

LEGISLATIVE ASSEMBLY

Tuesday 10 November 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

CESSNOCK AREA PROPERTY DEVELOPMENT

Mr KERRY HICKEY (Cessnock) [1.06 p.m.]: I bring to the attention of the House the issue of planning in the Cessnock local government area and the problems associated with development in that community. In the past I have written to the Independent Commission Against Corruption in regard to certain development proposals. One such proposal came from a Mr Noel Constable, who for many years tried to get a building entitlement on a block of land but failed to do so because the land did not meet requirements under the local environmental plan. He then on sold the block to a couple from Sydney, who also failed to get a building entitlement on this block of land, and they too on sold the property.

Interestingly, the next purchaser of this parcel of land obtained a building entitlement within months of the purchase. One could say he was quite lucky. The purchaser was a manager of WesTrac, a company that I am sure features prominently in the problems that Cessnock City Council has faced in the past. The Independent Commission Against Corruption wrote back to me and stated that in this instance there was no corruption, only bad administration and mismanagement that had caused Mr Constable to on sell his property at the cost of considerable time and personal expense. By not having a building entitlement Mr Constable lost hundreds of thousands of dollars on the block of land.

Then there is the Wendy Bishop saga. Mr and Mrs Bishop bought a block of land at auction from council, which was for sale due to unpaid overdue rates. After purchase Mr and Mrs Bishop were keen to build so they started to clear the pegged block. A person suddenly appeared and asked them what they thought they were doing. They stated that they were clearing their newly purchased block. The person went on to tell the Bishops that this was his block and that the auctioned block was down in the gully. That was the start of the Bishops' problems, which escalated further and further. Sadly, Mr Bishop passed away, but Mrs Bishop has expended vast amounts of money in a vain attempt to get a home built on her parcel of land. Mrs Bishop has a letter signed by the neighbouring landowners that states that council officers had stated openly that they would not allow anyone to build on the parcel of land—and, to date, the council has made it almost impossible for anyone to do just that.

These issues relate not just to small mum and dad developers in the community. People who wish to build hotels in areas adjacent to the airport have faced similar problems. When I raised with the Independent Commission Against Corruption the issue of a developer who has endured nine years of hell trying to build a hotel, the commission stated again that it was not corruption but mismanagement and incompetence. Another issue within the community, which has been highlighted for numerous years, is a dispute between landholders concerning tourist accommodation on one landholder's land that does not meet fire regulations. I have raised all these issues with councillors, the general manager, the Minister for Local Government and the Minister for Planning, but, to date, these constituents are still waiting for answers to their questions and a resolution of their problems.

There has been a section 430 inquiry into the council that is due to be revisited in the upcoming few months, yet it is not addressing the big problems and dismissing the issues as concerns for the general manager

to address. Clearly there needs to be some policy change to address these types of problems. It concerns me greatly that on one matter about which I wrote to the council a councillor responded, "Due to the sensitivity between the two parties, I should not become involved in the issue". This advice was received from the general manager. I am concerned because if councillors are not getting involved, examining the issues and identifying the problems, how will they address these concerns by way of the policies and procedure that they put in place for staff to implement? Mr and Mrs Flemming wrote me a lovely letter about how the local environmental plan has impacted on the Wollombi Valley, an excerpt from which states:

However, our submission will be critical of the conduct of the Cessnock Council planning staff for including in the draft City Wide Settlement Strategy (CWSS) a false and misleading version of the Lower Hunter Regional Strategy Map, and relying on this falsified version as justification for the proposed E3 zoning for the Wollombi Valley. Whether this was done deliberately or not, it is calculated to mislead readers of the CWSS, and most importantly, Councillors who will be called upon to adopt the DCLEP 2009.

I ask the Minister for Local Government to consider the council with a view to dealing with the problems that many in my community want addressed. These concerns are having a negative effect on the community and on many ratepayers and are hurting not just the big end of town but many mums and dads across Cessnock. The biggest problem is that the council is taking directions from staff and not implementing policies and procedures to address many concerns. I hope that the Minister will look into this issue.

GOVERNOR LACHLAN MACQUARIE

Mr RAY WILLIAMS (Hawkesbury) [1.11 p.m.]: Next year is the bicentenary of the reign of Governor Lachlan Macquarie in this country and celebrations are planned across New South Wales, particularly in the Hawkesbury. Governor Macquarie is recognised as one of the most visionary leaders of this country and much of his legacy can still be seen in the planning and significant heritage buildings of this city. Macquarie was instrumental in developing New South Wales into a free settlement from its penal colony origins. His firm but fair and compassionate attitude towards convicts gave many the opportunity to improve themselves, first by becoming farmers and later landholders.

I have particular interest in this historic event given that my early ancestor Charles Whalan arrived in this country with the Third Fleet in 1791 aboard the *Albemarle*. As a 15-year-old, Charles Whalan was convicted for catching a fish on private property and sentenced to seven years transportation. Charles spent four years on a rotting hulk in London harbour prior to undertaking the arduous six-month journey to this country. After serving two years of his initial sentence, he received his ticket of leave and joined the Rum Corps. Rising to the rank of sergeant, Charles Whalan acted as senior orderly to Governor Macquarie and was at his side during his 12-year tenure in this country.

Charles Whalan became a close friend of the Macquaries and partnered the Governor on regular visits to the Hawkesbury. During these visits Governor Macquarie named the five towns of Richmond, Windsor, Castlereagh, Wilberforce and Pitt Town. These towns have flourished since that time and now many thousands of descendants of the original founding families live throughout the area. Just as the city of Sydney retains its wonderful early heritage through the architectural achievements of people such as Greenway, so too does the Hawkesbury area. Fabulous buildings and churches dating back 200 years adorn the areas of Ebenezer and Windsor. The Ebenezer church celebrated its own bicentenary very recently, with more than 4,000 local residents turning out for this historic event.

After the Macquaries left Australia my family kept in regular contact through letters back and forth between the families, all of which are retained in the Mitchell wing of the State Library to this day and which I have just had the pleasure of viewing. A monument to Macquarie was originally erected at the front of New South Wales State Parliament House to honour the significant legacy he left to the country. Unfortunately, the statue was removed some months ago and is now rotting away amongst rubbish and old paint tins in the bottom of the car park of Parliament House. This fabulous three-metre statue of Governor Lachlan Macquarie was ripped from its pride of place in the forecourt of Parliament House. Hawkesbury City Council has requested that the statue be moved and erected in an appropriate place in the Hawkesbury area for the bicentenary, which I wholeheartedly support. I know the residents of the Hawkesbury would respect and honour this statue of Macquarie much more highly than our State Government, as evidenced by its current lodgings.

I also understand that the removal of the statue has caused outrage in Governor Macquarie's homeland of Scotland and I believe the matter has been raised at clan meetings and with Scottish politicians. The Scottish Australian Heritage Council President, Valerie J. Cameron Smith, has requested information from the

Macquarie 2010 Centenary Committee as to exactly what the New South Wales Government is planning to do for the bicentennial event. Valerie Smith wrote recently to the parliamentary committee set up by the Premier, and said:

Requests from the Scottish Australian Heritage Council and other interested organisations who have enquired from the Hon John Aquilina's committee as to what is going to be celebrated have been left uninformed as to what is being prepared. These enquiries were made to prevent event dates clashing with similar events. However, to date there has been no indication that there are any dates planned by the Hon John Aquilina's committee, the only events to date that have been publicised are those originating independently from the Macquarie towns of Bathurst, Windsor, Penrith and Parramatta all of these without any input or funding from the Aquilina Committee. Further, most of these result from the previous endeavours of Marie Sullivan who worked on this project for 10 years prior to her having been appointed to this committee. With two months only before the commencement of the Bi-centenary year, the public should be made aware of the manner in which NSW Parliament is going to celebrate THE FATHER OF AUSTRALIA.

Sincerely,

Valerie J Cameron Smith
President
Scottish Australian Heritage Council

This is completely unacceptable. The Premier and the Chair of the committee need to get their act together immediately and start planning for this significant event. Ironically, a plaque in the car park lying next to the statue states:

Macquarie's achievements were outstanding and his name remains one of the most commemorated in Australia.

With those words emblazoned on the plaque, it is hard to comprehend why the New South Wales State Government treats Governor Lachlan Macquarie with such contempt. Perhaps it is because of the integrity Macquarie brought to his role that saw him stamp out corruption, which was endemic across New South Wales prior to his arrival. He would no doubt be turning in his grave if he knew of the antics of the current State Government. Perhaps the New South Wales Government could redeem itself in some small way by preparing for the events planned for the bicentenary of Governor Lachlan Macquarie's reign.

Mr JOHN AQUILINA (Riverstone—Parliamentary Secretary) [1.16 p.m.]: I wish to respond to the member for Hawkesbury, who in his usual style cannot resist political muckraking, even about something as important as the bicentenary of Lachlan Macquarie's accession as the fifth Governor of New South Wales. At a time when we have an opportunity to unite Australians of all political persuasions in celebration of a person who is of such great and genuine historical worth to Australia, the member for Hawkesbury yet again wants to play politics—pure and simple—for his own nasty edification.

As to the celebrations, the Premier announced the establishment of a 22-member committee that has been working very hard over several months to draw up a specific program for next year. It is a program of which every Australian, let alone every person in New South Wales, will be justifiably proud. It will encompass the whole of the State. The program will have a web base, which coincidentally will be online at 5.30 this afternoon. It will also have its own logo, letterhead and so on. There will be coordination of the dates of activities by organisations, local government, historical societies and the like as well as government departments across the whole of the State. The fact that we have been unable to announce the program because so much work has been going on may not suit the member's agenda, but it does not mean that nothing is happening. Once again, the member for Hawkesbury is taking the opportunity to make some political gain, and he is doing so at the expense of Lachlan Macquarie and at the expense of commemorations that were to be bipartisan and to encompass all Australians. It is to his shame and degradation that he is doing so.

Mr Ray Williams: Point of order—

Mr JOHN AQUILINA: He ought to hang his head in shame.

[*Interruption*]

The member for Hawkesbury has turned something as important as the commemoration of Lachlan Macquarie into an absolute political farce, which is his aim.

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

Mr Ray Williams: I would like to see the Leader of the House acknowledge the processes of this House. That is what we would like to see. I called a point of order 10 seconds ago—

The DEPUTY-SPEAKER: Order! I beg your pardon? The member for Hawkesbury will resume his seat.

[Interruption]

The DEPUTY-SPEAKER: Order! I call the member for Cabramatta.

Mr Ray Williams: So you are not going to allow me to take a point of order?

The DEPUTY-SPEAKER: Order! The speaking time of the member for Riverstone has expired. The member for Hawkesbury will resume his seat.

[Interruption]

The DEPUTY-SPEAKER: Order! I direct the member for Hawkesbury to resume his seat.

DRUG AND ALCOHOL ABUSE

Mr NICK LALICH (Cabramatta) [1.18 p.m.]: In June 2009, as the State member for Cabramatta, I launched Drug Action Week, which is sponsored by Burnside Uniting Care and the Vietnamese Community, in Australia's Safe and Joyful Drinking Program. The purpose of these programs is to promote prevention of and early intervention in drug and alcohol abuse in Cabramatta. Both these awareness programs are in the best interests of our society because they promote the importance of a healthy lifestyle and allow us to take action as a community. Drug Action Week is an important initiative, especially given the devastating effect that drug usage has had on our society. In 2007, 38.1 per cent of Australians aged over 14 years had used an illicit drug at some time in their lives and 13.4 per cent had used illicit drugs in the previous 12 months. In light of these statistics, I am sure that we all know or have heard of someone who has had their life affected by drug use. Members of the Cabramatta community are standing together and taking action.

Drug Action Week will enable us to become more educated about the detrimental effects of drugs and make us more aware of the help that is available. It is a way for the people of Cabramatta to send a clear message to everyone in our community. Most importantly, it is a way for us to stand together and to set the right example for our children. Illicit drug abuse attracts more public attention than alcohol abuse, but that does not mean the latter is not a significant problem in the community. The World Health Organization found that alcohol is the third most avoidable cause of death and disability in developed societies such as Australia. The last census in 2004 indicated that almost 35 per cent of Australians consumed large amounts of alcohol resulting in an increased risk of short-term health problems. This is a significant problem and I commend the work done by Burnside Uniting Care in Cabramatta and the Vietnamese Community in Australia, which are tackling this issue head on.

Burnside Uniting Care at Cabramatta offers inclusive services that are based on achieving just, safe, nurturing and healthy life experiences for children, families and young people. They aim to protect children from abuse and neglect by breaking the cycle of disadvantage and building on strengths. The out-of-home care services give children and young people who cannot live with their families a safe and stable environment in which they can flourish. This is achieved by providing services across the continuum of care that supports healthy family relationships, encourages positive change through education and learning, and builds strong, connected communities. The launch of Drug Action Week is testament to that.

In these dire economic times I find it staggering that the annual cost of alcohol-related absenteeism is 7.5 million working days, and the economic impact of its abuse is \$15.3 billion. If we can begin to change the culture of Australian society and reduce the impact that alcohol has on the community in Cabramatta it will be beneficial not only for the health of the community but also for the economy. This kind of change can result only from events such as Drug Action Week. Through the promotion of grassroots community activities we can achieve change in Cabramatta. Together we can help prevent and intervene in alcohol and drug-related problems.

Ms ANGELA D'AMORE (Drummoyne—Parliamentary Secretary) [1.23 p.m.]: I commend the member for Cabramatta for highlighting these two fantastic community programs in his electorate, particularly the work done by Burnside Uniting Care and the Vietnamese Community in Australia. We all know that drug

and alcohol abuse is a burden on our communities, and it is fantastic to see a local member tackling these issues to ensure that his constituents lead a healthy life. Drug and alcohol abuse have particularly serious impacts on children. It is great that his community is leading by example in tackling these issues and breaking the cycle of disadvantage by providing services for people who require assistance with drug and alcohol abuse and, in particular, protecting children who find themselves in an abusive environment.

MUSIC ROYALTY FEES

Mr GEOFF PROVEST (Tweed) [1.24 p.m.]: I draw the attention of the House to a major issue facing one of the greatest industries in New South Wales—the licensed clubs industry. It has recently come to my attention that the Phonographic Performance Company of Australia [PPCA] has massively increased the fees it charges to clubs that play background music in dining venues. PPCA annual licence fees have been increased by up to 6,000 per cent. The PPCA says that the new fees represent a fair return to the artists, but a number of local artists often complain to me that the royalties they receive are minimal. The crucial point is that the club and hotel industries have significantly increased the number of live performances in this State and in so doing have provided opportunities for struggling and unknown artists to break into the big time.

The big brother record companies of Australia and overseas are now whacking those clubs and pubs. Forestville RSL Club has a restaurant capacity of 150. Its old PPCA fee was \$124 and the new fee is \$9,200. The Canterbury Leagues Club—the great Bulldogs club—has a combined restaurant capacity of 500. Its old fee was \$498 and the new fee is \$35,900. The Condobolin RSL Club—another great club—has a restaurant capacity of 50. Its old fee was \$62 and the new fee is \$3,000. Maclean Bowling Club has a restaurant capacity of 150. The old fee was \$124 and the new fee is \$9,200. In many cases the new fees will push clubs over the edge.

CD sales have declined in recent times, but we cannot expect the club and restaurant industries to compensate for that. These increased fees represent price gouging by the PPCA. Its representatives should hang their heads in shame. They are not delivering the product, nor are they properly representing the artists they claim to represent. Obviously a great deal of money goes to the middlemen. A new scheme was announced at the recent annual general meeting of ClubsNSW that will enable clubs to bypass the prohibitive licence fees imposed by record companies by engaging artists who are not covered by the PPCA. That is a great blow for the Australian music industry. I have been a great supporter of that industry, but the middlemen are trying to price gouge and in the process are affecting tiny clubs, hotels and restaurants. That is a travesty. The President of the Club Managers' Association of Australia [CMAA], Bill Clegg, recently said that the record industry is shooting itself in the foot with its latest strategy. He stated:

Sadly, the record industry does not acknowledge the role that clubs have played in developing the recording artist of current and past years ... At a time when clubs and live artists are struggling to provide sufficient opportunities for performers, it appears now that those that have achieved success are also going to get pushed out.

This measure will also have a huge impact on the fitness industry. That industry has launched court action against the PPCA because of these excessive fees. We have a very prosperous club industry in the Tweed. The most notable venue is the Twin Towns Services Club. I recently had discussions with General Manager Rob Smith and Operations Manager Geoff Lord. They do not intend to renew the club's PPCA licence in December, and they are looking for alternatives. That may provide opportunities for local unknown artists, but the Government should step in to ensure that our local artists are not the victims of discrimination. Local artists and composers have told me that they receive royalty cheques for as little as \$1.20, and one received a cheque for 13¢! A great deal of money is obviously going to someone else. I have had numerous discussions—as late as this morning—with Anthony Ball from ClubsNSW, which is a great organisation. I also have contact with the Australian Hotels Association and Restaurant and Catering Australia, and they are deeply concerned. The PPCA is charging like a bull at a gate. It does not know what it is doing and it is obviously not representing its members properly. As always, I am 100 per cent for the local clubs industry and 100 per cent for the Tweed.

Ms ANGELA D'AMORE (Drummoyne—Parliamentary Secretary) [1.28 p.m.]: I thank the member for Tweed for highlighting these concerns in his electorate. We all understand the importance of clubs, pubs and restaurants not only as big local employers but also because they provide opportunities for new local artists. The new Phonographic Performance Company of Australia fees for the performance of popular music that we often see played on television and hear on CDs are outrageous. We must continue to support our club, pub and restaurant industries and local artists. Those venues provide friendly environments for local patrons, including families. This 6,000 per cent increase in fees is a heavy burden and I commend the member for Tweed for raising it and for the lobbying he is doing on behalf of his communities.

BREAST SCREENING

WARRAGAMBA DAM

Mrs KARYN PALUZZANO (Penrith—Parliamentary Secretary) [1.29 p.m.]: I report today on two recent events in Penrith: the reopening of a breast-screening unit in Myer Penrith and the reopening of Warragamba Dam and its picnic facilities. I refer to the reopening of the breast-screening unit in Penrith because it is an initiative of the Westmead Breast Cancer Institute, which is part of the Sydney West Area Health Service, to have breast-screening units within Myer stores. There is one in Myer Parramatta and now there are units in Myer Penrith, Myer Castle Hill and Myer Blacktown. There are also four new digital units in and around the hospitals in western Sydney. They are state-of-the-art mammogram clinics and I commend Professor John Boyages, professor in charge of the Breast Cancer Institute, and his team, including Barry Finch, who has been supporting the refurbishment of the breast-screening units throughout the Sydney West Area Health Service. I also thank Minister Barbara Perry for attending the opening at Myer Penrith.

If members go to a lingerie section at Myer, whether at Parramatta, Castle Hill, Blacktown or Penrith, they will see a breast-screening clinic. It is open during all retail trading hours, so it extends the service to women in western Sydney who might not be able to use it during business hours if they are working. They can also attend the clinic on weekends. I also thank Rhonda Crimston, of Glenbrook, who was diagnosed with a malignant breast lump in August through the screening. The lump was removed two weeks later. Mrs Crimston said that without the mammogram her cancer could have gone undetected for months. Since then she has become an advocate for the breast-screening clinics. Rhonda is a member of the Glenbrook Bowling Club and since her diagnosis she has made it her role to outline the importance of having a mammogram.

At the opening of the unit there were a number of women from Glenbrook Bowling Club present to support her in her role as an ambassador but also to promote BreastScreen throughout Penrith and the lower Blue Mountains area. I commend Rhonda for her bravery during her treatment and for being able to take part in the opening of the unit and say thank you not only for the diagnosis tool, the new digital mammography unit, but also to the healthcare professionals who are treating her. I pay particular tribute to the radiographers, considering I was one in a former life. They do a terrific job in health care.

I refer also to another reopening. Warragamba Dam has been closed to the public for approximately 10 years and those of us who grew up in western Sydney and greater Sydney would know that Warragamba Dam was a famous picnic spot. It is also a significant part of the Sydney water catchment system. It was built in the 1950s and 1960s. It was a great pleasure for me to be at the reopening on Sunday with my father-in-law, Livio Nassivera, whose picture some may have seen on page 7 of the *Sydney Morning Herald* yesterday. He worked on construction of the dam from 1954 to 1961 during floods, fires and all types of weather. Construction went on seven days a week, 24 hours a day, whether it was the middle of winter or the heat of summer. There were about 2,500 workers from 28 nations working on the construction of the dam. It was good to see those who were able to attend on Sunday. Livio spent most of the afternoon saying hello to workmates he had not seen for many years.

I point out that the picnic facilities were part of the reopening. They are part of the \$240 million major upgrade of the dam, which includes \$111 for an auxiliary spillway to enable the dam to withstand a worst-case flood. There is \$62 million for construction of a pumping station, which is 92 metres below the top of the wall. Deepwater compression divers worked for three weeks cutting a hole in the bottom of the dam, which will allow access to water during a severe drought. An amount of \$9 million was spent replacing valves and one of the old valves has been relocated and forms part of the interpretive signage. I urge members to visit the site. Many millions of dollars was also spent on the picnic facilities. I welcome the reopening of Warragamba Dam and I urge all those who remember the old dam to go and see the new Warragamba. Come and join us in November.

TILLIGERRY PENINSULA CRIME

Mr CRAIG BAUMANN (Port Stephens) [1.34 p.m.]: I rise today to speak about the serious community concerns regarding juvenile crime and antisocial behaviour on the Tilligerry Peninsula in Port Stephens. The Tilligerry is a beautiful, peaceful and idyllic peninsula that juts out into Port Stephens. It has around 5,000 residents in the villages of Tanilba Bay, Mallabula, Lemon Tree Passage and Oyster Cove. There are many retirees, but also young families, many of whom have moved to the area for the tranquillity and the peace and quiet. But that peace and tranquillity is being broken by what appears to be a small group of youths, who are causing a lot of anxiety and stress to residents, especially the elderly.

As well as reports of vandalism on occupied homes, businesses and public amenities, I have heard several frightening stories about youths breaking into the homes of elderly people in broad daylight and robbing them while they sit terrified and powerless to stop them. Last Thursday Ossie, an 84-year-old man, came to see me. Thieves broke into his house at 3.00 a.m. while he and his wife slept. They stole his wallet and exited via the garage with his golf clubs and his golf cart. The golf clubs are gone and the cart is destroyed. Fingerprints were retrieved but, as police need a reason to fingerprint suspects, I cannot see that they will help in the near future. Ossie has had to replace his clubs and cart at great expense and is now turning his house into a fortress. Ossie came to see me at the request of a local ambulance officer who is deeply concerned about access to or egress from Ossie's house in an emergency.

A friend of mine died tragically a few years ago in a house fire. Malcolm Mudway was a favourite in Raymond Terrace: he acted in the Munster movies and was very much a community person. His profession forced him to occasionally keep explosives at home and because juveniles were running amok doing break-ins Malcolm had nailed his windows shut and could not escape the flames. Would this Government charge the juveniles who forced Malcolm to turn his house into a death trap? Probably not.

In October 2008 Nathan Andrew Miller pleaded guilty to bashing and killing one of my very popular Tanilba Bay constituents, 56-year-old Colin Sheppard, as he was walking home from a local club. Latest news: Miller did not appear for his sentencing hearing. What was he doing out on bail? And last weekend Tom Biviano was turned upon whilst trying to break up a fight in Maitland. He is still in a coma. Tom is a workmate whom I coincidentally last saw when Minister David Borger and the member for Maitland visited one of my company's Resitech sites. My staff and I and our other subbies are praying for Tom's recovery. I suppose his attackers will be charged with something soft. They allegedly king hit Tom, which is as cowardly and as dangerous as using a knife.

Last month my colleague the shadow Attorney General Greg Smith visited the Tilligerry Peninsula at the request of local residents. More than 60 people turned up to a midweek meeting with Greg. It was clear from the start that local residents were fed up with being ignored by the New South Wales Labor Government, and rightly so. Residents are living in fear. Unlike this Government, my Coalition colleagues have not ignored the Tilligerry community. Shadow police Minister Mike Gallacher is well aware of the problems faced by the local community. He has visited the community countless times, most recently in February for a meeting with the local action group. Yet no-one could recall the last Labor Minister to visit the area. My predecessor John Bartlett, a hardworking and dedicated local member, spoke about the issue in this House in October 2006. He said:

Perhaps 99 per cent of the young people of the Tilligerry are great young people. Unfortunately, a small group is involved in ongoing antisocial behaviour, and on the night of Saturday 30 September at Tanilba Bay there were 15 separate acts of malicious damage.

I have written to both the Minister for Police and the Attorney General and asked them to visit the Tilligerry Peninsula to listen to the community and work with them towards a solution. I must note that the establishment of a new Port Stephens Local Area Command has certainly helped address the issue, and local police are doing a tremendous job given the lack of resources and support plaguing the whole of the State's police force. But my Coalition colleagues and I believe more must be done to steer juvenile offenders away from a life of crime. New South Wales now has a prison population of more than 10,000 people, nearly double the number of any other State, and a recidivism rate of 43.8 per cent, which is one of the highest in the country.

The Rees Labor Government must invest more in rehabilitation programs for offenders, particularly juvenile offenders, to end the cycle of crime in places such as the Tilligerry Peninsula. While we adhere to the view that the punishment must fit the crime, there needs to be far more emphasis by the Government on rehabilitation programs, which give a prisoner a better chance of going straight once released. Rehabilitation is cheaper than the cost of building more prisons and far more effective in helping places such as the Tilligerry Peninsula to become even more peaceful. Serious crimes need serious time and the Coalition will ensure that tough penalties are imposed on serious offenders and that there is a strong deterrent element in sentencing.

BANKSTOWN RELAY FOR LIFE

Mr TONY STEWART (Bankstown) [1.39 p.m.]: It gives me great pride to inform the House that for the third successive occasion Bankstown held its Relay for Life through the Cancer Council of New South Wales. It was held over the weekend of Saturday 7 November and Sunday 8 November at the Crest athletics field, Bass Hill. The Relay for Life was a huge success with 43 registered teams turning up for the occasion.

Participants represented the breadth of our community. The relay raised more than \$120,000, no small achievement for a community that puts its hands deep in its pockets to help those in need. Cancer is an insidious and horrible disease that will touch every one of us in one way or another. Those who came along made a difference for the better for cancer research and provided opportunities for cancer research to save future lives, as well as providing better opportunities for current cancer sufferers.

The event grew from about 100 people last year to, this year, 300 to 400 walking around the field in the quest to save people's lives. As usual, the entertainment made us laugh and smile, and it was a terrific family occasion. Generations of families were involved and enjoyed being together as part of the family of Bankstown. A number of people made a difference with this event. Firstly, Trent Engisch, who was involved with the *Bankstown-Canterbury Torch* newspaper, along with his family, father John Engisch and Christian Engisch, made a real difference on the day. Trent is the chairman of the Relay for Life in Bankstown and he has worked tenaciously to make this event a success. He probably did not sleep a wink during the weekend. He gave everything he has to make this occasion the event it deserves to be.

Jason Clare, the Federal member for Blaxland, a great Federal member of Parliament, took over from me as patron of this Relay for Life for the first time: I had been the patron for the previous two years. It is great to see it in Jason's capable hands. Wayne Trotman, the former chairperson of the Relay for Life, turned up again and made a difference for the better. Committee members included Joan Wagstaff, Ron Thatcher, Barbara Gill, Marcia Vescio, Ingrid Winter and Alan Winterbottom. They worked very hard on this event. I particularly mention Barbara Gill, who is a cancer survivor. She is a tenacious person who never gives up. She has been quite ill in the past few months and spent a spell in hospital, but wished to be there on the day. She stayed for both days. I thank Barbara: she is a real role model for our community and an inspiration to other sufferers.

I thank Tania Mihailuk, the Mayor of Bankstown, and the Bankstown council for their support, providing just over \$50,000 towards the event. Barbara Perry came along as the Minister Assisting the Minister for Health (Mental Health and Cancer). I thank her for being there to show government support for this important event. Alan Ashton, the member for East Hills, was also there. I make special mention of Hazem El Masri—El Magic himself—who turned up for both days. Hazem is very sought after these days, with some saying he should be a member of Parliament—I doubt it would ever be for the Coalition—but he turned up with one focus only: to recognise that the event would save lives. Thank you, Hazem, for being part of it.

A number of schools were also represented, including Punchbowl Boys High School, Cabramatta High School, Cabramatta Public School, St Euphemia College, Bankstown Grammar School, Malek Fahd College, Calvary Chapel and Banksia Road Public School. There were probably more that escape me at the moment, but I thank the representatives from local schools who turned up. It showed what the community can do to bring people together. The best way to do that is through young people. The State Emergency Service was there in uniform participating in the event. Local police also attended. It was a real community event. It was the family of Bankstown getting together at its best and focusing on the most important thing any of us can do, and that is to save future lives.

Ms ANGELA D'AMORE (Drummoyne—Parliamentary Secretary) [1.44 p.m.]: I thank the member for Bankstown for highlighting this great community event. The Relay for Life is a 24-hour event held in many local government areas. It is a fantastic way for our community to come together to raise awareness of cancer and support further funding of cancer research, which we know is absolutely vital to ensure we make progress in our fight against cancer. It is also an opportunity for survivors and carers to come together so we can support the survivors of cancer and acknowledge the role carers play in our community in looking after our loved ones, especially when they are going through radiotherapy and chemotherapy. It is fantastic that the local community came out in support of the 43 registered teams and raised more than \$120,000, which I am sure will go a long way to raise awareness of cancer and fund cancer research. It is fantastic that the local member was the patron of the Relay for Life for the two previous years. I am sure he is a great advocate in his electorate in highlighting these community events and being there as a community leader to bring his community together to raise awareness about cancer.

BROKEN HILL AND DISTRICT HEARING RESOURCE CENTRE

Mr JOHN WILLIAMS (Murray-Darling) [1.45 p.m.]: The Broken Hill and District Hearing Resource Centre was commenced in Broken Hill 21 years ago when Cath Bonnes, the driving force behind the resource centre, placed an advertisement in the local newspaper calling a public meeting to discuss the lack of assistance for the hearing impaired. Three hundred Broken Hill residents were found to be in need of assistance for their

hearing impairments but no government assistance was offered. Cath Bonnes, a woman with a hearing impairment who understands the difficulties the hearing impaired have suffered, along with her band of volunteers, has worked continuously to raise funds and awareness of hearing impairment for those living in remote far western New South Wales.

In July this year the centre was relocated to premises in Argent Street from the cramped and unsuitable location it had previously occupied. I saw the centre in the previous location and last week visited the new Argent Street premises. The new centre is spacious and contains office accommodation, two audio booths, a repair and cleaning room for hearing aids and disabled toilet facilities. The centre raised \$80,000 and, under the Regional Partnership Program, this would have been matched with a dollar-for-dollar contribution from the Federal Government, but after the change of Federal Government the Regional Partnership Program was axed.

This did not alter Cath's determination to achieve her goal. Using every resource available, Cath managed to raise another \$120,000 by approaching a range of organisations. A local Broken Hill gentleman donated \$22,000, as he said, "for services rendered". Cath is rightfully proud of achieving the purchase and development of the new premises at a cost of \$230,000 from donations and fundraising without a cent of government money. The Hearing Resource Centre receives \$62,000 per annum from the State Government to provide a referral service. Unfortunately, the needs of the hearing impaired in Broken Hill and district go far beyond referral only.

Over the years Cath has met the demands of locals by providing cleaning and maintenance of hearing aids and battery replacement. The centre has provided communication devices to hospitals and nursing homes for patients who are having hearing difficulties. On the day I was there the centre was replacing a battery in a hearing aid for a patient in the local hospital who needed to be able to communicate with nursing staff. In recent times the centre, in cooperation with the fire brigade, has commenced installing fire warning devices that vibrate to alert the hearing impaired that a fire alarm is going off. It was also involved in testing local schoolchildren for hearing loss, and 85 children were discovered to need treatment.

Each week loyal volunteers at the Broken Hill post office sell raffle tickets to enable the centre to purchase new equipment and to provide support for the needs of the hearing impaired. In 2010 the centre is proposing a conference in Broken Hill for the hearing impaired, which has the capacity to attract Australia-wide support. This conference will be similar to a conference that was held in the 1990s and that received wide-ranging support. I hope that this State Government supports this initiative financially as that will ensure the conference has the necessary resources to guarantee that the hearing impaired receive the level of support they need to enjoy their lives. The centre plans to provide soundproof testing booths for children under the age of three so that they no longer have to travel out of Broken Hill to be diagnosed or to receive care for a hearing impairment. Broken Hill is fortunate to have Cath Bonnes and her team of volunteers who are devoted to assisting the hearing impaired.

CYBER CRIME

LURNEA HIGH SCHOOL

Dr ANDREW McDONALD (Macquarie Fields—Parliamentary Secretary) [1.50 p.m.] On 11 August 2009 I was fortunate to attend Lurnea High School where Jennifer Carey, the local school police liaison officer, gave year 9 students an excellent talk on cyber crime. Jennifer is a gifted teacher. I am proud of our local police, and none more so than of Jennifer, whose enthusiasm and commitment are an example to everyone as to how to get any job done. This generation is the most connected generation that we have ever had. However, unfortunately, cyber crime is becoming an increasing problem. The take-home message from Jennifer's talk was that police can and do investigate cyber crime. Cyber stalking, which occurs in chat rooms and on message boards, can also constitute third-party harassment, that is, getting others to carry out the harassment.

Harassment on the Internet is the same as harassment in other areas in that the harassment is dependent on how a person is affected rather than the behaviour of the person doing the harassing per se. Young people, as we all do, sometimes need to be made aware of that and they need to remember that in their dealings with one another. Other forms of harassment include annoying phone calls and obscene or threatening SMS texts. Other forms of cyber crime include cyber defamation, which might include the use of Photoshop. Many people fail to realise that permission is required to place photographs on a website, and that the placing of a photograph on a website without permission is a crime. Jennifer also showed the class an excellent Australian Government DVD entitled "Wise Up to It", which I commend to all members.

Other excellent advice that Jennifer gave included never sharing a user name or a password. Politicians are also at risk of cyber harassment. Once such harassment has been committed its effects might remain on the Internet for many years, so politicians need to be careful. Inaccurate criticisms of most members of Parliament can now be found through a Google search. One thing I learnt on the day was how to put Facebook on private. Facebook can be useful for many members of Parliament but the information available on Facebook, as with any other form of electronic media, can remain on the Internet for life and affect the future of young people. Another issue of concern for young pupils is cyber luring, which is common on the Internet. I commend the cyber-bullying module to the House. As I said earlier, we are lucky to have Jennifer Carey as our police liaison officer. She is hard working and popular at our local schools, and all year 9 pupils appreciated her time. Jennifer said:

I am excited about the education of teenagers. I think it is all too easy to forget that they are our future. If not properly educated on how to be safe on the Internet their future aspirations may very well be damaged.

Jennifer gave an excellent talk and said that Google searches were now performed as part of the informal checks that were required for many job applications. Today I have an opportunity to speak yet again about the wonderful work being done by Lurnea High School. The students at Lurnea High School, which is a wonderful school, are always polite, pleasant and great fun, and are a credit to their families and to our community. It was great to meet them and I wish them the best for the rest of the year. Principal Domonique Splatt told me that the school's recent National Assessment Program—Literacy and Numeracy [NAPLAN] results doubled the State average for growth in all aspects of literacy and numeracy for year 9 students, due largely to an after-school tutoring program instituted by the school. Every afternoon in 2009, 200 students in term one and term two are being provided with an extra hour of free tuition by 57 staff, and all those students have individual literacy and numeracy plans.

That truly great result will change the future of students in our area and that achievement deserves the recognition and thanks of everyone who lives in south-west Sydney. Lurnea High School will also receive \$200,000 under the National School Pride component of the Building the Education Revolution project, and recently a commercial kitchen was built. I proudly commend to the House Principal Domonique Splatt, the staff and students of Lurnea High School, and Jennifer Carey.

CUMBERLAND INDUSTRIES

Mr MICHAEL RICHARDSON (Castle Hills) [1.55 p.m.]: One of the most important things that we, as a society, can do is to treat people with a disability with compassion but also with respect, giving them a sense of importance and self-worth. Cumberland Industries, which has employed around 600 people with a disability and 170 staff at seven locations in western Sydney, did just that. In 1962 Cumberland Industries was established by Parramatta Rotarian Charles Robinson in an old army hut in Macquarie Street, Parramatta. In 1966 it relocated to Baulkham Hills and by 1968 there were 108 employees and a waiting list of 30. In 1970 it opened a new sheltered workshop at St Marys and in 1972 it opened a further building in Leabons Lane, Seven Hills. In 1976 it rented two ground-floor factories in Merrylands. Eventually the operations consolidated in Auburn, Mount Druitt, Seven Hills and Castle Hill, in my electorate, where Pak-It-Rite and Sew-It-Rite are located.

Pak-It-Rite provides general packaging services, such as blister packing, assembly of promotional kits and shrink-wrapping, as well as doing a mail-out service. Sew-It-Rite, which is also located in Hudson Avenue, Castle Hill, does short-run sewing jobs including safety wear, bags and tarps, aprons, baby wraps and blankets. In recent years Stephen Treloar, the then chief executive officer of Cumberland Industries, expanded the business by a process of reverse integration, buying commercial operations then partially staffing them with disabled workers. The businesses acquired have included pasta and pizza manufacturer Enrico's Kitchen, contract food manufacturer Cumberland Fine Foods at Emu Plains, and a meat and game company in Blacktown.

The company also started a social enterprise services division at its headquarters in Auburn, providing consulting services to companies as diverse as Stockland Trust and Sinclair Knight Merz, as well the Department of Ageing, Disability and Home Care. Most of the profits from the division were put back into the company, allowing the construction of a new social enterprise centre, also at Auburn, which was part-funded by a million-dollar grant from the Federal Government under the Regional Partnerships Program. A number of disability service providers, including Brain Injury Australia, Care Solutions, and Burwood Community Welfare Services, were located there along with a conference centre and a training room. Last year the company reported a turnover of more than \$25 million.

Cumberland Industries also opened the Cumberland Retreat in Dural, a respite centre for people with disabilities, the opening of which I attended in February 2007. But the large family home Cumberland was rented and proved too expensive, and the facility soon retreated to more modest accommodation in Windsor. Most of this expansion came in a rush in the last five years, financed through mortgaging existing assets and using the cash flow of the profitable core businesses that employed most of the people with disabilities. Unfortunately, most of these new businesses were dogs. The company had expanded too far, too fast, and well beyond its traditional roots. On May 29 this year Cumberland Industries went into administration. The ramifications of this, particularly for the people with disabilities and their families, were potentially horrendous. They faced the loss of their jobs with little prospect of obtaining new ones. The administrator, Peter Hedge, to whom I spoke soon after the meltdown, clearly understood this. He told me:

I want to try and preserve most of these jobs but most of these new businesses aren't viable.

The simplest solution would have been to put the businesses into liquidation, sell off the assets, pay back as much of the Westpac bank loans as possible, and walk away. That did not happen. Peter Hedge was not only determined to save as much of Cumberland Industries as possible; he also wanted to keep those jobs, as did Westpac, which was owed more than \$15 million. Enrico's Kitchen, bought in 2006 for \$2.5 million, was sold for \$500,000. The two Cumberland Fine Foods businesses have closed, along with the Cumberland Retreat and Cumberland's Social Enterprise Division. In early September Pak-It-Rite at Castle Hill, Sew-It-Rite, Clean-Pac Services at Seven Hills and Filpac at Mount Druitt, were sold to the Queensland-based Endeavour Foundation, the biggest employer of people with disabilities in Australia, saving the jobs of more than 500 of Cumberland's employees.

The Auburn headquarters are up for auction today, with Pak-it-Rite Auburn's operations having been shifted to the other locations and the employees having been offered alternative employment. One of the biggest unanswered questions about Cumberland's operations is why the board did not pick up the problems before it did. It took the appointment in September last year of Ross Springer, the chief executive officer of Toyota Financial Services, to trigger a review of the accounts. That review indicated that the company was losing money. Managers of the individual businesses knew for how much they were selling products such as pizzas and pasta, but they were unaware of input costs.

Yesterday I met the chief executive officer of the Endeavour Foundation, David Barbagallo, Chairman Grant Murdoch, Deputy Chairman Shane Charles and other directors at the Blacktown Workers Club. They told me that in Queensland the Endeavour Foundation has operations stretching from Mareeba in Far North Queensland to Brisbane; that with the addition of the Cumberland businesses it is now providing jobs for almost 1,900 people with disabilities; and that it also provides day services, supported accommodation places as well as respite for a further 2,000 people. Unlike employment subsidies, the State Government funds these latter services under the Commonwealth-State Disability Agreement, and Cumberland itself had been making tentative steps in that direction with the Cumberland Retreat.

One positive comment I gleaned from the meeting was that much of what Cumberland was doing was world class, which is why a large number of its customers turned up yesterday. They want to continue doing business with the former Cumberland Industries companies. A key issue for Endeavour in the future will be the ageing of its workforce. When they retire, the cost of providing for these people will shift from the Commonwealth to the State. I expect that ultimately Endeavour will expand the range of its operations in New South Wales to include aged care, day care and respite. Endeavour is keen to access any funds the State Government can provide, and I ask the Minister to assist in any way he can.

BEACH HAUL NETTING

Mr PETER BESSELING (Port Macquarie) [2.00 p.m.]: Sustainability within beach haul netting fishing in the Port Macquarie area is truly important to our State. A couple of days ago I received a letter from Greg McCartney, which states:

Dear Peter,

...

We operate a fishing tackle retail business at Harrington on the Mid North Coast. On the morning of Friday the 16 October this year, we had a number of customers report to us that the beach at Crowdy bay had a large number of dead fish (Australian Salmon) lying on it. These reports continued throughout the day & into the following day. We subsequently decided to take a drive onto the affected beach to investigate the reports.

Driving approximately a 2 Kilometre stretch of the beach starting at the southern most access point & travelling in a northerly direction, what we were greeted with was both shocking & quite disgusting.

There were in fact a large number of Australian Salmon laying on the sand at the high tide mark & a similar number of fish floating belly up in the surf. The entire stretch of the beach was affected and we were subsequently advised by customers that the beach from Crowdy surf club all the way to Diamond Head was similarly affected, a distance of some 13KM.

We then contacted the local Fisheries Office at Wallis Lake, and were told that they would certainly investigate the incident & let us know the outcome of their investigation. The officers subsequently attended our retail premises on the Sunday to advise the outcome of their findings. They informed us that they did not do an inspection of the beach; however they did interview a beach hauling crew at the Crowdy Head Fisherman's Co-op, who admitted they had had a gear failure earlier in the week whilst netting a school of Australian Salmon. (A gear failure which resulted in the death of a large number of fish). The fisheries officers said that they told the hauling crew that they were "not happy with their actions" & that this was the end of the matter.

Our concern is that this crew was responsible for the death & waste of many hundreds if not thousands of Australian Salmon, a fantastic sport fish.

It has since been reported to us by people who witnessed this crew making the ill fated shot, that the reason for the gear failure was simply the huge size of the school of fish they were attempting to net; put simply the net was never going to hold a school of fish that big.

The fact that the commercial fishermen netted the entire school, took what fish they wanted & simply left the rest to rot away on the beach tells us that they have a total disregard for the fish stocks, furthermore they chose to litter the area's most popular surf beach with dead fish right in the middle of the school holidays, one can safely assume that all the tourists who had to endure the stench of decaying fish won't be rushing back to the Manning Valley anytime soon.

The most disturbing aspect of this affair is the fact that the local fisheries officers determined that the actions of the crew, wiping out hundreds of fish, did not warrant any sanction; yet if a recreational fisher was detected with just 6 of the same fish in his/her bag, they would be subject to a financial penalty & a possible criminal conviction. This crew slaughters some hundreds of fish due to sheer greed & get off scot free.

We urge you to investigate a remedy for this situation as a matter of urgency; we also request that a review takes place to compare the value of Australian Salmon as a recreational species compared to the value of the commercial catch. It should also be noted that during the Mullet beach hauling season that a lot of local beach hauling crews were not able to sell their catch at market. These fish that they could not offload at market should have been kept for trap bait & negated the need for the Australian Salmon to be netted in the first place.

Yours Sincerely,

Craig McCartney
Proprietor
Ritchie's Bait & Tackle Harrington NSW

This issue is of concern for not only the Crowdy Head-Harrington area, but also for the mid North Coast and indeed the entire coast of New South Wales. A number of beach-haul netters, particularly from interstate, travel along and operate from the coastline. Wherever they go a number of disappointed fishermen follow. Those fishermen often regale tales of dead fish lying along the coastline. An investigation into the practices of beach-haul netting across the State is needed. I urge the Minister to consider that and to undertake a review. Two issues are involved: first, policing and whether beach-haul netters are doing the wrong thing, and, second, whether this practice of beach-haul netting is sustainable in the first place. This is very important to the future of all fishing within New South Wales, and needs to be looked at urgently.

Dr ANDREW McDONALD (Macquarie Fields—Parliamentary Secretary) [2.05 p.m.]: Beach-haul netting is a very important issue for the sustainability of fisheries and public health and on amenity grounds. I thank the member for Port Macquarie for bringing it to the attention of the House and expect that he will make further approaches to the Minister in the near future.

NUNDLE COMMUNITY ACTIVITIES

Mr PETER DRAPER (Tamworth) [2.05 p.m.]: Today I congratulate the proactive community of Nundle. Nundle won the category for towns with a population under 350 at the recent Tidy Towns Awards in Tamworth. This followed on from its starring role on the television program *Getaway* recently. Nundle is a rural village within Tamworth Regional Council's boundaries, and has about 300 people living in the township, with a district population of some 1,200. When one drives across the new bridge into town, the parks and other community assets, roads and verges are always sparkling and immaculate, and the community often expresses gratitude for the wonderful efforts of Billy Smith, who works for council. Billy certainly loves his town.

Last week, during one of my regular trips to Nundle, I was pleased to present Nundle Public School Principal, Ian Worley, with a certificate recognising \$2,500 in funding from the New South Wales

Environmental Trust to help the school develop an innovative project—Garden to Kitchen to Garden Again. This money will allow Nundle Public School to develop an edible community kitchen garden using sustainable techniques, teaching students about the positive impacts that growing their own produce has on the environment, while they learn to value fresh, home-grown food. Upon leaving the school, Nundle Community Development Committee [CDC] member Megan Trousdale took me to look at Nundle's latest pride and joy, the redeveloped Captain Cook Park. This \$110,000 playground development opened in late September, in time for the school holidays, and it provides an exciting new public space that re-creates the heritage of Nundle's wool history within a wonderland of kids' play equipment.

The park is a themed playground, with knitting needle-inspired swings, dog and sheep twisters and rockers, a slippery dip, climbing frames and even a shearing shed, with stencilled wool brands replicated on the interior walls by local school children, paying tribute to wool producers across the district. The new space is the best looking park in the region, and evokes a wonderful sense of heritage and history through the use of timber and iron in its themed designs. The playground is a creation of the Nundle Community Development Committee, who approached Tamworth Regional Council in 2006 for an upgrade. Sydney landscape architect designer Fiona Robbe adapted a "Fleece to Fashion" concept in designing the park, which follows the production process from sheep's back to wearable wool through the use of park structures, and featuring the shearing shed at the centre. It is inspired by the history of grazing in the area, and the subsequent establishment of the village's operating woollen mill.

Megan explained that the Nundle community not only wanted an extraordinary playground for the local children, but also one with the pulling power to attract families from Tamworth and surrounds. This community is highly entrepreneurial, and is always investigating opportunities that benefit the local economy, including the annual Nundle Chinese Go For Gold Festival held every Easter. Instead of buying an off-the-shelf playground, the Community Development Committee commissioned Fiona Robbe, and Megan told me that after visiting Nundle and Hanging Rock, Fiona quickly latched on to the vintage machinery at the woollen mill, and the wool-growing heritage of the area, resulting in the fleece-to-fashion theme that beautifully complements the vibrant town environment.

Community groups, businesses and individuals initially donated \$35,000 towards the project, while Tamworth Regional Council obtained a \$70,000 Federal Government stimulus package grant, allowing the vision to become a reality. I would like to honour the donors who included Wombramurra Black Simmentals, former councillor Robert Schofield, Nundle Arts Council, the Old Church Boutique, Peter and Helen Schofield and their family from Café Nundle, The Peel Inn, Gastronomy Australia Pty Ltd, Gordon and Olita Stewart, the Hills of Gold Motel, Nundle District Lions, Nundle Woollen Mill, Odgers and McClelland Exchange Stores, and the Grant family, for helping to make it happen.

Brisbane-based firm Harry Pearson Playground, which specialises in timber playgrounds, built the playground. The result is absolutely outstanding, and exceeds all initial community expectations. It brings Nundle families together for spontaneous play dates, and it strengthens social networks and family support, while attracting families from towns within a day trip distance by giving them another reason to visit Nundle. When I was there with Megan, three Tamworth families told me they drove up just to visit the park. Megan said:

Increasing the number of visitors will hopefully add to the prosperity of the town's businesses, and consequently help retain Nundle's population and essential services such as teachers at the schools, the community nurse, and police officer. In addition, the new playground will make Nundle more attractive to young families living in and around the town, while providing another gathering place for parents and children. This helps strengthen social networks for families and encourages children to be active, delivering great health benefits.

The Nundle Community Development Committee's next project is to replace the faulty barbecue and picnic shelters at the park, and I am sure that any State Government assistance would be greatly welcomed by this proactive town. Nundle is a terrific example of what a small community can accomplish by working together. If only every small town had the same drive and determination to continually improve.

Dr ANDREW McDONALD (Macquarie Fields—Parliamentary Secretary) [2.10 p.m.]: I congratulate the member for Tamworth on bringing the achievements of the people of Nundle to the attention of the House. Billy Smith is a hero and deserves the thanks of all who live with him. I hope that the recognition by *Getaway* will aid tourism. The playground deserves to become a major drawcard for the town. I congratulate the Nundle Community Development Committee on its work to date and wish it the best for the future.

Private members' statements concluded.

[The Deputy-Speaker left the chair at 2.11 p.m. The House resumed at 2.15 p.m.]

ASSENT TO BILLS

Assent to the following bills reported:

Road Transport (Vehicle Registration) Amendment (Heavy Vehicle Registration Charges) Bill 2009
State Revenue Legislation Amendment (Defence Force Concessions) Bill 2009
Courts and Crimes Legislation Amendment Bill 2009
Animal Welfare Legislation Amendment Bill 2009
Education Amendment (School Attendance) Bill 2009
Crimes Legislation Amendment (Possession of Knives in Public) Bill 2009
Children (Criminal Proceedings) Amendment (Naming of Children) Bill 2009

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

The SPEAKER: Order! I report the receipt of the following message from His Excellency the Lieutenant-Governor:

J. J. Spigelman
LIEUTENANT-GOVERNOR

Office of the Governor
Sydney, 8 November 2009

The Honourable James Jacob Spigelman, Lieutenant-Governor of New South Wales has the honour to inform the Legislative Assembly that he assumed the administration of the Government of the State on 8 November 2009.

BUSINESS OF THE HOUSE

Notices of Motions

Government Business Notices of Motions (for Bills) given.

[During the giving of notices of motions.]

The SPEAKER: I call the Minister for Planning to order.

[Interruption]

The SPEAKER: Order! The Minister for Planning will come to order. She has already been placed on a call to order.

QUESTION TIME

[Question time commenced at 2.23 p.m.]

POLITICAL DONATIONS

Mr BARRY O'FARRELL: My question without notice is directed to the Premier. Given Anna Bligh's announcement today that Queensland will immediately outlaw lobbyists' success fees and legislate to cap political donations at \$1,000 if a national limit is not imposed, does this not blow away the Premier's excuse for refusing to act to end the "donations for decisions" culture in this State?

Mr NATHAN REES: As I understand it, the cap is not to come into effect until July next year. However, let me say this: I have been on the public record consistently saying that I believe the best way of funding election campaigns in New South Wales, and in fact across Australia, is to publicly fund them. I have been on the record as saying that, uphill and down dale. Whether the Opposition understands it or not, there are very significant Commonwealth and State constitutional issues—

The SPEAKER: Order! The behaviour of the Leader of the Opposition is unparliamentary. He will cease interjecting. The Premier has the call.

Mr NATHAN REES: The Leader of the Opposition previously said to an upper House committee that he believes there ought to be a national approach on this matter. I happen to agree. However, the issue with a national approach is, obviously, that it needs to be national. The Commonwealth Government currently has

underway a review of all the relevant legislation. I have been in discussions with the relevant Commonwealth Ministers over a period of months. I repeat: My preferred approach to campaign funding in New South Wales is the public funding of election campaigns. If we are to move down that path—

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

Mr NATHAN REES: If we are to move down that path, we need to make appropriate provision in order that it be constitutional—it is as straightforward as that. It is a complex and difficult issue. The Toomey report—which we commissioned and which was done by a constitutional lawyer who is expert in this field—said as plain as day that to ban donations would be unconstitutional.

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

Mr NATHAN REES: Firstly, this matter is complex. Secondly, as I have said repeatedly, I believe that election campaigns in New South Wales ought to be publicly funded in order to remove donations of any type. In saying that, the best expert legal advice—not advice from the Leader of the Opposition—the advice from the constitutional lawyers, is that that is constitutionally difficult to frame. We are supportive of the Federal Government's reform in this area, and we will continue to work with it. My public position on this matter has not changed.

JAMES HARDIE AND ASBESTOS-RELATED DISEASES LIABILITY

Mr BARRY COLLIER: My question is addressed to the Premier. What is the Government doing to ensure that sufferers of asbestos-related diseases continue to receive compensation?

Mr NATHAN REES: I thank the member for Miranda for his question and his continuing interest in this very important matter. When James Hardie left its asbestos liabilities in an underfunded vehicle and moved offshore, it looked like the victims had been robbed of justice forever. But that was to reckon without the power and persistence of the New South Wales Labor Government, in alliance with the union movement and asbestos victims. It was a David and Goliath battle unique in Australian corporate history, led by the New South Wales Labor Government, the Australian Council of Trade Unions [ACTU] and Unions New South Wales, in partnership with victims and their advocates, headed by the remarkable Bernie Banton. Together we undertook a three-year struggle to bring this corporate giant to account. When the final deal came, it was a real victory for the true believers—a landmark agreement to pay victims full compensation over 40 years, currently some \$1.78 billion, bringing this saga to an end. Or so we thought.

The intervention of the global economic crisis has brought the future of the asbestos compensation fund into doubt. James Hardie's cash flow has dried up, leaving the fund with only enough money to pay victims for approximately another year, and then, nothing. The thought of letting that happen never crossed our minds on this side of the House. Asbestos victims have been let down once; we were not going to let it happen again. That is why New South Wales took the lead in securing a rescue package, just as we did with the original inquiry and agreement in 2004 and 2006.

The agreement I announced with the Prime Minister last weekend injects a loan of \$320 million into the asbestos compensation fund, \$160 million from New South Wales and \$160 million from the Commonwealth. This will support payments over three years at current claim rates. In time, it is expected that the global economy will recover so that James Hardie can resume its payments to the fund. New South Wales took the lead in putting this rescue package together, just like we did with the original inquiry and agreement, even though it was a national issue affecting Australians in every State and Territory. But unlike 2004, when the Coalition led by John Howard would not lift a finger to help, this time we had a responsive partner in the Rudd Government. And together two Labor governments have delivered certainty and peace of mind for the victims.

New South Wales contribution is generous: some 50 per cent of the funding, even though we have only one-third of the nation's population. We do not apologise for that for a moment because New South Wales has taken the lead on this issue from day one. We, a Labor Government, stood with the victims when James Hardie sailed off into the sunset. A Labor Government, established and funded the commission of inquiry. A Labor Government brokered the framework agreement in 2004, in partnership with victims and the union movement. A Labor Government got the deal over the line in 2006 when it looked like faltering. And it was a Labor

Government that had to drag the Howard Government, kicking and screaming, to agree to cut tax red tape that threatened to strangle the fund. At no point during those years of intense negotiations with James Hardie did the New South Wales Coalition stand up and support the victims of asbestosis. At no point—

Mr Adrian Piccoli: Point of order: Only a desperate Premier would seek to use the victims of asbestos—

The SPEAKER: Order! That is not a point of order. The member for Murrumbidgee will resume his seat.

[Interruption]

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

[Interruption]

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

Mr NATHAN REES: At no point did the Coalition pick up the phone and urge John Howard or Peter Costello to get on board.

The SPEAKER: Order! Members will cease interjecting. I call the member for Epping to order.

Mr NATHAN REES: Had the Coalition been on the Treasury benches, James Hardie's great escape would have succeeded. The Coalition would have just stood by and watched as James Hardie skipped offshore scot-free.

Mr Adrian Piccoli: Point of order: Mr Speaker, if you want to see the standards of this Parliament upheld, the Premier cannot get away with those kinds of lies—

The SPEAKER: Order! I call the member for Murrumbidgee to order for the second time. The member for Murrumbidgee will resume his seat.

[Interruption]

The SPEAKER: Order! If the member for Murrumbidgee wishes to take a point of order, he will do so within the standing orders. The Premier has the call.

Mr NATHAN REES: If the Opposition thought that its record on this was going to be anything other than a millstone around its neck, this is where it gets it back in spades. Thankfully, the victims of James Hardie had a Labor Government—

The SPEAKER: Order! Members on both sides of the House will cease interjecting. I call the Minister for Police to order. I call the member for Murrumbidgee to order for the third time. He is on his final warning. The Premier has the call.

Mr NATHAN REES: Thankfully, the victims of James Hardie had a Labor Government on duty in New South Wales—a Government that never ceased to believe that James Hardie had a legal and a moral duty to stand by its victims—

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

Mr NATHAN REES: —a Government that never ceased to insist that great corporations also have great responsibilities. In a fortnight's time it will be two years since the passing of Bernie Banton.

The SPEAKER: Order! I call the member for Coffs Harbour to order. I call the Leader of The Nationals to order. I call the member for Epping to order for the second time.

Mr NATHAN REES: There is no better way to honour the passing of Bernie Banton than by securing this rescue deal, so that the agreement he worked so hard to achieve does not collapse into bankruptcy.

However, the anniversary of Bernie's death is also a reminder that the Hardie compensation deal is a dark victory because virtually every beneficiary has been earmarked for an early death. That is the sad reality of asbestos. These sinister fibres lodge in people's lungs and stay dormant for years—in some cases, decades. When they do spark an illness there is no cure and few effective treatments, only the prospect of a long and painful passing. That is the reality and money cannot change it. Money can bring some peace of mind for the victims and their families. It can help them to enjoy what time they have left. It can restore a sense of financial security but it cannot stop the advance of these deadly diseases—diseases implanted years and decades ago.

That is why James Hardie has not tried to back out of the deal. It simply does not have the cash flow to fund its obligations at present. The important point to note is that James Hardie remains on the hook. This \$320 million is a reprieve; it is not a gift. James Hardie will repay every cent to the taxpayer and make good the entire compensation deal, as agreed three years ago. There will be relief and peace of mind for asbestos victims that their entitlements will continue to be paid but an enduring sadness that so many of our fellow Australians have been condemned to sickness and death.

I repeat what the Prime Minister and I said last Saturday to each of the victims: We will continue to stand by you. I also take this opportunity to thank Karen Banton; Paul Bastian of the Australian Manufacturing Workers' Union; Barry Robson, President of the Asbestos Diseases Foundation of Australia; Mark Lennon of Unions New South Wales; Greg Combet, and Jeff Lawrence of the Australian Council of Trade Unions; and others who have waged a tireless campaign for an extended period. Their dedication is an inspiration to all Australians.

BLUELINK AND JOBS CREATION

Mr ANDREW STONER: I direct my question to the Premier. Given that the Government's taxpayer-funded assistance package for French-owned company BlueLink to set up a new customer contact centre did not create any new jobs in New South Wales because it came at the expense of a Sydney company that had had the contract for three years, will the Premier admit that he has once again been caught misleading the public about creating jobs?

Mr NATHAN REES: I refer members opposite to advertisements appearing in the *Sydney Morning Herald* on 9 November and on www.tenders.nsw.gov.au on 7 November. Those projects advertised in the *Sydney Morning Herald* and on the tenders website will support around 460 jobs—and that is only in the last week. I refer to construction of the commuter car park at Macarthur, 39 jobs; Sydney Metro contract delivery partner, 35 jobs; construction of a new facility for child study and a childcare centre at TAFE Illawarra, Shellharbour campus, 55 jobs; and construction of the engineering electro-technology building at Wagga Wagga TAFE, 54 jobs.

Funding of \$62.9 billion for the next four years in infrastructure projects right across New South Wales will deliver the equivalent of 160,000 jobs each year for the next four years. Twelve months ago New South Wales had the highest unemployment rate in Australia, but today we have the lowest rate on the mainland—and we are lower than the national average.

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

Mr NATHAN REES: The Government stands vindicated in its response to the global recession with the largest infrastructure program in the history of New South Wales, supporting 160,000 jobs each year for the next four years, and complemented by a substantial expansion of training packages, 4,000 new apprenticeships, 2,000 cadetships and 175,000 training places in our TAFEs. Our approach to the global recession has been utterly vindicated. The State's triple-A credit rating has not only been reaffirmed but also has been taken from a negative outlook to a stable outlook. Our unemployment rate is the lowest on the mainland. The Government stands by its record—

Mr Andrew Stoner: Point of order: I refer to Standing Order 129, relevance. The Premier has been spinning for several minutes now—

The SPEAKER: Order! The Leader of the Nationals will state his point of order.

Mr Andrew Stoner: The question was specifically about the French-owned company BlueLink.

The SPEAKER: Order! The Premier has the call.

Mr NATHAN REES: Reforms to the planning process have delivered some 60,000 jobs and \$19 billion in investment in New South Wales. The Opposition opposed all of these measures that were created, prosecuted and delivered by the New South Wales Labor Government. The Opposition is a recipe for economic quicksand.

The SPEAKER: Order! The Leader of The Nationals will cease interjecting.

Mr NATHAN REES: The Opposition would plunge this State into dust and darkness in a heartbeat. The Government has returned the New South Wales economy to the pre-eminence it deserves.

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

Mr NATHAN REES: The New South Wales economy is fundamentally one of the strongest in Australia—and Australia is one of the best performing countries in the world. Contrary to the assertions of the Opposition, this is based on independent analysis by the Australian Bureau of Statistics and other respected organisations. I suggest that Opposition members read those reports.

HEALTH SYSTEM PERFORMANCE

Dr ANDREW McDONALD: I address my question to the Minister for Health. Will the Minister update the House on the feedback that patients are providing regarding the New South Wales health system?

Ms CARMEL TEBBUTT: If the Government is to continue to deliver a high-quality public health care system in New South Wales, patients' feedback is critical. Feedback is critical to understanding what we are doing well and also to understanding where we can improve and change practices. The New South Wales health patient survey is a valuable tool for collecting this type of information. The survey helps the Department of Health identify the most important areas for improvement.

The survey results are used to improve healthcare services to the people of New South Wales. The survey seeks feedback from patients and carers about their experiences from a range of public health services across the State including emergency care, outpatient services, community health services and paediatric services. The survey questionnaire is based on an internationally respected Picker Institute's research into patient-centred care. It is pleasing to report that the vast majority of our patients said their experience of the public health system was very positive. Nearly a quarter of a million people who used the State public health system in February this year were asked to tell about their experience—

The SPEAKER: Order! There is too much audible conversation in the Chamber. The Deputy Premier has the call.

Ms CARMEL TEBBUTT: Opposition members do not like good news about the health system. Nearly 80,000 people replied to the survey—a return rate of 38 per cent, which is quite a high return rate for a survey of this magnitude. New South Wales was the first State in Australia to use a comprehensive statewide survey of patients to gauge their likes and dislikes. This is the third year in which it has been done. The survey allows the Government to provide feedback to hard-working clinical staff so that the health system can focus on issues in a way that fits in with patient requirements and puts patients at the centre of everything that is done. Many patients have expressed appreciation for the opportunity to express their views, observations and concerns. It was pleasing to see that 91 per cent of patients rated their care as good, very good or excellent, compared with 88 per cent in 2007.

It is interesting to note that the figure is even higher for patients aged 60 and over. That figure is 94 per cent. Some of the other highlights of the New South Wales Health 2009 patient survey are: 95 per cent of day-only inpatients said that their doctors and nurses worked well together; 95 per cent of community health clients said they were provided with complete care for their problems; 95 per cent of overnight patients described the nursing staff as courteous; and 90 per cent of patients were happy with the cleanliness of the room. As it is a comprehensive survey, I encourage members to look at the detail of the survey on the website. I believe it speaks volumes about the hard work and dedication of our health professionals that we have received such positive feedback from patients about the health system.

The survey results also helped us identify areas where patients consider improvements are needed. For example, one area that patients identified in need of improvement was providing them and their families with more emotional support, as well as better information and education. In particular, patients told us that we could do more to alleviate their fear and anxiety during care and help them to better manage their pain. They also would like doctors and nurses to provide more information on the care and treatment they receive and to answer questions in a way that they and their families can understand. The survey also identified that waiting times in emergency departments remain an issue for patients. The Government and the New South Wales health system are focused on improving waiting times in emergency departments through a range of strategies.

The SPEAKER: Order! Members will cease interjecting, including the member for North Shore.

Ms CARMEL TEBBUTT: Only the member for North Shore could turn a patient survey that records 91 per cent of patients as saying that their care is good, very good or excellent into a bad news story. The types of strategies we are implementing to improve waiting times in our emergency departments include additional extended care paramedics, expanding medical assessment units, funding more community acute and post-acute services, and expanding the number of beds. Since 2005 the Government has invested in excess of 2,000 new permanent beds and bed equivalents in the public hospital system to alleviate pressure on our emergency departments. I thank all the patients who took the time and effort to provide us feedback on the health system. I can assure them that their feedback will make a difference and we will continue to drive improvements. I also thank the hardworking doctors, nurses, allied health staff and community health workers for the work they do every day in New South Wales caring for patients.

TRANSPORT POLICY

Mr MICHAEL RICHARDSON: My question is directed to the Premier. Given that Bob Carr has said about Sydney's transport policy:

When I left politics in 2005 the North West Rail Link remained New South Wales Government policy. The current Government needs to answer questions about why it elected not to pursue that policy in favour of other transport options.

Will the Premier listen to his concerns or was yesterday's meeting about photo opportunities, not policy?

Mr NATHAN REES: The short answer to the question is it is because of the global recession.

The SPEAKER: Order! Members will come to order. I call the member for Willoughby to order.

Mr NATHAN REES: It is a far more responsible approach for the State's finances than the "how long is a piece of string" policy from the Leader of the Opposition. For the benefit of the member for Castle Hill, in the past 12 months the Government has introduced a range of measures. For example, children under 16 years travel free on CountryLink and booking fees for pensioners travelling on CountryLink have been scrapped. Over the past two years 385 new bus services have been introduced and 626 new train carriages are under construction. The on-time running for our trains is 95.4 per cent, the highest it has been for a decade. We have opened the Epping to Chatswood line, which, I am advised, about 8,000 commuters use every day. Currently underway is a transport blueprint—a comprehensive plan for the short-term, medium-term and long-term transport requirements of greater metropolitan Sydney. We will not rush work on that plan. In contrast, the Opposition has not promised a single new bus or train carriage.

Mr Brad Hazzard: Two train lines.

Mr NATHAN REES: The Opposition has promised two train lines, which a back-of-an-envelope funding assessment shows it cannot fund.

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

Mr NATHAN REES: The Opposition has made in excess of \$10 billion worth of commitments out of a \$5 billion project for the north-west and south-west, and most recently in Coffs Harbour it stated that it would fund upgrades to the Pacific Highway. It simply does not add up. The magic pudding approach to financing public infrastructure will not work and the Leader of the Opposition ought to wake up. The Government's comprehensive plan is currently under construction and will be released in coming weeks. It is the most comprehensive and important document for the transport needs of greater metropolitan Sydney not just for now but for the next 5, 10, 25 years and beyond.

SUPPORT FOR VICTIMS OF CRIME

Ms ANGELA D'AMORE: My question is addressed to the Minister for Police. Will the Minister update the House on the support provided to victims of crime by the New South Wales Police Force and the Government?

Mr MICHAEL DALEY: Today I was honoured to launch the New South Wales Police Force new victims support policy and procedures, which has been updated to better help our officers deal with victims of crime. This new policy, which forms part of the current review of the Charter of Victims Rights, has been updated to make sure that victims get the services they need in the wake of the unfortunate crime they are confronted with. Since the New South Wales Government introduced the Victims Charter of Rights in 1996, an increased focus has been placed on making sure that victims are treated with the courtesy and respect they deserve. Today's new policy is in keeping with the Police Force's increasing focus on customer service. Victims of crime often are affected by dangerous or violent acts that can have a lasting effect on them, their families and in some cases large sections of the community.

The SPEAKER: Order! There is too much audible conversation in the Chamber. Members who wish to conduct private conversations will do so outside the Chamber.

Mr MICHAEL DALEY: They can be young children exposed to sexual abuse, families subject to domestic violence, professionals who fall prey to fraud, or the elderly who are taken advantage of in the security of their own home by some coward. These victims need our compassion and support. Often, through no fault of their own, they are forced to navigate the criminal justice system, which may be completely foreign to them. It is an exercise they find exhausting and confronting and one they have very few resources to deal with. Police officers are often the first to arrive on the scene of a crime. They can and do provide valuable assistance to victims at a crucial time.

While there is widespread community appreciation of the expert and courageous job our officers do to prevent and investigate crime and to apprehend criminals, a significant amount of their time and expertise is dedicated to helping victims, and rightly so. In relation to the prevention and detection of crime, traditional law enforcement activities, the Government is focused on making sure that New South Wales police officers are equipped with the tools, resources and power they need to protect our community. To carry out their work the Government is delivering police in record numbers, equipping them with devices such as tasers to help defuse hostile situations, and providing them with the powers they need to combat the growing sophistication of criminals.

In relation to the support of victims, the Government is equipping them with regular training and providing them with assistance, such as the new victim support policy, to ensure they can provide the community with the reassurance and support needed. The new victims support policy provides our officers with a clear statement of their responsibilities to all New South Wales residents. It provides police with a better direction on how to deal with victims at the scene of a crime and it gives valuable advice on what information officers can provide to victims without jeopardising an investigation. This includes providing victims with on-site support, access to ongoing counselling, information on criminal and legal process, and ongoing dialogue with investigating officers, some of which they never had before.

New South Wales police officers also provide victims of crime with a victim's card, which has contact details for the officer and for the Victim Support Line, as well as information about their rights as a victim. It is a small gesture but it got great support from the people who were at the launch this morning. The policy directs victims to contact Victims' Services where further information about support services and assistance is available. The Customer Service Charter is one of the cornerstones of the Police Force, so it will come as no surprise that this new policy is closely linked with the customer service concepts.

The rights of victims have long been recognised by this Government, which is why we have taken the time to consult with victims support groups in the development of this new policy. Most importantly, however, the policy reflects the hard work of the many victims support groups who have worked tirelessly, and by and large voluntarily, to promote victims rights. Victims advocates such as Howard Brown from VOCAL, Hetty Johnston from Bravehearts and Ken Marslew from Enough is Enough should all be recognised for helping put the rights and needs of victims on the agenda. I made it very clear to them this morning that we are listening. Their input into the new policy is evidence of that.

But the work does not stop here. Together with the New South Wales police commissioner and officers such as Detective Superintendent Geoff Beresford—who, as commander of the Homicide Squad, also hosts the Homicide Victims Advisory Council—we will continue to assist victims of crime. The policy remains strongly influenced by the Charter for Victims Rights, but now better reflects current legislation and policing practices. The policy recognises the key role police have in relation to victims: the apprehension and prosecution of the very criminals who have offended against them and it ensures that at the same time as achieving this mutually desirable goal victims are treated with the empathy, professionalism and reassurance that they should be.

TWEED CRIME

Mr GEOFF PROVEST: My question is directed to the Premier. Will the Premier admit that his Government's failure to support the Coalition's efforts to strengthen the Young Offenders Act has left people in the Tweed vulnerable and scared, with one resident saying today they are fearful for their lives due to an explosion in Tweed crime?

Mr NATHAN REES: It is always good to get a question in before the end of the year—it is good to hear from the member for Tweed.

Mr Brad Hazzard: It is good to get an answer too.

Mr NATHAN REES: The answer is something like spy versus spy when on the one hand the member for Epping says that we should have a zero tolerance approach to crime and up the other end of the bench—the warm and cuddly end—the Leader of the Opposition says there is going to be an end to the law and order auction. New South Wales has the fourth biggest police force of anywhere in the world, with an authorised strength of 15,306 officers and another 600 on the way before December 2011. Police has a record budget of \$2.6 billion this year. We are on track to meet our commitments for new police stations at Lismore—

Mr Thomas George: That was over 12 months ago.

Mr NATHAN REES: Give it back if you don't want it—Fairfield, Dubbo, Orange and Wagga Wagga. Construction started at Windsor and we are on track for eight more new stations in the next two years. We have committed \$160 million to improving police stations this year and we are providing our police with tasers, which was groundbreaking legislation introduced by this Government.

Mr Geoff Provest: Point of order: I refer to Standing Order 129, relevance. The question was specifically about the Tweed and the elderly people in the Tweed who are too scared to go out.

The SPEAKER: Order! I will hear further from the Premier.

Mr NATHAN REES: At the weekend the Leader of the Opposition was all over the airwaves saying that we were too tough on graffiti.

Mr Chris Hartcher: This is all spin.

Mr NATHAN REES: Do you want me to start on you after your comments at the Local Government and Shires Association? That was all class. Sixteen out of 17 key crime categories in New South Wales are stable or falling, and that is according to the independent umpire. New South Wales has 15,306 police officers—a record strength and a record budget. Our anti-glassing legislation, introduced at the end of last year—opposed by the Coalition—has seen a reduction in the number of glassings in licensed premises of around 70 compared with a similar recording period last year. These are practical measures delivering real results on the ground to keep our communities safer. I am happy to provide the member for Tweed with a breakdown of the figures for his neck of the woods.

MID NORTH COAST FLOODS

Mr FRANK TERENCE: My question is directed to the Minister for Emergency Services. Will the Minister update the House on the work of New South Wales emergency services in assisting flood-affected communities on the mid North Coast?

Mr STEVE WHAN: I thank the member for Maitland for his question and for his constant support for the local emergency services in his area. It may seem like a bit of déjà vu for the House to hear me talk about

mid North Coast floods. It is a more unfortunate sense of déjà vu for the residents of the mid North Coast who this weekend endured the fifth flood since February and the second in a fortnight for the Bellingen and Nambucca districts. Over the weekend more than 4,000 residents were isolated after more than 530 millimetres of rain fell in some areas, resulting in minor to moderate main river flooding and localised flash flooding, particularly in Coffs Harbour.

About 90 people, including residents and stranded travellers, sheltered in an evacuation centre set up at Coffs Harbour Services Club on Friday night. I understand about 100 people on rural properties remain isolated, with the State Emergency Service continuing to monitor their condition. The peak on the Orara River was expected at Coutts Crossing around noon today, so those people have suffered for a number of days. I acknowledge the assistance of CountryLink rail services, which helped residents stranded by road closures. CountryLink has run three daily services between Kungala siding and Grafton to enable people to travel into town for essential supplies. To ensure affected residents, business owners and, particularly, local councils receive the necessary assistance to recover from this latest event, on Saturday the Government declared a natural disaster covering the Coffs Harbour, Nambucca, Bellingen and Kempsey local government areas.

Mr Barry O'Farrell: Point of order: I am loath to take this point of order, but it relates to ministerial statements. I refer to previous rulings from the Chair stating that issues such as this that affect the electorates of members on this side of the House should be dealt with by way of ministerial statement. Such issues are above politics and members whose constituents are affected should be able to have a say.

The SPEAKER: Order! That is not a point of order. Any member is entitled to ask the Minister for Emergency Services a question about an emergency. However, I note the point made by the Leader of the Opposition.

Mr STEVE WHAN: It is interesting to note that in the entire time that I have been the Minister for Emergency Services the Opposition has not asked I about that portfolio. I note the very active interest of the member for Coffs Harbour; he has had a number of things to say. What a pity his leadership team has not given him a single question to ask since he was put onto the backbench in this place. I acknowledge that the member for Coffs Harbour is a very active local member; he speaks to me regularly when his electorate has problems, unlike the Leader of the Opposition and the Leader of The Nationals who do not speak to me about problems with natural disasters. I have taken on board comments by the member for Coffs Harbour about natural disaster relief, and indeed that was reflected in Ken Moroney's report recently. What a shame that such an active local member does not get backing from his leader.

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

Mr Andrew Stoner: Point of order: I refer to Standing Order 129. The question was about a natural disaster that has affected countless families on the mid North Coast. They would be aghast to hear the Minister playing politics over such a serious issue. Mr Speaker, I ask you to bring the Minister back to the question.

The SPEAKER: Order! Members will state their point of order, not debate the point. I remind the Minister of the question before the House.

Mr STEVE WHAN: The member for Coffs Harbour has made representations about natural disasters on the mid North Coast on behalf of the constituents of the Leader of The Nationals. That is an indication of the activity—

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

Mr STEVE WHAN: It is a shame that the Leader of The Nationals is manoeuvring to replace the member for Coffs Harbour with the shadow Minister for Emergency Services. He does not have the strength to support a member who has been standing up for his constituents. This is a sensitive issue. The Leader of The Nationals is under threat from "Hollywood", who is trying to establish his credentials.

Mr Andrew Stoner: Point of order: I tell you what, I am standing up for the families—

The SPEAKER: Order! The Leader of The Nationals will resume his seat. I call the Leader of The Nationals to order for the third time. If he wants to take a point of order he will do so in accordance with the standing orders. He is on his final warning.

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

Mr Andrew Fraser: Point of order: I refer to Standing Order 129. The Minister is speaking about people giving support. When I rang his office yesterday—

The SPEAKER: Order! The member for Coffs Harbour is debating the issue. I have just ruled that members will take a point of order, not debate the point. I call the member to order for the second time.

Mr STEVE WHAN: It is a very serious issue. It is a shame that I am being subjected to interjections and points of order from members opposite when I am trying to pay tribute to the great work of the State Emergency Service. It is true that many members on the North Coast have made representations, but I know whom I talk to regularly about Coffs Harbour—the local member and the mayor. Unfortunately we are witnessing The Nationals' incredible sensitivities about their internal machinations. The Nationals' disunity is outstanding. Why does not the Leader of The Nationals back his local member?

Before the Leader of the Nationals interrupted me with a point of order I was talking about the disaster declaration covering Coffs Harbour, Nambucca, Bellingen and Kempsey. Nambucca and Bellingen were also the subject of a declaration on 28 October. Damage has been done to homes, shops and other businesses, and the most recent floods have compounded the damage to roads, bridges, culverts and bores in the region. The declaration of a natural disaster will assist councils with the cost of repairing this vital infrastructure. As part of the Government's response, the Department of Environment, Climate Change and Water is also waiving waste and environmental levies to help those residents and businesses affected by recent storms and floods.

It is ironic that this latest flood occurred at the beginning of National SES Week. It is therefore even more fitting that I again acknowledge the efforts and commitment of our hardworking State Emergency Service volunteers. I urge all members to wear something orange on Friday to demonstrate their support for the State Emergency Service. I note that the member for Lismore has jumped the gun—unless I am colour blind. Friday is the designated day for raising awareness of the State Emergency Service.

As always, the volunteers on the mid North Coast turned out this week to provide swift, professional and good-spirited assistance to communities in need. More than 100 volunteers have taken part in this operation, responding to more than 450 calls for assistance. They also performed more than 40 flood rescues. In total, the State Emergency Service has performed more than 280 rescues in the Coffs Harbour area alone during this year's floods. It is not hard to understand the volunteers' frustration that, despite their repeated pleas to people not to drive vehicles into floodwaters, motorists continue to do so. I will not make the obvious comment on this occasion. Such behaviour is not only dangerous but it also risks diverting volunteers from other essential tasks to rescue those who find themselves stranded in fast-flowing, swirling floodwaters.

The State Emergency Service was again ably assisted during the flood response by members of our other emergency services, including the New South Wales Fire Brigades and the Rural Fire Service. They did a terrific job, including evacuating an office building in Coffs Harbour because of concerns about vapours from fuel and oil that had leaked from cars in a flooded basement. I applaud the commitment of our volunteers to providing the best possible emergency services to the people of our State. This Government is supporting that effort with record funding of \$59.7 million. We would like to see the Opposition endorse our funding model.

Mr Michael Daley: They need a policy.

Mr STEVE WHAN: It is true that they need a policy first. We all agree that the State Emergency Service volunteers are a force of great good and we are fortunate to have the benefit of their skills, experience and dedication. On behalf of this House, I thank them for their work.

MCGURK MURDER INVESTIGATION

Mr JONATHAN O'DEA: My question is directed to the Premier. Why has it taken him two months to ensure that the Independent Commission Against Corruption is able to listen to the tape at the centre of the McGurk murder investigation?

Mr NATHAN REES: That matter has been well canvassed in the media and the Government has responded in an appropriate timeframe. I say again: If members of the Opposition or anyone else have any information relating to those media reports they should give it to the appropriate authorities.

DOMESTIC SQUALOR

Ms MARIE ANDREWS: My question is addressed to the Minister for Ageing and Disability Services. Will the Minister advise the House of strategies designed to deal with squalor in New South Wales?

Mr PAUL LYNCH: Domestic squalor is a condition of extreme uncleanness that has come about because of neglect. Domestic squalor manifests when a resident fails to remove household waste and other rubbish. Typically there can be piles of old newspapers, food products, cooking waste or abandoned containers and other broken and discarded household items. A recent study showed 11 per cent of those living in squalor in New South Wales did not have functioning running water, 16 per cent did not have functioning lighting, and 23 per cent did not have working facilities for preparing food. In some extreme cases there can be tonnes of detritus.

Domestic squalor can often offend our sensibilities. Neighbours become exasperated and council officers can become frustrated. All the while the person at the centre of the squalor becomes the butt of ridicule and derision, or even the subject of a tabloid media presentation, which in turn exacerbates their fear and the isolation. In many cases it becomes a downward spiral with no end in sight. It is far too easy to forget that these men and women have the same rights and entitlements as everyone else. The measure of our civilisation is not what we do for our best and brightest, but how we strive to help the most vulnerable among us—our friends and neighbours with dementia, or those with alcohol-related brain damage or schizophrenia and depression. It is often people with illness and disabilities who find themselves in the midst of severe domestic squalor.

Professor John Snowdon, a psycho-geriatrician at the University of Sydney, reports that at least one in 1,000 elderly people in New South Wales lives in severe domestic squalor. That is twice as many people as previously estimated. In December 2007 the New South Wales Government responded to Professor Snowdon's research by issuing a set of guidelines for field staff to assist people living in severe domestic squalor. These guidelines are a blueprint to help ramp up the efficiency and coordination of the agencies that deal with the most complex cases. While problems relating to squalor require a response from more than one agency, the Department of Ageing, Disability and Home Care is looking at ways to tackle these issues through a number of funded projects.

Late last year I launched a severe domestic squalor 12-month pilot project aimed at helping people living in severe domestic squalor. The New South Wales Government provided \$375,000 in non-recurrent funding for this pilot to Catholic Health Care Services. The three primary objectives of the pilot program were: to facilitate the assessment and support for people living in squalor; to push ahead with the guidelines for field staff; and to educate community members and gatekeepers, such as postal workers and meals on wheels volunteers, on how to respond if and when they come across situations of squalor. The project now operates an advisory service in the form of a squalor hotline, which acts as a single point of access to staff and the public at large. The pilot project chalked up early success, with a number of agencies referring more than 200 people to specialist services. New data shows that squalor is not limited to older people, despite common preconceptions about that. Referrals have been made for people as young as 28.

We recently funded the severe domestic squalor project for a further 18 months at a total cost of \$700,000. This will allow Catholic health care community services to continue the project. It will continue to focus not just on clearing up domestic squalor but, most importantly, on providing the range of services that are so centrally important to providing longer-term solutions. Additionally, an open tender has been advertised under the Home and Community Care Program for a fixed-term two-year funding allocation of \$100,000 per annum. Of course, there are different varieties of squalor. There is, for example, the extraordinary political squalor that is Alex Hawke and David Clarke and their associated legions. It is an extraordinarily squalid mess. It highlights comprehensively the Balkanisation of the Liberal Party—

Mr Andrew Constance: Point of order: My point of order relates to Standing Order 129. Domestic squalor is an extremely serious issue that members on this side of the House listened to quite attentively. I ask you to direct the Minister back to the intent of the question, given the serious issues he is discussing, and for him not to seek to politicise the elderly of the State.

The SPEAKER: Order! I will hear further from the Minister.

Mr PAUL LYNCH: As I say, it is an extraordinarily squalid mess. It highlights comprehensively the Balkanisation of the Liberal Party and the failure of the Leader of the Opposition to provide any semblance of control over the warring factional armies. The factional fractures also reveal no contest of ideas on the philosophical disputes, it is all about—

Mr Andrew Constance: Point of order: Again my point of order relates to Standing Order 129. The question was very clear, in relation to the domestic squalor facing people with disabilities and elderly people in the State who do not have support. I ask you to direct the Minister to either conclude his answer or refer him back to the question.

Mr Alan Ashton: To the point of order: Under privilege in the standing orders, should not the member take the point of order himself, or should he do it when the Leader of the Opposition gives him the nod?

The SPEAKER: Order! The member for East Hills will resume his seat. All members are entitled to take a point of order. I remind the Minister of the question before the House.

Mr PAUL LYNCH: I note that a member of the Left of the Liberal Party is trying to defend the Right in this instance. I also note the point that before I started making these comments no-one on that side, including the member for Bega, was paying any attention at all. The issue was a grubby grab for seats—Tudehope or Merton in Baulkham Hills; Perrottet or Richardson in Castle Hill; will Ray Williams pay enough membership fees to hang on in Hawkesbury?

Mr Andrew Constance: Point of order: You just made a clear ruling to the Minister and I ask that you bring the Minister back to the question or direct him to finish his answer and resume his seat. This is a serious issue, he is ignoring it, and he does not need to trivialise it as he is doing.

The SPEAKER: Order! Again I remind the Minister of the question before the House.

Mr PAUL LYNCH: I continue to notice the irony of someone from the Left trying to defend the Right. The Right was not prepared to take the point, so it let the Left take it. Severe domestic squalor is a serious problem confronting individuals and communities. We are addressing this issue by new funding initiatives and strategies. We have made significant gains and improvements. The political squalor of members opposite is in a different category. It is yet to be cleared up by the Leader of the Opposition. So far, he has made no significant investment in that cause.

Mr Andrew Constance: Point of order—

Mr Alan Ashton: It is the same point of order.

The SPEAKER: Order! The member for Bega may be taking the same point of order but I will listen to the member.

Mr Andrew Constance: My concern is that the Labor Party is now ignoring your authority in this House. You have asked the Minister to come back to the question on three occasions. I again ask you to do so or ask the Minister to sit down.

The SPEAKER: Order! I uphold that point of order. I direct the Minister to respond to the question asked.

Mr PAUL LYNCH: I note that the member for Bega has never asked a question on this topic in the House. He has displayed utter disinterest in this topic and in the early part of my answer he comprehensively ignored what I was saying. We look forward to the continuation of the squalor on YouTube.

BLUELINK AND JOBS CREATION

Mr NATHAN REES: Earlier in question time I was asked a question about BlueLink. I am advised that the Government provided an assistance package to BlueLink to support the expansion of its workforce from 37 currently to 122 over a five-year period, a net gain of 85 jobs. I am further advised that BlueLink was considering relocating all of its Australian operations and associated employment perhaps even to Singapore, and government assistance helped to secure these jobs in Sydney. The government assistance package was in the form of payroll tax rebates against employment milestones. That means that payroll tax rebates can only be claimed by BlueLink in the future if it creates the jobs as promised—no jobs, no payment and no funding up front.

MCGURK MURDER INVESTIGATION

Mr NATHAN REES: I am further advised in relation to the question about the Independent Commission Against Corruption that I fielded towards the end of question time—similar to the member's

erroneous suggestion some time ago that I breached section 70 of the Independent Commission Against Corruption Act in making a referral of the recommendation for the new commissioner to the committee—he was wrong then and he is wrong again today. Advice to me is that the letter from the ICAC commissioner came to the Government and was dated 12 October. The commissioner has requested that that letter be kept confidential. Unlike the member's assertion—I think the phrase he used was sitting on your hands—this has been considered by Cabinet, and approved, and a bill will be in the House shortly.

Question time concluded at 3.16 p.m.

INDEPENDENT COMMISSION AGAINST CORRUPTION

Report

The Speaker announced the receipt, pursuant to section 78 of the Independent Commission Against Corruption Act 1988, of the report entitled "Investigation into the Misuse of Sydney Ferries Corporate Credit Cards", dated November 2009.

Ordered to be printed.

AUDITOR-GENERAL'S REPORT

The Clerk announced the receipt, pursuant to section 63C of the Public Finance and Audit Act 1983, of the Auditor General's Report 2009, Volume Five.

WATERFALL ACCIDENT

The Clerk announced the receipt, pursuant to section 74 of the Rail Safety Act 2008, of the report of the Independent Transport Safety and Reliability Regulator entitled "Implementation of the New South Wales Government's Response to the Final Report of the Special Commission of Inquiry into the Waterfall Accident for the period July-September 2009".

LEGISLATION REVIEW COMMITTEE

The Clerk announced the receipt, pursuant to section 10 of the Legislation Review Act 1987, of the report of the Legislation Review Committee entitled "Legislation Review Digest No. 15 of 2009", dated 9 November 2009.

PETITIONS

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

Hunter Region Aged Care Facilities

Petition requesting that certain aged care facilities in the Hunter region remain the responsibility of the New South Wales Government, received from **Ms Sonia Hornery**.

Bus Service 311

Petition requesting improved services on bus route 311, received from **Ms Clover Moore**.

Bus Service 389

Petition requesting improved services on bus route 389, received from **Ms Clover Moore**.

Pymont Metro Station

Petition opposing the Metro proposal for a Pymont station at Union Square and requesting community consultation for a suitable site, received from **Ms Clover Moore**.

Lower Hunter Region Transport Services

Petition opposing any closure of the rail line and services west of the Newcastle station and requesting an integrated study and plan for rail, bus, ferry, taxi and community transport services for the Lower Hunter region, received from **Mr George Souris**.

Pet Shops

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

Game and Feral Animal Control Amendment Bill 2009

Petitions opposing the Game and Feral Animal Control Amendment Bill 2009 in its entirety, received from **Ms Clover Moore**, **Mr Greg Piper** and **Mr Richard Torbay**.

National Parks Tourism Developments

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

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

Teralba Public Housing Developments

Petition opposing the proposed Housing NSW developments at Railway Street and York Street in Teralba, and requesting community consultation on the project, received from **Mr Greg Piper**.

BUSINESS OF THE HOUSE

Business Lapsed

General Business Order of the Day (General Order) No. 502 and General Business Notices of Motions (General Notices) Nos 503 to 511 lapsed pursuant to Standing Order 105 (3).

BUSINESS OF THE HOUSE

Suspension of Standing Orders: Bills

Mr JOHN AQUILINA (Riverstone—Parliamentary Secretary) [3.20 p.m.]: I move:

That standing orders be suspended to permit:

- (1) the introduction and passage through all remaining stages at this or any subsequent sitting of the following bills, notice of which was given this day for tomorrow:

Constitution Amendment (Lieutenant-Governor) Bill 2009, and
Emergency Services Legislation Amendment (Finance) Bill 2009

- (2) the following time limits to apply in respect of the bills:

Mover	unlimited
Member next speaking	unlimited
2 members	15 minutes
Mover in reply	unlimited

This is a somewhat extraordinary step, but the reason for it is beyond the control of the Government. In relation to the Constitution Amendment (Lieutenant-Governor) Bill 2009 the Government seeks to suspend the standing orders to enable its urgent passage. The bill will ensure, with the absolute avoidance of doubt, the validity of Acts passed by current and former Lieutenant-Governors. The bill is urgent because other States are introducing similar legislation in their parliaments. We in New South Wales do not feel that we have a problem with the Acts that have been passed under the hand of the Lieutenant-Governor. However, because other States are taking urgent action, we want to put any concern beyond doubt. New South Wales needs to do likewise and take urgent action, to fall into step with the other States.

In relation to the second bill, the Emergency Services Legislation Amendment (Finance) Bill 2009, members may recall that last year the Government moved amendments to various Acts of Parliament to standardise the provisions of three Acts to allow for contributions to be made centrally by one agency in relation to emergency services. That decision was made so that the billing and collection of funds from insurance companies and local councils would be undertaken centrally by Emergency Management New South Wales. The first two quarterly payments have been processed, but a number of anomalies have been revealed which could confuse the process. Also, several provisions that are no longer relevant have been identified. As a money bill, this bill originates in this Chamber. We are aware that in the upper House there is a cut-off date, 12 November 2009, for the introduction of bills. Consequently, it is important that this bill is passed through all stages in this Chamber and reaches the other place before that date.

Mr ADRIAN PICCOLI (Murrumbidgee—Deputy Leader of The Nationals) [3.22 p.m.]: Whilst the Opposition welcomes the introduction of the first-mentioned bill, the Constitution Amendment (Lieutenant-Governor) Bill 2009, and understands its urgency, we are not so sure about the second bill, the Emergency Services Legislation Amendment (Finance) Bill 2009. The fact that it has to be brought in under a suspension of standing orders is indicative of this hopeless Government. The introduction of the Emergency Services Legislation Amendment (Finance) Bill 2009 follows on from a commitment made in the mini-budget last year, but more than a year later we have finally seen it. What has the Government been doing for the past 12 months?

The Minister for Emergency Services just said he has never been asked a question. What has he been doing? He does not need to be asked a question. The question that needs to be asked is: What has he been doing since he has been the Minister for Emergency Services? I know the answer to that question, because someone was photocopying some documents on level 8 and left a piece of paper in the photocopier. It is a Telstra bill relating to Governor Macquarie Tower. We all know that members have been watching each other's phone calls; we know about the spying and the espionage that has distracted them from the work of government instead of getting on with the job.

Mr John Aquilina: Point of order: I have always allowed the member for Murrumbidgee a lot of latitude, despite his never allowing me any in relation to these matters. Clearly, his comments have nothing to do with the suspension of standing orders.

The SPEAKER: Order! I will hear further from the member for Murrumbidgee.

Mr ADRIAN PICCOLI: My comments are directed to why the Government wants to ram legislation through Parliament. One day during the last parliamentary sitting week I was having a lovely hot chocolate in Café Quorum. Next to me was a group of Labor members having their coffees, including John Della Bosca, the member for Drummoyne, the member for Bathurst, not to mention a few others.

Mr John Aquilina: Not me.

Mr ADRIAN PICCOLI: No, John, you were not there.

The SPEAKER: Order! The member for Murrumbidgee will confine his remarks to the motion before the House.

Mr John Aquilina: Point of order: The suspension of standing orders is required to obtain the indulgence of the House in getting those bills through this Chamber. The fact that John Della Bosca was having coffee with someone is totally irrelevant, because he is not a member of this Chamber. I am sure that he will have the opportunity to debate this bill at a later stage when it does reach the upper House, after it passes through this Chamber.

Mr ADRIAN PICCOLI: The most effective hazard reduction ever in New South Wales was what happened to John Della Bosca a few weeks ago. Getting him off the frontbench was the biggest bit of hazard reduction that this Government has ever done for itself as well as for—

The SPEAKER: Order! The member for Murrumbidgee will direct his remarks to the motion before the House.

Mr ADRIAN PICCOLI: My comments are relevant because the standing orders of this Parliament allow members of the Opposition, members of the crossbench—the non-aligned members of Parliament, with

whom you have some sympathies, Mr Speaker—to have an opportunity to read the bill, consider it, consult constituents and consult interest groups. But the Government wants to wash that all away and engage in factional infighting and machinations. I note that the Minister for Police is present in the House. Today he enjoyed raising matters concerning other political parties in this Parliament, but he has a few issues of his own in Maroubra. We know about the Bra Boys. He does not want too much said about that matter.

I return to the Telstra phone bill involving Governor Macquarie Tower, which is very interesting. During the last sitting week we dealt with the budget-in-reply speeches. What was the Government doing when we were talking about the budget? According to Telstra, John Della Bosca, at 6.35 p.m., made a telephone call to the member for Drummoyne. If Premier Rees accidentally released this document to damage Della Bosca, one could not really blame him. This makes fascinating reading, but I return to the motion.

The standing orders are in place for a reason. The Opposition will not oppose the motion regarding the Constitution Amendment (Lieutenant-Governor) Bill 2009, but whilst the Government is amending the Constitution it might slip in a bit about an early election. I am sure the people in the Speaker's gallery and the public gallery would be pleased to have an early election in New South Wales. If ever an amendment was needed to the Constitution, that would be it. The Opposition will not oppose the motion, because there are some substantial and important amendments to be made. However, the Government needs to get on with the job; it needs to stop being distracted and start running New South Wales properly.

Mr JOHN AQUILINA (Riverstone—Parliamentary Secretary) [3.26 p.m.], in reply: The great bulk of the contribution, if one can call it that, of the member for Murrumbidgee was mostly irrelevant. For the 30 seconds or so that he was speaking to the motion, he was dead wrong. I had earlier enunciated the compelling reasons for the suspension of the standing orders. The quarterly payments have only just been processed, and we have only just become aware of the anomalies. We need to get this funding legislation through and we can do that only by passing the motion.

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

Motion agreed to.

CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY

Remembrance Day

Mr GEOFF CORRIGAN (Camden) [3.27 p.m.]: My motion essentially relates to tomorrow, Remembrance Day. I am sure that every member would agree that it should have absolute priority over everything else, even on a bipartisan basis, and I look forward to bilateral support for my motion. I am old enough to remember when Remembrance Day was called Armistice Day or Poppy Day. When I was at school the teachers had been through the war and they referred to 11 November as Poppy Day. Its name has now been changed to Remembrance Day. My motion should have priority.

Political Donations

Mr BARRY O'FARRELL (Ku-ring-gai—Leader of the Opposition) [3.29 p.m.]: Tomorrow is the day that we commemorate the 60,000 Australians who died during the First World War, and the 156,000 Australians who were wounded or gassed, out of the 400,000 Australians who enlisted and went to that war. Tomorrow is the day on which we commemorate people such as General Sir John Monash, Australia's greatest commander. And we do so because that effort, those deaths, those injuries, were sustained by men and women who were pursuing a higher ideal about freedom, a higher ideal about democracy and a higher ideal about standards in public life. Those people, to a person, believed that their word was their bond. That has always been a characteristic of this country. People in business, on the land, and in other places, pride themselves that their word is as good as a signed contract.

But in this business that is at times questioned. That is why last year in October, when I debated with the Premier in a pub in Rozelle and the issue of campaign finance reform came up, I challenged the Premier to join me, in a bipartisan fashion, to implement the recommendations of the Legislative Council's inquiry into campaign finance reform. The Premier said, "Yes", providing it looked after the minor parties. I reminded the Premier, as you knew, Mr Speaker, that the Legislative Council committee made recommendations that did precisely that. I therefore offered my hand to the Premier, to see whether we could do a handshake deal. The Premier shook my hand. He promised in front of that crowd—inebriated or otherwise—and in front of the television cameras that he would engage in campaign finance reform. Less than four weeks later, the Premier reneged.

That is important, because what we have in this State is a stench of corruption. What we have in this State is increasing community concern about a "decisions for donations" culture that is sapping and eroding public confidence in the way that decisions are made. The people of this State no longer believe that decisions are made on the basis of public interest and merit. They believe that too often decisions are made in the interests of special parties, on the basis of donations that are sucked in by the Labor Party at a rate of knots. Like Anna Bligh, who made a statement and demonstration with regard to her State, we need to do something to restore public confidence in government and public administration in New South Wales.

We need to restore some integrity and honesty to the way in which politics operates in this State. And we need to do something about reducing the enormous sums of money that wash around politics and campaigns across the State whenever there is an election in the offing. That is what Anna Bligh has done today. She has announced not only that will she immediately ban lobbyists' success fees but that if national action does not occur she will put a cap on donation limits that the upper House talked about and that I have been talking about for 2½ years. Not for Anna Bligh some excuse about waiting for national action that may never occur; not for Anna Bligh the excuses offered by the Premier, who says, "I accept that there is a problem", but is not prepared to do anything about it.

This House should today stand up for all that is decent, truthful and honest about politics. This House should today stand up for the higher ideals that those people all those years ago died for during that terrible conflict. This House should today stand up for the upper House inquiry that, as we on this side have been arguing, not just advocated for limits on donations and for restrictions on donations to individuals—recognising that our electoral system gives individuals, not corporations or other groups, the power to vote—but also proposed the sorts of New Zealand style spending limits on election campaigns, spending limits that would also include third parties, whether they be businesses, unions or others. That committee did so, Anna Bligh has done so today in Queensland, and we on this side are committed to doing so, because we understand that it is important to ensuring that public confidence in the New South Wales Government and the decision-making processes across the public sector is restored.

We on this side of politics cannot hope to reform this State without public confidence. We on this side of politics understand that unless the community knows that decisions are made on the basis of public interest and merit alone—and not on the basis of special interests, a backdoor entry to decisions, or lobbyists meeting with Department of Planning bureaucrats in coffee shops about decisions that can enrich developers across the State—there is no hope of improvement. We on this side of politics are determined to restore opportunity and prosperity to this State. My motion seeks to ensure that we put aside all that has been wrong over the past 14 years, and that we take the money out of the process and put the public back in the centre of government and politics in New South Wales. It is essential that we do these things in honouring the sacrifice that we will commemorate tomorrow.

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

REMEMBRANCE DAY

Motion Accorded Priority

Mr GEOFF CORRIGAN (Camden) [3.34 p.m.]: I move:

That this House:

- (1) notes that Remembrance Day, observed tomorrow, marks the end of World War I at the eleventh hour of the eleventh day of the eleventh month, 91 years ago;
- (2) acknowledges that Remembrance Day honours the 416,000 Australian men who enlisted in the Great War and the 2,500 women who joined as nurses; and
- (3) notes that Remembrance Day now honours the lives of all those who have died or suffered for Australia's cause in wars, armed conflicts and peacekeeping operations.

It is an honour to speak in support of this motion. Australians will tomorrow observe one minute's silence for Remembrance Day. It is a day dedicated to those who suffered or lost their lives for Australia's cause in all wars and armed conflicts. Tomorrow we mark the end of World War I, 91 years ago at the eleventh hour of the

eleventh day of the eleventh month. We remember when fighting ceased and peace was reached between the Germans and the western allies. This war, this Great War, was supposed to be the war to end all wars, but instead the terms of its resolution would sow the seeds for further horrific conflict. In war there are no winners.

Tomorrow, 91 years ago to the day, we remember the more than 60,000 Australians who lost their lives on foreign soil and the 156,000 who were wounded. Brave young men, all who had enlisted as volunteers, and women, who had joined as nurses, had their lives forever changed. They were rewarded for their efforts by a loss of innocence, leaving many of them scarred both physically and mentally. Young lives were destroyed, cut short so dramatically, and dreams unfulfilled. The wounded returned home to a world so far removed from the experiences they had endured. They returned to families who struggled to understand these young veterans and the horrors they had seen. Some of these young men and women had joined for adventure; some had enlisted out of idealism or a call of duty.

At the outbreak of this war Australia was a federation of colonies. We were part of the British Empire and had a population of five million. Australian troops were often used as the first wave of assault by the British command, leading to heavy casualties. But there were some positive outcomes from what seemed a hopeless situation. The Great War had galvanised a spirit of unity in all Australians. This spirit emerged in the cliffs of Gallipoli, was fostered in the mire of the Western Front and, in later conflicts, arose in deserts and jungles, in bitter struggles on sea and in the skies. The Great War also helped define the Australian tradition of mateship. Gallipoli, Simpson and his donkey, the charge of the Light Horse at Beersheba—they all reinforce the Australian story of mateship, endurance and courage. And the Aussie Digger became known and respected throughout the world.

More than 100,000 Australian service men and women have lost their lives over the past century for the freedom that we enjoy now. Tomorrow we remember with deep gratitude the sacrifices that our men and women made during World War I, World War II, the Korean War, the Malayan emergency, the Vietnam War, peacekeeping, and more recent conflicts, including the first Gulf War and the current Afghanistan and Iraq wars. It is also important for us to highlight the demands on women in war and pay tribute to them. For while the overwhelming majority of troops have been men, countless women have lost their fathers, husbands, sons, brothers and other family members. And today many women are in active service. Over the years, female nursing staff have, at great personal risk, contributed significantly to the physical and emotional welfare of front-line troops. Our heartfelt thanks go to these wartime nurses, who bravely faced many of the same dangers and conditions as the soldiers and gave so unsparingly in patience, love and kindness. Without them, many more Australian sons would not have made it home. Since the Boer War some 100 nurses have lost their lives in the call of duty.

Aboriginal and Torres Strait Islanders have fought in almost all Australian campaigns, from the distant shores of Gallipoli to those closer to home in Korea and Malaya, and in Vietnam and East Timor. White and black soldiers formed friendships in the trenches of the Western Front or on horseback with the Light Horse in the Middle East. Some were decorated for outstanding actions, but many were anonymous men who earned no mention in official history. It is believed that about a third of the indigenous soldiers who served overseas were killed in action, or died of wounds or disease. More than 400 indigenous Australians fought in the First World War and some 5,000 indigenous Diggers fought in the Second World War.

The names of World War I battles and the places they were fought remain part of the collective Australian memory, as we see on Anzac Day. They include the Somme, Pozieres, Ypres, Villers-Bretonneux, Bullecourt, Amiens, Passchendaele, and the Hindenburg Line. Memorials along the Western Front bear the names of many Australians who died in World War I, including the 18,000 men of the Australian Imperial Force [AIF] with no known grave. Tomorrow we remember them. I encourage the people of New South Wales to commemorate Remembrance Day in their communities. Sadly, I will not be able to join my community tomorrow in commemorating Remembrance Day, which I look forward to doing every year—as I do on Anzac Day and Australia Day. Remembrance Day commemorative services will be held in cities and towns across New South Wales and Australia. By simply attending a local commemorative service we show our respect to those who have fought for our country and give our thanks to those men and women who have given us the freedom we enjoy today. War is a terrible thing; no good comes of it.

My dad served in World War II but he never spoke of his experiences—a common trait of many men and women who return from war. Even when I was studying history at high school and showed great interest in his participation in the war, he would not discuss it. He talked to his mates on Anzac Day but he went to his

death without telling his family of the terrible problems he faced. To those whose final resting place is in foreign soil, to those who made it home but who are no longer with us, and to those who are representing our country today, I give my heartfelt thanks on behalf of everyone in New South Wales.

Mr ANTHONY ROBERTS (Lane Cove) [3.40 p.m.]: I speak on behalf of the New South Wales Liberal-Nationals Coalition in support of the motion of the member for Camden, which I thank him for moving. As the years have gone by, Remembrance Day has taken on greater meaning. One would have thought that with the passing of those who served in the First World War, or those who could remember it, the importance of the day might have diminished somewhat. But thankfully that is not the case. The twentieth century was the most violent and war ravaged in recorded human experience and the symbolism of the end of a conflict known as the Great War took on new meaning as the decades passed. It has come not just to signify the end of a war and the loss of life incurred, but the hope for peace and a new beginning. It is commonly accepted that the First World War was not the war to end all wars. In fact, it was one of the most calamitous events in Western and world history, and it is remembered because it was the result of grand human folly. The cost paid for it was the lives of millions, both military and civilian, and the legacy of social, ideological and racial schism for decades to come.

I acknowledge those men and women serving in our Australian Defence Force around the world, nobly serving in peacekeeping and reconstruction missions, and those who have fought in conflicts since the Great War. Remembrance Day gives us cause not only to remember and honour those who paid the ultimate sacrifice in the First World War, but also to honour and pray for the safe return of those loved ones and friends who serve today. The member for Camden also mentioned the wonderful nurses of the First World War, who were quite often on the front line and in the rear echelons, supporting troops who had been heavily gassed and who were suffering from a rare battle condition caused by depression and battle fatigue.

Tomorrow we should remember not only those people who died in the conflict of the Great War but also those who survived to live the remainder of their lives in immense pain and heartbreak. Today when our defence force personnel return from overseas assignments they are subjected to a full psychological assessment and the Government provides psychological support and assistance. From the Great War until the Vietnam conflict very little psychological assistance was offered, and depression, alcoholism, suicide and other problems being suffered by our returning defence force personnel often were left to their families to deal with. This country should hang its head in shame that psychological support and assistance were not given to those men and women.

Tomorrow we should acknowledge also the generations that never were, and could have been, when we sent probably our finest men and women to war, never to return: the wives, the husbands, the great-grandchildren, the grandchildren, the children, and the families who because of human folly, national pride and prejudice never had the chance to live in this great nation. As proof of the durability of the importance of Remembrance Day we will see many poppies on lapels tomorrow. I have no doubt that ceremonies around Sydney, like those in my electorate on the weekend, will be well attended. This is testimony to Australians' respect for their history and their pride in our armed forces, past and present.

On behalf of the House I acknowledge and pay tribute to Lieutenant Colonel Braund, VD, a former member for Armidale, and Sergeant Larkin, a former member for Willoughby, who both paid the ultimate sacrifice. Their sacrifice will always be recognised through the memorial that their colleagues placed in this Chamber. I support the motion and ask the House to honour tomorrow the fallen, just as we have done for the past 91 years. I place on record the *Ode of Remembrance for the Fallen* by Laurence Binyon:

With proud thanksgiving, a mother for her children,
England mourns for her dead across the sea.
Flesh of her flesh they were, spirit of spirit,
Fallen in the cause of the free.

Solemn the drums thrill: Death august and royal
Sings sorrow up into immortal spheres.
There is music in the midst of desolation
And a glory that shines upon our tears.

They went with songs to the battle, they were young,
Straight of limb, true of eye, steady and aglow.
They were staunch to the end against odds uncounted,
They fell with their faces to the foe.

They shall grow not old, as we that are left grow old;
Age shall not weary them, nor the years condemn.
At the going down of the sun and in the morning
We will remember them.

They mingle not with laughing comrades again;
They sit no more at familiar tables of home;
They have no lot in our labour of the day-time;
They sleep beyond England's foam.

But where our desires are and our hopes profound,
Felt as a well-spring that is hidden from sight,
To the innermost heart of their own land they are known
As the stars are known to the Night;

As the stars that shall be bright when we are dust,
Moving in marches upon the heavenly plain,
As the stars that are starry in the time of our darkness,
To the end, to the end, they remain.

Lest we forget.

Mr PAUL PEARCE (Coogee) [3.47 p.m.]: I support the motion. Tomorrow we pause to commemorate Remembrance Day. I would like to acknowledge those who have served while members of this Parliament. We should remember the extraordinary courage of William Matthew (Bill) Currey, 1895–1948, in World War 1. Bill was the member for Kogarah from 1941–1948. He served in Peronne, France, in the 53rd Battalion. Bill received one of the 67 Victoria Crosses that were awarded to Australians in World War 1—the only member of this Parliament to receive this highest military honour. On 1 September 1918 the battalion of Private Currey came under heavy fire and suffered heavy casualties. His company, in particular, was under attack from German field guns firing at close range. Private Currey rushed forward under machine gun fire, killed the whole crew and captured the weapon. On the same morning he volunteered to warn a company that had become isolated to withdraw. Whilst under heavy machine gun fire from the Germans, and affected by the ravages of mustard gas, Private Currey finally contacted the exposed company, which then safely retired.

I also acknowledge Edward (Ted) Larkin, who won the seat of Willoughby for the Labor Party in December 1913. On 17 August 1914 he enlisted in the 1st Battalion Australian Imperial Force and became a sergeant. After showing conspicuous gallantry, Sergeant Larkin was killed in action at Pine Ridge, Gallipoli, on 25 April 1915. Let us also acknowledge Frederick George Braund. The merchant, politician and soldier migrated to New South Wales with his parents and their nine other children when he was 15. In 1913 he became the member for Armidale. That year Braund, a commissioned officer, was promoted to lieutenant-colonel and from July 1914 he commanded the 13th Infantry Regiment. He was appointed to raise and train the 2nd Battalion and on 17 August he became its commanding officer. On the morning of 25 April 1915 the 2nd Battalion landed at Gallipoli and Lieutenant-Colonel Braund held out against a sustained Turkish attack. Casualties were high and only his tenacious leadership held his seriously weakened force together.

The exhausted battalion had withstood the main Turkish advance for three days and nights without rest. He was judged to have the qualities of a truly great leader. Tragically on the night of 4 May he failed to hear a challenge from a sentry and was shot by friendly fire. He was buried in Beach cemetery at Gallipoli and mentioned in dispatches posthumously. He was survived by his wife, two sons and a daughter. Lieutenant-Colonel Braund was the first Australian legislator to enlist for World War I and the second to die in battle. These soldiers and parliamentarians showed the true mettle and spirit of service. The memory of those who died has been perpetuated on our soil. Many of our current members have continued this honourable tradition of military service.

Tomorrow our nation will pause to remember the conflicts in which Australians gave their lives to preserve our way of life. Remembrance Day honours those who have represented Australia in all wars. It is a day of national importance. The Remembrance Day ceremony is a significant event and one that all Australians should consider attending as a sign of respect to the fallen. I strongly encourage people across the State to join in commemorative services to honour the memory of all those brave Australians whose valour and sacrifice we commemorate on this solemn day of remembrance. I encourage the people of New South Wales to commemorate Remembrance Day in their local communities.

On Saturday evening I attended the seventy-fifth anniversary of Bondi Junction Waverley RSL. At the well-attended gathering Remembrance Day was raised in conversation by many of the returned service men and

women. I was pleased to see both patrons of the club, Mr Peter King and Mr Ernie Page, in attendance. I thank Mr Bill Harrigan, President of Bondi Junction RSL and State RSL councillor, for issuing me an invitation to the evening. On behalf of the New South Wales Government I acknowledge and thank the men and women who have died or suffered for Australia's cause and I thank those who continue to serve today. I support the motion.

Mr ANDREW FRASER (Coffs Harbour) [3.52 p.m.]: I will recite a poem taught to me as a lad by my grandmother:

In Flanders fields the poppies blow
Between the crosses, row on row,
That mark our place, and in the sky
The larks, still bravely singing, fly
Scarce heard amid the guns below.

We are the Dead. Short days ago
We lived, felt dawn, saw sunset glow,
Loved and were loved, and now we lie
In Flanders fields

Take up our quarrel with the foe;
To you from failing hands we throw
The torch; be yours to hold it high.
If ye break faith with us who die

We shall not sleep, though poppies grow
In Flanders fields

That poem was written by Canadian John McCrae in 1915. My grandfather, Cyril Morison, fought in Flanders and on the Somme during the First World War. He came home and later died, leaving my grandmother to raise four children on her own. My grandmother's hero was Sir Roden Cutler because he obtained war widows loans for widows of service personnel who died as a result of the war. With the war widows loan and by working two jobs, sometimes three, she was able to buy a home and educate her children. Legacy has my undying support for the role it played in educating my mother and one uncle. The other two siblings were taught at William Thompson Masonic School in Sydney.

Last Friday I attended a Legacy lunch in Coffs Harbour, where tribute was paid to service personnel in the Great War and all the other conflicts that the member for Camden referred to in his moving speech to Parliament today. At times we forget the difficult conditions in World War I. We did not experience them; we can only read about them. I commend to all members, to all schools and to all citizens to include in their local libraries a book called *Somme Mud* written by E. P. F. Lynch and edited by Will Davies. I read this book 12 to 18 months ago. It is a war diary written by Lynch from 1916 to 1918. A summation of the book states:

In 1916, at the age of eighteen, Edward Lynch volunteered for service in the Australian Imperial Force ...

In August of 1916 he boarded the *Wiltshire* as part of the 12th Brigade Reinforcements. They were headed to the muddy fields of France, and the war. They were being sent to France to serve as replacements for some of the more than 23,000 Australian soldiers who were killed or injured during the eight-week battle near and around Mouquet Farm in Pozieres, which was but one segment of the Battle of the Somme.

Lynch was to remain on the Western Front until mid-1919.

The summation continues that this biography of war:

... provides the reader with a unique, from the trenches, perspective of the war. Most important, it allows you to experience the war from the perspective of a common soldier, unlike most histories of the period that focus on the war from the viewpoint of military leaders, key personalities, or political figures. *Somme Mud* ... was written by an Australian soldier.

It further states:

Lynch wrote an emotionally charged and gritty account of his wartime experiences, without sliding into sentimentality or focusing on his own sensitivities ... Lynch transports the reader to the battlefield and to share in the horrors, rare joys, and daily trials of life in the mud filled trenches of France, but also to share the emotional and physical toll that war took on the men.

It continues:

You experience what life was like in the damp, dangerous and always muddy trenches in which so many young men lived, fought and died, and how cold and disease was often a more deadly enemy than the Germans.

I commend the book to all. I want to mention a young man who was a friend of mine and whose family are friends of mine. Matthew Locke died in Afghanistan just over 12 months ago, leaving behind a wife and son. Although I have mentioned him previously, he was not remembered by a condolence speech in Parliament. I want to say to his wife, his child and his family that we appreciate the sacrifice he made on behalf of all Australians.

Mr GEOFF CORRIGAN (Camden) [3.57 p.m.], in reply: I thank the member for Lane Cove, the member for Coogee and the member for Coffs Harbour for their wonderful contributions to the debate. It is unfortunate that more members were unable to speak on this motion. I am sure that every member of the House would want to make a speech about Remembrance Day. Members regularly attend service clubs in their electorates. In my electorate I attend Camden RSL and Campbelltown RSL. Other members would attend many more clubs, such as the member for Murray-Darling who has a tremendous area to cover. I particularly thank the member for Coffs Harbour for his contribution in which he recited that beautiful poem and told us about the struggle his grandmother had raising four children.

I join him in paying tribute to the wonderful work of Legacy. He went to his Legacy luncheon recently; I will be going to mine in the second week of December. My wife and I always enjoy going there and joining those wonderful women. I pay tribute to Legacy particularly for the help it gave my mum after my dad died. It is an outstanding service organisation and its members do a great job. I spoke to some Legatees over the weekend and, sadly, they are coming to the end of their time. I ask other people to think about going and helping out those people in Legacy. Other members have referred to Lieutenant George Frederick Braund and Sergeant Edward Rennix Larkin, who are commemorated here in the Chamber as former members of the Legislative Assembly. I took the time to read the plaque again. It states:

Fell gloriously in action at the Dardanelles in the month of May 1915.

At the bottom of that tribute are the words:

In time of peace they worthily asserted the rights of citizenship. In time of war they fearlessly protected them.

Like the member for Coffs Harbour I will mention another writer, the legendary Charles Bean. I have read many of Bean's books. I will quote one of the comments he made about the Australian soldier:

He accepted the rigid army methods as conditions temporarily necessary. He never became reconciled to continuous obedience to orders, existence by rule and lack of privacy. His individualism has been so strongly implanted as to stand out after years of subordination. Even on the Western front he had exercised his vote in the Australian elections and the referendums as to conscription. It was largely through his own act in these ballots that the Australian people have rejected conscription and that to the end the AIF consisted entirely of volunteers.

Once again I thank all members for their contributions and simply say: Lest we forget.

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

Motion agreed to.

ASSISTANT-SPEAKER (Ms Alison Megarrity): Order! Debate on the motion accorded priority having concluded, the House will now proceed to Government business.

CONSTITUTION AMENDMENT (LIEUTENANT-GOVERNOR) BILL 2009

Bill introduced on motion by Mr David Harris, on behalf of Mr Nathan Rees.

Agreement in Principle

Mr DAVID HARRIS (Wyang—Parliamentary Secretary) [4.02 p.m.]: I move:

That this bill be now agreed to in principle.

The Constitution Amendment (Lieutenant-Governor) Bill 2009 is introduced to remove any legal doubts that might otherwise have arisen concerning acts done by Lieutenant-Governors who were appointed in New South Wales after 1986. As members will be aware, the New South Wales Constitution Act provides for the appointment of a Lieutenant-Governor who acts when the Governor is not available. The Constitution Act

provides that the appointment of both the Governor and the Lieutenant-Governor is to be made by the Queen. In New South Wales this has always been the case. However, in the past few years South Australia, Victoria and Tasmania have changed their practices so that their Lieutenant-Governors are now appointed by their Governors rather than by the Queen.

Those States have formed the view that the Australia Act, which came into force in March 1986, requires the Lieutenant-Governor to be appointed by the Governor and prevents appointments being made by the Queen unless Her Majesty is personally present in the jurisdiction. Those States have taken this view despite the fact that in all of them Lieutenant-Governors were still being appointed by the Queen long after the Australia Act commenced. They also take the view that the Australia Act, being a Commonwealth statute, overrides any inconsistent State Constitution Act. If those States are correct, then any Lieutenant-Governor appointed by the Queen in any State since March 1986 was invalidly appointed. I should emphasise at this point that the New South Wales Government does not necessarily agree with the view that has been taken in those other States.

The application of the Australia Act to the appointment of Lieutenant-Governors is not entirely clear. While the view taken in other States is arguable, the contrary view also is arguable. The only way to resolve the ambiguity would be to amend the Australia Act to clarify the required appointment process. However, the Australia Act can be amended only with the consent of all States. For some years now the New South Wales Government has been discussing with other States the possibility of approaching the Commonwealth Government with a proposal to amend the Australia Act to remove all uncertainty. Although most States have endorsed that approach also, unanimous agreement has not been achieved. Pending any possible clarifying amendments being made to the Australia Act, it is prudent to enact this bill to remove the immediate legal uncertainty.

I note that last week Tasmania introduced similar validating legislation, and Victoria is introducing legislation this week. In New South Wales the longstanding practice is for the Chief Justice of the Supreme Court to be appointed as Lieutenant-Governor, and this is currently the case. Under the Constitution Act, if no Lieutenant-Governor is appointed then the Chief Justice is automatically taken to be the Administrator and is authorised to act for the Governor when the Governor is unavailable. Accordingly, even if the appointment of the Chief Justice as Lieutenant-Governor were invalid, the Chief Justice would nevertheless clearly be authorised to act as Administrator.

The bill makes this explicit by providing that if for any reason the appointment of the Chief Justice as Lieutenant-Governor was not legally effective, then the Chief Justice will be taken to have been acting as Administrator. In this way there can be no possible legal doubt about the past or future acts of any New South Wales Lieutenant-Governor. Provided any acts were within the powers of a Lieutenant Governor, those acts would also have been within the power of an Administrator. Accordingly, this bill ensures that the debate concerning the Australia Act is, for New South Wales at least, purely of academic interest only. Whichever interpretation of the Act one might take, this bill will ensure that there can be no adverse legal consequences for anything that has or will be done in this State. I commend the bill to the House.

Mr GREG SMITH (Epping) [4.07 p.m.]: I lead for the Liberal-Nationals Coalition on the Constitution Amendment (Lieutenant-Governor) Bill 2009. The object of the bill is to amend the Constitution Act 1902 in relation to the appointment of the Chief Justice of the Supreme Court as the Lieutenant-Governor. Chief Justice James Spigelman who, from today, is acting as Administrator of this State as Lieutenant-Governor was appointed Lieutenant-Governor by the Queen and took oath in office on 18 June 1998. However, following the introduction of the Australia Act 1986—a Commonwealth Act with reciprocal State Acts—three States, being South Australia, Victoria and Tasmania, have taken the view that the appointment of the Lieutenant-Governor should be made by the Governor of their State and not the Queen, pursuant to an interpretation of section 7 of the Australia Act.

The eminent academic Ann Twomey, in her book *The Constitution of New South Wales*, has expressed the view that the Lieutenant-Governor is appointed by way of a commission by the Queen. In regard to section 9B of the New South Wales Constitution, she states:

Section 9B was enacted in 1987 in conjunction with the termination of the Letters Patent. It continues the offices of Lieutenant-Governor and Administrator. The Lieutenant-Governor is appointed by way of a commission by the Queen under Her Majesty's Sign Manual (which requires Her Majesty's signature) and under the Public Seal of the State (which indicates that Her Majesty is advised by her responsible Minister for the State, being the Premier).

It should be noted that s 7 of the *Australia Act* 1986 does not expressly address the appointment of the Lieutenant-Governor. On its face, s 7(2) would suggest that the power to appoint the Lieutenant-Governor is made exercisable only by the Governor of the State, unless Her Majesty is present in the State and exercises her power under s 7(5).

This means that s 9B(2) of the *Constitution Act* is potentially in conflict with s 7 of the *Australia Act* 1986.

However, the 'Governor' may be appointed by Her Majesty, pursuant to s 7, and 'Governor' is defined in s 16 to include 'any person for the time being administering the government of the State'. As the role of the Lieutenant-Governor is to administer the State, as required by the *Constitution Act*, it is arguable that the Queen retains the power to appoint the Lieutenant-Governor. The same argument applies with respect to direct appointments of the Administrator pursuant to s 9B(4). However, there is also an argument that as the definition of 'Governor' in s 16 only extends to the Lieutenant-Governor while that person is administering the government of the State, it does not extend to the Lieutenant-Governor at the time of his or her appointment.

There is some ambiguity. From time to time appointments of other statutory officers are found wanting or instruments signed by people are found to be defective. The bill proposes to insert after section 9B (5):

- (6) Any act, matter or thing done or omitted by the Chief Justice of the Supreme Court (before or after the commencement of this subsection) in the capacity of Lieutenant-Governor is taken to have been done or omitted, and always to have been done or omitted, in the capacity of Administrator if for any reason the Chief Justice was not holding office as Lieutenant-Governor at the relevant time. This subsection extends to any act, matter or thing done or omitted as the Governor's deputy under section 9D.

In a similar vein, a validating provision was passed earlier this year to cover an anomaly with the appointment of a Supreme Court judge to sign warrants under the Surveillance Devices Act where the Attorney General's signature had not been obtained accepting the judge's offer. A similar problem arose in 2005 or 2006 when indictments were signed for criminal trials by private barristers representing the Crown. The Court of Criminal Appeal ruled in two cases that trials conducted using indictments signed by private crowns—as they are called—were not valid because they were not authorised to sign them. Those trials were null and void. This amendment ensures that an intuitive lawyer appearing for someone does not take a point based on the fact that the Lieutenant-Governor assented to a piece of legislation that created criminal offences for which people were subsequently prosecuted.

Unless we can be sure that the Lieutenant-Governor is entitled to sign such legislation—and I think this legislation achieves that—there could always be innovative people who mount challenges. They could get a new trial or some other point might come up and a new trial might have to be run and important witnesses could be dead or gone. Our legislation must have certainty, and this bill achieves that. It will avoid any legal challenge relating to the acts of the Lieutenant-Governor since he was appointed and into the future and anyone acting as Chief Justice when our Chief Justice is absent from the State. I recall that former President Keith Mason on occasion acted as Administrator and Lieutenant-Governor of the State. Such a situation would also be covered by this legislation. The Opposition does not oppose the bill.

Mr DAVID HARRIS (Wyong—Parliamentary Secretary) [4.15 p.m.], in reply: I thank the member for Epping for his learned contribution to this debate. As I said, it is not clear that there is in fact any inconsistency between the Australia Act and the Constitution Act concerning the manner in which the Lieutenant-Governor should be appointed. Nevertheless, pending a possible amendment to clarify the Australia Act, it is prudent that this legislation be enacted to remove any possible doubt. It is a sensible validating amendment and I commend the bill to the House.

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

Motion agreed to.

Bill agreed to in principle.

Passing of the Bill

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

EMERGENCY SERVICES LEGISLATION AMENDMENT (FINANCE) BILL 2009

Bill introduced on motion by Mr Steve Whan.

Agreement in Principle

Mr STEVE WHAN (Monaro—Minister for Emergency Services, Minister for Small Business, and Minister for Rural Affairs) [4.16 p.m.]: I move:

That this bill be now agreed to in principle.

I am pleased to introduce the Emergency Services Legislation Amendment (Finance) Bill 2009. The object of the bill is to amend the Fire Brigades Act 1989, the National Parks and Wildlife Act 1974, the Rural Fires Act 1997 and the State Emergency Service Act 1989 in relation to the funding scheme for NSW Fire Brigades, the NSW Rural Fire Service and the New South Wales State Emergency Service from contributions by insurance companies, local councils and the State Government.

Comments made earlier today suggest that some members are not aware that last year the House passed the State Revenue and Other Legislation Amendment (Budget Measures) Act 2008, schedule 6. That bill amended the three emergency services Acts to include the State Emergency Service as part of the contributory system that had previously applied only to the NSW Fire Brigades and the NSW Rural Fire Service. The amendments also standardised the provisions in the three Acts to allow for the contributions to be collected centrally by one agency—Emergency Management NSW. This streamlined the processes and made it more user-friendly for the contributors to the funding model—that is, insurance companies and local governments.

Today I put before the House for a second time a bill to further amend the Acts governing the emergency services. The Emergency Services Legislation Amendment (Finance) Bill 2009 seeks to clarify the funding arrangements and to address a number of anomalies detected following the implementation of the previous legislation. The anomalies became apparent only following the commencement of the new funding provisions this year. To make the process even more straightforward, the bill I am presenting today provides for relatively minor changes to the way by which contributions are calculated—ensuring that the correct amounts are collected from contributors and in the simplest manner.

Under this new bill, assessment notices will be issued each year to local councils and insurance companies that are required to make contributions. These assessments will state the amount payable and any amounts that are already paid are to be paid or to be credited. Instalment notices will be issued each quarter and will specify the amount payable for that quarter and the date by which it must be paid. In addition, the three emergency services Acts presently prescribe an unsuitable means of determining the amount to be collected from local government and insurance companies.

Specifically, as the legislation currently stands, the contributions of insurers and local government made prior to the beginning of any financial year may be taken into account in determining the agencies' surplus or deficit. This bill seeks to amend the method by which estimates of annual expenditure are adjusted so as to include surpluses or deficits in the recurrent expenditure account only and not the capital account. I think we can all agree that unexpended capital funds should not be taken into account when determining the surplus or deficit of contributions during any respective financial year. The change will provide the flexibility to exclude such amounts from the calculation, thus avoiding any confusion in future financial years.

Further matters being addressed in this bill are due dates and penalty provisions. As they currently stand, there are some inconsistencies in the Acts in relation to when contributions are due and payable. The proposed changes will ensure that contributors pay their invoices on time. The penalty of 50 penalty points for late payments that was previously included in the Fire Brigades Act is also being reinstated and replicated across all the respective Acts. This makes it an offence for a council or an insurance company to pay a contribution instalment after the due date, instead of the 10 per cent late fee that is currently the case.

Supporting our emergency services is one of the most important priorities of this House. Our emergency services workers, whether paid or volunteer, are among the best trained and most professional in the world. Our Rural Fire Service and State Emergency Service volunteers give up their own time to assist their communities in times of flood, fire or other emergencies. As I have outlined previously, there is some urgency to securing the passage of this legislation. Assessments are being prepared for the third quarter of the 2009-10 financial year. Correcting these anomalies before those third-quarter assessments are distributed will provide certainty for funding to the emergency service agencies, as well as providing both certainty and stability to the funding contributors. The amendments I put before House fix the anomalies that appeared under the previous revisions of the emergency services Acts. They ensure that the funding provided for our emergency services is appropriate and does not adversely impact on the arrangements we have with our contributors.

I apologise to the Opposition for this debate being brought on suddenly this afternoon. I understand that there have been briefings about the bill. I understand that we are obliged to get the bill to the upper House very quickly if it is to deal with it before the end of the year. As I have outlined, there are solid reasons for this legislation being passed as soon as possible so it will be in place for the next round of billing. It was not possible

for us to give notice of its introduction. Of course, the House passed the original legislation that put this system in place. As things progress it often becomes apparent how one can improve things, and that is what the Government is doing today. I commend the bill to the House.

Mr ANTHONY ROBERTS (Lane Cove) [4.23 p.m.]: I speak on behalf of the Coalition on the Emergency Services Legislation Amendment (Finance) Bill 2009. The Coalition will not oppose the bill. We appreciate the position of the Minister for Emergency Services and acknowledge his apologies for bringing this bill on as a matter of urgency. However, we would have preferred more time to work through the bill. The Government's decision to rush through the legislation today has once again prevented the Liberals and The Nationals from consulting with our stakeholders. We have a close relationship with the State Emergency Service, the Rural Fire Service and with other agencies, but particularly in this case with the State Emergency Service and the Rural Fire Service. This legislation will greatly affect them and will also affect the major stakeholders in local government organisations, who do a remarkable job under difficult circumstances, as we see continual cost shifting from the State to local government. I commend the councillors throughout the State, particularly those councillors who volunteer in our emergency services.

As the Coalition was given only a few hours to go through the legislation, we are taking it at the Government's word. Again, unfortunately, this is a reflection of the increasing level of mismanagement and incompetence in New South Wales. However, we will take the Minister at his word. We must highlight the Labor Government's misleading statements at the time of the mini-budget. It stated that there would be significant cost savings each year under the new funding model. When the mini-budget was announced in November 2008 the Government gave a commitment to local government that despite the State Emergency Service coming into the funding pool it would save the Government \$40 million a year. Naturally there was an expectation by local government that its financial contributions would fall despite the additional financial burden of putting the State Emergency Service under the new system. The member for Ryde is a great supporter of the State Emergency Service, as is the member for Lismore—our hearts and thoughts go out to the people of Lismore, Coffs Harbour and the North Coast, who are quite often the focus of this climate change that we are experiencing.

Mr Thomas George: Weather change.

Mr ANTHONY ROBERTS: Weather change. The Hon. Tony Kelly, the then Minister for Emergency Services, said that in recognition of the continuing support of the emergency services the Government had reduced the local government contribution to emergency services funding to 11.7 per cent from the existing 4.3 per cent and 13.3 per cent to the NSW Fire Brigades and the Rural Fire Service respectively. In other comments at the time the Minister stated that the change would provide an estimated \$39 million in the first year of the new system. Streamlining and simplifying office administrative processes, such as ordering, purchasing and invoicing, would also produce efficiencies among the services, which—and the member for Ryde should not laugh at this—in turn would lead to additional cost savings.

This gave the public and certainly local councils the expectation that the local government contribution would decrease with cost shifting being met by insurance levies, despite the extra funding commitment to the State Emergency Service, which, of course, is very much welcomed by that service throughout New South Wales. It appears, with the introduction of this bill, that for the next two invoices to local councils for the emergency services levy there will be higher total monthly contributions than before, which is in complete contradiction to the Labor Government's promises during the mini-budget. How often are the people of New South Wales disappointed?

Mr Victor Dominello: Too often.

Mr ANTHONY ROBERTS: Too often—exactly! They are told one thing and are delivered something entirely different or they are not delivered anything at all—such as the north-west rail system.

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

Mr ANTHONY ROBERTS: This is just another example of this broken Labor Government's failure to keep promises due to its inability to manage its finances. The only way Labor is trying to fix this problem is by passing the buck, which again is typical of the Government. This is cost shifting onto councils that can ill afford it. One has only to go beyond Newcastle, Sydney and Wollongong—which, as far as this Government is

concerned, represents New South Wales—to see how hard and tough councils are doing it. Not far from this place councils are finding it tough to provide what used to be very simple services, because of the continuing cost shifting from State to local government as the Government tries to work its way through the mess it has created for itself.

As a result, as the member for Coffs Harbour will undoubtedly note, the next two invoices to be sent out in December and February will load an additional cost onto local councils to make up the difference in higher running costs of the NSW Fire Brigades due to the 2.5 per cent wage rise and because of bushfire mitigation works by the Rural Fire Service. There is a saying by local government general managers that direct local funding will dry up, given the increasing burden of the emergency services levy. This increased payment is another unexpected burden. It is unplanned for, yet local government is very good at planning. The member for Ryde knows that as he comes from local government. It is something that I know also, coming from local government.

Local governments are able to plan, which unfortunately is more than this Government seems to be able to do. It seems to plan first for a plan, and then for a crash. Once again, local governments will be given an unexpected burden through increased payments. The Auditor-General said that invoices sent from the Office of Emergency Management on 1 June 2009 to local government across the State saw \$143 million arrive in June—the wrong financial year. Of course, the Auditor-General has said that this issue needs to be cleared up. This issue does need to be cleared up, and that is why I support the bill. I certainly commend the shadow Minister for Emergency Services and her staff member—one shadow Minister, one staff member—who seemed to be able to get around this bill in record time.

Mr Chris Hartcher: Record time!

Mr ANTHONY ROBERTS: Yes, in record time, as the member for Terrigal has pointed out on a number of occasions. Previously I stated that the Opposition would not oppose the bill. However, once again, we are dealing with legislation on the run.

Mr PHIL KOPERBERG (Blue Mountains—Parliamentary Secretary) [4.31 p.m.]: I support the Emergency Services Legislation Amendment (Finance) Bill 2009. As someone who is somewhat familiar with these matters, I assure the member for Lane Cove that there is absolutely nothing untoward in this legislation.

ASSISTANT-SPEAKER (Ms Alison Megarrity): Order! Members who wish to conduct meetings should do so outside the Chamber.

Mr PHIL KOPERBERG: This bill is a consequence, as has been said earlier, of the Auditor-General recommending some amendments, which overcome some anomalies as a consequence of legislation introduced into this House to put the State Emergency Service [SES] on the same finance and funding footing as has been enjoyed by the NSW Rural Fire Service and the NSW Fire Brigades for many years. This bill is a milestone in that the State Emergency Service, which has clearly defined combat and rescue roles during storms and floods and other disasters, was at a distinct disadvantage compared with the other two services in that it had to go very much cap in hand to government, and to local government, to get its basic funding rudiments.

It is a tribute to this Government that it saw fit to put the State Emergency Service on the same funding basis as the other emergency services, which have prospered significantly as a consequence of increased budgets made possible over many years by the contributory funding mechanism that they enjoyed. This bill brought the New South Wales State Emergency Service under the same funding system as used for the NSW Fire Brigades and the Rural Fire Service. Since 2003 a number of Commonwealth, State and local government grant programs were introduced to mitigate the impact of natural disasters.

The schemes included the Natural Disaster Risk Management Studies Program, the Natural Disasters Mitigation Program, Working Together To Manage Emergencies and the National Emergency Volunteer Support Fund. Collectively, hundreds of projects have been approved since then at a total cost of about \$100 million. These programs reduce the impact of natural disasters on the community and consequential claims by policyholders on insurance companies. The insurance industry is a significant beneficiary of this funding formula, because a well-equipped and well-funded emergency service will mitigate the impact of natural and other disasters, which in turn will reduce the number of claims that insurance companies have to honour.

With climate change impacts becoming more evident, frequent, and extreme, it is time for the industry that benefits most from the volunteers' efforts to share the State Emergency Service's funding costs with the

State's taxpayers. That is particularly pertinent in this day and age, given the mobility of our emergency services. They criss-cross the State to assist their colleagues in many local government jurisdictions. Interstate movements of highly mobile resources and willing volunteers to assist their colleagues in other jurisdictions and States are becoming commonplace.

As recently as 10 or 15 years ago that was not the case. That is all the more reason to justifiably say that the beneficiaries of this funding system are not only the insurance companies, or New South Wales communities, but communities Australia wide. This funding model will provide a flexible and sustainable funding base for the SES into the future. However, as my colleague the Minister for Emergency Services has pointed out, since this legislation has come into force some minor anomalies have come to light. These anomalies, though not critical, could have the effect of leaving a shortfall in funding to our emergency services if not corrected. This House cannot leave our dedicated, professional and highly trained emergency services personnel in such a situation.

The Emergency Services Legislation Amendment (Finance) Bill 2009 addresses the anomalies that have been detected and provides the stability that both our emergency services and the funding contributors need and deserve. The amendments contained in this bill are clear and straightforward. The first amendment corrects the method by which estimates of annual expenditure are adjusted, so as to ensure that surpluses and deficits are included in the recurrent expenditure account only. The second change clarifies the process by which contributions are determined and collected. Assessment notices clearly stating the amount payable will be issued each year to the contributors. This will be followed by instalment notices each quarter that will specify the amount payable for that quarter and the date by which it must be paid. This will simplify these issues—

Mr Andrew Fraser: Easy for you to say.

Mr PHIL KOPERBERG: Easy for me to say, as the member for Coffs Harbour rightly observes—but try saying that with a lisp! This will simplify these issues and bring a much better level of certainty to local government and the insurance industry, who will know what is required of them each year and when they will be required to lodge their contributions. The third change will make it an offence for a council or an insurance company to pay their contribution after the due date, instead of paying the current 10 per cent late fee that is charged. This will ensure that all contributions are made on time and will provide our emergency services with security of funding. The final change will provide that the New South Wales Fire Brigades Fund and the New South Wales State Emergency Service Fund will each consist of a recurrent account and a capital account. This will ensure that the provisions of the first change are able to be implemented effectively.

In conclusion, the changes contained in the Emergency Services Legislation Amendment (Finance) Bill 2009 are a very suitable and straightforward way of addressing the anomalies that have been detected since the passage of the State Revenue and Other Legislation Amendment (Budget Measures) Act 2008, particularly schedule 6, last year. These changes will provide certainty and clarity to the funding scheme contributors, and at the same time ensure that our dedicated and selfless emergency services workers have the funds they need to do their great service to the community. I commend the Emergency Services Legislation Amendment (Finance) Bill 2009 to the House.

Mr ANDREW FRASER (Coffs Harbour) [4.40 p.m.]: As has been indicated, the Opposition will not oppose the Emergency Services Legislation Amendment (Finance) Bill 2009. However, I wish to raise a few aspects of it.

Mr Steve Whan: No response in question time?

Mr ANDREW FRASER: I can respond to interjections, so be careful. I wish the Parliamentary Secretary had responded to my phone call yesterday. As the Minister for Emergency Services would attest, this year the Coffs Harbour electorate has been through one hell of a time. I commend the emergency services workers in the area, including officers from the NSW Fire Brigades, the Rural Fire Service and the State Emergency Service, all of which services are referred to in the legislation. The emergency services workers in the Coffs Harbour area have done a phenomenal job. As was said today in the House—unfortunately the Minister did not put it forward as a ministerial statement, which would have given the Opposition an opportunity to respond—this year the Coffs Harbour State Emergency Service alone has performed around 45 rescues, including rescues of people who thought their vehicles could outrun floodwater.

The bill provides that fire brigade contributions are to be paid in the following proportions: the State Government, 14.6 per cent; local councils, 11.7 per cent; and insurance companies, 73.7 per cent. We have to be

crystal clear on where the 73.7 per cent from insurance companies comes from. It comes from a fire services levy, or a levy placed on policyholders. I would suggest that it is an unfair way of collecting moneys for emergency services across the State. Why is it unfair? The levy affects only those who are insured. How many times do we see someone who has been affected by a fire when a home burns down? I really appreciate the efforts the Rural Fire Service made when my home burnt down some 14 months ago. It is the people who insure their homes who fund the levy, yet others whose homes burn down do not have insurance. They get the same service as everyone else, but they do not contribute. Rather than bringing in legislation to change the way the levy is charged and therefore increase the Government's take, we should look at a fairer way to collect the levy so that all beneficiaries of these services contribute to the services.

I believe that the Government should take a much greater role than contributing 14.6 per cent. As I have discussed with the member for Blue Mountains, on numerous occasions I have been approached by Rural Fire Service volunteers in my electorate who have to attend house fires, as they did with mine. On the night of my house fire, my son crawled out of the house on his hands and knees. Overcome by smoke, he was treated for smoke inhalation. But if he had been trapped in the house, no-one could have rescued him. Why? Breathing apparatus are not carried on the Rural Fire Service trucks in regional New South Wales. Yet Rural Fire Service personnel are the ones who perform rescues in many regional areas, including built-up areas such as Sandy Beach and areas along the ribbon strip such as Mullaway, where the Parliamentary Secretary the member for Monaro visited recently.

The anomaly here is that when councils collect their contributions they send the money down to Sydney, they put it on a priority list, and not always do the brigades get what they need or want. As the Premier knows from when he was Minister for Emergency Services, because of what I believe were cock-ups within the system Warwick Roach and his boys at Coffs Harbour would not give the east bank brigade a chainsaw. They were servicing an area where they had to regularly travel along forest roads into rural residential areas. If a tree had fallen across the road during a forest fire, they would not have been able to get in or out, or get the people in or out, because they did not have a chainsaw.

When I informed the then Minister for Emergency Services, now Premier Rees, about the situation, he fixed it with the stroke of a pen and made sure they got their chainsaw. We see situations where, because decisions are made in Sydney, on a localised basis for localised rural fire services, emergency services do not necessarily get the equipment they need or deserve. I commend the member for Blue Mountains, because I think he has a feel for the equipment that emergency services personnel need. But the big chasm between the local area and the headquarters at Roseville, I think it is—

Mr Phil Koperberg: Homebush Bay.

Mr ANDREW FRASER:—Homebush Bay, is huge. It reminds me of an old saying that came out of World War I. An order was sent through saying, "Send reinforcements; we are going to advance." By the time the couriers got back to headquarters the message was, "Send three and fourpence; we are going to advance." I think a similar thing happens in relation to requests for equipment and improved services in rural fire services.

Coffs Harbour has both retained firefighters and New South Wales Fire Brigades officers. Unfortunately, however, they cost local government a hell of a lot of money. They do a fantastic job. I commend those fellows for the great job they did during the March floods and the subsequent floods, when they rescued children from Narranga school on their fire trucks. They do a fantastic job, regardless of whether they are paid or retained. But a 24-hour station costs the local council a lot of money. The council not only has to provide the 11.7 per cent contribution, as suggested by this legislation, but it also has to find other contributions to help fund the local fire brigade. I am the first to put my hand up and say we need that 24-hour service. As I said, we have volunteers and retained officers, from both the Rural Fire Service and the Fire Brigades. At the drop of a hat, as soon as their pager goes off, they take off to an emergency somewhere.

These days emergency services personnel also have ever-expanding roles. The Minister for Emergency Services and the Parliamentary Secretary, the member for Blue Mountains, would be aware of the hazardous materials units they have. With the Pacific Highway being such a death trap as it is at the moment and has been for a long while, claiming more than 50 lives a year, and the numerous accidents that occur there, quite often hazardous materials come off those vehicles onto the highway and they go into local drains and so on, and the emergency services personnel are the ones who have to clean up the material.

I raise these matters not simply to give emergency services the praise they rightly deserve but to have people understand that the services are performing a public service, a service that is administered by the State.

Emergency services get a priority back from the State. As the member for Blue Mountains knows, when he was the Rural Fire Service Commissioner there were a large number of petrol fire engines in rural fire services and we were trying to phase in diesel engines. The Greiner-Fahey Government started the program, and I commend the present Government for continuing it and making sure that these days the vast majority of fire engines use diesel. I doubt whether there would be many petrol tankers around today. Once again, however, their priority was not met by head office in Sydney, because the money was not there.

If the Government is to continue to raise money from these sources, firstly the State has to take a larger share of the responsibility. Secondly, there must be a fairer way of apportioning the charges back to the people who will benefit from the services. I have received numerous representations from the insurance industry concerning the fact that when the levy is included in an insurance policy, GST is then added. For example, an insurance premium may cost \$100 and the levy may be \$73—I do not know what the levy is these days; people tend to just pay their bill. GST of \$17.30 is then added to the insurance premium, and that amount goes back to the State. The State will argue that the GST goes back to the Federal Government, but the GST is returned 100 per cent to the State. I would contend that whatever—

Mr Phil Koperberg: It was, of course, the Howard Government that introduced the GST and consequently we have a tax on the tax.

Mr ANDREW FRASER: I hope *Hansard* recorded that interjection. It was the Howard Government that introduced the GST and the State Government is collecting the tax on the tax. All the State Government has to do is direct that the GST be applied before the fire services levy. The States actually set the level of the GST and at the end of the day the insurers are saying they do not believe the GST should be applied to the fire services levy. We now have a Federal Labor Government. The New South Wales State Government participates in the Council of Australian Governments, so the members opposite should not say it was the Howard Government. I happily accept that there were anomalies at that time, but with Federal and State Labor governments surely this can be fixed.

I will go hand in hand with the member for the Blue Mountains to Canberra to fix it. If that extra 10 per cent could be taken off the levies and poured back into much-needed equipment for metropolitan, regional and rural fire services, State emergency services and fire brigades, it would greatly benefit the State. Phil, come and see me after this debate, we will make an appointment and duck down to see Treasurer Swan, who appears to be a likeable fellow—I am sure he would receive us with open arms—and make the necessary adjustments to ensure that happens.

We need to make sure that every cent that is raised is poured back into the services to support volunteers. Both the Minister for Emergency Services and the Parliamentary Secretary have visited my electorate a number of times for good news, and for bad news reasons of late. I am sorry I could not attend the opening of the new centre but I had a prior commitment down south. I will get out to have a look at the new centre, which I believe is quite good.

Mr Phil Koperberg: Your apology is duly noted and accepted.

Mr ANDREW FRASER: Thank you. We need to ensure that these much-needed facilities in regional areas are working with the best possible equipment. We need to ensure that every rural fire service truck that attends any home fire has breathing apparatus on board and that its volunteers are trained in its use. Local government should also be supported so that the 11.7 per cent will not be a burden to them and that charges or levies will not be increased for ratepayers as a consequence. The Minister would know that especially west of the ranges farmers are struggling to pay their rates and local councils are placed in the invidious situation of not knowing whether to foreclose to get their rates back, to give a breathing space or whatever.

I have not had a lot of time to consider the legislation. Whilst the Government may need more money, I think Treasurer Roozendaal should play a bigger role and the GST should come back to the State. I implore the Minister for Emergency Services to have a look at the way it is levied. I do not believe that insurance companies and local government should contribute the large proportion they do. It is a State service, governed by State legislation. The Minister of the day, or a committee under the Minister, decides the funding to be given to regional areas for rural fire services, State emergency services and fire brigades. I give credit to the Government for all the new facilities and equipment that my electorate has received, but the Government should provide a bit more of the cake to ensure that it can honestly put its hand up to take that credit—and in making that comment I am not being partisan. We should be looking at better ways to support the volunteers in our communities.

Mr STEVE WHAN (Monaro—Minister for Emergency Services, Minister for Small Business, and Minister for Rural Affairs) [4.53 p.m.], in reply: I thank members for their contributions to the debate. The member for Lane Cove, representing the shadow Minister in the other place, indicated that the Opposition supports the bill but it would have preferred more time to consider it. I apologise again for that. It is necessary to get this bill through this session and we need to comply with the calls of the upper House. These issues have only recently been identified and it is efficient of the Government to seek to fix identified anomalies as quickly as they arise—that is what the people of New South Wales expect.

The Opposition said this indicated mismanagement and incompetence. I hardly think that is the case, given that the Government is moving quickly to rectify the anomalies. That rhetoric, not backed up by any economic figures, is typical of people wanting to score political points in a debate such as this. Let us not forget that the New South Wales economy has managed to escape a worldwide recession and its unemployment rate is below the national average, a big achievement and a tribute to good economic management. The Opposition also spoke about local government contributions being at a higher total contribution than before. It was suggested that the Government raised an expectation that local government contributions would decrease.

The Government made a commitment that in the first year of implementation local government would not pay any more overall than it had contributed in the previous year to the NSW Fire Brigades and the Rural Fire Service. The Government was able to make that commitment because of the lowering of the contribution percentage for local government to 11.7 per cent. The contributions this year were governed by that commitment not to exceed the contributions of the previous year. That guarantee was made only for this year, but a longer-term arrangement for calculating that funding is needed and the State Emergency Service is working on that at the moment.

The Parliamentary Secretary, the member for Blue Mountains, informed me that in past years the local government contribution to the Rural Fire Service was up to 25 per cent which is a significant indication of the way in which the funding arrangements have changed during the Government's term in office. Hand-in-hand with that—a point acknowledged by the member for Coffs Harbour—there has been a massive investment in re-equipment for the fire services. I do not have the history that the member for Blue Mountains has in this area but I am always interested to talk to people who have been members of the Rural Fire Service for 25, 30 or 40 years. They have told me of the vehicles they drove around in not so long ago and of the incredible achievements that have been made in updating the fleet—a great tribute to the Rural Fire Service over those years. The same thing has happened in the fire brigade. Yesterday I had the pleasure of handing over a brand-new type III fire pumper at a station near Sydney airport, the name of which temporarily escapes me—over half a million dollars worth of appliance, funded because of the heavy investment by the Government in new equipment for emergency services.

This year alone over 200 new vehicles will be rolled out in the Rural Fire Service—a significant achievement that indicates the success of the Government funding model that has been put in place. One of the key features of that model is that it delivers funding certainty to emergency services. To tamper with that, without offering an alternative, would worry most volunteers and most members of the emergency services. The member for Coffs Harbour has had his share of exposure to the work of the State Emergency Service, along with other North Coast members. He made a number of comments about the unfairness of the fire service levy. The fire service levy is a tax, the same as any other tax. People say that the Government should make more of a contribution. Every contribution that the Government makes is via the taxpayers of New South Wales, in the same way as the insurance levy, so the State Government's contribution is via taxes and levies. It does not matter what source it comes from: it is the same initial source.

The Opposition has branded the levy as unfair. I had the privilege of being a member of a Public Accounts Committee inquiry into alternatives to the fire services levy. The shadow Minister for Transport, Gladys Berejiklian, and a representative of The Nationals were also members of that committee inquiry. The unanimous recommendation of the committee was that the current system was fairer than the alternatives put forward. The Opposition says that the fire services levy should be changed to a fairer system of contribution. What alternative does it propose? The alternative put forward by the insurance companies, which I assume is favoured by the Opposition, is to apply the levy to rates. The problem is that in New South Wales rates are calculated on unimproved capital value. That would disadvantage people in rural areas and those who own land that has not much building value. That demonstrates the Opposition's lack of comprehension of this alternative. That is probably why the Opposition does not propose an alternative when it says that the current system is unfair.

The volunteers of the Rural Fire Service and the State Emergency Service, and the Fire Brigades full-time permanent and retained members would be worried to hear the Opposition say it does not support the current funding model but that it has not put forward an alternative. No model is perfect, but the great advantage of this model is that it provides a secure and reliable revenue source for our emergency services and acknowledges that insurance companies receive a direct benefit from good firefighting and rescue services. Originally insurance companies provided fire services in New South Wales. Those services were taken over by government because the people of New South Wales did not consider that a fire brigade should determine whether to fight a fire on the basis of the presence of an insurance company plaque on the door. That is how the fire brigades were run in the early days. It is legitimate for insurance companies to play a role in funding the levy. The number of households without insurance is nowhere near the amount that we hear from alarmists, such as at the time of the Victorian bushfires.

Mr Phil Koperberg: Less than 10 per cent.

Mr STEVE WHAN: As the member for Blue Mountains says, it is less than 10 per cent. Our volunteers in New South Wales can be assured that the Government will retain a funding model that has served them well. They cannot get such an assurance from the Opposition. The member for Coffs Harbour commented in his speech on breathing apparatus. I acknowledge that he and his family suffered a traumatic experience when their house burnt down. I was with him when he thanked a number of firefighters, Rural Fire Service volunteers, for the work they did. I am sure that he had done so previously, but I know that they appreciated his thanks on that occasion. Rural Fire Service personnel who play a property protection role in residential areas are supplied with breathing apparatus and are properly trained to use it. The Government introduced that initiative.

We often hear The Nationals comment on decisions being centralised and made in Sydney and inadequate servicing of regional areas. They are often critical of the Rural Fire Service centre at Homebush. In a major bushfire event when people have to be moved around the State the strength of that system comes to the fore. The ability to coordinate is critical in such cases and the strength of the system is vital. I am sure that the people of Victoria were pleased that the Rural Fire Service was able to coordinate the movement of several thousand people to assist them. People in my electorate were very grateful for that assistance in 2003. They were grateful that the then commissioner was coordinating the firefighting from what some people called his "ivory tower" at Homebush. It is one of the world's finest control centres for fighting bushfires. The people in the region I represent were grateful that personnel were moved efficiently, effectively and quickly from all parts of the State to fight the fires. By bringing all the fire brigades into one Rural Fire Service we achieved that end.

The goods and services tax [GST] was raised during debate. The GST is a federally administered tax. Taking away the GST would not deliver more money to the State Emergency Service. I am unsure whether the member for Coffs Harbour meant that we should apply the tax in another way. The emergency services have consistently received more funds from this Government. We have made that commitment. We have delivered a record budget. Each of our services, the Rural Fire Service and this year the State Emergency Service, has benefited because of that commitment. It must be acknowledged that the reason we have been able to re-equip effectively is the commitment this Government has made over a long time and the certainty of the funding model. A decision was made to move the State Emergency Service to the same funding model—a decision that largely has been welcomed by State Emergency Service personnel. Certainty of funding is important to them.

I acknowledge the incredible contribution that local government makes—for which I thank it at every opportunity—to the State Emergency Service and to our emergency services, in particular, State Emergency Service headquarter offices. Often councils own the land and fund a large part of the building costs. They play a strong role in the provision of vehicles. Their contribution is very much valued by the Government. Moving the State Emergency Service to this funding model gives councils the certainty they need in the long term. As the State Emergency Service needs to re-equip we can ensure that they get the same positive attention that the Rural Fire Service received. I point out that I have come across one council area that made a zero contribution to the State Emergency Service and that relied on a neighbouring council to pick up the tab. I got a good reaction from the neighbouring council when I told it that this new funding model meant that its neighbour would have to contribute. Although this is minor legislation, it is a positive development. As the bill has been brought on quickly, when it goes through the upper House today or on a future day in the session the Government will clarify any issues raised by the Opposition. 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.

STATE REVENUE LEGISLATION FURTHER AMENDMENT BILL (NO 2) 2009

Agreement in Principle

Debate resumed from 30 October 2009.

Mr MIKE BAIRD (Manly) [5.08 p.m.]: I speak on behalf of the Opposition to the State Revenue Legislation Further Amendment Bill (No 2) 2009 and state at the outset that the bill contains some sensible amendments that will clarify the administration of some taxes. However, I highlight that the tax does little to ease the burden on businesses as the State starts to limp out of recession. The object of the bill is to make several amendments to the Payroll Tax Act 2007 and the Duties Act 1997 to clarify compliance administration, including the introduction of a new secondary nexus provision so that payroll tax for employees who work partly in New South Wales and partly interstate, such as truck drivers, is payable based on where the worker resides rather than where the wages are paid. The primary nexus provision remains unchanged—that is, for employees who perform work only in New South Wales payroll tax will continue to be payable based on where the work is done. The Opposition has concerns in relation to that issue in areas such as the Tweed and Albury. The member for Tweed will talk about those concerns, and I will refer to them later in my speech.

The bill also aims to increase the threshold for landholder duty, which is payable on acquisitions on interest rather than the outright purchase of land or property, from \$2 million improved, which is land with a building, to \$2 million unimproved, which is land only. The bill also seeks to clarify the creditor exclusion for landholder duty to distinguish between debt and equity interests to determine which interests are dutiable; to clarify that an agreement for sale of an interest in a landholding is taken to be completed within 12 months from the date of that agreement, acknowledging that it is possible for people to use long-dated or undated transactions as a means of avoiding duty and this will close that loophole; and to clarify the imposition of landholder duty so it is payable on changes of beneficial ownership in landholding, companies and trusts.

The bill also seeks to clarify that duty is payable on the transfers of mining leases, and I will refer to the New South Wales Minerals Council later. The bill provides that carbon sequestration rights are not interests in land for the purpose of the Duties Act, as set out in Council of Australian Governments agreements to harmonise the issue of those rights across various States. The bill also makes a minor amendment to the Parking Space Levy Act 2009 No 5 to clarify the imposition of the levy as from 1 July 2009. I understand a Parliamentary draftsman picked up a drafting error and we congratulate whoever that was.

I understand that in June all States and Territories agreed to a new secondary nexus provision, which will obviously assist in the harmonisation of payroll tax and help drive New South Wales to become the first place to do business—a stated economic goal on this side of the House. We support harmonising wherever we can because it provides a huge relief from the regulatory burden on businesses in this State. There is also value in introducing a nexus provision as growth in the electronic transfer of wages has made the administration of payroll tax more complex. It has become common for employees to have their wages paid to more than one account and in jurisdictions other than where they have performed services. A nexus provision will make it easier for companies to administer payroll tax.

The bill effectively raises the threshold for landholder duty. That makes sense because it is the first time the threshold has been raised since 2003. In some cases the full payment of the purchase price has been delayed, sometimes indefinitely, as I said earlier. I note that the Property Council of Australia has raised concerns that legitimate transactions could be caught by this provision. I will allude to some of the Property Council's concerns later and ask the Minister or the Parliamentary Secretary to address those concerns when he replies to the debate and to provide some comfort to the Property Council.

Adopting the test of the Australian Tax Office to distinguish between debt and equity interests in property will help to ensure that genuine creditors are exempt from landholder duty. Clarification of the imposition of landholder duty is needed to ensure that the acquisition of a corporate trustee of a discretionary trust is not used to avoid landholder duty. Having seen creative lawyers and financial engineers at work, I can understand the need to close some of those loopholes. Most of the provisions address what is clearly, according

to Treasury advice, the means and mechanisms that people use—intellectual capital that could be applied in other ways—to avoid paying duty. The bill certainly closes those loopholes, and we commend and support those provisions.

We have some concerns that the changes to the calculation of landholder duty may be more complicated for taxpayers to understand as the threshold is based on unimproved value yet the amount of tax they have to pay is based on improved value. The distinction between those two issues may provide a complication and we hope it is made clear in the information that is distributed to taxpayers. The Property Council of Australia has raised some specific concerns that we ask the Government to address. The Property Council has raised concerns that the provisions relating to a discretionary trust are "unclear and uncertain in their intention and operation" and that "they appear to make it impossible for a person to determine whether they are acquiring an 'interest'". The Property Council considers that the existing clause should remain, and we are open to the Government's advice in relation to that issue. The Property Council also makes the point that determining the ultimate beneficial owner of a bare trust in part 2A is "difficult, if not impossible". Even if it is difficult perhaps the Minister or the Parliamentary Secretary could suggest how it could be clarified.

The Property Council of Australia believes the amendment to part 2A "gives rise to the potential for unintentional double duties", which should be avoided and should be addressed. The Property Council opposes the provisions intended to close the loopholes regarding the timing of payment of landholder duty as it "creates an additional cost for genuine transactions that may not be agreed to be completed within 12 months". Even though there is a provision for a refund, it does not include interest and would create additional red tape. I believe that particular point is open to interpretation, but the Property Council raises it as a legitimate concern and I can understand that people may use that particular mechanism to avoid paying duty. I look forward to the Government's response in relation to that issue. The Property Council is also concerned that legitimate equity schemes of arrangement will now be liable to duty and believes that the commissioner's powers under the anti-avoidance provisions are "sufficient to deter avoidance behaviour".

I was surprised that the New South Wales Minerals Council was not consulted about the bill in relation to the potential duty on the transfer of mining leases. Part 32 of schedule 1 to the bill confirms that duty is now payable on the transfer of mining leases. I believe the New South Wales Minerals Council is open to that provision, but it should be acknowledged that the council is a stakeholder that is directly impacted by the actions of this legislation. As such, it should be consulted and its concerns should be allayed in this debate.

In relation to the Tweed—and we know the local member is 100 per cent for the Tweed—the Minister for Finance offered support and made a direct promise to provide staff on the ground to work on harmonising taxes in the Tweed. There is no doubt that the Tweed suffers and it is unlike any other region in the State, except perhaps Albury—and the member for Albury would raise similar concerns. Businesses in this State operate at a competitive disadvantage to those located a few hundred metres down the road. As a matter of priority, the Tweed must be considered a particular economic zone and the significant competitive disadvantage that businesses in the community suffer because of their proximity to Queensland must be noted. We on this side of the House join the member for Tweed in asking the Minister for Finance to honour his commitment to prioritise this matter—a commitment we understand he made directly.

We need to prioritise these issues—not just tinker around the edges—when tax laws impact across borders. Places like the Tweed should be front and centre of the economic plan to restore this State. My colleague and good friend the member for Tweed will work on the issue directly, but we ask the Minister for Finance to honour his commitment and look very closely at the problems facing the Tweed, such as how we can start to make the region competitive with its neighbours across the border. In regard to the parking space levy, the bill makes a small amendment relating to dates and the enforcement of a particular date. But it would be remiss of me not to put on record that the parking space levy is a good example of how this Labor Government announces policies without conducting any analysis. A document obtained under freedom of information provisions states:

Treasury documents obtained by the NSW Liberals & Nationals have revealed "little research" was done into the "effectiveness of the PSL [Parking Space Levy], which was almost doubled by the Rees Labor Government in last year's Mini Budget.

It was claimed that the levy was necessary to reduce congestion and increase the use of public transport, but we know that that claim was made without any clear evidence whatsoever. It was revenue first, and analysis and reasons later. One cannot get a better example of how this Labor Government goes about its business. It has a budget shortfall and it needs to find revenue but it does not want to consider what the impact will be and it does not want to consider a broader strategic policy. Is the Government trying to impel people to use public

transport? If it is—and that seems to be the intent of this levy—is public transport in a position to cope with the increased demand? Should there be a congestion charge? We do not know; there is no analysis. Who is going to determine how those funds will be used?

I have heard the Minister for Transport say that the revenue will go to parking stations, but we do not know how the funds will be used. If a government wants to run a broad policy it should do the analysis first. This is a good example of how that has not happened. In the next two years revenue of about \$100 million will be collected from the levy, but no analysis has been done on the impacts, whether we were ready for such a levy or how the proceeds will be used to make this city more sustainable. The Treasurer should take responsibility for that. I call on him to undertake appropriate analyses. That should happen before any announcement is made: the long and short-term impacts of every decision should be analysed.

The Labor Government's economic management strategies are called into serious question given its handling of payroll tax. The Treasurer's new favourite term is "green shoots". He is driving us all mad with his constant references to green shoots. Walt winds him up and tells him to say only two words—green shoots—and he religiously follows those instructions. It is amazing that he can use them every time he opens his mouth. He forgets that it was this Labor Government that scorched the earth of the New South Wales economy. The Treasurer used a prop in the other place that looked as though it was from his grade 6 science project showing green shoots emerging from the earth. This is a serious issue, but the Labor Government attacks the problems facing the economy by spinning a nice line. Walt does that incredibly well. The approach is cloaking very serious problems and that is why our economy continues to struggle. This State continues to struggle because the Government is not dealing with the real issues.

Only this Labor Government could be excited about a \$1 billion deficit. The Government was told that the deficit would be \$1 billion rather than \$1.3 billion, but that was only because Kevin Rudd provided extra funds. Members opposite organised a press conference to announce to the world that this State has a \$1 billion deficit and we were supposed to be excited. We need some facts put on the record about this Government's policy response to the global financial crisis rather than Walt's spin. Of course, Eric would have nothing to say if he did not have that spin. How has this Labor Government responded to the global financial crisis, which has been a huge economic challenge for the State? The response by the Treasurer and the Premier was the New South Wales Housing Construction Acceleration Plan. That was a cornerstone of the budget. It was supposed to be worth \$64 million. The Treasurer recently said that homebuyers had saved \$7.2 million in stamp duty. That equates to about 0.0018 per cent of stamp duty receipts, and I acknowledge that contribution. However, it is about 11 per cent of what was promised.

The Treasurer talks ad nauseum about infrastructure and record spending. The truth is that Morris Iemma announced the infrastructure program almost two years ago. The mini-budget explicitly cut infrastructure funding. Of course, Kevin Rudd then rescued the State Government. New pictures of Kevin and Nathan are appearing because this Government is desperately trying to latch on to Kevin's popularity—which is questionable. It is trying to take credit for the stimulus provided by the Rudd Government. This Government's spending on infrastructure has actually declined. Treasurer Roozendaal talks about record spending on infrastructure, but if we were to subtract the funds provided by Kevin Rudd it would be clear that the amount allocated to infrastructure has declined.

The allocation for the north-west rail link did represent an increase in infrastructure spending, but it was cancelled, which resulted in a decrease in spending. At the height of one of the biggest economic crises this State has faced, this Government cut infrastructure spending. Regardless of the spin members opposite try to put on it, that is the truth. Government members also go on and on about all the jobs that have been created. We were told about the \$7.2 million contribution, but the Government spent \$2 million on an advertising campaign to tell everyone what a good budget it had handed down so almost all that contribution is gone. Robert Carling, a former Treasury official, said:

The statement that infrastructure spending will 'support up to 160,000 jobs' is an unsourced, unsubstantiated assertion. It is stated as a scientifically verifiable fact but is impossible to substantiate...

For my part, I am willing to concede that the infrastructure spending and associated tripe will help support 70 jobs – those of the Labor members of the NSW Parliament.

Mr Carling is a respected commentator and what he said is the truth. A freedom of information request revealed a comment written on a draft of the budget speech by a Treasury official stating that the department could not verify the claims about jobs supposedly being created at Port Botany and Orange or by Pacific Highway

projects. I have sympathy for the Treasury officials who have to try to give some credibility to the Government's pie-in-the-sky job numbers. The Government cannot verify the creation of those jobs and infrastructure spending has declined. That is its response to the global financial crisis and the final infrastructure stimulus figure is \$7.2 million. Eric Roozendaal and Nathan Rees are kidding when they pretend that this Labor Government has created any sort of economic stimulus.

The Opposition obviously supports the allocation of \$7.2 million in stamp duty relief. However, that is the only measure that this Government is entitled to talk about. It has done nothing else in response to probably the most serious economic event in recent history. The downturn has been less severe than anticipated, but this Government decided to do nothing in response. Treasurer Roozendaal can spin his green shoots, but this Government is responsible for the scorched earth that is this State's economy. We are limping out of the recession and we will continue to do so because this Labor Government is happy to spin ideas and to take credit for improvements when it has done nothing to achieve them.

If the Government had adopted the Opposition's payroll tax policy it would have directly stimulated the businesses that employ two million people across this State. If it had done that, if business confidence had improved, if employment had increased and if investment had grown, I would have been the first to applaud. Sadly, that did not happen. This Government did absolutely nothing at a most critical point. While there has been some improvement as a result of the Federal Government stimulus it has impacted on retail sales. I have heard Treasurer Roozendaal take credit for increasing retail sales. He should understand that when stimulus money goes into consumers' pockets they spend it and retail sales increase. The State Labor Government cannot claim credit for that.

I acknowledge that the CommSec report released last month is only one report, but it contains a few points that the Treasurer should take on board. It ranks the economic performance of each State and Territory Government over the past 10 years using various economic indicators. On economic growth, New South Wales ranked eighth; on retail trade, seventh; on unemployment, sixth; on construction work, eighth; and on dwelling starts, eighth. Overall it was also ranked eighth. That independent report states that over the past 10 years New South Wales has come last in the economic performance rankings. The first thing that a genuine, transparent government that is trying to fix problems should do is to acknowledge them. It should try to understand the reasons for them, the blockages and how to attack them.

We have outlined plans in relation to payroll tax. The payroll tax reductions that Government members spoke about were outlined well before the global financial crisis, so the Government's policy response in relation to payroll tax during that time was nothing. The Opposition has outlined a payroll tax plan. We have also outlined Infrastructure New South Wales. There is an opportunity for this Government to bring together a body of experts, not just from around the country but also from around the world, to deliver infrastructure in this State. When plans are put forward infrastructure will be delivered. That is a commitment from this side of the House.

Whether it be infrastructure, payroll tax reform or doing something about the regulations, we need to return confidence to businesses in this State. If we return confidence to businesses, they will start employing people, start investing and start helping to turn the economy around. Holding up a poster of green shoots is not the way to do it. That is a stunt. It is symbolic of the way the Government goes about its economic management. It has a huge responsibility to drive this economy forward and the unfortunate reality is that we are doing nothing more than going backwards.

While we support the tenets of this bill and the concept of harmonisation and closing loopholes for people who have been creative in avoiding duty, we make the point that both the Premier and the Treasurer have much more to do to turn New South Wales around, to apply themselves seriously to the job of economic management of the State and to not take credit for things they have not delivered. As soon as they start understanding that, the State will be in a much better position and can start leading this country again.

Mr NINOS KHOSHABA (Smithfield) [5.31 p.m.]: The State Revenue Legislation Further Amendment Bill (No. 2) 2009 seeks to amend the Payroll Tax Act 2007 and Duties Act 1997. Payroll tax legislation has always contained nexus provisions to avoid double taxation for the same wages where an employee provides services in more than one State or Territory, such as interstate truck drivers or domestic airline crew. Until now liability for this type of employee has been based on where wages are paid. With the growth in electronic funds transfer it is common for employees to have their wages paid into multiple accounts. This has made administration of payroll tax more complex. The proposed amendments will resolve this complexity.

The new nexus provisions will apply so that tax is payable for employees providing services in more than one jurisdiction where the employee has his or her principal place of residence. All States and Territories will adopt these changes in the spirit of payroll tax harmonisation. The bill also makes amendments to the Duties Act that will protect revenue and improve the administration of the Act. Finally, the bill ensures that carbon sequestration rights are not land for the purposes of the Duties Act, consistent with the intergovernmental agreement on Federal financial relations. I commend the bill to the House.

Mr GEOFF PROVEST (Tweed) [5.32 p.m.]: I speak on the State Revenue Legislation Further Amendment Bill (No. 2) 2009. I agree totally with the comments of the shadow Treasurer, the member for Manly. I make particular reference to the Payroll Tax Act 2007 and the Duties Act 1997 but I will focus on cross-border issues. The object of the bill is to make several amendments to clarify compliance and administration, which includes a new secondary nexus provision so that payroll tax for employees who work partly in New South Wales and partly interstate—for example, truck drivers—is payable based on where the worker resides rather than where the wages are paid. The primary nexus provision remains unchanged—that is, employees performing work only in New South Wales will be paid where the work is done.

Once again, the Tweed is in a unique position. As I have said in this place many times before, the front door of the Tweed is Queensland; the back door is New South Wales. Of the 30,000 full-time employees within the Tweed, just on 13,500 perform the majority of their work across the border. Similarly, in the reverse around 12,000 part-time and full-time Queenslanders are employed in the Tweed. This raises various issues, particularly with this legislation. The shadow Treasurer referred to the Minister for Finance. The Minister for Finance attended the Tweed about six months ago to promote harmonisation to our local businesses. The Minister made a commitment to me and to a number of people present that he would be sending an officer from his harmonisation office to attend to the many and varied issues.

The Minister also stated to the meeting that much work is done between the New South Wales and Victorian governments about this issue but, by his own words, very little has been done in relation to Queensland areas. This has created enormous strain in the Tweed. Currently the Tweed experiences on average approximately 2 per cent higher unemployment and about 3 per cent higher youth unemployment. Introducing a new secondary nexus provision so that payroll tax for employees who work partly in New South Wales and partly interstate in itself creates enormous problems. In recent times—in September 2009 and also June 2008—I asked a series of questions on notice of the Treasurer about how much payroll tax was collected from businesses in the Tweed electorate in several financial years. The answer I received was:

The amount of payroll tax collected is based on the registered address of the business. As some businesses in regional areas have their head office in another location, it is not possible for the Office of State Revenue to accurately report on the amount of tax collected by region.

That makes me wonder whether the Office of State Revenue is going to collect this other information and what plans it has in place. In September 2009 I asked for the total payroll tax collected in the Tweed electorate from three postcodes for a number of years. Once again, the answer came back from the Office of State Revenue:

The amount of payroll tax collected is based on the registered address of the business. ...it is not possible for the Office of State Revenue to accurately report on the amount of tax collected by postcode.

I find that unusual and I would like the Parliamentary Secretary, when replying to this debate, to articulate the exact method by which the Government is proposing to do this. The issue remains that the payroll tax paid in New South Wales is about 1 per cent higher than in Queensland but, more importantly, the threshold of \$680,000 that the Treasurer promoted in this place when handing down the budget is still very low compared to the \$1 million that is currently applicable in Queensland. It has caused an exodus of businesses from the Tweed over the border. I know a number of businesses that will benefit from moving their whole operation over the border. Their workers still come from both sides of the border, but the Tweed is not open for business because payroll tax is cheaper if they move over the border.

It has been said that the secondary nexus provision assists in the harmonisation of payroll tax. Like the shadow Treasurer, I am all for the harmonisation of services between States. Cross-border issues continue to be a major source of irritation and keep the Tweed behind. If the Government looked at the possibility of a Tweed economic zone it would encourage businesses to relocate to the Tweed and to employ people, which would bring greater tax revenue and greater prosperity. The shadow Treasurer touched on this issue. In addition, a number of years ago the member for Ballina put forward the idea of a cross-border commission that would perhaps lead to the creation of a Tweed economic zone. Currently it is very difficult to attract new businesses to New South Wales, particularly in the Tweed area, because of the differential with Queensland. Queensland is definitely open for business, which is quite relevant to the amount of people moving there on a regular basis.

Another major concern with the bill, and the last thing I would like to see, is more administration placed on those businesses—extra forms, extra tracking. When the bill was first debated there was reference to electronic transfers and to employees and other people—perhaps even members of this House—having multiple accounts into which funds are deposited on both sides of the border. Obviously, cross-border banking occurs in the Tweed. In fact, the Tweed probably has the highest number of such transactions in the State. It is not unusual for people to have a number of bank accounts to manage their business activities across the border. They will all be caught up by this legislation.

I would like the Parliamentary Secretary in reply to tell us what types of workshops and information sessions will be held. I note that there is a period of grace in the 2009-10 tax year to minimise any effect on businesses. To date I have seen no plan put forward and no staff allocated to inform businesses, notwithstanding the amount budgeted for that purpose. I know one business that could save about \$200,000 a year in payroll tax if it moved across the border. That is an attractive plum to pass up, considering how tough things are with high unemployment. I would like to be advised of the types of plans in place to allow that to happen.

I would like the Parliamentary Secretary in reply to give an indication of the response from the Government's Queensland colleagues. I realise that the Council of Australian Governments [COAG] have signed off on the majority of these provisions. However, as with other legislation, at times Queensland seems to be a little advanced on New South Wales. Queensland is getting on with the job for the majority of the time. That is probably why Queensland built the five-kilometre Tugun bypass in New South Wales. I would like an update on the final COAG negotiations. Six months ago the Minister for Finance indicated that very little progress, if any, had occurred and he implied that an officer would arrive at the Tweed. I know that about 30 or 40 business representatives were present that evening, which was an indication of the level of concern about future harmonisation. Probably more importantly, it was an indication of the differential and the increase in paperwork with that exercise.

There are grave concerns with payroll tax, which could be addressed if the Government and the Treasury looked at the possibility of creating a Tweed economic zone, an area designed to stimulate economic growth and job generation. In many respects the Tweed could be called an outer suburb of Brisbane, as we are one hour's travel from the city. We are similar to the Central Coast in that regard, which is one hour's travel from Sydney. We were a holiday village and a retirement village until the Queensland urban sprawl reached us. The Tweed should be given special consideration.

I applaud any efforts at harmonisation, but there are issues apart from payroll tax that need to be addressed. I ask the Parliamentary Secretary to address some of those issues in reply, particularly about how much extra work is to be placed on businesses and what workshops are in place. We are halfway through the financial year. I know that when this bill is passed businesses will have a great deal of concern. I would like the Government to come clean and tell us what budget it has allocated to the Tweed. Once again, I am 100 per cent for the Tweed.

Mr GREG APLIN (Albury) [5.44 p.m.]: I follow the contribution of the member for Tweed and take members to the other end of the State, to the southern border region. Members would be aware that in previous debates I have raised the need for a cross-border commission to examine situations such as this. I intend to speak purely to the payroll tax aspects of the State Revenue Legislation Further Amendment Bill (No 2) 2009. As the member for Tweed ably pointed out, far too often New South Wales is disadvantaged when it comes to setting up businesses, attracting businesses and retaining businesses in the border areas.

Far too often it is the case that we lose competitively to our neighbours when businesses are set up in a neighbouring State often for reasons such as payroll tax advantages, business registration, vehicle registration, et cetera. In this instance, as the member for Tweed said, we need to have an education system that informs people on the borders as to the state of payroll tax amendments. That education process would assist them. Indeed, if the member for Tweed were successful in attracting some form of special economic zone, I would argue that the same should be applied on the southern border for exactly the same reasons.

Last weekend I attended a major function—a fundraiser for the Rehe family—in the Commercial Club at Albury. The surviving children, Eddie and Abbie, attend the Border Christian College. Their parents, Tex and Robyn Rehe, were truckies who were killed earlier this year in a dreadful accident. The Border Christian College, ably led by Christine O'Brien—whose husband runs a trucking company in Albury—and a host of other supporters set out to raise funds for Eddie and Abbie so that they could have a scholarship to equip them in future life. The point I am making is that 300 people attended that function; the facility was filled to capacity.

Apart from the supporters who knew the family and were part of the school community, the majority came from the trucking community. It has been clearly pointed out that truck drivers in border areas form one particular sector, which will require education and assistance in coming to terms with the amendments that are contained in the bill.

As the member for Tweed pointed out, in 2007 changes were made to legislation for harmonisation. In July this year, and I am sure at other times, the Office of State Revenue conducted seminars and produced some papers. I urge the Office of State Revenue to take this matter further, as a result of this bill progressing, and conduct seminars in border regions. In July the seminar notes stated:

In response to business concerns about the compliance costs of eight different versions of payroll tax around Australia, all jurisdictions agreed to harmonise eight key aspects of payroll tax by 1 July 2008. NSW and Victoria introduced essentially identical legislation from 1 July 2007 and this wording was adopted by Queensland and Tasmania from 1 July 2008. South Australia and the Northern Territory will follow from 1 July 2009 ...

All jurisdictions are also committed to consistency of interpretation for identical legislation. NSW and Victoria have jointly issued 35 Revenue Rulings and other States have agreed to adopt these rulings when their legislation is the same.

The seminar gave various examples of the application of the threshold and the differences between the States. I will refer briefly to some of the material contained in the seminar of July this year and then lead on to the provisions contained in the bill. At the seminar in July people were told that all jurisdictions have identical provisions to determine in which State a wage is a taxable wage. We were told that a month's wages can only be liable in a single jurisdiction, even if work for that month is performed in two or more jurisdictions. We were also told that a wage is taxable in New South Wales based on two criteria: first, where the work is performed or, second, where the wages are received by the employee. The seminar notes show a series of questions and answers. For example:

When all the work in a month is wholly performed in NSW

All the wages paid or payable for that work are taxable in NSW.

Work in a month is performed in two or more States in Australia

All the wages paid or payable for that work are taxable in NSW if the employee is paid for that work in NSW, or paid into an account opened up in NSW.

The seminar notes continue:

Work is performed overseas for more than six continuous months and paid or payable in NSW

None of the wages are taxable in New South Wales.

Further examples related to overseas work. I do not intend to go down that path because I am concerned mainly about people who are resident in the border region. As I pointed out, many major trucking organisations and freight companies are based on both sides of the border. They employ a range of people, including staff in administration work, line operation work and safety compliance work, as well as truck drivers on both sides of the border. Border Express is one of those major freight companies, O'Brien's Transport is another and Hume Transport is another. Just recently we have had the opening of the Ettamogah Intermodal Hub by Colin Rees, originally of Colin Rees Transport, whose main object is to bring containers from the docks at Geelong and Melbourne straight up to Albury and then to distribute the goods from there. Clearly, it is an area that employs personnel from both sides of the border and therefore it will be subject to the provisions of the bill.

To determine where a wage is paid or payable, the location of the business is not relevant, the Office of State Revenue said. Where an employee is paid is a simple question of fact. The office further said that if an employee's wage is paid into an account, it is the place where the account is held. If an employee is paid by post, it is the physical address the wages are sent to. If an employee is paid cash in hand, it is the place of payment. Until an employee changes it, the physical location of the branch in which the employee's account was opened will determine in which jurisdiction it is.

With regard to wages paid for multi-month services, the Office of State Revenue told us that not all taxable wages are paid or payable to an employee in the month of service. A good example is a termination payment such as paid-out leave. The office told us that paid-out leave is not a payable wage in the months and years in which it accrues and that it is only taxable when it is paid. When two or more months of service are involved in a paid wage, only the service in the month of payment is used to determine where the wages are taxable.

The bill amends the Payroll Tax Act 2007 and the Duties Act 1997 to protect the revenue, and improve compliance and administration. The bill amends the jurisdictional nexus provisions in the Payroll Tax Act 2007 for payments of tax where an employee performs services partly in New South Wales and partly outside New South Wales. We were told in the agreement in principle speech that payroll tax legislation has always contained nexus provisions in order to avoid double taxation on wages. This, of course, is vital. Liability has previously been based on where the service is performed and the wages are paid. However, the new provision takes into account that electronic funds transfer is now common for employees to have, and therefore wages are paid into more than one account and in jurisdictions other than where employees perform their services.

Under the bill, a primary nexus test will continue to apply the principles currently used to determine initial liability. This means that if employees provide services wholly in one State or Territory, payroll tax is payable in that jurisdiction. We were told in the agreement in principle speech that the test applies to approximately 90 per cent of the workforce in New South Wales. We need to take account of the border regions as specific areas where there will be greater questions than in other areas of New South Wales. They are areas where seminars need to be held, and where employers need to be advised of their responsibilities and of the changes that have been brought about as a result of the bill. Just as the member for Tweed argued with regard to the Tweed area, we need to look at the southern border region as an area of special concern where greater efforts can be made to attract businesses and retain businesses for the benefit of the State.

Mr JONATHAN O'DEA (Davidson) [5.54 p.m.]: In speaking to the State Revenue Legislation Further Amendment Bill (No. 2) 2009 I refer particularly to the amendments to the Parking Space Levy Act 2009. This House considered the Parking Space Levy Act 2009 in March this year. At that time the Opposition opposed the Parking Space Levy Bill 2009. Indeed, I criticised the bill as being an audacious and unjustified revenue grab introduced with a lack of parking industry consultation and without regard to current economic circumstances. I will not reiterate the arguments raised in the debate that took place in March this year. However, I emphasise that that lack of consultation may well have contributed to the situation we now face, which is a required amendment to that legislation. As has been acknowledged, obviously an error was detected, which is now addressed through schedule 2 [1] to this amending bill.

Rather than reiterating the arguments raised against the levy, I want to address the way the levy was received in the media. Prior to the passage of the legislation the *Australian* reported on the proposed levy under the headline "Welcome to NSW, the big tax state". The article pointed out that the New South Wales Labor Government had intended to raise an extra \$3.6 billion "to plug a gaping budget hole". Subsequent to the end of that financial year and after the legislation had been passed, the ABC News published an article under the headline "Sydney parking hike a tax grab". The article reported comments by the Minister for Transport, which I will return to.

The *Age* of 7 July published an article under the heading "Sydney parking among world's most costly". We all want New South Wales to lead the world, but we do not want it to lead the world in terms of being the most expensive city in the Asia-Pacific region, other than Hong Kong, for parking in the central business district. Indeed, the average cost of parking a car in Sydney's central business district is the fifth most expensive in the world, according to a survey undertaken by property researcher Colliers International. As the shadow Treasurer pointed out, on 6 October 2009 the *Sydney Morning Herald* reported:

The State Government's claim that increasing the levy on private parking spaces across Sydney would reduce traffic congestion was not supported by any significant research, an internal Treasury email has revealed.

So, we have not had any great praise for this levy from the media or commentators. Let us revisit what the justification for the levy was. The justification of the Minister for Transport was, "The parking space levy is all about encouraging people to leave their car at home, and take public transport." All I can say with regard to people in my electorate is that the Minister for Transport has simply cut the services to the North Shore line, to all the train stations in my electorate. So, if the Minister's justification for hitting a lot of people in my electorate, including a lot of small business people and a lot of medium-size business people, is, "We want to get them on public transport", he is not acting consistently because we have just seen a cut of more than 20 per cent to all the train stations in my electorate of Davidson. I point out that hypocrisy.

I acknowledge that the bill is of limited scope, so I will not speak further to the issue except to say that I will stand up for small- and medium-size businesses, even though the Government will not. At a time when New South Wales has the highest unemployment rate in the country and we continue to live in difficult economic circumstances, the Government has implemented a job-destroying increase in the parking levy. It is not an appropriate solution to this Government's ongoing waste and mismanagement. It was not a proper

solution when it was announced. It was not a proper solution when this legislation was passed in March. It is still not an appropriate solution as we again consider amendments that attempt to rectify inadequate legislation and the inadequate performance of the Government in this State.

Mr THOMAS GEORGE (Lismore) [6.00 p.m.]: I speak to the State Revenue Legislation Further Amendment Bill (No 2) 2009. The objects of the bill are as follows:

- (a) to amend the *Duties Act 1997*:
 - (i) to make further provision for the valuation of land holdings of unit trust schemes, private companies and listed companies in connection with determining whether those unit trust schemes or companies are landholders for the purposes of landholder duty, and
 - (ii) to make further provisions for liability for landholder duty in respect of an acquisition of an interest in a landholder that is made by a trustee or by a person acting in more than one capacity, and
 - (ii) to make persons who acquire or hold an interest in a landholder as a creditor liable for landholder duty in certain circumstances and to clarify the meaning of "interest" in a landholder, and
 - (iv) to prevent the use of terms of contracts or other means to avoid liability for landholder duty, and
 - (v) to clarify the types of interest in land that are treated as dutiable property under that Act, and
 - (vi) to make other changes to that Act as a consequence of the recent significant changes to landholder duty and mortgage duty provisions,
- (b) to amend the *Parking Space Levy Act 2009* to clarify the time within which the parking space levy must be paid in order to avoid penalty;
- (c) to amend the *Payroll Tax Act 2007* to establish a new test for determining whether wages are taxable in this jurisdiction, which is consistent with complementary legislation being adopted by other States and the Territories.

The Opposition shadow Minister has given a broad view of the bill but I wish to refer to the section of the bill that deals with the Payroll Tax Act 2007, where the secondary nexus provision is being introduced so that payroll tax for employees who work partly in New South Wales and partly interstate is made payable based on where the worker resides, rather than where the wages are paid. The payroll tax measures in bills are largely the result of a meeting between all State and Territory Commissioners of State Revenue that was announced on 16 June 2009. The new nexus provisions arise from the growth of electronic transfer of wages, making the administration payroll tax more complex—that is, it is common for employees to have their wages paid to more than one account and in jurisdictions other than where they perform their services.

The new secondary nexus provision is unlikely to have a significant impact on payroll tax revenue but I would like the Parliamentary Secretary in reply to advise members how this will simplify the system. If a company is based in New South Wales and employs people who reside in New South Wales but part of their work is in Queensland and part is in New South Wales, how would an employer be expected to keep control of this? Cross-border issues have been highlighted in this House on a number of occasions over the years that I have been a member, and in the time of many members before me.

There is a differential in payroll tax charges in Queensland against New South Wales, yet companies based in this State are being forced under our legislation to employ truck drivers from Queensland. In order to comply with the needs of the road safety environment they get a driver to bring a truck from Brisbane to Kempsey, another driver takes the truck from Kempsey to Sydney, another driver brings the truck from Sydney to Kempsey, another driver takes the truck to Queensland, and yet another returns the truck to Coffs Harbour. I ask the Parliamentary Secretary to explain to me how organisations are expected to administer the breakdown of duties and time in each State. How is this to be controlled? What liability is to be placed on the company that employs these people?

In my past career as a stock and station agent based in Casino we had offices at Warwick, Stanthorpe, Casino, Bangalow and now Murwillumbah. Staff were criss-crossing the border all day. I believe a nightmare has been created for companies to keep control of what is done in New South Wales and what is done in Queensland. That would be fine if there was no differential but the threshold is totally different in Queensland from what it is in New South Wales and payroll tax in New South Wales is dearer than it is in Queensland. How are companies expected to maintain control? Are these companies expected to have logbooks? When fringe benefit tax came in, people who worked for me had to fill out a logbook for every kilometre they drove, which was a nightmare.

Will those companies now have to have a book to determine how many hours they had in Queensland and in New South Wales on any given day? It will be an ongoing problem and more red tape is being created. This is due not only to the inadequacies of the Government but because of the differential in payroll tax. This will apply not only to the Queensland-New South Wales border. The member for Albury spoke about the New South Wales-Victorian border. There is the New South Wales-South Australian border, the New South Wales-Australian Capital Territory border and the New South Wales-Northern Territory border. This will create a big problem and just what are companies expected to do to combat that problem?

Mrs KARYN PALUZZANO (Penrith—Parliamentary Secretary) [6.07 p.m.], in reply: The New South Wales Government is committed to having best practice revenue laws. The State Revenue Legislation Further Amendment Bill (No 2) 2009 makes important amendments to State tax Acts, both to protect revenue and to improve compliance and administration. The bill amends the Payroll Tax Act 2007 and the Duties Act 1997. Before going to the substance of my speech in reply I want to comment on the contributions of those opposite. Only the Opposition could make negative comments on the strength of the New South Wales economy, given its comparison with worldwide economies. Business is being carried on as usual in this State.

The Government has an infrastructure spend, jobs are being supported within our local communities, and new jobs for apprentices and trainees are being created. I recently met a new trainee from the Department of Commerce. Having met that trainee, I fail to see how the Opposition can say that the focus in New South Wales is not to support jobs. Comment has also been made about the parking levy. Obviously those media outlets are not going to outer western Sydney and seeing the car parking spaces being constructed there. They do not see the upgrades to Emu Plains railway station or the jobs in constructing the traffic lights at the Jamison Road intersection or the school fence as part of the Principals Priority Program at Jamison High School. These are the types of jobs the New South Wales Government is underpinning, thereby placing New South Wales in a good position for economic recovery.

Just as I see the green shoots of snow peas in my garden, we are seeing the green shoots of recovery in New South Wales. In comparison to other States, the numbers speak for themselves. Recently released investor housing approvals show that figures are up again for New South Wales—41 per cent year on year. These figures show improved confidence in the New South Wales housing sector. Those who work in the New South Wales housing sector know about the investor confidence. Housing—new or refurbished—means jobs and security for the mums and dads in western Sydney. The Opposition makes comparisons to other States. Unlike other States, New South Wales has maintained its triple-A rating. The Opposition is silent on that economic assessment.

The Government is delivering a record infrastructure stimulus program of \$62.9 billion over the next four years. That means jobs in constructing the new commuter car park at Emu Plains and fences at Jamisontown Public School and in New South Wales hospitals, schools and police stations. It is the largest infrastructure investment in the history of New South Wales, and the largest of any other State. The Opposition remains silent on that issue. It also is silent on the State's unemployment rate of 5.6 per cent, which is the second lowest rate among States and below the national average. Western Australia and Queensland have higher unemployment rates, despite advantages provided by the mining boom.

Retail sales in New South Wales have grown by 9.5 per cent since the worst days of the global financial crisis in September 2008. That is a full 2 per cent higher than the next best State, Victoria. It is 3.8 per cent higher than Queensland and 6.3 per cent higher than Western Australia. Through the year on State final demand we are above the national average—0.8 per cent compared to 0.7 per cent nationally. The numbers do not lie. We are starting to see improvements in the unemployment rate, improvements in retail sales and improvements in housing approvals. There is more work to be done, but the Opposition should not talk down an economy. The economy is rising slowly from an internationally inspired downturn. We are providing jobs throughout communities in New South Wales.

The member for Manly spoke about the Government's policy on payroll tax. Payroll tax is paid by less than 10 per cent of New South Wales businesses. The budget has funded a payroll tax cut from 5.75 per cent to 5.65 per cent commencing from January 2010. This follows the payroll tax cut already delivered in January this year from 6 per cent. The Government has budgeted to cut payroll tax further to 5.5 per cent in 2011. I remind the House that the last time the Coalition held office the payroll tax in New South Wales was 7 per cent. To further support business the budget has announced an increase in the payroll tax threshold to \$638,000 from 1 July this year.

New South Wales is the only State to index the tax-free threshold so that businesses do not end up paying more tax due to bracket creep. The reduction of payroll tax rates and indexation of the tax-free threshold

mean a New South Wales business with a \$1 million payroll in 2008-09 will save around 20 per cent of its payroll tax bill once our program of tax cuts is fully implemented. This represents an injection of about \$2.7 billion into New South Wales businesses over the next five years to 2012-13. Our cuts to payroll tax are permanent and fully budgeted, in contrast to a temporary cut proposed by the Opposition.

The bill's amendments to the Duties Act continue the implementation of landholder duty. The new landholder duty replaced the land rich duty on 1 July 2009 and imposes transfer duty on acquisitions of significant interests in companies and unit trusts that own land in New South Wales with a value of \$2 million or more. The bill makes further amendments, including amending the land value threshold test for landholder duty. The current provisions apply to companies or trusts owning land in New South Wales with an unencumbered or improved value of \$2 million or more. To enable taxpayers to easily determine whether the landholder provisions apply, the bill provides that where the landholdings have a land value for land tax purposes the unimproved value will be used for the purpose of the \$2 million threshold test. This change will have the effect of significantly raising the threshold at which interests in companies that hold land will have a potential liability to landholder duty.

The member for Manly referred to the dissemination of information to the public in relation to the changes to the landholder duty threshold. The member can rest assured that the Office of State Revenue will advise the public in the usual way about the effect of this bill. I add that the Office of State Revenue website contains valuable information on changes to legislation. The member also referred to comments by the Property Council of Australia about these reforms. I inform the member that some of the reforms included in this bill are a direct response to Property Council submissions. Of course, the Office of State Revenue will continue to consult with the Property Council about the continued improvement of revenue legislation in this State.

The member for Manly and the member for Lismore spoke about the parking space levy. The parking space levy seeks to reduce congestion and promote the use of public transport in business areas that are well serviced by public transport. Under the Parking Space Levy Act the funds collected are used for the construction and maintenance of transport infrastructure, which encourages public transport use to levy areas. As the member for Penrith, I have already outlined the public benefit from the parking space levy to commuter car parks in western Sydney. I referred to the car park in Emu Plains that is earmarked for extra spaces from the parking space levy revenue. The revenue also goes to improvements to public transport infrastructure, including new buses for Sydney transport users.

This evening I will catch the 8.10 p.m. train to Penrith and alight at Penrith railway station at about 9 o'clock. Under the new changes to the bus timetable there will be buses to meet my train and buses will run later into the evening. I could catch the 774, 775 or 776 bus service. That is a brand new bus service that was introduced in the new timetable in October. The public transport infrastructure improvements also include new buses for Westbus. The service I catch travels along Derby Street and past the hospital. I get off at the roundabout at Bringelly Road but if I stayed on the bus I would go through the university campus, past the TAFE and on to St Marys railway station. I could get off at St Marys railway station and do the reverse journey to Kingswood. These brand new buses show the commitment to Sydney transport users. The revenue from the parking space levy will allow improved transport in western Sydney and greater western Sydney.

The member for Tweed and the member for Lismore referred to client education. I am advised that the Office of State Revenue conducts client education programs. As outlined by the member for Albury, it conducts seminars. Further, available on its website are information and brochures to either read online or download. It conducts a new client education program to provide advice to newly registered payroll taxpayers. As the member for Albury said, the Office of State Revenue goes to major centres.

It goes out to major regional centres and it also goes out to major Sydney centres. In fact, as the member for Albury mentioned, the Penrith Valley Chamber of Commerce held a seminar in conjunction with the Office of State Revenue. What was good about the seminar was that the chamber of commerce chief executive officer Jill Woods was able to liaise with the Office of State Revenue and tailor the seminar to the businesses in Penrith, which can be done after this legislation is passed. Chambers of commerce can ring up the Office of State Revenue and book a seminar for their businesses.

In relation to the concerns of the member for Tweed and the member for Lismore about the payroll tax nexus in border areas, I am advised that basing the nexus on the employee's principal place of residence means that tax is paid to the State that provides the services and infrastructure to the employee, rather than basing it on the actual toing and froing between States. The member for Lismore gave an example of what happened with

stock and station agents going from State to State or from place to place. I am sure that each of those stock and station agents had a principal place of residence and if the principal place of residence is in New South Wales tax is paid to New South Wales, which provides services and infrastructure to the employee.

In conclusion, the amendments introduced by this bill will improve State tax Acts by increasing consistency with other States and Territories while protecting the revenue bases of both payroll tax and landholder duty. 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.

PREVENTION OF CRUELTY TO ANIMALS AMENDMENT BILL 2009

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

FOOD AMENDMENT (FOOD SAFETY SUPERVISORS) BILL 2009

Agreement in Principle

Debate resumed from 30 October 2009.

Mr GEORGE SOURIS (Upper Hunter) [6.22 p.m.]: I have pleasure in leading for the Liberal-Nationals Coalition on the Food Amendment (Food Safety Supervisors) Bill 2009 and also in representing my colleague the Hon. Duncan Gay in another place, who is the shadow Minister in relation to this bill. This bill will be dealt with more fully in another place. Although the Opposition opposes the bill it will not divide in this place but reserves the right to either move amendments or to seek Government amendments to clarify a number of issues in this bill, or to divide in the other place.

The New South Wales Opposition understands the importance of food safety within our restaurants, cafes, takeaway food shops, catering establishments, clubs and hotels. Food handling errors that occur within the New South Wales hospitality industry account for a large proportion of food-borne illnesses in New South Wales, with a direct cost of around \$150 million and an unnecessary burden on health services. The Food Amendment (Food Safety Supervisors) Bill 2009 amends the Food Act 2003 to require the proprietors of certain food businesses to appoint a food safety supervisor who must hold a food safety supervisor certificate as evidence of the food handler training qualifications required to have the authority to supervise food handling and ensure the handling is done safely.

We understand that this initiative to require businesses to appoint trained food safety supervisors aims to reduce the incidence of such illness. We also understand that this initiative, including alignment with national competencies, brings New South Wales into line with similar requirements in Queensland and Victoria. However, we have serious concerns about the extra costs this will place on small businesses and the extra burden this will place on an already struggling industry. Total costs are estimated at around \$250 per person, which is a big amount for a small, struggling business to fork out. We cannot support this move unless the Government puts in place measures to financially support businesses. In a small business the training may have to be repeated as employees come and go. Also, there is the issue of employees who suddenly call in sick or who resign, leaving the business without a certificated trained person. We also have concerns about how remote regional businesses will cope and how their employees will be trained.

While the industry has spoken out against the impact of this extra regulatory burden, it recognises that there are models in other States that New South Wales is following. What industry is looking for is some commitment to manage the compliance through a web-based process of managing that is registered, trained, and so on. Industry maintains that the failure of the bill to allow businesses to register the food safety supervisor's

statutory information through a web-based page will increase costs for government and industry, as well as limit the compliance by small to medium enterprises, including franchises. While a paper-based system will be needed for equity of access by people without internet resources, that form should be standardised. Launching such a scheme concerning the personal identification of thousands of food safety supervisors without web-based access is certain to create unfavourable industry and general media comment, and may limit compliance rates.

Further, retailers are presently experiencing greater administration costs of registering food premises through two levels of government due to local government agencies demanding that food businesses register the same information that is required on the Notification and Food Safety Information System [NAFSIS] database. Industry does not need more red tape and we call on the Government to at the very least make a commitment to this web-based compliance process. I conclude my remarks by reminding the House that whilst the Opposition is opposed to this legislation we will not be dividing in this place but reserve the right to do so in another place.

Mr ROBERT FUROLO (Lakemba) [6.27 p.m.]: I rise to support the Food Amendment (Food Safety Supervisors) Bill 2009. In supporting this bill I commend the NSW Food Authority for its proactive approach to reducing food-borne illnesses in New South Wales by improving food handler skills and knowledge. Food handlers are the critical link between food and consumers. Food handlers have a responsibility to ensure that food served to consumers is safe by following proper food safety practices. Yet food-borne illness statistics consistently show that poor food handling practices, such as improper time and temperature control, poor personal hygiene and cross-contamination, cause a large proportion of food-borne illnesses, especially in hospitality businesses. I am not surprised that in New South Wales alone this typically results in more than 2,000 confirmed cases of salmonella poisonings each year.

Food contaminated with bacteria and viruses is a serious public health problem. New South Wales bears \$416 million of the total cost of food-borne illnesses in Australia, estimated at \$1.2 billion per year. This figure includes the costs of food-borne illness outbreaks as well as individual cases of disease. Currently the data collected on food-borne illness in Australia is based on reported outbreaks only. OzFoodNet, the national food-borne disease surveillance system established by the Commonwealth Department of Health and Ageing, publishes this information. In 2004 OzFoodNet reported that restaurants and cafes alone cause 36 per cent of food-borne illness outbreaks. This bill will cover more than this segment of the hospitality industry. It will include the places where consumers in New South Wales purchase food on a daily basis—takeaway shops, caterers, bakeries, clubs, hotels and certain retail activities such as supermarket hot food sales. OzFoodNet does not report outbreak data in relation to this group as a whole but rather reports on each hospitality business type separately.

In reality, if the data for all businesses covered by this bill were combined, the percentage of outbreaks attributed to this industry would increase to 61 per cent. The New South Wales Government has taken a conservative, responsible approach to this information. It has used the figure of 36 per cent, directly attributable to outbreak data for restaurants and cafes only, in all its estimates of the cost of food-borne illness to the State. The true cost is undoubtedly much higher. This conservative estimate still puts the cost of food-borne illness caused by hospitality food businesses at an unacceptably high \$150 million. This is an unnecessary burden on the State's economy and health system, including for the treatment of patients and hospital beds being occupied.

The Food Standards Code requires food handlers to have the necessary skills and knowledge to handle food safely. However, the code does not require training and provides no method to assess skills and knowledge. Furthermore, many code requirements are outcome based rather than prescriptive. While there is clearly great variation in the skills and knowledge possessed by food handlers, objective assessment during food business inspection is not possible so the skills and knowledge requirement, in particular, is unenforceable. The knowledge gap is currently demonstrated by the high number of food-borne outbreaks caused by poor food handling in hospitality businesses. Industry agrees that now is the time to lift the game of food handlers in New South Wales, and with its support that is now possible. I believe this bill can only bring benefits to the State and I support it because it provides an effective, low-cost approach to target the issue of food-borne illness and to improve food safety outcomes in New South Wales. I commend the bill to the House.

Mr THOMAS GEORGE (Lismore) [6.31 p.m.]: The Food Amendment (Food Safety Supervisors) Bill 2009 seeks to amend the Food Act 2003—the principal Act—to require the proprietors of certain food businesses to appoint food safety supervisors who hold certain qualifications and who have the authority to supervise food handling, to require that those appointments be notified to the relevant enforcement agencies, to allow the Food Authority to approve registered training organisations to issue food safety supervisor certificates to persons who have the prescribed qualifications, and to make other amendments to facilitate the administration

of the Act. All members understand the importance of food safety. It is a priority regardless of where we eat—at home, at a hotel or anywhere else. Yet here we go again, creating more red tape. Undertaking a food safety supervisor course will cost \$250.

I was a hotel licensee. Hotels serve food and alcohol and offer gaming activities. Of course, they must have employees who have completed a responsible service of alcohol course, which costs \$100. If they offer gaming, the staff involved in that activity must complete another course costing \$100. No hotel can survive without serving food and the course required by this legislation will cost another \$250. That is a total of \$450. What happens if a licensee has paid for a young person to complete all those courses and three weeks later that young person falls in love and decides to move away? The licensee must then train someone else. Employers are being burdened with red tape and additional expenses. Will the Government recognise the money and time that businesses have spent putting people through courses? Larger businesses must also have staff who have occupational health and safety qualifications. How many more qualifications will be required? I am not complaining, but we should remember that small businesses in country and regional areas cannot continue to train employees only to have them move on.

Industry is looking for a commitment to manage compliance through a web-based system that details who is registered, trained and so on. How will remote regional businesses cope and how will their employees get the required training? Who will travel to remote areas to train these people? That is a major problem in country and regional areas. Trainers travel thousands of kilometres to provide responsible service of alcohol and responsible service of gaming training. Those courses should be coordinated; there should be a one-stop shop for training. I hope that the people advising the Minister realise that it would be unreasonable to have one person travelling to Moree to conduct a responsible service of alcohol course, another person travelling there the next day to conduct a food safety supervisor course, another person travelling there the next day to conduct an occupational health and safety course and so on.

Those courses should be coordinated so that people are not absent from their workplaces for extended periods. It is all right to add another course to the list, but they should be coordinated. The Government should work with business to deliver the required training. We must not further burden the employers of this State. I ask that some mechanism be put in place to deliver these courses properly so that employees are not unnecessarily absent from their workplace. Three or four of these courses might be amalgamated into one course. As I said, all members appreciate the importance of food safety, but the Opposition is concerned about the burdens being imposed on small businesses in regional and remote areas. They do not have the access to training that is available in major centres. The Opposition reserves the right to move amendments to the bill in the other place.

Mr GEOFF CORRIGAN (Camden) [6.39 p.m.]: I support the Food Amendment (Food Safety Supervisors) Bill 2009. The New South Wales Government and the hospitality industry share a common vision: to reduce food-borne illness by improving the skills and knowledge of food handlers within the hospitality industry. The Government should be commended for developing this initiative in such close partnership with industry.

Mr Andrew Fraser: Who wrote this?

Mr GEOFF CORRIGAN: Me. The popularity of the name-and-shame campaign shows that the people of New South Wales care about the safety of the food they eat, as does the member for Coffs Harbour. This bill provides an assurance to all consumers that their food is being handled properly, under the guidance of a trained and qualified person, whether it be in their local pub or club, restaurant or takeaway. A boost to consumer confidence in the New South Wales hospitality industry can only bring benefits to individual food businesses, the New South Wales economy and the industry as a whole. Industry recognises the need to raise food safety standards and supports mandatory food handler training as an effectively targeted, low-cost approach. The Food Authority has consulted extensively with industry to develop this initiative. It has worked in partnership with the Hospitality Sector Co-regulatory Working Group.

An example of the joint efforts was the overwhelming success of the food handler training pilot. I am sure the member for Coffs Harbour supports that. The purpose of the pilot was to ensure the proposed training is practical and relevant to food businesses. In June this year the authority conducted the pilot in conjunction with Restaurant and Catering New South Wales and Auburn council. Participants from local restaurants, takeaway shops, clubs and bakeries took part in a one-day training course. The course was based on the same national units of competency required in Queensland and Victoria for a food safety supervisor. Feedback by participants

was very positive: 91 per cent of participants felt more confident about their food safety knowledge; participants also reported that they found the course helpful and relevant to their business; and 96 per cent of participants agreed that all food handlers in a business need food safety training.

The New South Wales Government is committed to achieving minimum effective regulation at the lowest cost to food businesses. Just one person per premises must be trained as a food safety supervisor or, in the case of mobile catering businesses, just one person per business. The food safety supervisor may be any person within the business, provided they do the training. The nature of the role may mean that the most common approach will be for businesses to use existing management or supervisory staff in meeting the requirement. The food safety supervisor will take a lead role in promoting good food hygiene and safe food handling in the business. This may be done by direct supervision or by developing systems, such as simple work instructions and signage, that support a culture of safe food handling. Through the working group a number of concerns were identified. These included issues such as fees—also raised by the member for Lismore—on-site availability of the food safety supervisor and recognition of existing qualifications and those obtained in other States. The bill contains provisions dealing with all those concerns in a practical, effective manner. I am sure the member for Lismore is happy to hear that.

Mr Andrew Fraser: Someone else wrote this.

Mr GEOFF CORRIGAN: No, it is all my own work. If this bill is enacted, the Food Authority will continue to work with the industry working group, local government and registered training organisations to plan the implementation, commencing around April 2010. This bill provides the foundation for building a stronger food safety culture in New South Wales. It achieves the right balance between managing food safety risks and minimising costs to business. I commend the bill to the House

Mr ANDREW FRASER (Coffs Harbour) [6.43 p.m.]: Small businesses are the backbone of the Australian nation. The Legislation Review Committee quoted the following from the Minister's agreement in principle speech:

The hospitality industry is one of the cornerstones of the New South Wales economy. The industry is keen to target food-borne illness and continue to build its reputation. This bill is the next step in realising the New South Wales Government's twin visions of a safe and secure food supply coupled with a strong, profitable hospitality industry.

Mr Geoff Corrigan: Who wrote that speech?

Mr ANDREW FRASER: That is what I would like to know. As the member for Lismore stated earlier, many small businesses, such as Mum's Snacks, where I get a hamburger every now and then to keep my local economy going—they are good, old-fashioned hamburgers, not like the ones from Maccas or any of the other fast food outlets—have two employees. On more than one occasion one of the ladies at Mum's Snacks has been ill—probably because she ate food from another outlet—and someone else has come in to help. If the person who is ill holds the food handling qualification, what happens when the food inspector—who happens to be a bit of a nark and who knows she is ill—walks into the shop? I notice the legislation provides for 30 days grace and so on, but I suggest that that is nothing more than window-dressing.

The bill is nothing more than a Government reaction to stories in the *Daily Telegraph* that draw attention to filthy kitchens in many Sydney restaurants. We have legislation in place now to sort out those people; we do not need to place another impost of \$250 on small businesses. Farmers in my electorate who might be using a bit of Roundup have to do a chemical handling course. They have to go back every two or three years and renew their certificate. I suggest that they are more competent than others who use that chemical but people who use it in their backyard do not have to have a certificate. They can buy and use the chemical but, unlike the farmers, they do not have to pay \$250 or \$300. This is a similar situation. I was a member of Apex for 19 years, and we cooked lots of steaks during that time.

Mr Russell Turner: Absolutely!

Mr ANDREW FRASER: The member for Orange was a member of Apex as well. We catered for many functions and on many occasions we did so on a barbecue and out of a tent—at the Orana Valley Fair, the Coffs Harbour show, you name it, it has been done. I suggest that someone running a business in town would not be able to operate under the conditions that service clubs operate under. I am not saying that those conditions are unhealthy but they probably would not comply with any certificate offered under this legislation. I am led to believe—I cannot find it in the bill—that service clubs and others are exempt.

Mr Geoff Corrigan: No, they comply.

Mr ANDREW FRASER: They are deemed to comply, are they? Why are they deemed to comply and Mum's Snacks in Coffs Harbour is not deemed to comply when it abides by all current regulations? This bill is about the Government trying to save face with the *Daily Telegraph*. I do not care how much regulation there is or how many inspectors there are, unless those inspectors do their jobs we will continue to see in the *Daily Telegraph* photographs similar to those that appeared recently. Restaurants that do not comply with the regulations now will continue to ignore them. Unless someone is knocking on their door and visiting the full force of the law upon them, we will not have the surety that this legislation claims to give us.

Those restaurants will send someone to the course and then say they comply. That person—it is probably the smartest person in the shop—will sit in the corner and tell the inspector that they have their certificate. Will the inspector accept the certificate and then walk out of the restaurant and disappear into thin air? Probably. Will the inspector look at the kitchen and see the rats and the cockroaches, the dirt and the filth? I do not know whether he will. If those problems exist now they will continue to exist until councils and other food authorities inspect restaurants on a regular basis. I have been a member of a Government and I have received speeches from the Minister and read them onto the *Hansard*, as many members have. But I do not think I could read a speech that places such an impost on small businesses, including those in the electorate of the member for Camden.

I have been informed by the shadow Minister in another place that if someone is only selling the food and not preparing it on the premises, they will not need a certificate. How many small businesses sell pre-made sandwiches, sausage rolls and other products? They may be made elsewhere in the cleanest and most hygienic conditions, but if they are not stored and served properly at the place of distribution I suggest that the risk of salmonella or any other food-borne disease is as high as it would be if the food were prepared there. If businesses buy in sausage rolls and do not chill them or do not put them into the oven immediately, there is a risk of contamination. If they bring in seafood and do not chill it before selling it, there is a risk of contamination. However, as they are not preparing the food, they do not need a certificate. If they bring in sandwiches that become flyblown and then sell them, they will not be affected by this legislation. The Government is either serious or it is not. The Government is introducing legislation late in the parliamentary year either for the sake of it or because it is serious about addressing the issues at hand, which have been brought to our attention by the *Daily Telegraph* and other newspapers.

When I was shadow Minister for Primary Industries I studied the Food Act. I know that it provides for the policing of food safety. Parliament has the opportunity to ensure that this State has the highest possible food safety standards. However, it is obvious that that is not happening. It is obvious that there has been a concerted effort by the *Daily Telegraph* to name and shame businesses. When I was shadow Minister the name-and-shame legislation was introduced. Businesses that were named and shamed under that legislation changed their name and operated under a different one, or operated from different premises and thus beat the legislation. If this issue is to be resolved, the loopholes in the existing legislation must be closed. The existing legislation must be policed. That is a fairly simple exercise.

The Government should put its efforts into policing the existing legislation and not create an impost on small businesses, especially those in regional New South Wales, which may backfire and result in many being unable to operate or being forced out of business. I am sure the member for Bathurst would agree that there are quite a number of one-man or two-men operations in country towns, especially the small whistle-stop towns. How can those operators take time off from their businesses to undertake the course? How will they have the opportunity to do that? They will need to pay a fee of \$250, attend the course and then sit for the examination, resulting in a loss of income. If they do not pass the examination, their business will be closed down. Their little whistle-stop store, which people rely on to buy a cut lunch or a pie, will be out of business.

I believe we need to police the legislation we already have. We need to adopt the attitude—which the Opposition has, which it will continue to have, and which it will take into government after 26 March 2011—of getting government off people's backs, out of their tills and out of their wallets. This bill puts the Government on people's backs and its hand in their tills. It is taking the profits out of their businesses. Small business operators have enough imposts without having this extra condition thrown at them. The industry and its operators are supportive of improving food standards in New South Wales and getting rid of rogue operators. This bill, which has been brought before the House in a fairly short time frame, will not do that. The bill will not improve the quality of food in shops and it will not stop rogue operators. The bill will not force those smallgoods operators who do not meet the regulatory criteria to do so. The bill will not prevent cases similar to

that of the Chinese restaurant that was reported in the *Daily Telegraph* a month or two ago, and it will not stop the rogue operators. I suggest that the Government pull the bill, put it out for discussion by small businesses and let them come back with their opinions regarding the dangers they believe it will do to their operations.

Mr Geoff Provest: We have had that, with the HACCP.

Mr ANDREW FRASER: As the member for Tweed said, we have food handling regulations, such as the Hazard Analysis and Critical Control Point [HACCP] approach to food safety. The member for Tweed was the manager of a club before he came to this place. The cost to that club of the existing regulation was huge, yet this bill will add to that expense. The existing legislation is not policed; it is not managed. Yet the Government wants to add another cost to the club industry that it has penalised already. The Government should rethink this bill. It should tell the *Daily Telegraph* that it will ensure that existing food standards legislation under HACCP are enforced, and it will make sure that when anyone who buys a pie from Harry's Café de Wheels, a sandwich shop or a kebab shop can be absolutely certain that the food is produced according to existing regulations.

Why put another impost on businesses? Why do we need to put another tax on small businesses? As the member for Lismore said, why must businesses train someone and pay for their qualifications only to lose them to the fish and chip shop around the corner that picks up the certification at no cost? It is not good enough. Legislation should not be a detriment to small business in regional New South Wales. Those businesses are doing it tough enough. The Government should withdraw the bill, talk to the industry to make sure we get it right, and enforce the existing legislation.

Mr RUSSELL TURNER (Orange) [6.48 p.m.]: The Food Amendment (Food Safety Supervisors) Bill 2009 amends the Food Act 2003 to require the proprietors of certain food businesses to appoint food safety supervisors who hold certain qualifications and have the authority to supervise food handling, and to require that those appointments be notified to relevant enforcement agencies, and to allow the Food Authority to approve registered training organisations to issue food safety supervisor certificates to persons who have the prescribed qualifications, and to make other amendments to facilitate the administration of the Act. The Legislation Review Committee digest states:

Accordingly, the Bill intends to protect consumers from food-borne illness by ensuring that food handlers have the skills and knowledge to handle food. The Bill will require mandatory food handler training to formalise skills and knowledge by requiring the completion of accredited training within the national, vocational and education and training system ...

That sounds very good. As other members have said, the Coalition has nothing against having clean premises and safe food so that people can go to a business confident in the knowledge that they are virtually guaranteed not to fall ill from eating the food it sells. The Government has claimed from time to time that it will reduce red tape and costs to small business. But this bill goes against that ideal. Other members have spoken tonight about the bill's impact on small business. The bill will certainly have an effect on small businesses in my electorate of Orange. I interpret the bill to mean that someone with the appropriate supervisor certificate must be on the premises of food businesses at all times. The situation may be different for big operators such as McDonald's, but the bill will create enormous problems for small businesses.

The owners of one-man businesses in the small villages that I travel through at certain times must leave their businesses to go to the bank or the post office, or to travel to the next town to do some shopping, whether that is for their own personal needs or to get supplies for their business. They might only have a junior on hand at that moment. I see no problem at all with a junior cooking the fish and chips or hamburgers. As other speakers have said, they call into those small businesses on their way through to another town, grab some fish and chips or a real Aussie hamburger from that small business, and say hello, and they are served by a junior.

As I said, I see no problem with that at all, provided that the junior has been told that everything has to be kept clean and that it is important that the customers are happy and they are encouraged to come back. That is the main thrust of any small business: the small business owner wants that customer to come back and spend again on another occasion, whether that is the next day, the next week, or the next year. Small business owners want to have confidence that their customers will come back again.

Pursuant to standing orders business interrupted and set down as an order of the day for a future day.

DALWOOD ASSESSMENT CENTRE AND PALM AVENUE SCHOOL

Matter of Public Importance

Mr JOHN WILLIAMS (Murray-Darling) [7.00 p.m.]: Dalwood Assessment Centre and Palm Avenue School was established in 1972. The service has been operating from its present location at Dalwood Home, in

Seaforth, since 1992. Dalwood provides assessment and remedial support for children living in rural and regional New South Wales who are experiencing severe learning disorders. Assessments are provided free of charge. The process itself usually takes about four days and is conducted by a professional team comprising clinical psychologists, speech pathologists, special education teachers and a medical officer. Each family is primarily under the care of one member of staff.

This staff member's responsibility is to coordinate the assessment. They are able to do this by liaising with schools and other agencies, whereafter they provide feedback on results and provide recommendations to the family. Staff members consult regularly during the assessment to ensure that the assessment and follow-up recommendations are appropriate to the needs of the child, their family, and the school they attend. Mrs Anne Milliken, Vice President of the Isolated Children's Parents Association of Australia, expressed to me her concerns, which revolve around the following points.

- The manner in which this decision [to close] was made and communicated to the public.
- The reduction of services while a review process is implemented.
- Lack of planning for the interim period.
- Lack of model for future service delivery.
- Whether students with referrals for assessment for 2010 still be seen?
- How students booked into the residential school in Term 1, 2010 be catered for?
- The closure of residential services on the 18th of November, 2009.
- The loss of the expertise of all staff.
- Relocation to a medical setting.

Mrs Milliken's serious concern is the possible fragmentation of the staff from both services. All the teaching staff at Palm Avenue School have postgraduate qualifications in special education. All the New South Wales Health staff have highly regarded qualifications in their respective fields. The cooperation between staff at Dalwood and staff at Palm Avenue School results in a unique depth of knowledge. In addition, Mrs Christina Mildren, a speech pathologist from Deniliquin, wrote to me as follows:

I am a Speech Pathologist who has worked in rural NSW for 15 years. I work with all age groups, which includes school-aged students. The current NSW Government have continually reduced the support for students with language and learning difficulties in Department of Education and Training Schools. Currently, a child diagnosed with a severe language disorder, is not eligible for any support funding in NSW State Schools.

This is despite the fact that recent research shows an average of 12% of children in NSW have a communication disorder and an average of 18% have a specific learning difficulty. The NSW Education Department does not employ Speech Pathologists and it is worth noting that most other States in Australia recognise the impact of learning difficulties on a child's ability to learn and as a result employ Speech Pathologists.

Approximately 5% of children with learning difficulties struggle to establish early literacy skills despite having had regular remedial help. These children characteristically experience severe language weaknesses in addition to their learning difficulties and most are non-readers.

Mrs Mildren further stated:

The motivation behind the closure and relocation is financial. Current trends in NSW Department of Education appear to be to abolish specialist knowledge and replace it with multi-skilled classroom teachers. The benefit and value of specialist knowledge and specific programs of Dalwood and Palm Avenue School have been evaluated and proven to have positive outcomes. To eliminate these specialist services for rural and regional children increases their risk for not achieving their potential in education, vocation and social aspects of life. The current NSW Labor Government continue to ignore the needs of children with language and learning difficulties, especially those in rural communities.

Closure of the Dalwood Assessment Centre and the Relocation of Palm Ave School will have a significant impact on the children of rural and regional NSW who have severe language and learning needs. The loss of specialised knowledge and the skills of the professionals, who work there, is also a loss of support for rural and regional professionals who rely on their advice and support. At a time when rural families and services are feeling the effects of a drought, a further reduction in specialist services comes as a disappointing decision.

The Toovey family of Mullumbimby is one of many families who will be adversely affected by the disbanding of Dalwood. The family wrote to me:

Our child Jacob is currently enrolled in their "system" and partaking of their program, we are desperate for this centre to stay open leaving it situated where it is now. Since working with Dalwood's program for 12 months, 3 days per week, Jacob's spelling has improved 125%. As his parent this is an astounding result, but Jacob has still a long road ahead of him.

Dalwood is a research based, proven program with over 35 years experience. To disband the current collaboration of staff would also mean a disgusting waste of resources and experience both for them and our children.

Natalie Ley, the Principal of St Joseph's School, Balranald, relies on Dalwood Assessment Centre to help children at the school with learning disabilities. She says that they have nowhere else to go. Ms Ley was only informed of Dalwood's closure after she attempted to refer a student, being told that the centre was to close on 18 November. She states, "Teachers are hurt that they weren't consulted at all and fear these children will be left behind without Dalwood."

An article published in the *Land* and written by Katana Smith, titled "Parent outrage at remedial school closure", refers to Michelle Bolte from Coonabarabran and her 12-year-old daughter Kate, who have been using the services at Dalwood for four years. Mrs Bolte said that the service and support from staff had improved not only Kate's literacy but also her confidence. She went on to say, "I am indebted to these people. They gave me the help my daughter needed when nobody else could." An article published in the *Central Western Daily* and written by Tracey Prisk, titled "Families left with questions", states that families in the Orange region were not even officially notified of the closure, and that it was left to Dalwood staff to notify families via telephone calls.

Mrs KARYN PALUZZANO (Penrith—Parliamentary Secretary) [7.07 p.m.]: I wish to speak to the matter of public importance regarding Dalwood Assessment Centre and Palm Avenue School. I make it clear that the New South Wales Government is committed to providing the best possible support for children with learning difficulties, particularly those based in the most remote parts of the State. I speak in this debate as the Parliamentary Secretary Assisting the Minister for Education and Training and as a former teacher, having spent my last two years in the profession of teaching children with learning difficulties.

In the past few years as a member of Parliament I witnessed the rollout of the Connected Classrooms Program across the State. This program uses the latest technology with interactive whiteboards, increasing broadband and camera connectivity at local schools. This demonstrates how even the remotest part of the State can be connected via the Internet to provide learning outcomes within a school. Just last week I took part in an interactive classroom when I visited a local Penrith school. It is important to note that the Government is committed to providing the best possible support for students. We are changing the joint service model of Dalwood Assessment Centre and Palm Avenue School to provide new programs to students in rural and remote New South Wales in the early years of primary school.

New South Wales Health and the Department of Education and Training currently are working with peak groups such as the Isolated Children's and Parents Association, the Aboriginal Education Consultative Group, health and teacher unions, the Speech Pathology Association, the Children's Hospital at Westmead, the Children's Hospital Education Research Institute [CHERI] and other peak bodies in the education and health fields to develop this new model, which will be implemented on day one of term one in 2010. We have a unique opportunity to combine the expertise of Palm Avenue School teachers and Dalwood health professionals with the leading research and clinical work of CHERI and the Children's Hospital at Westmead.

The co-location of CHERI, the Dalwood Assessment Service and Palm Avenue School will bring together for the first time a research, assessment and intervention service. Using the latest technology the Children's Hospital at Westmead has a growing role in New South Wales supporting programs across rural areas. The Children's Hospital at Westmead and the Department of Education and Training already are linked to many rural programs, such as Back on Track, School-Link and Emotions Based Social Skills Training. This new development will be a further extension of its leadership and service role. All parents want the best possible support as early as possible for their children who are struggling to learn, irrespective of whether they live in Penrith, Manly, Broken Hill, the Tweed or Albury. This is why the New South Wales Government introduced the Best Start for kindergarten students. Best Start is based on extensive and long-standing research that shows that the early years of schooling are a time of rapid intellectual growth when early intervention can produce long-term academic gains.

The Government's Best Start program builds on the \$616 million that was committed over the next four years to improve literacy and numeracy standards across all public schools. The additional \$117 million over four years for Best Start introduces a consistent literacy and numeracy assessment for all kindergarten children in public schools. This means that in the first year of school teachers will have a close look at how individual children are reading and determine whether some additional assistance is required straightaway. Further, the Best Start initiative provides additional reading recovery support for students in need, and builds expert literacy and numeracy leadership capacity in schools.

The most effective intervention for reading difficulties is evidence-based instruction during the first three years of schooling. These are critical years for future reading success. The New South Wales Government

wants all children on a path of successful lifelong learning by year 3. We will not achieve that if children have up to four years at school where they do not consistently improve. Dalwood and Palm Avenue staff have been doing a wonderful job, but the current form of that facility is a residential model for older children and does not cater for an early response to learning difficulties. Parents in rural areas often see Dalwood as an option of last resort. I understand that New South Wales Health and the Department of Education and Training have advised that the model does not reach the most needy children in the State.

In the past six years only 16 per cent of enrolled students came from isolated areas, 4 per cent of whom were Aboriginal. While a four-week residential program offers some intensive support and educational gains, it does not give students and their teachers sustained and ongoing access to teaching and learning strategies that will make the difference over the longer term. The proposed new programs will build the capacity of health and educational professionals in rural New South Wales to better support young students with complex reading problems. Our focus will be on helping students through coordination of specialist services as soon as problems emerge in their local school. As I stated earlier, the current Dalwood and Palm Avenue model receives children for the residential program from nine years of age. This means that some students have been struggling at school for up to four years, having poor experiences in not keeping up with their peers and already could have a sense of failure.

Students who have not developed into proficient readers by year 3 are likely to need intensive, ongoing individualised reading instruction. This help must be provided in the local school environment. We will not get traction over the long term by an intensive short-term residential program. The current program requires students to travel away from their families and local communities. It is now possible to bring a much broader range of learning opportunities through technology into classrooms for students and teachers in New South Wales. This change will bring about gains for children in their local school environment with parents and teachers all being part of a team that supports the child in their learning endeavours. Members would agree that in the past few years children's learning has changed significantly through technology, such as connected classrooms. This new technology provides a broader range of opportunities in local areas.

Mr MIKE BAIRD (Manly) [7.14 p.m.]: I acknowledge the presence in the gallery of captains and vice-captains from high schools in my electorate—future advocates not only of the Manly community but also the State. It is somewhat ironic that today we are being observed by some of the most incredibly talented kids in the State as we discuss the treatment of some of the most disadvantaged children in this State. Hopefully they may be motivated to take up some of these causes down the track. I share my disappointment at the decision to close the Dalwood Assessment Centre and Palm Avenue School in Seaforth. The promise to transfer this facility, its operations and staff has not transpired. Yet again something will be closed and replaced by a downgrade of the alternative service first offered. The stories and pleas of the many families and communities of my friends the member for Broken Hill and the member for Barwon suggest this facility operated something special.

I note also that my electorate has two special schools that provide overall education services for disadvantaged children: the Royal Far West and Stewart House. These schools were denied government funding as part of the recent stimulus package because they have transient enrolments. Ironically, Palm Avenue School also offers transient enrolments and it received stimulus funds. At the conclusion of my remarks I will make further reference to that inconsistency because, should the Government proceed with the decision to close Dalwood Assessment Centre and Palm Avenue School, the opportunity is available to take up the stimulus funding that was allocated to Palm Avenue School. For 38 years Dalwood has provided a unique service to children from remote parts of the State who suffer some of the most severe learning difficulties that require specialist attention. The Government's proposal is to close Dalwood and co-locate its services with the Children's Hospital at Westmead. Michelle Bolte, a mum from Coonabarabran, said that through Dalwood her daughter was transformed. She is passionately trying to stop the Government closing the service. She said:

This is so important to a great many people. I am indebted to these people as they have given me the help my daughter needed when no one else could.

She certainly has articulated some of the comments of my electorate. I am sure my friends and colleagues also will articulate those same comments about this facility. I acknowledge and appreciate that in this process the Department of Education and Training has been proactive. Dean White and the members from Bally Boys have been instrumental in keeping me informed and giving me an understanding of the impacts from an educational point of view. I give testament to the work Dean has done at Bally Boys and continues to do. However, there has been an incredible stony silence on the health side. I do not understand how one part of the Government can be so proactive and informative, yet the other side provides a complete blank wall.

The Northern Beaches community continues to see examples of downgrading of its health services: currently clinician nurses are under threat and Manly Phoenix Unit staff were offered redundancies, yet no replacement service has been provided despite this unit running at 99 per cent capacity. The new Minister for Health has failed to meet with local clinicians about developing the northern beaches hospital, which is critical. The priorities are wrong.

The Opposition would like to know why the Dalwood service is closing before the next facility is built and that service is in progress. I understand that a form of service will not be available until towards term two next year. Why were stakeholders not consulted before this decision? Will the Premier make available the statistics that he says demonstrate that a significant number of students were not maintaining educational gains during their stay at the school? That is a point of debate for many of the parents and people involved in the service want to understand. We have also been told that staff will be offered jobs at the newly located service facility but that seems very unclear from the health side in particular.

I understand that a number have people have been offered redundancies but some have lost their jobs. It was claimed that no-one would lose their job, but people from my community have lost jobs. The Opposition urges the Government to support those valuable staff members. Palm Avenue is one small part but I need assurance that the remaining operations of Dalwood are not under threat. The Minister for Education and Training and the Premier have a chance to allocate the \$300,000 of stimulus money, should they proceed with this proposal, to Royal Far West School and Stewart House, which are very deserving. The disadvantaged children of this State deserve to be looked after.

Mr KEVIN HUMPHRIES (Barwon) [7.20 p.m.], by leave: I speak on behalf of rural and remote constituents and, importantly, children at risk. As the member for Manly said, for 38 years people in my electorate have been reliant on Dalwood. As a former school principal I have made a number of referrals to that school with and on behalf of families. Dalwood was created because it is a unique facility in this State. It is a one-of-a-kind facility that brings together a holistic and integrated approach to meeting the needs of vulnerable families and children. Under this one service umbrella, catered for on one site, optimal benefit is provided not only to the students and families but also to the teaching staff who are engaged in follow-up activities.

The Opposition does not believe that the Government is committed to supporting vulnerable children, particularly from rural and remote areas. The connected classrooms model that is being promoted is 10 years old. It is an American model—I know it well. It is not evidence based and it certainly does not draw together the expertise that Dalwood currently provides. Dalwood, on assessment, provides child psychologists as case managers for the children, which involves a three to four day assessment, speech therapists, occupational therapists, and people with special abilities in learning difficulties. We do not have those facilities in rural areas, even in the larger centres such as Dubbo, Tamworth and Albury that have been alluded to. It would be impossible for children, for instance, in Louth, Bourke, Walgett, Brewarrina, Menindee, and the Murray-Darling to access those facilities and services. They are simply not there, and that is the problem, which I do not think the Government understands.

Well over 100 children participate in the program and over 95 children are on the waiting list. As the member for Murray-Darling said, no announcement has been made about these children that have been put on hold. At least five children in Walgett that I have been in touch with have no recourse to the specialist services that are currently being provided at Dalwood. I place on record some of the comments from blog sites that are emerging. Linda writes:

Having worked at a centre for LD in country NSW a few years ago I am not surprised to hear that it was the DET who withdrew the services. We did have ... [these services] 10 years ago in country areas. Dalwood's closure is not a first ... I just knew that eventually it would be closed too.

Debbie writes:

As a mother of 3 children in country New South Wales, I am disgusted that yet another facility is being taken away from country children. Why is it that the only people considered are those residing within the Sydney area.

But I am happy to say we do get a lot of sympathy from the areas around Manly. Alison writes:

I work very closely with children in sport. We, meaning all of us, are responsible for creating an environment where the human spirit can happily exist and happiness can only exist where there is an absence of fear.

This lady went on to say that she was a student at Dalwood and she is asking the Government to bring back humanity. Margo writes:

I am a schoolteacher in a country town who is not surprised that the Dalwood School is closing. How many more services must country people lose before anyone takes any notice?

Cristie writes:

I am a 35 y/o woman. After starting school, I was referred to Dalwood due to a dysfunctional family background. I still have vivid memories of being unsure & frightened of seeing "grown ups" ... the second I walked through those legendary stone gates, I felt I was in a safe place where trust was on tap and help would be given.

She went on to serve in the police force for 13 years and she is calling for the closure of Dalwood to be reversed. Tiffany writes:

It is with disbelief we learn yet another resource is being removed from rural families by this City Centric govt.

Mick writes:

As a former Principal of a country high school it is highly disappointing that this Sydney government and Sydney centric departments have once again demonstrated their total lack of concept of what the realities of life west of Penrith are all about.

I acknowledge the member for Penrith seated at the table. It goes on and on. The reality is that this proposal has not been thought out. There is no service delivery plan from the Government. The Government has not undertaken any consultation and key groups were fobbed off well over 12 months ago, with things stalled. I am advised that the Westmead service does not want it there. This is a backward step not just for rural and country people and those children who are most deserving, but it also undermines the culture and the great work that the people in the Manly district have done. The Opposition calls on the Government to reverse its decision.

Mr JOHN WILLIAMS (Murray-Darling) [7.27 p.m.], in reply: In summing up I would like to refer to some comments taken from the *Manly Daily* website. The member for Barwon has referred to a number of these comments. In particular, Alison succinctly described the situation when she said:

Palm Avenue School provides a supportive environment for both the parents and children to grow in a safe place and to develop their strengths and abilities that will enable them to stand up in today's society without fear.

It was a residential environment that these people were put in. Parents went there with their children. It was an integrated process. I have been absolutely inundated by school principals, teachers and parents who were all supportive of the process. They do not think there is any other way to deliver this service. Despite what the Government says, and proposes, the closure of this great service is a retrograde one. The people who have benefited from this service have gone on to achieve scholastically and gain employment, which is what it is all about. There is no doubt that the impact of this change is yet to be felt. Country members that have had Dalwood services provided to their constituents realise just how important this service has been.

I refer to an article published in the *Armidale Express* that describes the efforts of the Speaker, Mr Richard Torbay, the member for Northern Tablelands, who made representations to the Premier and the Minister for Education and Training. Mr Torbay said that the Government's plans to disband the expert assessment and teaching team, restrict eligibility criteria, remove the residential component and merge the service with other programs operating at Westmead Children's Hospital was short-sighted. Like me and many of the other people who have stated their views, Mr Torbay agrees "the loss of this program will be felt across regional New South Wales". Among the families who have contacted me is the Wooding family of Orange. They describe Dalwood as a godsend that helped their children, Mia and Liam, come to terms with their dyslexia. Mrs Wooding said that, with Dalwood, she had hoped her children would have been able to do whatever they wanted to do in life, but they now face an uncertain future.

That is what it is all about. The Government has taken security away from teachers and families in western New South Wales. The decision was made without devising a replacement, which is an absolute disgrace. We do not know the motivations for closing the centre because no valid reasons have been given. It appears to have been an opportunity to liquidate the Dalwood centre at Seaforth and cash in, but the hurtful part is that the cash that may be derived from the property will be used to prop up Labor's chances of winning the next election. The proceeds of the sale will be used at grassroots level to publicise this great Government's performance, and it will amount to not only current loss for families and teachers but also future loss for the disadvantaged people of New South Wales. It is a very poor Government decision.

I join with the member for Barwon in calling on the Government to review the situation and reverse its very bad decision. There can be no reason other than disadvantage for people to approach members of the Opposition and voice their concerns en masse about the closure of Dalwood. Not many people know the centre has closed, but when everybody finds out the Government will understand just how good Dalwood's service has been to rural and remote areas of New South Wales.

Discussion concluded.

**The House adjourned, pursuant to standing and sessional orders, at 7.32 p.m. until
Wednesday 11 November 2009 at 10.00 a.m.**
