money to get me through to the end of this year. People are doing it tough right now and we should show leadership by looking at where razor gang cuts can be made to expenditure before the Government asks for more money.

The member for The Entrance referred to cars and asked why the shadow Treasurer honed in on cars. The people in the far west, central west and in Dubbo government departments have a great pool of cars. Staff from the Department of Community Services, the Department of Health and the Department of Education and Training need cars to travel long distances. People running those departments are looking at pooling their cars. Many issues in the Dubbo electorate have a whole-of-government approach. Perhaps someone from the Department of Education and Training could travel with someone from the Department of Health or the Department of Community Services. Perhaps they could coordinate their visits and pool their resources, except in emergency situations.

A slash is being made by senior bureaucrats in area health services in my area. Manager positions are being removed and nursing manager positions are being amalgamated. However, many of the staff are covered under the old scheme and will be known as displaced persons. Already my area has a number of displaced persons who have not taken redundancy but who are still on the payroll—funds are still coming out of Treasury. The removal or amalgamation of those positions may allow senior bureaucrats to say they are saving money, but in reality they are not as the staff will still be paid from Treasury—and quite rightly so. I do not quibble with that for one moment. We must look at other areas. People might say it is the mad woman talking about cab charges. If Treasury were serious about how we can save money it would listen to local members of Parliament and the concerns of their constituents. A local taxi company in my area provides a lot of service to government. Yesterday a driver told me less money is being booked on accounts by the Department of Health. To avoid that money being shown as unpaid, the cab charge system is now being used. It comes with a 10 per cent surcharge.

Many members use cab charges from time to time. I have used it only once to get to the airport and back with a committee that visited Lismore. Many people in the public service use the cab charge system, which comes with a 10 per cent surcharge. A taxi fare from Parliament House to the airport is about \$35, so the 10 per cent adds up considerably. A number of public servants are constantly on the 6.30 a.m. plane from Dubbo to Sydney for different meetings. I can see great savings across the board with today's technology and teleconferencing. Why does everyone have to come to Sydney for a meeting? It would be interesting to see members of Parliament in their electorates taking part in Parliament through teleconferencing. Lots of savings can be made and Treasury should look into them. As I have said, a significant amount of money could be saved in relation to the surcharge on cab charges. That would reduce the amount of money the Government now seeks to deliver services.

I understand that the payment of bills in relation to the Greater Western Area Health Service was a huge issue. Many reports say that the Government has had to dip into next year's budget. Perhaps necessarily

some of the money now sought will pay the accounts of the Greater Western Area Health Service. I am not completely opposed to having this variation bill, just as we sometimes need to increase our bank overdrafts. However, I believe that Treasury and the Government must listen to people about where savings can be made and not to the people running the departments who sometimes have their nose in the trough. We can cut down and save money, just as we can with any household budget. Many families have reduced their cars from two to one, and in some cases they do not have a car at all. Auction houses have unforeseen numbers of cars because people cannot afford to keep up their repayments. If people in the general community have to take a tough line with their funds in this economic climate so should the Government.

**Mr JONATHAN O'DEA** (Davidson) [5.58 p.m.]: The Opposition does not oppose the Appropriation (Budget Variations) Bill 2009. However, it must be said that with proper financial management such a bill would not be necessary or certainly the quantum concerned would be much lower. The Appropriation (Budget Variations) Bill 2008 was debated in this place in May 2008, the 2008-09 budget was delivered in June 2008 and the mini-budget was delivered in November 2008. In March 2009 the Government wants to further increase expenditure by more than \$1.4 billion via this bill.

The people of New South Wales are entitled to ask why the Government has consistently failed to properly monitor and control expenditure. We have seen no fewer than four budget-related bills in less than 12 months. Should we expect even more budget variations this year before the Government appropriates the right amount of funding? The object of this bill is to appropriate additional amounts out of the Consolidated Fund for the years 2008-09 and 2007-08 for the purpose of giving effect to certain budget variations required by the exigencies of government. The bill appropriates a total of \$1,417,835,000. This total is divided between appropriations for the 2008-09 year and the 2007-08 year.

Appropriations for the 2008-09 year consist of \$343,195,000 in adjustment of the vote "advance to the Treasurer"; \$10,891,000 for recurrent services in accordance with section 22 (1) of the Public Finance and Audit Act 1983; and \$520,505,000 for other additional recurrent services. Appropriations for the year 2007-08 include \$303,144,000 in adjustment of the vote "advance to the Treasurer" and \$240,010,000 for recurrent expenditures and capital works and services in accordance with section 22 (1) of the Public Finance and Audit Act 1983. The Government has been constantly reminded of its need to rein in spending. The New South Wales Audit of Expenditure and Assets Report of February 2006 contained the following statement in relation to New South Wales government finances:

The underlying growth rates, reflecting trends that have emerged in recent years, are 5 per cent per annum growth in budget revenues and 6 per cent per annum growth in expenses. This difference of one percentage point, when applied to a \$40 billion Budget, widens any gap between revenue and expenses by \$400 million every year. The challenge is first to close this gap in growth rates in future Budgets, and second to address the imbalance produced by the difference in these growth rates over the past few years.

The departing Treasury Secretary, Mr John Pierce—a boat who is leaving a sinking rat—stated on 18 November 2008 that New South Wales Treasury had constantly warned the Government about its spending. It was reported the following day in the *Sydney Morning Herald* that:

Mr Pierce told a parliamentary committee ... that for years Treasury had warned politicians to rein in spending.

"If you read the budget papers, it is a constant theme Treasury is raising, and which we have tried to address", he said.

The article goes on to state:

Mr Pierce and other Treasury officials said ... that State Government expenses had exceeded revenues for some years, even with the surge in revenues from a booming property market, and put this down to a lack of discipline from the Government.

The Government has clearly failed to heed the warnings of its own officials over a number of years culminating in a 2008-09 budget deficit of \$917 million. Standard and Poor's is well aware of the Government's difficulties. The agency has stated that New South Wales has a recent history of difficulty with cost control and with flexibility reduced by relatively high taxes and strong voter expectation of further infrastructure spending. New South Wales is on the verge of having its credit rating reassessed. The Government needs to ensure that New South Wales triple-A credit rating is not lost as it simply cannot afford to pay the additional interest it will be forced to pay. The reality is that the only triple-A rating that this Government is likely to protect is one of an amateur, appalling and arrogant government.

It must be noted that the Government's appropriation bills not only reflect poor financial management but also an attempt to avoid the high level of scrutiny attached to the normal budget process. The appropriations

bill concerns more than \$1.4 billion of additional expenditure and therefore does not represent a small miscalculation. Rather it represents substantial financial mismanagement. The Government has either adopted a deliberately misleading or a sloppy approach to the budget process. It has either misled the public and this Parliament as to its intended expenditure, knowing it could later legislate free from more intense scrutiny, or it was extremely sloppy in calculating the expenditure required for its promises and the provision of services. Either way, it reflects very poorly on an already underperforming government.

The bill includes some positive spending initiatives, including \$15 million for disabled school transport; however, the Government could have saved itself quite a bit of money by addressing the ongoing waste in New South Wales. The Government could have spent less on ministerial office expenses from 2007 to 2009 or perhaps adopted the apparently novel idea of properly assessing the cost of infrastructure projects. Previous Labor politicians were so eager to leave this dreadful Government that they appeared not to consider the expense of by-elections, which cost more than \$764,000. The Government unfortunately is not trying hard enough to eliminate waste.

The member for Riverstone pointed to previous years of New South Wales Labor's fiscal ineptitude using that as some sort of precedent to justify the quantum of \$1.4 billion. This is not appropriate. The member for Riverstone also pointed to the \$1 million donation to the Red Cross appeal for Victorian bushfire victims as something that was impossible to predict. Obviously this side of the House supports the \$1 million donation, but I point out that unfortunately natural disasters are commonplace in New South Wales and in Australia, and should be budgeted for as a contingency. In any event, it is an appalling justification to point to that expenditure, which was \$1 million out of \$1,417 million as the reason we are debating this bill today. One million out of \$1,417 million went to the Victorian bushfire victims. The lack of professionalism and mediocre performance of New South Wales Labor in government is perhaps not surprising from a team of Ministers, including the Minister for Transport who mutters away under his breath but continues to underperform as Minister for Transport—

**Mr Richard Amery:** In your opinion.

**Mr JONATHAN O'DEA:** In the public's opinion. It is typical, as I said, of a lack of professionalism and mediocre performance of New South Wales Labor in government—

**Mr David Campbell:** That is tedious repetition.

**Mr JONATHAN O'DEA:** It is truthful repetition.

**Mr David Campbell:** Tedious repetition.

**Mr JONATHAN O'DEA:** Tedious for you and tedious for the public to have to say it time and time again. It is absolutely tedious to have to say it time and time again.

**ACTING-SPEAKER (Mr Wayne Merton):** Order! The member for Davidson does not need the assistance of Government members.

**Mr JONATHAN O'DEA:** As I was saying, the lack of professionalism and mediocre performance of New South Wales Labor in government is perhaps not surprising from a team of Ministers and backbenchers with a lack of previous experience in running substantial private businesses or public companies. I challenge the Government to name two people, or perhaps even one person on its side who has held a senior executive role in a billion dollar organisation outside the union movement and government. What is required is a greater focus on proper financial management, disciplined spending and a genuine commitment to eliminating waste. What is required is a new government in New South Wales that can budget a lot better than this Government has proven it is able to do.

**Mr DAVID CAMPBELL (Keira—Minister for Transport, and Minister for the Illawarra) [6.10 p.m.], in reply:** The less said about the contribution of the member for Davidson, the better for his reputation. The Appropriation (Budget Variations) Bill 2009 is another example of the Government's responsible and transparent management of public finances. It sets out the many and varied ways that the Government is investing in the State's future. Each year the Parliament makes an advance available to the Treasurer to meet unforeseen expenditures in the annual appropriation bill. A typical example of things that are paid out of the Treasurer's Advance, the strategic allocation for unforeseen occurrences and expenditures, is that given by the member for Riverstone of the \$1 million for the Red Cross bushfire appeal.



This bill gives the Parliament the opportunity to scrutinise the payments because the details do not appear in the original budget. The Opposition has canvassed a number of issues, not all relevant to this bill. Nevertheless, I am happy to comment on a couple of them. The member for Manly spoke about unfunded superannuation liabilities. I am advised by Treasury that despite the current drop in the market value of superannuation assets the Government remains committed to fully funding superannuation liabilities by 2030. The Government has confidence that over the cycle the stock market will improve. The member for Manly also spoke about ministerial office expenses. I am advised, however, that projected full-year expenditure for 2008-09 is presently anticipated to be within the budgeted level for ministerial and parliamentary services.

The Opposition also referred to its payroll tax proposal shambles. At a time of unprecedented global financial turmoil and uncertainty when the Government is doing what it can to support businesses and families in a way that is fiscally responsible and prudent, the Opposition thinks we should blow the budget by an extra billion dollars. Yes, one billion dollars extra. I do not deny that cutting payroll tax has merit; that is why we are already doing it. From 1 January this year payroll tax has been cut from 6 per cent to 5.75 per cent. Next year it will be cut to 5.65 per cent and the year after that to 5.5 per cent. Last year we increased and indexed the payroll tax threshold. The total cost of all the payroll tax measures over the four years to 2011-12 is estimated at approximately \$1.9 billion. This is not a temporary measure. It is permanent and, importantly, it is fully funded. Unlike the Opposition's proposal this means we will not take it away just as the economy needs it most and when retaining it would jeopardise our triple-A credit rating.

Public spending is part of the global economic recovery effort and New South Wales is doing its share by balancing public spending with responsible debt that is funding a record expenditure of \$56 billion on infrastructure. The Rees Government is looking at ways of protecting jobs and providing services to the people of New South Wales in these difficult economic times, but it will do so in a responsible way. This bill is presented to ensure that both Parliament and the people of New South Wales have the opportunity to scrutinise government expenditure. It is about finding an appropriate balance between accountability and flexibility in public finance management. I commend the Appropriation (Budget Variations) Bill 2009 to the House.

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

**Motion agreed to.**

**Bill agreed to in principle.**

#### **Passing of the Bill**

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

### **HAWKESBURY-NEPEAN RIVER BILL 2009**

#### **Agreement in Principle**

**Debate resumed from 25 March 2009.**

**Ms KATRINA HODGKINSON** (Burrinjuck) [6.14 p.m.]: I lead for the Opposition in speaking to the Hawkesbury-Nepean River Bill 2009. At the outset I state that the Opposition will not oppose this legislation. While the Opposition supports the aims and ambitions of this legislation, there remain some significant matters of concern that I would like the Minister to address in his reply to the debate. The intent of this legislation is laudable given that this catchment is of importance not only to New South Wales. Indeed, it is a waterway of national importance having a catchment of 21,400 square kilometres. This represents the longest coastal catchment in New South Wales, with the river flowing some 470 kilometres from its source at Goulburn, near Lake Bathurst, to the ultimate outfall at Broken Bay.

The population of this catchment is in excess of a million people and there is obviously a significant difference in the impact of this legislation on the farmer at Tarago, the irrigator on the plains of Windsor, the waterskier at Wiseman's Ferry and the fisherman in Broken Bay. Add into that collection the water quality needs of the consumers of the greater Sydney basin, and the area of influence encompassed by this proposed legislation assumes massive proportions. The establishment of the Office of the Hawkesbury-Nepean River represents a significant step forward in the management of this important waterway. I know that following the

summit that was held last year there seemed to be popular approval for this office, which was reflected by the member for Hawkesbury, Raymond Williams, in a private member's statement recorded in *Hansard* on 30 October 2008. The member for Hawkesbury's comments in relation to erosion, siltation, weeds and degradation of the prawning industry remain as pertinent today as they were when he made them nearly six months ago.

The river itself remains severely stressed as a result of the demands made upon it in the past. Given the additional stress brought on by one of the most prolonged dry periods recorded in the State's history, recovery in the short term will be impossible until a more normal rainfall pattern is re-established. Population pressure will ensure the plight of this river will only get worse without control and coordination of strategies for weeds and water quality. The need for environmental flows must be balanced against the inflows of stormwater and the associated problems of erosion. I believe none of these issues has been adequately addressed in the bill. Equally, sewage treatment plant outflows into the system appear to have been given cursory regard with reference only by way of passing comment.

I have not heard the Minister mention any of the water users of this extensive catchment other than the people of Sydney. In fact, his statements in his agreement in principle speech that the bill will "ensure better outcomes are delivered for western Sydney" and that the "office is a great thing for people in my part of Sydney" once again indicate the focus of this Minister and his Government. It comes across to those of us who do not live in the centre of Sydney that to State Labor anyone outside the area of greater Sydney is somehow totally unimportant. I reinforce that Ministers should respect the citizens of the entire State. The Government is elected to govern for the entire State and not just for certain selected areas of Sydney.

While this legislation would appear to cover the major beneficiaries of any anticipated improvement in water quality and quantity, the principal losers remain the stakeholders in the river system that are dependent on that water supply for their jobs, livelihoods and income. The primary objective of this bill has been achieved through the establishment of the Office of the Hawkesbury-Nepean River and its function. However, the making of provisions, including funding, for the purposes of improving or maintaining the health of the Hawkesbury-Nepean river system has yet to be achieved. To that end four objectives are listed in the bill: to improve the coordination and implementation of management; to improve public access to information about management; to provide increased opportunities for public involvement in the development of management strategies; and to improve the management of development in Hawkesbury-Nepean waters. One could reasonably assume with these primary objectives that greater powers would be conferred upon this authority and a greater emphasis on issues relating to the health of the river and its tributaries. The health of the river is defined in the bill as including:

- (a) the quality and quantity of the waters within the Hawkesbury-Nepean river system, and
- (b) the management of aquatic weeds in the Hawkesbury-Nepean river system, and
- (c) the health of river dependent ecosystems and their components, and
- (d) such other matters relating to the Hawkesbury-Nepean river system as may be prescribed by regulations.

Given that definition, the bill does not indicate how these objectives are to be implemented or improved, let alone maintained. Having read the bill one could be forgiven for believing that this legislation should be renamed the "Hawkesbury-Nepean Waters Bill" because it contains a considerably greater emphasis on improving the management of in-stream development in waters below the upper Nepean dams rather than in the rivers and tributaries. The phrase "in-stream development" appears with great frequency in the bill. When those words are taken in conjunction with the "40 metres inland from the highest point of the bank and the mean high water mark of the river or tributary" definitions of Hawkesbury-Nepean waters, it is staggering to contemplate the area encompassed by this part of the legislation.

At this point I thank the staff of the Minister's office for answering numerous queries relating to this matter. Members of staff have been helpful, but I would like the Minister to clarify this issue when he speaks in reply to the debate on this bill. Does the Act merely set out to control jetties and other in-water developments or does it, as the bill suggests, seek to exercise control over all riparian development on the rivers and their tributaries between the base of the upper Nepean dams and upstream of Brooklyn Bridge? It is important to establish the exact answer to that question. What are the consequences and the cost implications for local councils that own land located within that jurisdiction? What are the consequences and the cost implications for

farmers and other riparian tenancies within that corridor? I questioned a number of groups and sought an opinion on this matter. The Total Environment Centre, a group that would not be totally foreign to many members, responded to my query about how it felt about the bill in the following terms:

Section 15 (2) b states that the Authority will "provide information and assistance to members of the public in connection with in-stream development, including by facilitating the progress of any development application relating to development in the Hawkesbury-Nepean waters". Is the role of the Authority to make sure that development is assessed properly or to facilitate (i.e. fast-track) it.

The language used here raises questions about the role and focus of the authority.

In a similar vein, Camden council wrote:

The explanatory notes talk about the role of the corporation controlling things within 40m of the river and as you know we have lots of council land that fits that bill. We need to be sure that our rights to develop are not adversely impacted and neither are the conditions that may be attached to it prohibitive in terms of initial costs of construction of longer-term maintenance costs.

The other concern is the likelihood of the corporation directing councils to do things and us not having the funds etc to carry out those works. There must be a guarantee that councils have no obligation to fund the corporation or any of the works carried out by it.

I would appreciate the Minister's response to that relevant query. Of greater concern is the response from the Mayor of Hawkesbury from whom I sought a response to the bill. The mayor wrote:

The idea of a "Single River Authority" has been talked about for years, but only came about last year because Hawkesbury City Council held a "River Summit" and invited then Minister Rees to attend. Over 80 stakeholders at the Summit pushed for a single authority. When the Minister became Premier, he announced the establishment of the single authority.

I notice that members opposite are scoffing at what the mayor had to say but I think it is important for his written correspondence to me on the bill to be put on the record. He went on to state:

The office was launched last Friday, but Hawkesbury Council was not invited. We hope this is not an example of a closed shop already.

I place on the record correspondence that I received that is relevant to this bill. If the council that commissioned the summit did not receive an invitation how many of the other 80 stakeholders were also ignored? The principal issue raised at that summit has been addressed through the establishment of the office and the provision of the single authority. Of the next two top priorities I have no doubt that the Minister will claim that identified water quality is the responsibility of the Sydney Catchment Authority. Environmental flows—the third most prevalent issue—are not addressed at all. No reference is made to it in the bill and the Minister made no reference to it in his agreement in principle speech on Wednesday 25 March.

As I said in the House today, I am concerned that water required by irrigators in New South Wales is being sacrificed. I bet my bottom dollar that the Minister will fight for every litre of water in the catchment area. It is clear in his speech that the concerns and solutions identified by the forum, like those who reside above the dam walls and in the largest local government area in the Sydney metropolitan area, have been largely ignored or dismissed. Part 3, Functions of Office, is liberally sprinkled with references to the word "may" but the words "shall" and "must" are noticeably absent. It is implied that the office "may" do these things of its own volition rather than "must" do these things by direction of the Act and/or the Minister at the time.

The legislation has no teeth other than to require other authorities to "cooperate". I am sure that the Minister of the day would have every good intention of applying those principles, but what about Ministers in the future? What will successive Ministers do, no matter who they are or how honourable they happen to be? We do not know who the next Minister will be and we cannot look to the future to establish it, which is why this legislation should be watertight. I note that the advisory board will comprise directors general or a respective representative from the Department of Water and Energy as chair of the board, the Department of Environment and Climate Change, the Department of Primary Industries, the Department of Premier and Cabinet, the Department of Planning, the general manager of the Hawkesbury-Nepean Catchment Management Authority, the chief executive of the Sydney Catchment Authority, and the chief executive officer of the Sydney Water Corporation.

This bill represents the first step towards the rehabilitation of this most important river system but there is still a long way to go. Unless this Government recognises the concerns raised at that summit, investigates

funds and implements some or all of the other recommendations contained therein, this bill will not meet all the needs enunciated at that meeting. I acknowledge some third parties who were consulted in relation to this bill. Opposition members had only a brief period within which to consult with third parties and often it was difficult to meet with people at weekends as they operate primarily from Monday to Friday.

Parties consulted included Bankstown City Council, Baulkham Hills Shire Council, Blacktown City Council, Blue Mountains City Council, Blue Mountains Conservation Society, Camden council, Campbelltown City Council, Gosford City Council, Goulburn-Mulwaree Council, Fairfield City Council, Hawkesbury City Council, Hawkesbury-Nepean Catchment Foundation, Hawkesbury-Nepean Catchment Management Authority, Hornsby Shire Council, Ku-ring-gai Municipal Council, Lithgow City Council, Liverpool City Council, the New South Wales Farmers Association, Oberon council, Penrith City Council, Pittwater council, Richmond Valley Council, The Hills Shire Council, the Total Environment Centre, Mr Bill Pierson, Director, Water Research Laboratory, University of New South Wales, Upper Lachlan Shire Council, Mr Bruce Simmons, University of Western Sydney, Warringah council, Wollondilly Shire Council, and my colleagues the shadow Minister for Planning and member for Wakehurst, the member for Hornsby, and the member for Hawkesbury. I thank all those people for their contributions and for considering my request to examine this legislation closely. I also thank them for referring to issues in the bill that they wanted me to raise on their behalf. The Opposition does not oppose this legislation.

**Mr ALLAN SHEARAN** (Londonderry) [6.29 p.m.]: I support the Hawkesbury-Nepean River Bill 2009, the objects of which are as follows:

- (a) to improve the coordination and implementation of management strategies in relation to the health of the Hawkesbury-Nepean river system,
- (b) to improve public access to information about management strategies in relation to the health of the Hawkesbury-Nepean river system,
- (c) to provide increased opportunities for public involvement in the development of managerial strategies in relation to the health of the Hawkesbury-Nepean river system,
- (d) to improve the management of development in the Hawkesbury-Nepean waters (*in-stream development*).

It is for that purpose that the bill has established the Office of the Hawkesbury-Nepean registry. The creation of this office is a significant milestone; it is a demonstration of the ongoing commitment between all levels of government to manage the iconic and unique Hawkesbury-Nepean River while at the same time achieving better outcomes for water users and the environment.

The impacts of elevated nutrient levels and river regulation—such as barriers to fish passage, cold water pollution from dam releases, and reduced river flows—are the most serious factors that place pressure on river health. These issues contribute to algal blooms, excessive weed growth and reduced numbers of native fish. In turn, this impacts on fisheries, tourism, agricultural production and biodiversity. The primary nutrient sources in the catchment are point source discharges from sewage treatment plants and discharges from diffuse sources such as agricultural run-off and urban stormwater. River regulation by dams and weirs, and direct extraction of water for agricultural production results in reduced river flows. Of course, the combined effects of reduced flows and elevated nutrient levels have been exacerbated in recent years by lower rainfall. The office will have a coordinating role in weed management for the river. The office's approach will incorporate existing statutory roles of relevant government agencies and facilitate coordinated action to improve river health and reduce weed problems.

These actions will involve other organisations such as local government and the Department of Primary Industries in relation to managing nuisance species, the Department of Environment and Climate Change in relation to the regulation of discharges to the river, the Hawkesbury-Nepean Catchment Management Authority in relation to investment in riverbank as part of its River Health Strategy, and local government in relation to stormwater management. An initial task of the office will be to work with all these stakeholders to develop an Aquatic Weeds Management Strategy and Action Plan to ensure that proactive and effective measures are undertaken to manage weed outbreaks. The key to the office's proactive approach to weeds is to improve water quality by reducing nutrient loads, and in this way reduce weed problems.

Improving water quality requires a whole-of-landscape approach as it involves improving the management of riverbanks, floodplains, effluent flow into the river and water volume in the river. This is why

the key role of the office is coordination. Whole-of-government coordination is required in order to deliver better weed control through whole-of-landscape management. This bill allows the office to deliver that coordination. The Hawkesbury River and coordination of activities that benefit the river have been of ongoing concern to me. I have spoken a number of times in this Parliament about the river and its associated problems. I recall that as early as 1995, when I was first elected to Blacktown City Council, the council was a member of the Hawkesbury River County Council, which comprises delegates from Blacktown City Council, Penrith City Council, Baulkham Hills Shire Council and Hawkesbury City Council. Since 1995 it has become apparent that the stress on this river demands intervention to address the problems that have arisen after 200 years of degradation.

I recall as a councillor and right up to when I became the member for Londonderry seeing numerous reports from the county council and other sources regarding different issues affecting the river. When I was elected to this place it became apparent that we seem to take the river's impact on Sydney for granted when we do not have a close association with it. The Hawkesbury River directly provides water to about four million people. It provides considerable nourishment for produce grown for the Sydney fresh food market. The vegetable, egg, chicken, food, turf, cut flowers, dairy and mushroom industries are but a few of the many industries I have mentioned in the past that derive water from the river to assist production. Other industries reliant on the river include tourism, fishing, sport, and recreation.

The river suffered an outbreak of salvinia in 2004, after I became the member for Londonderry. It was difficult to identify the appropriate body responsible for taking action to overcome the problem. I quickly learned that about 35 organisations had some input into matters relating to the river. Apart from the involvement of local councils that I mentioned earlier, a number of other organisations are associated with that responsibility, including the Local Government Advisory Group, the Department of Primary Industries, the Department of Environment and Conservation, the Department of Planning, the Department of Lands, and the Department of Water and Energy. Then within those departments are different organisations such as National Parks and Wildlife, Maritime Services, Agriculture, Sydney Water and other groups. One can imagine the frustration encountered by anyone trying to determine who to target or who to approach first for help. This problem led to a number of meetings. Since 2004 I have been trying to get different Ministers and Premiers to identify someone who has overall ministerial responsibility. I am pleased that this legislation identifies the Minister for Water as the coordinating Minister responsible to ensure the continuing health of the river.

The member for Burrinjuck mentioned that the Mayor of Hawkesbury played a major role in bringing about the creation of the Office of the Hawkesbury-Nepean. I find it rather amusing to hear this mayor claiming credit for government initiatives. One of his previous claims to fame was that he embarrassed the Government into upgrading Windsor Road. I recall that the current member for Riverstone has raised the issue concerning the Hawkesbury River since the early 1980s. My immediate reaction to the comments of the member for Burrinjuck was, "Here we go again." It is ironic that the Mayor of Hawkesbury takes credit because he instigated a one-off river forum. I fail to see that as the trigger for this bill.

The Hawkesbury River issue has been longstanding and is something about which I feel very strongly. I am delighted that the current Premier, when he was Minister for Water, supported the proposal for one body to be the source of procedure affecting the river. The previous Premier, Morris Iemma, also supported the proposal and in the lead-up to the 2007 election we considered that this approach would proceed immediately after the election. Even Premier Bob Carr supported the proposal. The support from that group of people led to the final announcement and the implementation of the Office of the Hawkesbury-Nepean. I strongly support the bill, and the office it creates, because the Hawkesbury River is so valuable to the local community for agriculture, recreation, tourism, fishing and environmental reasons. The value of the river is recognised, firstly, through the establishment of an office specifically for the river and, secondly, through a welcome new approach that seeks to bring everyone together, pool resources and deliver outcomes for the community and the environment.

In conclusion, given the importance of the Hawkesbury-Nepean River, I am particularly pleased to advise the House that the Premier and the Minister are very personally engaged in the enactment of this legislation. I know that they are right behind the bill because they are keen to ensure that the office brings a new spirit of consideration to the river. The mere fact that the Premier and the Minister attended last Friday's opening ceremony indicates clearly their great support. As a result, I am confident they will ensure that the office delivers great results for the people of my electorate and for people who live elsewhere along the Hawkesbury-Nepean River. For the reasons I have stated, I commend the bill to the House.

**Mrs JUDY HOPWOOD** (Hornsby) [6.40 p.m.]: My contribution to debate on the Hawkesbury-Nepean River Bill 2009 will be brief. The bill will establish the Office of the Hawkesbury-Nepean, provide for its functions, and make other provisions for the purposes of improving and maintaining the health of the Hawkesbury-Nepean river system. The objects of the bill are:

to improve the coordination and implementation of management strategies in relation to the health of the Hawkesbury-Nepean river system,

to improve public access to information about management strategies in relation to the health of the Hawkesbury-Nepean river system,

to provide increased opportunities for public involvement in the development of management strategies in relation to the health of the Hawkesbury-Nepean river system,

to improve the management of development in the Hawkesbury-Nepean waters.

This is a very significant bill. It has been a long time coming to Parliament. The Hawkesbury River forms the northern boundary of the Hornsby electorate, so I have had a long and abiding interest in all matters associated with the river and in addressing, when necessary, concerns presented by people who live in areas along the river and for whom the river provides a livelihood, either from prawn fishing or oyster farming. Anything I can possibly do to assist them would be not too much trouble at all because the river is magnificent. As the local member and in the face of concerns raised by prawn trawl fishermen pertaining to pollution of the river, weed growth and the loss of the entire oyster industry approximately four years ago, I know that the river is under stress. I can only regard establishment of the Office of Hawkesbury-Nepean statutory corporation as a wonderful step forward in co-operatively managing the function and future of the river.

Apparently the office's opening ceremony was held last Friday. I point out that before that I had met with Hawkesbury-Nepean Catchment Management Authority personnel and had a discussion about where the authority is at. I had a very productive discussion with the chair of the authority, John Klem, and the authority's general manager, Bernie Bugden. A couple of days after that meeting, the announcement of creation of the office was made, so I called them back to clarify their views on the creation of the Office of the Hawkesbury-Nepean. Their view is that the office will work in very well with the work they already do, and that the two bodies will cohesively exist to examine issues and to resolve problems relating to the Hawkesbury-Nepean river system.

Because I have such a deep respect for the Hawkesbury-Nepean Catchment Management Authority, I mention other members of the authority for the information of members and the House: Angus Gibson, Jenny Smith, Kenneth Wheelwright, Mary Howard and Bob Wilson. I mention Mary Howard in particular because I have come to know Mary extremely well. She is a woman of extraordinary expertise in fishery management and aquatic biodiversity. She is held in high esteem by everyone I know who has met her. She was appointed as a director to the Hawkesbury-Nepean Catchment Management Authority in August 2004. Her appointment runs until March this year, and I feel sure that her directorship will be renewed. Her background is in farming and boat building, and she has been involved in a family prawn trawl business on the Hawkesbury River. She is an associate member of the Hawkesbury Trawl Association and she holds an Advanced Certificate in Aquaculture Production. By coincidence, Mary was quoted in an article written by Debra Jopson and published in the *Sydney Morning Herald* on 26 March, on page three, headlined "Prawn stars work up a thirst for sex". The article states:

The Hawkesbury prawn's sex life hinges on the moon cycle and river rainfall being just right. However, it also harbours romantic elements in common with one of its keenest predators, says Mary Howard, whose livelihood depends on knowing such things.

"It has to do what a human does. It sheds its coat, it gets soft and cuddly, and then it can reproduce," Mrs Howard says.

But she is worried that Sydney's growing thirst for water will muck all that up. As a women's advocate in the seafood world and member of a family with two prawn trawlers, she is part of a producers' panel advising University of Western Sydney researchers using the South Creek Catchment as a laboratory for their Wiser project about the best use for each drop.

The article goes on to point out the great importance of the future of our major rivers. Mary Howard's area of concern is obviously the Hawkesbury-Nepean River system. The article also points out that the decisions relating to management of waterways and problem solving are extremely important. The article also states:

Mrs Howard, who won a Sydney Fish Market environmental award this month, wants to make sure seafood is safe in the wash-up. "The Hawkesbury has 21 drinking water dams. Every time you install a dam, you cut down the productivity of the ecosystem." She wants people to consider fish for the table when they talk about food security. "In the fishy world, if you have poor conditions, they just won't breed. They are much smarter than we humans."

I pay tribute to Mary Howard, who has spoken to me many times about issues of concern in relation particularly to the Hawkesbury River. I also pay tribute to Rolf Norrington, who is a very vocal advocate for fishing. He has a prawn trawl business on the Hawkesbury River and works very hard to convince the Government that each and every one of the river systems has its own infrastructure and issues. He makes the point that all rivers cannot be judged on the condition of one river. He is very concerned that the Government tends to adopt a one-size-fits-all strategy and that, in his eyes, most decisions are made in Cronulla and are based on insufficient research. His view is that each river system must be examined individually if unique problems experienced by fishers as well as people living along the waterways and on the waterways are to be resolved. I have made that very point several times previously.

The Hawkesbury-Nepean catchment boasts a diverse range of natural landscapes, native flora and fauna, and covers an area of approximately 22,000 square kilometres. It is an area of national significance and is home to more than one million people. The catchment stretches from Tarago and Goulburn in the south, to the Putty Valley in the north, to Lithgow in the west, and downstream to Pittwater in the east. The catchment provides drinking water to five million people and supplies water for production of the majority of the goods and services produced in New South Wales. On its journey, the Hawkesbury-Nepean river system flows 470 kilometres through rainforests, open woodlands, heathlands, wetlands and highland freshwater streams to its mouth at Broken Bay on the coast. Although many of its landscapes have been altered due to development and agriculture, nearly half of the catchment is protected in national parks and water catchment reserves, and it supports 288 threatened species. I also pay tribute to projects for the management of matters of concern that the Hawkesbury-Nepean Catchment Management Authority supports, the first of which is Landcare. What is Landcare?

Landcare is a national network of thousands of locally-based community groups who are helping to restore and protect our country's environment. Landcare began in Victoria in the 1980s and quickly spread across the country. Australia is now proud to boast more than 5,000 community Landcare groups and over 60,000 Landcare volunteers across the country.

Hornsby has a great number of Landcare people. The bushland conservation project aims to help landholders conserve and enhance native vegetation, including woodlands, forests and native grasslands. The project offers funding to landholders within the rural local government areas of the Hawkesbury-Nepean catchment, including Wollondilly, Wingecarribee, Goulburn, Upper Lachlan shire, greater Lithgow, Oberon, Blue Mountains, Gosford and Singleton. Landholders in other local government areas of the Hawkesbury-Nepean catchment are also working hard and can join the bushland funding opportunities.

The catchment management authority considers seagrass to be an extremely important part of the environment to fish. Seagrass evolved from grasslands and flowering plants adapted to grow in shallow and sheltered estuary waters. It grows underwater in soft sands and mud. It is vital to marine ecosystems and supports many fish crustaceans and other invertebrate species. Caring for the saltwater wetlands is another area. A number of brochures are available to assist people who are interested in this particular area of fragile seagrass beds in saltwater wetlands. In issue No. 9, summer 2008-09, of the *Source* there is a fantastic article titled "Seagrass Friendly Moorings Trial Underway", which states:

Up to 40 mooring licence holders in Pittwater are being offered the opportunity to participate in a three-year trial of a mooring design that is friendly to seagrasses.

The trial is a partnership project between HNCMA, NSW DPI (Fisheries), NSW Maritime, and Pittwater Council, to evaluate the mooring apparatus in key areas known to have seagrasses.

This is an important study, and I commend the catchment management authority for its work in this area. Another brochure relates to the riverbank and looks at problems with erosion and weeds. It assists people caring for bush and riverbanks. I pay tribute to the catchment management authority. I probably have only a handful of the booklets that the catchment management authority is committed to producing and providing to local residents who have an interest in the environment, as do many of my constituents. In conclusion, the Opposition does not oppose this legislation. A number of times in this House the need for an office and the various problems associated with the Hawkesbury-Nepean river system have been highlighted. Again I pay tribute to the catchment management authority, which will work in harmony with the new Office of the Hawkesbury-Nepean.

**Mrs KARYN PALUZZANO** (Penrith—Parliamentary Secretary) [6.53 p.m.]: I support the Hawkesbury-Nepean River Bill 2009. I note that in the House are the member for Burrinjuck, the member for Hornsby, the Minister for Water, and Minister for Regional Development, the member for Riverstone, the member for Londonderry and the member for Mulgoa. The 470 kilometres of the Hawkesbury-Nepean River go through urban areas and national parks. Madam Acting-Speaker, as you know, the Nepean goes through rural

areas and the national parks in your electorate of Mulgoa. So I acknowledge your contribution to this debate. An office of the Hawkesbury-Nepean has long been supported by many people. The member for Londonderry outlined his contribution and that of the stakeholders in his speech.

The Hawkesbury-Nepean catchment is much loved. The member for Hornsby acknowledged the Hawkesbury-Nepean Catchment Management Authority and a number of its directors. The Hawkesbury-Nepean catchment is a much-loved system of incredible length and incredible urban and natural diversity. However, it has an array of pressures on it. While supporting much-needed primary production for Sydney and the surrounds, it also contains highly valued natural areas. In the electorate of Penrith it goes through the urban township of Penrith and into the Blue Mountains National Park, which is world heritage listed. We must not forget that the Hawkesbury-Nepean is also home to Sydney's drinking water catchment, which for good reason is a highly protected area.

This bill will establish a new Office of the Hawkesbury-Nepean. I note that the acting director, Maree Abood, is present in the gallery. I acknowledge her work and that of her team, as well as the team from the Minister's office and the Premier's office. It takes a number of people to get a bill like this to the House, and it takes a number of organisational skills to ensure that the Office of the Hawkesbury-Nepean facilitates the objects of the bill. So I thank those people involved with getting the bill to this place. The bill will establish the office, which will improve governance and coordination of the wide array of New South Wales Government activities that seek to look after this crucial catchment.

In the decade from 1999 to 2009 I have been engaged in civil life. In 1999 I was elected to Penrith City Council. In the lead-up to the Olympics items were continually listed on the council's business paper relating to the quality of the Nepean system because, as members are aware, in the build-up to the Olympics the Nepean River was used by many countries for long course rowing practice. Rowers would get on the river at Nepean Rowing Club and row for about 15 to 20 kilometres upstream and then back in training. During their training they noticed an outcrop of *egeria densa*. *Egeria Densa* is an aquatic plant that was sold in pet shops for aquariums. Unfortunately when people got rid of their aquariums or did not manage their fish tanks well *egeria densa* managed to get into the Nepean river system and caused inconvenience to the rowers. *Egeria densa* also got into the International Regatta Centre and had to be dealt with prior to the Olympics.

These matters were raised by Penrith City Council, and at that time I sought advice on what could be done. While investigating what could be done about the *egeria densa*, I found that it was still being sold in pet shops. It was not part of a noxious weed program because it was not classified as a noxious weed. When I was elected in 2003 I approached the Minister for Primary Industries to facilitate classifying the weed as a non-saleable item in pet shops. I am pleased to announce that that occurred a number of years ago. However, the impacts of that aquatic plant are still being felt along the Hawkesbury-Nepean catchment. The bill provides that the Office of the Hawkesbury-Nepean will be the face of government in terms of management of the Hawkesbury-Nepean River. The community will be able to contact the new office to access services relating to water quality and river health, as well as river use.

I acknowledge the river users along the Nepean system, which is above Penrith Weir; earlier I mentioned the rowers. Another recreational use is that of people in motorboats. The catchment also plays a role in tourism, with people bushwalking along Glenbrook Creek or in the Blue Mountains National Park. The *Nepean Bell* is a charter boat that takes people down the river from Penrith Weir to just past Glenbrook Creek. That tourism venture has been operating for the past 22 years, and shows residents the upstream value of a wonderful world heritage listed area. They too are users of the river. Many fishermen fish in the Hawkesbury-Nepean and many fishing clubs are around the Penrith area. They need to have a one-stop shop where they can find out about water quality and river health.

The office will also have a primary role in advising community stakeholders on in-stream development applications. The bill also provides for the Office of the Hawkesbury-Nepean to bring together a number of relevant agencies, including local government, to provide coordinated advice on in-stream development. Public authorities, State agencies and councils will be required to cooperate with the office. This will further strengthen the relationships between State and local agencies, and improve processes for consideration of in-stream development applications. I am enthusiastic about the idea for an office to be a visible Government presence and point of contact for catchment stakeholders. This will allow the community to engage directly with the Government. It will increase opportunities for communication and education about Government strategies and activities and allow agencies to gain a greater understanding of community needs.



I will provide two immediate examples of the improved communication that will result from the bill. First, the office will convene a stakeholder advisory committee to provide advice on the ongoing functions of the office. Second, it is anticipated that the Office of the Hawkesbury-Nepean will host a conference to discuss management of the Hawkesbury-Nepean River. This will be a great opportunity to commence working relationships between the office and catchment stakeholders. As stated, the river is some 470 kilometres long with many communities located along it. A positive step is to have a one-stop shop and it has been worked on over a number of years by a number of stakeholder groups and agencies.

Last year I attended a forum, the convenor of which was a Liberal candidate for the local council elections being held at the time. At the forum a great many people spoke passionately about the Hawkesbury-Nepean system and the outcomes, no one more passionate than the then Minister for Water, the now Premier. The former Minister for Water delivered an address about his vision for the Office of the Hawkesbury-Nepean and spoke to a number of groups. The common thread of the people was their knowledge of the river systems that are impacted by a variety of areas. For example, there were representatives from the Penrith City Council, user groups—such as farmers and irrigators—the Hawkesbury-Nepean Catchment Management Authority and students from the University of Western Sydney. The common goal of all stakeholders was to have a one-stop shop. I thank the Minister for Water for introducing this bill.

The *Hyridella depressa* is a freshwater mussel that grows in the natural eco-system. The university is researching their growth in the Penrith International Regatta Centre. A number of good things are happening in relation to the river and a number of users who need information now have a one-stop shop to go to. I am glad the office is located in the Penrith State Office building, which opened late last year. It is adjacent to Penrith railway station. It is wonderful that it is co-located with the Sydney Catchment Management Authority in a building that has a 5½ to 6 star energy rating. There were many and varied people in attendance at the opening, in particular, John Clem from the Hawkesbury-Nepean Catchment Management Authority, whose key role is to look after the riverbank and the river. He said that the catchment management authority is looking forward to working with the Office of the Hawkesbury-Nepean. The member for Hornsby referred to Landcare groups within the structure of the catchment management authority. The world heritage listed Blue Mountains National Park has the first aquatic Landcare group that looks after the Glenbrook Lagoon to make sure its water is the best it can be. The programs of that urban water mix are making sure that the water quality is the best it can be when the water flows into Glenbrook Creek and then into the Hawkesbury-Nepean system. I commend the bill to the House.

**Mr CHRIS HARTCHER** (Terrigal) [7.06 p.m.]: I commend the Minister for Water for his initiative and his interest in healthy rivers. The Hawkesbury-Nepean is one of the great rivers of New South Wales and, indeed, Australia. In his first week after arriving in January 1778 Governor Phillip explored the Hawkesbury River and landed in his boat in my electorate of Terrigal in the Green Point area. He was looking for fertile land as Botany Bay was deemed to be unfertile. Early settlers headed out west and discovered what they thought was a separate river, the Nepean River. They developed in the Camden area the great cow pastures and the great pastoral industry. It has been a river of enormous significance. Some 50 years ago the former member for Hawkesbury took up the call of the National Trust—Kevin Rozzoli is well remembered in this House; he was Speaker for seven years. For some time the National Trust argued that the future of the river depended upon having separate specialised management. That call from the National Trust came back in the late 1940s.

Kevin Rozzoli, as member for Hawkesbury, introduced a private member's bill for the establishment of a Hawkesbury-Nepean Trust. He argued in private members' statements and in parliamentary speeches for the establishment of a specialised trust as a unit of government to coordinate development and to control development along the banks of the Hawkesbury. He wanted the trust to work with the national parks that were being established in the Blue Mountains, the Hawkesbury National Park and the Mount Popran National Park, which was established when I was Minister for the Environment. He wanted to ensure that at every level development on the Hawkesbury-Nepean was consistent with the aim of preserving it as a great and healthy river. In 1993 Kevin Rozzoli's ambition was realised when the Hon. George Souris, as Minister for Land and Water Conservation in the Fahey cabinet, agreed to the establishment of the Hawkesbury-Nepean Catchment Management Trust. To that trust were appointed a number of excellent people. It was a small group consisting of representatives of council, government departments under the director generalship of Warwick Watkins—who is still a senior public servant and director general with the Government—and community representatives.

One of the community representatives was Paul Davico, a houseboat operator from Brooklyn whom I got to know very well. He made a very fine contribution. Paul had a strong personality, he was a great lover of

the river—his business was based upon the river and he was a user of the river—and he argued with great strength to ensure that development along the river was controlled so that the health of the river and its environment was well preserved. I pay tribute to Paul for the extraordinary work he did for so many years, as well as all the other members of the committee. I am sure that the member for Riverstone, who is in the Chamber, will remember the work that was done by the Hawkesbury-Nepean Catchment Management Trust. It was a small group and it worked effectively and in conjunction with the local councils. I would like to read some of the remarks that Kevin Rozzoli made when the trust was dissolved in 2001. He told the House:

Another interesting statistic is that when the regulations for the Trust were reviewed in 1999 as part of the review process the reviewers, not the Trust, brought in an independent audit firm to assess the economic benefits of the Trust's work to date. When it was set up in 1993 it did not own a sheet of paper, a pencil, a table or a chair; it started with nothing. It took approximately 12 months to 18 months to get up to full speed. In the first 5½ years, by the time the review was done, the ... economic report, prepared not for the Trust but for the independent reviewers of the Trust, assessed the external contributions for on-ground projects by the Trust—money that the Trust had facilitated for on-ground works—at \$20,584,270.

That was quite a large figure in 2001. The trust did an enormous amount of good work; I pay tribute to the trust and to the work it did. The initiative of the Fahey Government was continued by the Carr Government from 1995 to 2001. Under the Carr Government a Healthy Rivers Commissioner was appointed and given the brief of evaluating the health of all major rivers in New South Wales. In 2001 the then Minister, Mr Richard Amery, took action to dissolve the Hawkesbury-Nepean trust, which was the subject of considerable debate in this House at the time. There was debate on a motion moved by Kevin Rozzoli, the member for Hawkesbury, to stop the dissolution of the trust, which is recorded in *Hansard*, but the trust was dissolved along party lines.

Despite, I am sure, the best efforts of the department—one has to attribute to governments and departments good intentions to achieve the best—the situation on the Hawkesbury-Nepean did not improve and the situation has continued to deteriorate. That was illustrated only recently in a private member's statement presented to this House by the member for Hawkesbury, Mr Ray Williams. I pay tribute to him for his commitment to the river. Indeed, I pay tribute to other members—the member for Riverstone and the member for Hornsby—who have taken a deep interest in the welfare of this river. One can only say that from 2001 until 2009 the condition of the river has continued to languish.

The initiative of the present Minister, Mr Phillip Costa, is an important one. I wish him well and I am sure the House wishes him well in restoring the health of this river. Being the representative of Wollondilly, he knows the enormous importance of it. The creeks that flow through his electorate are tributaries of the Nepean. Our major water catchment is dependent upon the health of the river—farms in the area are dependent upon it, national parks draw their water nourishment from it and it is simply part of the lifeline that makes up New South Wales. This river is—and hopefully will always be—beyond party political consideration. It is a great jewel for New South Wales. When I travel to my electorate of Terrigal I cross the river at Brooklyn, probably one of its widest points. It is an absolutely magnificent sight as one heads north, coming down from the hills around Asquith to cross what must be one of the broadest and finest expanses of river in Australia. It is a wonderful experience, a beautiful sight to see. It is a tribute to us in New South Wales that we have preserved so much of the foreshores of the river in a great system of national parks, notwithstanding its fertile soil and the attraction it has for farm development.

I do not intend to analyse the structure of the trust—that has been adequately done by other members in debate tonight. I hope that the Minister is successful in getting the necessary funding from Treasury. I urge the Treasurer to look with kindness upon the Minister's submissions in this respect. All the statutes in the world are not going to be effective without adequate funding to ensure that the works, controls and coordination recommended by the trust are carried out. This Government has shown that it is quite prepared to vest extraordinary powers in Ministers—for instance, I refer to part 3A and the Minister for Planning. It may well be appropriate that significant powers are vested in the Minister for Water if the Hawkesbury-Nepean is to maintain its healthy status. I hope everybody would be supportive of any government, be it the Coalition or the Labor Party, having the good intent, will and wherewithal to ensure the ongoing health of the river.

Once again, I pay tribute to Kevin Rozzoli, who has been an ongoing champion of the Hawkesbury-Nepean—probably more than any other member of this House, in my experience. One only has to look through *Hansard* to see his enormous work over many years and the way in which he championed this great river. I express my regret at the dissolution of the trust in 2001, despite its splendid work. I commend the Minister for biting the bullet and bringing the bill before the House. I wish him, the trust and the department well in their endeavours to preserve the future health of the river system.

**Mr DARYL MAGUIRE** (Wagga Wagga) [7.17 p.m.]: Without wishing to delay the passage of the Hawkesbury-Nepean River Bill 2009, I wish to raise with the Minister for Water a concern that I have with the bill. I would like a response, if possible. Clause 15 (3) of the Hawkesbury-Nepean River Bill, Functions of Office, states:

... the Office may accept from any person, and forward to the relevant consent authority:

- (a) a development application made by the person which relates to development in the Hawkesbury-Nepean waters, and
- (b) any fee or other documentation accompanying the development application that is provided by the person for the purposes of compliance with the requirements of the *Environmental Planning and Assessment Act 1979*, or the regulations under that Act, with respect to the making of development applications.

Assuming that the Act covers most departments, who sets the fees for the development application? Under whose guidelines will the fees be set? Will it be the hand of the Minister under a regulation or the Hawkesbury council scale of fees? I understand fees attract different levels of contribution depending on the value of the development. Where will those fees be held and who will take receipt of them? Will they go to a consolidated revenue fund or will they be held by the department? How will those fees be used? Will they be used to fund the new office's work or will they be used for environmental work on the river, as I would suggest councils use section 94 fees? I would like some indication from the Government of what the intention is with those fees, how they will be levied and who will set those levies. Will it be done by an independent body or by the hand of the Minister?

Another issue I would like to raise is that under the Environmental Planning and Assessment Act there are appeals mechanisms. I cannot find anywhere in this document how an applicant who is unhappy with a decision by the committee can appeal the decisions. I assume that through the normal course of action appeals can be lodged, firstly, for an internal review and, secondly, by applying to the tribunals or the Land and Environment Court. I would be interested to know what appeals mechanism is available to applicants whose applications are denied and what avenues they can pursue. I think that is fair and reasonable. The public is interested in those kinds of things. There is support for this bill from all sides of the House. Indeed, I can remember as a young member of Parliament sitting next to Kevin Rozzoli and him talking about—

**Mr John Aquilina:** You haven't been here that long!

**Mr DARYL MAGUIRE:** It is 10 years. I will take that as a compliment. I can remember Kevin Rozzoli talking to me about the work he was doing on the catchment. He was passionate about the Hawkesbury-Nepean and still is to this day. I raise the issue of transparency because I think the public would be very interested in those points. They are important because many applications will be made once this bill is assented to. It is important that the finer details are relayed to the public so they understand what avenues are available to them should they be affected by the denial of an application or some other issue that may be raised through the installation of this new office. Finally, I refer to funding for the office. I note that this office is being created by bringing together a number of departments. There has been little mention of how the office will be funded and whether that comes from current budgets within those departments. I would appreciate a statement in that regard as well.

**Mr RAY WILLIAMS** (Hawkesbury) [7.22 p.m.]: I commend the Minister for Water for introducing the Hawkesbury-Nepean River Bill 2009. I also commend all members whose electorates adjoin the Hawkesbury River and who have spoken in support of the bill. It is a significant way forward to protect what is I believe a national treasure and a significant icon both for New South Wales and the nation. I mention the fact that the Aboriginal name for the Hawkesbury River is Deerubin, which means large flowing water. If we think back to the history of our indigenous cousins, which goes back many thousands of years, there are significant indications of their existence around this river, especially from what I have experienced around the broadwater of Cattai. We should acknowledge the role the river played for indigenous Australians many years ago.

It is to be hoped that the Office of the Hawkesbury-Nepean, or the single river authority as I prefer to call it, is not just another level of bureaucracy but has some teeth and can make decisions. The bill states that and I certainly hope that is the case because there have been many times in the past couple of years when almost a line of people have been ready to tell us about the problems associated with getting development applications approved or trees removed from the sides of the Hawkesbury River. That can take anything up to two years. We do not want to see the environment destroyed or trees removed from the river banks, but when we can see that trees are potentially going to fall into the river and remove massive areas of riverbank and create degradation we must have an authority that can almost certainly guarantee that the trees can be removed as quickly as possible.

We usually see that because of the significant lapse of time of up to two years the trees fall in the river and the council has to remove them. The bank degradation has commenced and everybody is the loser. If we can have a single authority that can preside over those decisions it will be to the benefit of everyone.

I would like to acknowledge a large number of people, not the least being the Mayor of Hawkesbury, Bart Bassett, who has gathered together a lot of information from various people around the Hawkesbury. He certainly pushed to have a river authority and it was borne out of the river summit. However the idea has also come from numerous people over many years who have raised the issues I have raised and suggested that a single river authority was the way forward. As one drives along the river at any vantage point the first thing that comes to mind is the unique beauty of the river. It epitomises every aspect of natural rural beauty. However, various experts commenting on the water quality of the Hawkesbury River will often describe it as nutrient rich and with varying levels of bacteria depending on where and when the tests are undertaken. The health of the river is paramount to its importance and its future.

If one looks beneath the surface of the river one will find at times that the water quality is a pharmaceutical and chemical cocktail containing varying degrees of every known drug, pesticides, hormones and agricultural and veterinary products, combined with human and animal excrement. One can only wonder that there is a little bit of water mixed in for good measure. This blend is diluted, although not completely, as it travels down the river prior to reaching the ocean. It passes through various pristine tourist areas, prawning industries and one of the largest oyster farming operations in this country. Members will recall how the oyster farming was damaged a few years ago in this area. It is absolutely guaranteed that the significant number of sewage treatment plants that flow into the Hawkesbury was a contributing factor in that problem with the oyster farms.

Prawning, which is one of the largest industries in this State, is also undertaken in the river and I suppose one could describe the prawns as being similar to the canary in the coalmine. If the prawning industry diminishes, which we are starting to see in the Hawkesbury area, it will be due not only to the nutrients in the river but also the depth of the river, siltation and the general health of the river. If there is a healthy prawning industry we know there is a healthy river. We do not have a significantly healthy prawning industry. The prawns in that river migrate when they are young to the upper reaches of the river, past Windsor Bridge, where they breed and mature and then come back down the river and are captured. The cycle goes on. But as the river becomes shallower and silting increases, as it has significantly since the last flood in 1992, the prawning industry will suffer. Unless there is deep water, prawns cannot migrate up the river.

This has created quite a bit of argument about whether there should be dredging in the river. I know environmentalists would say absolutely not. People who benefit from the natural resource in the dredging would say yes, absolutely. A balance needs to be struck. Everybody I have spoken to—including good people such as Mary Howard, who would be considered a strong environmentalist—supports dredging being carried out to deepen the river when there is no flood. As most people would know, when there is a significant flood much of the silt is washed out and forms the very rich alluvial flats on the side of the Hawkesbury River. We have not had a flood since 1992 but when there is a flood the river fills up. However, as some parts of the river are shallow someone could walk through it from Wilberforce to Pitt Town without getting his or her hair wet. The shallowness of the river can also impact on waterskiing activities. During the Bridge-to-Bridge waterskiing competition, people are constantly fearful of hitting submerged trees because of the shallow depths of the river—an issue that has to be addressed in the future.

Sandmining in the rural areas of my electorate parallels those activities. Section 94 sandmining contributions go towards Roads and Traffic Authority funding for the upgrading of Wisemans Ferry Road and the Old Northern Road. We have a great rural road network as a result of funding from those sandmining activities. If the dredging activities that take place on the river contributed a similar type of funding that could provide substantial environmental benefits. It would be one way of ensuring adequate depths for waterskiing events and other great environmental outcomes. I acknowledge Ray Patterson, Mary Howard, Rhonda Howard and Gary Howard who carry out prawning activities in the lovely area known as Lower Portland. The river provides not only recreational activities; it also contributes significantly towards the economies of historic Macquarie towns such as Castlereagh, Richmond, Windsor, Wilberforce and Pitt Town and areas further down such as Lower Portland and Wisemans Ferry. That wonderful river benefits an endless number of people.

Councillor Ted Books is another great lover and a passionate advocate of the Hawkesbury River. Ted's advocacy for the Hawkesbury River resulted in the River Summit in Windsor, which was attended by a number of members. Operators of local sewage treatment plants are required to ensure that the quality of the water

dispatched into the Hawkesbury River is at an acceptable level. The number of sewage treatment plants on the Hawkesbury River should not be increased unless we can achieve better outcomes. It is sad that we cannot achieve better outcomes in this day and age with the technology that is available to us. Rouse Hill sewage treatment plant has world-class technology, as have the three-town sewerage systems in Freemans Reach, Glossodia and Wilberforce.

It is wonderful to see the sewerage systems that are being implemented in those areas. However, when councils dug up the ground and replaced the sewerage pipes why did they not put in a sole sewage treatment plant to service those three towns rather than pumping effluent all the way to Richmond to be treated, returned to the river, or pumped onto Richmond golf course? I am sure that Richmond golf course would benefit from that type of irrigation, as would a vast number of turf farms that draw water from the river to irrigate turf, thus reducing environmental flows. If that effluent was cleaned and the treated water was returned to those three towns, any overflow could go towards irrigating turf farms.

Enormous amounts of vegetables or citrus are no longer being produced in that area. Given different economic climates and the importation of a large amount of fruit and vegetables from overseas, those industries have diminished and faded over the past 10 years. I have spoken about tourist and recreational activities such as skiing and the inability of people to navigate boats on the river. Flooding creates a silting problem—one of the issues that arose after the floods a few years ago in New Zealand. New Zealand attributed the silting of the rivers to an enormous amount of flooding. In June 2007 significant flooding occurred in the Macdonald River, which flows into the Hawkesbury at Wisemans Ferry. The Macdonald River was so silted up that a massive amount of flooding occurred to the levels experienced in 1947 at St Albans in a time of wet and wild floods in the Hunter region.

I did not think it was possible to have a flood in the Macdonald River when there was no flood in the Hawkesbury River, but I was proven wrong. That massive flood caused a great amount of devastation—the loss of property and the flooding of homes—for those living around St Albans. The State Emergency Service, the Rural Fire Service and police officer Mick Elvin who was there at the time worked around the clock to prevent potential fatalities. One thing that has not been spoken about and that is easy to overlook is weed infestation. Most people will remember photographs of the massive outbreak of salvinia that covered large sections of the Hawkesbury River.

Weeds thrive when they are given the right environment—a nutrient-rich river, long periods of drought and a river with a large phosphorous load. Salvinia is one of the mildest types of weed in that area but egeria densa is one of the worst. Significant outbreaks of egeria densa and alligator weed are still occurring on the Hawkesbury River, which plays havoc with prawn fishers. Sydney Water revealed that there had been a 33 per cent increase in weeds in that area due to the high phosphorous load. I reiterate what I said earlier: the health of the river must be maintained for the benefit of everyone. I said earlier that I hoped this bill would not be a toothless tiger. I hope that the authority makes appropriate decisions in relation to this river. It is an icon not just in the Hawkesbury electorate but also for Australia: it must be preserved and not ignored. I am glad that so many members are interested in speaking in debate on this bill, which I support.

**Mr JOHN AQUILINA** (Riverstone—Parliamentary Secretary) [7.37 p.m.], in reply: I acknowledge with gratitude that the Minister for Water, and Minister for Regional Development has allowed me to reply to debate on the Hawkesbury-Nepean River Bill 2009. This evening I was reminded of the time that I was Minister for Land and Water Conservation and I overlooked the current Minister's candidacy for appointment as chairman of the Hawkesbury-Nepean Catchment Management Authority. At that time I chose John Klem, who remains chairman of that authority. The Minister assures me that he has every faith in John Klem, as he is a good guy so I did not make a bad choice. I am sorry that I overlooked the Minister at that time, but I did not know him very well. How the past has caught up with me!

I thank all those members who spoke so passionately in debate. The member for Burrinjuck opened debate on behalf of the Opposition and said that the Opposition does not oppose the legislation. Other speakers included the member for Londonderry, the member for Hornsby, the member for Penrith, the member for Terrigal, the member for Wagga Wagga—who is a long way from the Hawkesbury but he made some relevant points—and the member for Hawkesbury. Rarely have I heard debate in this Chamber that has elicited so much passion from all members in a complementary and positive way. It is to the great credit of the Minister that he introduced legislation that has the universal approval of all members—legislation that will establish with good will the Office of the Hawkesbury. All parties want that office to succeed and they want to ensure that it becomes a powerful force in the Hawkesbury area.

Other members have mentioned former member for Hawkesbury, Kevin Rozzoli. I came to this place long after he was elected, but I was a member of this House with him for a long time. His passion for the Hawkesbury area, an area in which he lived, and which he loved and represented, knew no bounds. If any person could ever be described as Mr Hawkesbury, it is Kevin Rozzoli. He was passionate about the river, the area. He had high hopes for all it could achieve, and we trust this legislation will go a long way towards achieving those hopes.

Members have raised a number of issues about the Hawkesbury River. Members have commented that the Hawkesbury River is subject to many competing demands. It is Sydney's primary source of water and successfully provides that major need. It is also a major source of agriculture for the Sydney Basin, helping to produce somewhere around \$260 million worth of agriculture every year. The river is a major source of recreation and is becoming increasingly so as more people from Sydney discover its beauty. Some of us who have a direct connection with the Hawkesbury hope it is not discovered too soon or by large numbers. Nonetheless, almost every month more people are enjoying the beauty and luxury the Hawkesbury River has to offer.

The Hawkesbury River has competing fishing interests. A number of members referred to the needs of the fishing industry. I shall spend a little time responding to some issues raised, particularly those relating to the prawn industry. I know a little about this industry thanks to Gary Howard, who is a prawn catcher on the river: he hails from a family of prawn catchers. Many members spoke about his mother, Mary Howard, who is a member of the Hawkesbury-Nepean Catchment Management Authority. I have had the opportunity to talk to Mary, as have many other members, and can vouch for her passion, understanding and intense knowledge of what happens on the Hawkesbury River. I have also had many hours of conversation with her son Gary, whose livelihood depends on the future of the river.

What others have said, and as Mary has stated and documented, is true: the prawn is a clever crustacean. If the river is healthy prawns will multiply aplenty and, of course, produce aplenty. However, if the river is suffering, prawns are not seen in great numbers. In acknowledging all the competing demands on the river and the long drought we have experienced, there is no denying that the Hawkesbury River has suffered in recent times for a variety of reasons. The member for Hawkesbury referred to siltation along the river. I shall not enter into a debate about whether dredging is right or wrong; that is a debate for another place, not this Chamber, and for technical and environmental people with the appropriate knowledge. It is correct that some siltation has occurred along the river because some people have unscrupulously done all sorts of things that went unchecked and unreported. People have destroyed natural vegetation along the river's banks through illegal developments for all sorts of reasons, but primarily because it has been difficult to obtain legal approval for various forms of development.

People have to contact myriad government agencies. A vast range of councils—23 in number—is associated with the river, all with various bureaucracies of various levels specific to the needs of their communities. Simple development approval for a jetty, a ramp or replacing part of a retaining wall, for example, can be a long and constant referral process. One must first apply to the council. The council then refers the applicant to a number of government authorities, not all at once but in turn with each authority awaiting the approval by the previous authority before proceeding to consider the issue with which it is concerned. Sometimes the matter is returned to council for further consideration and possible further requirements. All the time this is happening more reports, more expert opinion and more fees are required.

No wonder so many people just give up through sheer frustration. They consider it is such an unworkable maze and with the mounting costs of environmental reports, plantation reports, fisheries reports, water quality reports they just give up and have works carried out illegally. Nobody likes that to happen, but it has happened in significant volume along the Hawkesbury River. In some ways that has led to a major lack of coordination with what happens on the river, resulting in some fairly major degradation. The Office for the Hawkesbury-Nepean will cease this maze by providing the one-stop shop for everybody to lodge development applications, and the office will refer them to the appropriate government authorities. The office will provide a clear chain of the processes people must follow to obtain approval. I have high hopes for this process, and I am sure the Minister does also.

Various members sought assurances about the powers that will be bestowed on the office established by this legislation. It must be emphasised that this one-stop office will have no powers and will not give approvals. It is a coordinating body that enables coordination and collaboration in an endeavour to cut down the need for people to go to several authorities and councils. The process is aimed at cutting down the delay and

cost of processing applications. The Minister has assured me that the approach of the office will be cooperative and collaborative. The Office for the Hawkesbury-Nepean will not override the statutory responsibilities of councils. In fact, this bill does not provide the office with the power to raise levies or charge fees.

The member for Wagga Wagga asked a number of questions regarding development applications: Who will determine the fees for the development application? The office will not determine the fees. It will accept fees for development applications on behalf of councils. Councils will set the level of fees. He asked also: Where are the fees going to be held? The office will not hold the fees. The fees will not go into Consolidated Revenue or be held by the department or any process of that nature. The office will accept fees on behalf of councils. It should be emphasised repeatedly that the Office for the Hawkesbury-Nepean is a coordinating authority and will not have consent authority. It will not examine development applications, or grant or disallow approvals. Consequently the other issues canvassed by the member for Wagga Wagga relating to appeal mechanisms do not apply as far as the functions of the office are concerned because the appeal mechanisms will be those that apply to development applications administered by councils. Those mechanisms provide for review by the Land and Environment Court.

It is important to respond to issues that have been raised during the course of debate because it provides an opportunity to point out that although this is great legislation, it is not legislation that will override powers of councils or already existing powers. The office will coordinate those powers and corporate councils to ensure that an orderly process is available for persons wishing to lodge development applications, persons wanting to obtain information about the river, persons wanting to obtain environmental details about the river, and persons wishing to submit various issues of concern relating to the river.

Sewage treatment plants also were raised during the debate. We know that a number of sewage treatment plant outflows discharge into the river. Concern was expressed about the adequacy or otherwise of the sewage treatment plants and the quantity of nutrients flowing to the river. During the drought and particularly during dwindling river levels of the Hawkesbury River in recent years the nutrient content of the river has risen, with unsavoury consequences. On many occasions the problems of salvinia and agraria have been raised. I know from talking to Gary Howard and members of the prawn trawl community that agraria in particular is a problem when it becomes entangled in prawn trawling nets, and that these are matters of grave concern. The Government is taking steps to address those problems.

In an effort to reduce nutrient content in the river, the St Marys plant will refine water from existing sewage treatment plants to a much greater degree before it is discharged into the Hawkesbury River. The member for Hawkesbury referred to the three towns sewerage scheme that is currently being constructed and will cater for the towns of Glossodia, Freemans Reach and Wilberforce. He said that while he is happy about the sewage treatment scheme being constructed for the benefit of those three towns, he is concerned about the way in which effluent will be managed. He asked why a sewage treatment plant could not be located there instead of pumping effluent to Richmond and having it treated there. The simple answer is that it is more economical to pipe effluent to the existing plant at Richmond, which has sufficient capacity, instead of building another treatment plant.

I understand that the Richmond Golf Club and other local facilities will use treated effluent, so it will be put to a useful purpose. The other important issue is that providing sewage treatment for those three towns prevents nutrients flowing into the river, thereby reducing the river's nutrient content. The issues that were discussed during debate are important issues that have bedevilled members of the Hawkesbury community for several decades. I acknowledge the preliminary work undertaken by many people over the years. The Hawkesbury Nepean Catchment Trust, which was disbanded in 2001, was mentioned. As I participated during debate on that issue in 2001 and I have explained the various reasons for that occurrence, I do not think anything will be gained by my traversing the issues again. The important point is that in 2001 there was an attempt to come to terms with some of the issues that have been very dominant in determining the future of the river.

Over the past 10 years various attempts have been made to devise solutions and ways of improving the river's water quality. All of those measures have been laudatory and practical, but I do not think there is anything that has been done to date that is as practical, as important, and as unifying as the legislation before the House establishing the one-stop office that was opened recently in Penrith. Funding of the office also was raised during debate. I reiterate that councils will not have fees imposed on them under this legislation. Levies will not be imposed on councils and councils will not be asked to contribute to management of the office. The office will be funded totally from the current budgets of the department. Government funding will provide for the office. The Minister has given an undertaking, and that has been spelled out on many occasions.

It is a matter of regret that on Friday 27 March 2009 at 3.00 p.m., when the Premier and the Minister for Water officiated at the opening of the office at Penrith, I was unable to attend. Regrettably, my duties as Leader of the House precluded me from being able to attend on that occasion, but I was there with my colleagues, the Premier, the Minister, the member for Penrith and the member for Londonderry, in spirit. It was a great historical moment and marked the achievement of something that people have looked forward to for a long time. As much as paying tribute to the current Minister, I also pay tribute to the former Minister who is our Premier. I recall taking a delegation to him relating to this matter, and he immediately seized upon it as a positive initiative. He said it was something he wanted to do as the then Minister for Water.

I am sure the current Minister is delighted, as we all are, that the Premier has honoured that commitment by the introduction of this legislation, thereby guaranteeing a source of funding for the office and ensuring that it will be a great success. I again congratulate the Minister for Water and all those who worked hard with him to achieve this goal. I thank the staff of the office, staff of the department and everyone who has been so positive about this very important legislation. As I stated earlier, I have rarely seen legislation work such magic in bringing together members on both sides of the House with universally positive comments. I commend the bill to the House.

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

**Motion agreed to.**

**Bill agreed to in principle.**

#### **Passing of the Bill**

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

#### **RECALL ELECTIONS**

##### **Matter of Public Importance**

**Mr CHRIS HARTCHER** (Terrigal) [7.57 p.m.]: Recall procedures allow citizens to remove and replace a public official, generally through another election before the expiration of their term of office. A recall procedure generally is brought about by a petition that may cite specific reasons for the dismissal of the office holder and bears the signature of a certain percentage of citizens or voters. Historically in the United States, recall has been less frequently used at the local level. By some estimates, three-quarters of recall elections are for the city council or the school board. However, as far as its relevance in New South Wales is concerned, essentially it would apply at State level.

In the United States, 18 States permit recall elections to remove statewide officers. Minnesota was the most recent State to adopt a recall provision in 1996. There was substantial Australian media coverage when Californian Governor Gray Davis was recalled over alleged mismanagement of the State budget, resulting in the election of Governor Arnold Schwarzenegger in November 2003. In that case, to establish the preliminary steps in California, more than 1.35 million valid signatures were collected to ensure that the relevant petition requirements were met. In some seven States of the United States, specific grounds are required for recall. In other States, no specific grounds are required, and recalls may be circulated for any reasons. The minimum number of signatures and time limit for a recall varies between American States, as does the means of how to handle such recalls. In some States a recall triggers a simultaneous special election where the vote on the recall and replacement vote, relevant only if the recall succeeds, are on the same ballot, as happened in the 2003 recall election in California.

In other States a separate special election is held after the target is recalled or the Governor appoints a replacement. The number of signatures necessary to qualify a recall petition varies. Recent attempts at the State level in the United States have been largely unsuccessful. Prior to the successful Californian 2003 recall election, the only successful recall of a Governor to date took place in North Dakota in 1921. There have been, however, more successful applications for recall at a local government level. In the Westminster system the province of British Columbia in Canada enacted representative recall in 1995. In British Columbia voters can petition to have a sitting representative, including a Premier, removed from office. If enough registered voters sign a petition, the Speaker of the House announces the member's recall and the by-election follows, providing the public with an opportunity to replace its previous choice.



While it is understood that quite a few recall efforts have been launched in British Columbia, no-one has technically been recalled, although the process has led to one senior resignation while a recall application was underway. The Liberal-Nationals Coalition is interested in establishing a debate on the issue of recall and seeking the public's views on this important issue. A Coalition Government would be interested in establishing a committee of constitutional experts to advise on the potential for recall elections in New South Wales. We would seek to have the panel of experts examine practices in other constituencies, including the 18 of the 50 States of the United States that have recall provisions, and the applicability of a system of recall to the Westminster system.

We would like to identify the key reasons under which a recall election could be petitioned for New South Wales. We would address the issue of whether the recall system would be confined to individual members or be capable of being extended to the whole of government. We would be interested in looking at the most effective procedure by which the public could pursue a recall election, including the appropriate percentage of voters that would need to petition and the time frame within which signatures would need to be collected. We would look at the process of auditing signatures to establish bona fides, whether the process should be State or self-funded, and the relationship with the New South Wales Constitution and the relationship to local government. We would also be keen to ensure that in any public consultation on the process of recall the community was fully involved. If a final decision were made, we would look to any final decision to go forward to a recall being ratified by the community in a statewide referendum.

The issue of recall has become important in New South Wales in recent times because of enormous dissatisfaction with the Rees Government. The public opinion poll taken at the end of 2008 showed that only 26 per cent of registered voters continued to support the Rees Government. That rose to a staggering 30 per cent at the second poll, which was taken only last month. The Rees Government has lost its way and has lost the confidence of the people of this State. The fixed four-year terms introduced by the Greiner Government in 1993 and ratified by the community of New South Wales in a referendum in 1995 were designed to address the issue of too-frequent elections. But like so many constitutional reforms, it contained with it the pitfall of what the community can do with a government that has lost its way and lost the confidence of the community. In this case the Government of New South Wales stands out in a salient manner, unlike any other Government in the history of New South Wales since the Second World War.

This Government has now been through no fewer than three Premiers and has an innumerable revolving door of Ministers, which was shown by the fall of the Premier, the Treasurer, the planning Minister and the health Minister at the end of 2008. Its entire senior frontbench was decapitated, without consultation with or involvement of the community. This is not the Government that the community of New South Wales elected, and it is appropriate that the community of New South Wales be given the opportunity to address the issue of whether a fixed four-year term is the appropriate mechanism in every case for representative government in New South Wales.

The Liberal-Nationals Coalition is interested in ensuring that there is a public debate on the issue of recall, whether it should be implemented at a local government level or at the State level. But however it is implemented it must be implemented with full public consultation and ratified by the community by way of referendum. To have a government like that of the former Governor of California, whose mismanagement of the budget caused such enormous public concern, continuing in office in defiance of the public will is a denial of democracy, and it is time we addressed the issue of recall in this State. *[Time expired.]*

**Ms TANYA GADIEL** (Parramatta) [8.04 p.m.]: While the New South Wales Government is working hard to support jobs in New South Wales and steer the State through the international economic crisis, the Opposition chooses to spend its time engaged in campaign politics and electioneering. The Constitution of New South Wales requires that general elections be held every four years. It appears that the Opposition is not only short on policy but is also short on memory and has forgotten that the issue of fixed four-year terms went to a referendum of the people of New South Wales, I am advised, in 1991. Members opposite seem to have forgotten the result, so let me remind them. The people of New South Wales voted in favour of fixed four-year terms by an overwhelming majority of 75 per cent. Let me repeat that: 75 per cent. It is also interesting to note that the proposal for fixed four-year terms in New South Wales was initiated by the last Liberal Government when it was in office.

But now that the Liberals are in Opposition they have decided that they would like to go against what the people of New South Wales clearly want and go with a system they think will serve their interests now that they are in Opposition. There are serious policy concerns with the recall provisions proposed by the Opposition.

These are real concerns that the New South Wales people have already said they do not want. The first is the cost of an additional election. The last State election held in 2007 cost more than \$38 million. That is money that could instead pay for more than 450 nurses a year. The second is uncertainty. Allowing a small minority of voters to call an election could undermine the stability of the democratic process. Governments and the community do not need to be distracted by constant electioneering.

Thirdly, it is incompatible with the Westminster system of government. Arguably, a system that allows a statewide recall for an entire Government is contrary to a system of representative government. This is because it could allow voters in some electorates to recall representatives who continue to retain the support of voters in a completely separate electorate. The next concern is that the system could be open to abuse. Using the example of certain states in the United States, a recall election can be called after a petition is signed by just a small minority of voters. For example, powerful special interest groups such as big business or those living in certain geographical areas could fund a massive campaign to topple governments whose policies they simply choose to oppose.

Lastly, it could lead to absurd results. For example, a small group could rustle up enough support to trigger a recall election. A different minority who were unhappy with the result of that recall election could then require another recall election to be held. The process could go on repeatedly and the majority of the community would pay the price. The issue of recall election provisions was considered as recently as last Thursday in the *Sydney Morning Herald* in an editorial by Associate Professor Anne Twomey of the University of Sydney law school. Allow me to share with the House some of the professor's observations. On recalling an election in New South Wales, Professor Twomey said:

This type of approach does not really fit in with our system of Government.

Further in the article she said:

It might inhibit Governments from taking unpopular but necessary decisions for the long-term benefit of the state.

It is clear that members opposite do not know what they are talking about when it comes to recall electoral provisions. This is evidenced by the fact that The Nationals' Duncan Gay, when commenting on this issue on electoral provisions in this place in 1991, made the following statement:

People ask members of Parliament from both sides to have strength and integrity and to make the hard decisions. This system would mean that members of Parliament could not make hard decisions.

That is further proof that the Opposition cannot get its own policy right because it is more concerned with doing anything necessary to gain government, selling its soul perhaps. I saw a portrait of the member for Terrigal on sale for \$25,000. Earlier today I admired that picture with an unsaid member of the Opposition and I noticed that the member for Terrigal was reading the book *Never Give In: The Best of Winston Churchill's Speeches*. That is truly admirable. I love the never give in, never give up attitude. I am actually a very big fan of Oscar Wilde, in particular, his novel *The Picture of Dorian Gray*. Beware the tale, I urge the member for Terrigal. We know the story of Dorian Gray, who sells his soul and asks in exchange that the painting age rather than him. I caution the member for Terrigal that that story could be akin to what might befall him. He should not sell his soul for a five-second news grab, and he should not turn his back on Liberal Party policy. All I ask of the member for Terrigal is to stop selling his soul, because the picture is much too beautiful.

**Mr VICTOR DOMINELLO** (Ryde) [8.11 p.m.]: I support the member for Terrigal on the issue of whether this State should have recall election provisions considered as a matter of public importance. Since the last general election in March 2007, the Government has mismanaged this State and has shown little interest in remaining accountable to the people of New South Wales. The Government has almost zero interest in providing the services we all need and the infrastructure we must have. The popularity of this Government is at an all time low and New South Wales has no choice but to suffer another two years of possibly catastrophic decision-making. This low level of public support is aggravated because Sussex Street powerbrokers, not the public mandate, forced the Premier upon us.

Recently, the Leader of the Opposition called for a public debate on the issue of recall elections in New South Wales. The recall provision has been effectively used throughout certain jurisdictions of the United States of America and allows the people to remove a government that is failing to perform to expected standards. Currently, no mechanism exists in Australia for a Government to be removed from office by the people it represents, even if that Government proves to be detrimental to the effective operation and growth of the State. Many media sources have called on the Government to sack itself and call an election to seek a fresh mandate or

make way for the Opposition. As beneficial as that may be for the people of this State, the likelihood of that scenario playing out, as those opposite no doubt will attest, is almost impossible. Now is the time to debate this issue in a public forum. I urge the Government to support what the Opposition is seeking in this debate. I clarify that the Opposition has not formed a view about whether recall provisions are appropriate but it is clear that this issue should be debated.

**Mr CHRIS HARTCHER** (Terrigal) [8.14 p.m.], in reply: I thank the member for Parramatta for her contribution and for her interest in the great English novelist Oscar Wilde and *The Picture of Dorian Gray*. In that novel, the portrait of Dorian Gray aged while he did not, but you, Mr Assistant-Speaker, have known me for many years and can attest to the fact that I have aged. I also thank the member for Ryde for his contribution in opening up this important issue for public debate. The importance of this issue has not been lost on all sides of politics over many years. The issue of a recall arose from the great parliamentary reform movements that swept England at the close of the nineteenth century and was taken up by William Jennings Bryan and other great reformers in the United States Democratic Party and the associated movements that swept America in the 1890s. Part of the ongoing legacy of that came across to Australia.

If the member for Parramatta consults the history of the Australian Labor Party she will discover that for many years the introduction of the recall system was in the State platform in New South Wales but was never acted on by the Labor Party, as was the idea of the initiative referendum, which is another legacy of the great parliamentary movements of the last nineteenth century and which also found its way into the United States. The Labor Party has put both of those somewhat populist issues to one side. However, it is appropriate to debate the issue and that is what the Coalition is asking for. The problem in modern society is that it moves very quickly. Technology has changed enormously. The impact of social change now happens at great pace and at great speed. Political and economic decisions occur at a rapid rate.

For example, the 1929 Depression took a number of years to permeate to other societies after the great stock market crash in October 1929 in the United States. The global financial crisis that started in September 2008 went around the world within two weeks. It was only three months later that the Iceland economy effectively collapsed. The rate of social change means that political structures must also be examined as to whether they should change and whether a fixed four-year term continues to be appropriate for a government in the modern era when that government has clearly lost its way and no longer commands popular support. Of course, there are arguments against recall—and the Opposition expects them to be debated—but the Opposition is putting the concept of recall to the House and to the people for public debate.

**Discussion concluded.**

**The House adjourned, pursuant to resolution, at 8.17 p.m. until  
Wednesday 1 April 2009 at 10.00 a.m.**

---