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## **LEGISLATIVE ASSEMBLY**

Tuesday 20 October 2015

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**The Speaker (The Hon. Shelley Elizabeth Hancock)** took the chair at 12 noon.

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

## **BUSINESS OF THE HOUSE**

### **Notices of Motions**

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

**Pursuant to sessional order private members' statements proceeded with.**

## **PRIVATE MEMBERS' STATEMENTS**

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### **RIDING FOR THE DISABLED ASSOCIATION, WAGGA WAGGA, FORTIETH ANNIVERSARY**

**Mr DARYL MAGUIRE** (Wagga Wagga—Parliamentary Secretary) [12.11 p.m.]: On Saturday evening I attended a magnificent event in Wagga Wagga at the Riding for the Disabled Association [RDA] Finchley Centre. Attended by 180 people, Riding for the Disabled Association President Beverly Amery, other people of note and special guests, the magnificent occasion celebrated 40 wonderful years of service for people with a disability through the provision of horseriding, equine pursuits, carriage driving and all the other things for which the RDA is famous. We were joined by the former first patron of RDA, Marcia Fife, the wife of Wal Fife, former member for Wagga Wagga, a Minister in this place and Federal member of Parliament.

At the event a number of awards were given out to recognise people's contribution to the RDA. Life member awards were given to Fiona Little, Dorothy Longfield and Leonie Carlo, who have given so much to the RDA over the years. Fiona Little managed the cart and equine pursuits as well as being a representative of the State authority. Dorothy Longfield has been involved in catering and just about every other aspect of the RDA. Leonie Carlo has been involved for many years providing treasury and other services in an honorary capacity. Catering at the event was wonderful, with students from Koorringal High School waiting on the tables. Former patron Marcia Fife and I as the current patron were given the great honour of making some remarks about the achievements of RDA and then naming the covered indoor riding arena the Jenny Davis Arena after the founder of the Wagga Wagga RDA. The arena, which was built in the past 10 years, was probably a pipedream in the early days of RDA. Jenny Davis was present at the event along with her husband, Col Davis. Naming the arena was a great surprise to her and one that the 180 attendees thoroughly enjoyed.

I was told that 40 years ago Jenny Davis and her friends, none of whom had a child with a disability, recognised the need to provide a riding service for the disabled. They begged, borrowed and stole horses, saddles and whatever else they could get. I do not believe they actually stole things but they definitely acquired them in some way. As time went on they also acquired a property with a house in the 1980s, which is where RDA really began. The additional structures in place now are a credit to everyone involved. The RDA has a catering organisation that Dorothy Longfield often oversees and that caters for barbecues, fundraisers and dog trials. RDA also has an opportunity shop that contributes many thousands of dollars. Then, of course, there is the famous raffle that gives away a handcrafted rocking horse each year to raise money. The community has been so generous. In the early days when Jenny

Davis and others suggested establishing RDA the community of Wagga Wagga and region rallied to provide the funding. It continues to rise to the challenge.

As an example of the importance of the service, on Friday I attended the funeral of a family friend in Griffith. A young woman with a disability came up to me and said, "I remember you. I was in Wagga at the RDA and you gave me an award." Her mother, whom I have known since I was a little boy, said, "Yes, that's right. She did well to remember you." Her mother went on to explain that on that day her daughter had a terrible turn and was very unwell. She then said, "But when they put her on that horse you wouldn't have thought there was a thing wrong with her." That is the secret of RDA: It brings out the best in children and young people with disabilities. It produces champions who compete in statewide competitions, many of whom are from Wagga Wagga. Of course, there are RDA facilities at Tumut and other places across the State. I congratulate the RDA on 40 wonderful years. I also congratulate Jenny Davis, who was overwhelmed to have the arena named in her honour. It was a well-deserved achievement.

### **TRIBUTE TO ARTHUR MORRIS, MBE**

**Mr GUY ZANGARI** (Fairfield) [12.16 p.m.]: On Tuesday 8 September I attended a memorial service for the late Arthur Morris, MBE, at the Sydney Cricket Ground [SCG]. Arthur Morris passed away aged 93. Arthur was born in Bondi in 1922 and made his first-grade cricket debut in Sydney at the age of 14 as a left-arm wrist-spinner. After a time, he moved up the batting order and became a strong opener. He was the first player in history to score centuries in both innings in a first-class debut. At the age of 18 he made 148 and 111 for New South Wales against Queensland. Arthur was a member of the legendary 1948 Invincibles, captained by the great Sir Donald Bradman. In the 1948 Ashes series in England, Morris was the opening batsman and the leading run scorer. Arthur Morris was Australia's oldest living test cricketer and one of only two surviving members of the 1948 Invincibles. Mr Neil Harvey, MBE, is now the sole surviving member of that squad. Arthur Morris was described by Sir Donald Bradman as:

.... having the ideal temperament, quiet and unobtrusive in manner and displaying no nerves, and possessing outstanding courage ...

... a player of individuality—of distinctive style ...

... a genius [who] does things others could not, and should not, try to emulate.

At the SCG last week it was an absolute honour to hear Neil Harvey address the memorial service celebrating the life of Arthur Morris. Neil gave us a wonderful insight into the playing life of Arthur Morris and his contributions to cricket both on and off the pitch. The memorial was attended by his wife, Mrs Judith Morris, close relatives, friends and the cricketing fraternity. I thank the Sydney Cricket Ground Trust for hosting the memorial in front of the members pavilion and the hallowed turf. On behalf of this House, I pass on our sincere condolences to the Morris family on the passing of Arthur. The Sydney Cricket Ground Trust recently made a fitting and lasting tribute to Arthur Morris with the opening of the new Arthur Morris Gates at the SCG. Arthur was unable to attend the unveiling ceremony due to ill health but was represented by his wife, Judith. When Judith asked Arthur why the gates had been named after him, he replied, "Because I was an opener."

Cricket is a game loved by all in this great nation. It is a part of our national DNA. Young boys and girls play cricket from a tender age. To play it one does not need fancy equipment; all one needs is a humble bat, or a simple fence paling, and a set of stumps—usually the trusty stacked milk crates or a big garbage bin—and one is on one's way to emulating one's favourite player. Cricket is the complement to many winter sports, although these days it is played all year around. Arthur Morris was the epitome of an all-round world-class sportsman. He was a gifted tennis player and an excellent rugby union player.

When Arthur made the decision to pursue cricket professionally the news made the front page of

the *Sydney Morning Herald*. Arthur is to today regarded as one of Australia's finest batsmen of all time. He then went on to play 46 tests for 3,533 runs at an average of 46.48, including 12 centuries. Arthur was given the honour to twice captain Australia. In 2000 he was named in Australia's Team of the Century, and he was listed to open the batting with Bill Ponsford. There is so much to be said about the late Arthur Morris. However, with time in mind, I will conclude my remarks. I will finish with the classic Arthur Morris yarn. He would tell the story of how he was often asked where he was when Bradman made his famous final innings duck at the Oval. His response simply was, "I was at the other end." Vale, Arthur Morris.

### TRIBUTE TO DAVID MACINTYRE

**Mr MICHAEL JOHNSEN** (Upper Hunter) [12.20 p.m.]: I take this opportunity to inform the House of the passing of David Ronald Hamilton Macintyre of Halloween, Scone, on 30 August 2015 after a long illness. Many in the community of Upper Hunter and in the agricultural industry mourned the passing of David Macintyre. David served on the committee of the Upper Hunter Amateur Picnic Races. He was also a life member of the Scone Race Club and long-time race day judge. He was also on the Shortland County Council and the Pasture and Protection Board, to name a few organisations. He was a councillor on the former Scone shire council for many years and then was shire president for nine years. During that time he was instrumental in many infrastructure projects—for example, the development of the suburb of Satur in Scone and the advanced sewerage system in Aberdeen. He also was responsible for replacement of many of the numerous wooden bridges throughout the shire. He also served on the State advisory board for the CSIRO—a pursuit in which he was particularly interested.

David studied dairy cattle bloodlines extensively and was among the early pioneers of artificial insemination. He visited England to obtain the very best. A steward for many years at the Royal Agricultural Society [RAS] from 1977, David first served on the RAS as a councillor and then as vice-president until 2005. He was very committed to the RAS and served on both the horse and agriculture committees. He was one of three life directors of the New South Wales Polo Association. He played polo from his early twenties and gained much enjoyment from the game. David was the son of Captain David Hamilton Macintyre of Kayuga, Muswellbrook, and Di—nee Moore—of England. David attended Kayuga Public School, Tudor House and The King's School, graduating in 1942. His great grandfather, Donald Macintyre, founded both the Muswellbrook and Scone polo clubs in 1890 and 1891 respectively, with the recently run tournament culminating in presentation of the Donald Macintyre Cup by his daughter, Nicola O'Driscoll.

David took up golf in his 50s and had many years of enjoyment from the game. David also reinstituted the Kayuga Cup, which is held at the Muswellbrook Golf Club, that his great grandfather started many years before. David had a reputation as a very astute and capable cattleman, insisting during his lifetime that cattle be worked on horseback, and in his earlier days, perfecting the art of haymaking. He had a deep connection with the Upper Hunter not only for agricultural enterprises but also for the landscape, for which he had an abiding love. He also relished tradition and celebrating the family's Celtic heritage. He founded the Upper Hunter Pipes and Drums, which wore the Macintyre tartan. He was the first Chieftain of the Day of the Aberdeen Highland Games held on the first Saturday of July each year.

As a true gentleman he observed and appreciated the niceties of life. Although he held firm opinions on local, regional and national issues, David was usually more eager to listen than to talk, with a knack of putting people at ease. David was a long-time supporter of The Nationals. Until recently, his son was my electorate council chairman. The Macintyres' interest in good policy and government across all levels has been well known throughout our area for a long time. David was an accomplished pilot. He would fly as often as he could. He flew to northern Queensland numerous times and around Australia in 1988. In a moving tribute at David's memorial service at St Luke's Anglican Church in Scone, his grandson, Hector Macintyre, of Invermien, Scone, said "play hard" was a maxim with which he was imbued as a result of David being his grandfather. Hector stated:

My grandad was an extremely generous and loving person, especially to his family; he was very fond of his grandchildren and was extremely proud of us all.

He took great interest in our efforts in and out of school.

He would always throw in a joke that would brighten your day.

David Macintyre is survived by his beloved wife, Susie, his children, Hamish and his wife, Philippa; Duncan and his wife, Jill; and Nicola and her husband, Tony O'Driscoll—as well as Wally and Toby Scales, who are sons by affection—and his grandchildren David, Peter, Angus, Richard, and Georgina, Hector and Florence, Lucy and Sophia Scales, and Lachlan and Harriett Scales. Vale, David Macintyre.

## **BREED BUSINESS CENTRE**

**Mr KEVIN CONOLLY** (Riverstone) [12.25 p.m.]: I bring to the attention of the House the twenty-first birthday celebrations of an organisation known as BREED, which is in the Blacktown area. BREED works to give young people opportunities in the workplace by connecting them with businesses and training. Indeed, it helps businesses to get started and to create more jobs in the Blacktown and greater Western Sydney areas. This very sensible and constructive initiative was founded 21 years ago. The organisation has found its niche and valued purpose in life, and it continues to meet that purpose. I was invited to attend the celebrations on 29 September this year by the managing director, Stephen Frost—with whom I have had the pleasure of working on a number of issues since my election—to commemorate the wonderful achievement of 21 years of service to the local community.

At the celebration, the vocational education and training [VET] student of the year, Chanae Ince, praised BREED for helping students to gain work experience while they juggle Higher School Certificate [HSC] studies. She said, "They motivate us to work hard and enable us to see into the future." Miss Ince gained work placement in administration duties at Century 21 North Western real estate agency at Quakers Hill and hopes to return there after completing her HSC this year. One of the businesses with which BREED has worked closely over the years is the Featherdale Wildlife Park, which has helped students to gain work experience in fields such as tourism, animal captivity and administration. The park's Lisa Christie said:

I really cannot say how much BREED does for us on a daily basis. We've probably had thousands of students over the years and we've employed a lot of them [eventually] and it's been very, very, helpful to Featherdale. It's a two-way partnership and we couldn't do it without BREED's help.

I can vouch for the value of programs such as BREED's which give young people who live in Western Sydney a chance to work in a field that offers real career opportunities. I digress slightly from the topic to say that the Featherdale Wildlife Park is a wonderful place to take preschool grandchildren for people at the grandparent stage of life. It is an absolute delight and a venue on a wonderful scale that provides children with an opportunity to come face-to-face with real-life Australian native fauna. BREED's objectives include working with industry, unions and community as well as Commonwealth, State and local governments to provide an effective and efficient delivery of employment, education and training programs and services. It also provides students, as well as those starting out in business, with experiences to strengthen their employment and business opportunities.

BREED was an initiative of the local community. With initial funding from the then Federal Department of Employment, Education and Training in 1994 it was incorporated with the aim of stimulating economic and employment growth within the Blacktown local government area. The organisation works predominantly within the youth sector to improve students' year 12 attainment and their transition to post-school education, training and employment through immediate and concerted action that is supported by broader long-term reform. As I mentioned, BREED has an active business

incubation program that has existed for a number of years at what is now the Nirimba education precinct. Over the past 15 years 126 start-up and small businesses commenced life in rented premises from BREED and subsequently moved out to bigger and better things at other premises. Those 126 businesses now would employ thousands of people across the Western Sydney region, which underlines the importance of BREED to the local community.

I pay tribute to all who have been involved with BREED, many of them for a long time, including the chair of the board of directors, Berice Miller; Steven Brown, the secretary; John Ciric, the vice-chair; and Dr Jim Taggart, local identity and treasurer of the organisation. I pay particular tribute to Mr Stephen Frost, managing director of BREED, who has been there since day one. He has committed his heart and soul to this enterprise and has given so much to the region through his efforts. Over the years BREED has been a wonderful contributor to the wellbeing of Blacktown and greater Western Sydney. As I said on the occasion of these celebrations, I wish the organisation well for many years into the future.

### **CORRIMAL PUBLIC SCHOOL 125TH ANNIVERSARY**

**Mr RYAN PARK** (Keira) [12.29 p.m.]: I pay tribute to a great local public school in the electorate of Keira, that is, Corrimal Public School. I had the pleasure of attending its 125th anniversary celebrations last week to mark 125 five years of delivering public education in our community. Corrimal Public School officially opened in 1890 with an original enrolment of just 79 students. By 1904, with the boom of the local community, enrolment was up to 350 students. For a period the school was split over two separate sites in Wilga Street for infants and primary and an amalgamation occurred in 2003.

At present the school has an enrolment of 177 students, fine teaching staff, a hardworking principal, whom I will talk more about in a moment, and a very committed parents group. The school motto says it all: Working Together. It is a fantastic representation of what this school is all about. For 125 years it has worked with the local community, during the good times and the bad. It has seen the Illawarra change, in particular the dramatic change in the northern suburbs. During that time this terrific local school has remained steadfast in its provision of quality education. This is a small school making a big difference. It has a strong sense of community and a great leader in its enthusiastic principal, Tim Fisher.

Tim is a great educational leader and has boosted enrolment at the school. He has brought a sense of purpose and commitment and has highlighted the importance of quality education to this wonderful school. He is supported by the very hardworking, committed and professional teaching staff and a strong community. This is a great school with a great leader, hardworking teachers, wonderful students and very supportive parents. It gave me great pleasure to speak briefly at this terrific event. The school was open for visitors to see firsthand the wonderful education young people get at this school. The students and teachers were dressed in period costume. Past and present students were on hand to talk about the school and what it means to them.

I had the pleasure of catching up with my good friend and former Dragons captain Ben Hornby, who was a school captain at Corrimal and graduated in 1990. His jersey was on display. The region I represent has produced some of the finest sportsmen and sportswomen in this country, particularly in rugby league. It was pleasing to see former teachers and students at this celebration and to spend time talking with teachers and Tim about the great things happening at Corrimal Public School. For the school to reach an anniversary of 125 years of continuous public education is no mean feat. As the demographics of our communities change, schools come and go. Over time, schools can open and close and reopen once again. This school has been a key part of the electorate of Keira for a long time.

Previously the electorate was known as Corrimal, and Corrimal is at the heart of the electorate of Keira today. The community has rallied around this school. The school continues to receive support from not only parents of current students but also parents and grandparents of students who have completed their schooling. They maintain a very strong connection with the school because of the strong sense of community. Over the next few years the school will focus on delivering quality teaching and learning,

implementing the Australian curriculum, encouraging engagement and strong leadership, and developing the voice of students within the community. Its focus is on developing successful citizens and strengthening connections between the school and its surrounding community. I congratulate Tim Fisher on his great leadership and commitment to public education and the teaching staff, parents, volunteers and students who were involved in this great event.

### **FIESTA LA PEEL 2015**

**Mr KEVIN ANDERSON** (Tamworth) [12.34 p.m.]: On Saturday 17 October I had the pleasure of attending a wonderful event in Peel Street, Tamworth: Fiesta La Peel. This outstanding event was staged by Multicultural Tamworth with the support of Tamworth Regional Council and Northern Settlement Services and coordinated by the extraordinary Eddie Whitham. Peel Street was closed between White and Fitzroy streets—which is not a very large block—and 6,000 people crammed into the area to sample what multicultural Tamworth has to offer.

Some 66 different groups had stalls of food, arts and crafts, lei making, Chinese lantern decorating, and face and mask painting. Plenty of nations were represented, including Fiji, China, Laos, Somalia, India, Bangladesh, the Philippines, Korea, France, Africa, Lebanon, Thailand and Italy. It was an incredible day for families to embrace cultures from around the world and for Tamworth to show that rural Australia welcomes all cultures with open arms. This is the second year that Fiesta La Peel has been held, and there is no doubt that it will continue to grow. It is proudly supported by Destination NSW and the Tamworth Regional Council. Eddie Whitham is an incredible fellow who ensures that the multicultural community in Tamworth is continually looked after. He works tirelessly and continuously gives to others. Eddie penned a letter that I will read into the *Hansard*:

Migrants, refugees and visa holders, who live among us, lovingly cooking and serving the locals with their traditional dishes, dance music, and craft for the people.

Those who attended would not perhaps realise the effort some of the store holders went to make it all work.

That new apparel, flown in from their country to wear on the day.

The trip to Sydney to procure the items for sale or giveaway or ingredients for the dish they would prepare.

Then there was the contact with the local media: radio, print and television—the first they had been in the spotlight in their lives.

It was all about connecting—and only caring communities do that to lift their towns, to welcome, and to say, "it's great to have you among us."

The media helped immensely and we sincerely thank you for all that.

Destination Tamworth's event people, led by Carol Hughes, really set it up. Multicultural Tamworth and Northern Settlements Services worked with the participants to see all would co-ordinate on the day.

The volunteers did a marvellous job and we thank them very much.

All in all it was a community effort and it will not be the last. Thank you all for a great event.

Eddie has done an outstanding job in rolling out the red carpet and showing that we welcome one and all. It was an absolute pleasure to be at this event in Peel Street on Saturday afternoon. It started at 3.00



p.m. and went through until 8.00 p.m. There was food and entertainment from around the world, a feeling of camaraderie, love and friendship, and a sense of welcome. It was great to see the whole of Tamworth come out to support Fiesta La Peel and Eddie. The members of Eddie's committee were Shalini Pratap, Brian Lincoln and Amalin Sundarajav. Tamworth Regional Council staff did a wonderful job in assisting in the set-up and coordination of the event. I again congratulate Eddie Whitham, Multicultural Tamworth and Northern Settlement Services. They are a great asset to regional New South Wales. Their work to showcase the different cultures brought colour, love and warmth to this event as well as smiles to people's faces. We welcome these events with open arms and we look forward to Fiesta La Peel in 2016.

## **MARINE PARK SANCTUARY ZONES**

**Ms TAMARA SMITH** (Ballina) [12.39 p.m.]: Today, as The Greens spokesperson on the marine environment and fisheries, I call upon the Government to restore full protections to marine sanctuaries in New South Wales. It is time for New South Wales to move past the tired and destructive politics of attacking marine parks and marine sanctuaries and to recognise their ecological and economic value. We have some of the most biodiverse oceans in the world. Indeed, around 80 per cent of the marine species in this State are unique to Australia. The New South Wales community loves the coast and the coastal lifestyle. In my region, our ocean culture and local economy thrives on the Cape Byron Marine Park. Anything that puts that at risk will not be supported by my community.

As the member for Ballina, I have heard loud and clear the opposition to rezoning sanctuary areas at East Cape Byron and Tyagarah Beach to allow shore-based line fishing. I am sure similar opposition exists across the State to the three other marine parks impacted by the amnesty process. The current beaches and headlands assessment consultation is the culmination of four years of political game playing around marine parks in this State. In 2011, in an effort to lock in support from the Shooters and Fishers Party in the upper House, the then O'Farrell Government announced a scientific audit of marine parks in New South Wales. This led to a fishing amnesty at 30 sanctuary zone sites across the State. In response to the findings, the Government restored protections to 20 of the 30 sites before the last election. The remaining 10 sites are now proposed to be permanently open to line fishing.

Far from being grounded in science, the process has been mired in politics. It has been widely criticised by the fishing industry, amateur fishers and environmentalists alike for overturning the robust process that established the original marine park plans. In January 2014, 220 marine scientists signed a joint statement of concern about the New South Wales Government's approach. They criticised the amnesty for not being based on scientific research and made it clear that sanctuary zones, free of extractive industries, must be the cornerstone of marine conservation. They stressed the role that sanctuary zones play in helping to reverse the decline in marine health. Far from being low risk, the areas subject to the amnesty were described as vital habitat for many species. The Minister has previously said that if there was strong community opposition to the changes, the Government is open to not proceeding with the rezoning. That opposition is strong and the Minister is on a strong footing to retain the sanctuaries.

In a survey conducted in 2014 it was found that 93 per cent of people in New South Wales support marine sanctuaries and 64 per cent of recreational fishers were opposed to marine sanctuaries being open for fishing. The public, including recreational fishers, instinctively understand that to be able to fish there needs to be fish and that sanctuary areas are the best way to ensure there are fish in the future. The New South Wales Government's approach to marine protections should be based on establishing a comprehensive, adequate and representative [CAR] network of marine parks, including sanctuary zones. The CAR process has been adopted at the Commonwealth level. While a threat and risk model can identify and reduce unnecessary impacts on our marine environment, it should be in addition to, and not instead of, a CAR network. A network of marine parks and sanctuaries acts as an insurance policy for the marine environment, preserving marine ecosystems and building resilience to deal with the unexpected climate, storm, pollution or poor fishing management impacts.

Currently, less than 7 per cent of New South Wales waters are protected in marine sanctuaries. I am glad to see that the Government is continuing with the Hawkesbury shelf marine bioregion consultation process. This is a critical gap in the New South Wales marine estate network and The Greens hope this consultation process will lead to the establishment of a marine park in the Sydney region, with appropriate sanctuary zones. However, let us not take a step backward before we move forward. There has never been a more crucial time to ensure that our marine estate management is world-class. In response to ongoing news of global fish stock declines and threats from storm events, climate change, over-fishing and pollution, countries like New Zealand, Chile and the United States have announced massive new marine sanctuaries. New South Wales needs to get with the program.

### **TRIBUTE TO ANTONIO CAPUTO, OAM**

**Mr JOHN SIDOTI** (Drummoyne—Parliamentary Secretary) [12.44 p.m.]: Today I pay tribute to Antonio Caputo, OAM, who passed away last month. Antonio had a remarkable life. He was not only a proud Australian but also a proud Italian. In 1951 he arrived in Australia and assisted other Italian immigrants to assimilate into their new country. He always believed that Italians living in Australia should never forget their heritage. Antonio was the founding president of the St John the Baptist Association, which helps to coordinate Italian cultural events and fundraising activities as well as promote the Italian-Australian community. He was a longstanding member of the Italian Chamber of Commerce and acted at an international level to promote trade between Italy and Australia. In 1975, in recognition of his service to the Italian community, he was conferred Cavaliere in the Order of Merit of the Italian Republic by the President of Italy, and in 2007 he was conferred Commendatore. Antonio's achievements were outstanding in both quality and quantity. Indeed, they made him a legendary member of the Australian-Italian community.

Antonio was involved in a wide variety of community organisations, including sporting, church, school and Italian community organisations. Above all, he provided assistance to people regardless of their standing in the community. During World War II he was captured and held prisoner by the Russians for some time. He often described the dreadful conditions under which he was held. He said he only survived because of the kindness of a family who helped him before he eventually found his way back home to Italy. That is why he believed we should look after asylum seekers. He felt that because Australia had allowed him and his family to start a new and better life that the door should be open to others. Antonio was awarded a Medal of the Order of Australia in 2009 for his service to the Sydney Italian community in his executive and volunteer roles with a number of organisations that assist migrants. He was a generous and compassionate man. I had the pleasure of knowing him through his son John. He leaves behind a close and loving family as well as the legacy he created. Antonio Caputo was 94 years old.

### **WOMEN IN PRISON ADVOCACY NETWORK**

**Ms SONIA HORNERY** (Wallsend) [12.47 p.m.]: Individuals released from prison face a number of significant challenges as they attempt to reintegrate with the broader community, and this is especially true for female offenders. In New South Wales female offenders account for as little as 7 per cent of the prison population but they face a number of unique challenges both in prison and on release. In the community there is a perception that recidivism—the likelihood of past offenders reoffending or otherwise ending up in custody again—is driven, in part, by a lack of severity in the justice system. That is not necessarily true. Indeed, recidivism is often driven by a lack of access to educational and employment opportunities after release from custody. Without the necessary tools and support to build a life outside prison, is it any wonder that some reoffend?

The Women in Prison Advocacy Network [WIPAN] helps women after their release from custody. It links newly released women with mentors who act as appropriate role models and assists them to readjust to life on the outside. It helps to create wider links to the community where none may have existed before. WIPAN is the only specialised mentoring service in New South Wales. Currently, more

than 50 women are on the waiting list for a mentor. The complex needs of these women more than justifies the one-on-one relationship WIPAN develops. For example, 94.4 per cent of mentees have had a history of substance abuse, including some with methamphetamines or ice, and 87 per cent have been victims of domestic violence and/or sexual assault.

WIPAN reports that 100 per cent of women in the mentoring program struggle with mental illness. Just as troubling is the over-representation of Aboriginal and Torres Strait Islander women in both the broader prison population and WIPAN's program. Over the 2014-15 financial year, of the women engaged with mentors via WIPAN only four were returned to custody—three as a result of parole violations and one for a separate offence. This represents a recidivism rate of 7 per cent. As many as 60 per cent of prisoners across Australia have been in custody before, so WIPAN's success speaks for itself. It is more than just statistics; there are the human stories. An 18-year-old mentee told WIPAN that she had never had anyone she could rely on that she could make her emergency contact until she met her mentor. A 23-year-old mentee told the organisation:

Last night my mentor and I went to the cinema. ... I had never been to the cinema before.

A 38-year-old mentee credited the organisation with helping her get out of an abusive relationship she had been trapped in for many years. A whole-of-system approach is needed to prevent offending and recidivism, including treating mental illness and drug addiction, providing safe avenues for women in violent situations and offering education and employment opportunities for offenders. WIPAN needs and deserves our support and respect. The women who are engaged in these services, those on the waiting list and those still behind bars need our compassion and respect. Every person has a story and very few people are beyond redemption.

### **RALEIGH HALL RESTORATION**

**Mrs MELINDA PAVEY** (Oxley) [12.51 p.m.]: I join the member for Wallsend in acknowledging the good work of the Women in Prison Advocacy Network [WIPAN]. As a supporter of the mentoring of women in the justice system, I am doing what I can behind the scenes to ensure that WIPAN extends its services to women who are in custody in Kempsey jail in my electorate of Oxley. Today I acknowledge the Minister for Primary Industries, and Minister for Lands and Water, the Hon. Niall Blair, for securing a \$24,800 cheque to transform the community of Raleigh through the restoration of its local hall. The keys of Raleigh hall were about to be handed to Bellingen Shire Council when the chair of the hall committee, Ted Vaughan, called an emergency meeting. From this meeting emerged a new and enthusiastic committee with the resolve to restore the hall to its former glory—a challenging task given the lack of funds and limited income due to the state of the hall.

Almost 12 months ago, a chance observation by Jane Pearce of an article in the *Bellingen Courier Sun* that the New South Wales Government was seeking applications for grants to repair and upgrade buildings on Crown land set off a chain of events that has seen the restoration of Raleigh hall, a project that has been embraced by the local community. Jane got on the phone and within one day was able to confirm that Raleigh hall was in fact on Crown land and was eligible for a grant. An application was hurriedly submitted, and some months later the committee was advised of the good news by the New South Wales Liberal-Nationals Government that its application had been successful. Then the hard work began. Lynda Saunders was given the title "project manager" because when anyone walked in the door she gave them a project. She summed it up best, saying that when people walked past and asked her what was going on, the next thing they had overalls on and a paintbrush in their hand.

Lynda estimates close to 800 hours in volunteer labour have gone into the project. Community volunteers have swept, cleaned, mown, sanded, scraped, scrubbed, cooked and painted; you name it, they have done it. The catering reputation of the Raleigh ladies was reinforced by Rae Jones. Rae joined the committee some 40 years ago, and she and her husband, Col, are stalwarts of the Raleigh community. Rae and the lovely ladies who could no longer wield a paintbrush whilst teetering on a ladder

put their other skills to work. On weekends volunteers were fed a constant round of morning teas, lunches and afternoon teas. No-one wanted to leave. Before they realised, it was late afternoon and they had put in a full day's work.

Rae also dropped in to the local hardware store, Wilair, and tongue-in-cheek asked if there was a possibility of 10 litres of paint for the interior of the hall. Adrian Black, in the true spirit of a small businessman in a country town, said he would not give 10 litres but would donate all the paint, whatever it took, to get the job done. Urunga Hire and Kennards Hire at Coffs Harbour provided the scaffolding at no cost, and Raleigh Second Hand Barn donated the fixtures and fittings. Two local painters, Col Thompson and John Knight, donated their skills to ensure a professional finish. The Friends of Raleigh Hall from the local community, including the Urunga Men's Shed, builders, plumbers, designers, welders and more, all contributed their much-valued time and expertise.

The New South Wales Government grant enabled essential restoration work that could not be completed by the committee and volunteers to be carried out by qualified tradesmen. New roofing, guttering and drainage and new windows were just part of the works. Local builder George Finney carried out much of the building work and also donated many hours of his own time to ensure that the old hall was restored appropriately. Yesterday the hall committee and volunteers celebrated with a magnificent morning tea, which I was privileged to attend along with the mayor of Bellingen, Mark Troy. The showpiece of the morning was a magnificent sponge cake—a recipe created by Dorris McBarron of the famous McBarron dairy farming family and jealously guarded for the past 103 years. As Lynda said:

We are not only restoring the Raleigh hall, we are restoring our local community.

This project has brought old and new together. Has there been a better investment of \$24,800 by the Crown lands office? It is a great venue for weddings, meetings, parties, anniversaries and Christmas parties. Hall bookings can be made through the local winery and the hall has a Facebook account. The opening celebration was very special. The outside of the hall still needs to be painted, and my husband and I have put up our hands as volunteers for that. The project was more than just fixing the hall; it has brought the community together and enabled people to meet their neighbours, some of whom lived metres from each other. This is a great investment by Crown lands. I congratulate the Government on securing this investment and, more importantly, I congratulate the volunteers who put in hours of work, with compassion and commitment, to restore the historic hall at Raleigh.

### **WARRAGAMBA DAMFEST**

**Mr JAI ROWELL** (Wollondilly) [12.56 p.m.]: I inform the House of an excellent local event held on Sunday past, Warragamba DamFest 2015. I had the great pleasure of opening Warragamba DamFest with Wollondilly Shire Council mayor, Councillor Simon Landow. Wollondilly shire Councillor Judith Hannan was master of ceremonies for the day and Wollondilly Shire Council deputy mayor, Councillor Hilton Gibbs, was a special guest. Taylor Clarke, a 17-year-old girl from Warragamba, gave an inspiring acknowledgment to country, and for that I thank her.

This major community event is held yearly on the recreation reserve grounds of Warragamba Dam. Located about 65 kilometres west of Sydney in a narrow gorge on Warragamba River, Warragamba Dam is one of the largest domestic water supply dams in the world. The community of Warragamba is the legacy of a pre-World War II project designed to provide water to the burgeoning greater Sydney metropolitan area. The temporary township was built to house the thousands of skilled and unskilled workers who were gathered together from across the globe to create the largest concrete structure of its kind in the Southern Hemisphere at the time. Warragamba Dam was closed to the public by those opposite for almost 16 years and in March this year I was pleased to announce the reopening of parts of the dam wall to the public on weekends and public holidays.

DamFest is an opportunity for the Wollondilly community, including sporting groups, emergency

services and other community organisations, to showcase their talents and the historic village of Warragamba. It is a free entry event held on the third Sunday in October and is run by the community for the community to promote Warragamba within our great Wollondilly region. In previous years Warragamba DamFest has raised enough money to pay for itself, but this year it looks like it will make a small profit. Following Sunday's event the organisers are now debriefing and then planning will get underway for next year's twelfth DamFest to ensure that it is as unique as it has been every year.

Warragamba Silverdale Neighbourhood Centre auspices the event. I congratulate the following people on their commitment to ensuring that DamFest is a fantastic day. Sandra Harlor, chairperson of the neighbourhood centre, does a great job, together with many others including: Carmen Chatcuti, vice-chairperson; Nicole Ussia; Vicki Quiroz; Helena Winter; Tina Orphin; and staff and families of Wigwam and Teddy Bear Cottage who gave their valuable time as volunteers. I make special mention of Jemma Baldwin, Lisa Richards, Skye Gilbert, Elaine Bonnie, Terry Atkins, Brett Cassidy, John Maroun and Shannon Boyce from Wollondilly Shire Council, who worked tirelessly from sun up to sundown to set up, dismantle and clean up.

Volunteers from Teddy Bear Cottage baked and cooked for their stall. They did a terrific job raising money for the Warragamba Silverdale Neighbourhood Centre. The centre is an integral part of the township and surrounds. It breathes life into the community. DamFest would not happen without its support and focus. I thank the staff of the centre for working alongside me recently to ensure that the baby clinic at Warragamba, which has been there for 60 years, remains open. I acknowledge the following groups as major sponsors of DamFest: Wollondilly Shire Council, Allam Property Group, Vesta Homes, Silverdale Ridge, Wallacia Hotel, Shannons, Coates Hire, Feathered Friends and the Outback Steakhouse, which provided lunch for all the volunteers. The sponsors of the Car and Bike Show were Dam Riders, Michael Buttigieg Excavations, Silverdale Autocare, Silverdale Post Office, Silverdale IGA, Stonehill Stonemasons, ELG Accounting, Teuma Performance and Mechanical, and Harley-Davidson Blacktown.

The NSW Police Force is involved with DamFest each year, and I thank officers for their continued support. They set up a stand and mobile command centre offering information to visitors. Children certainly liked the tattoos and balloons that were given out at the stand. Up to 10 police officers were on site during the day. The police estimate that between 13,000 and 15,000 people attended DamFest on Sunday, with no major incidents. I also acknowledge the Rural Fire Service, which is always in attendance to support the community. Warragamba Public School choir and dance groups performed throughout the day and were amazing. They are a talented group of young people. There was plenty to do and see for all the family, including rides for the kids. Free entertainment at DamFest included Jake Rattle 'n Roll, a great family entertainment band, featuring music from the 1960s, 1970s and 1980s.

The community showcased its wares, with stalls including handmade treasures. The Silverdale Rural Fire Service stand had a fire truck and barbecue to raise money. Members of the Warradale Men's Shed showcased their talents and put on chainsaw displays. The event also included helicopter joy flights over the spectacular Warragamba Dam and Burragorang Valley, as well as the Car and Bike Show and a swap meet. No event would be complete without clowns walking around and entertaining children. The Dilly Wanderer was there, handing out free plants and information, and there was free colouring-in for the kids. Rob Moran and Emma-Jane Gardiner from Wollondilly Shire Council said it was a busy day for them. They do a great job. The purpose of the Warragamba DamFest is to raise awareness of Warragamba and surrounding areas. I thank all those people who made the event such a success.

#### **SWANSEA ELECTORATE COUNTRY WOMEN'S ASSOCIATION BRANCHES**

**Ms YASMIN CATLEY** (Swansea) [1.01 p.m.]: One of the best things about my community is the people who live there and the wonderful work they do through community organisations to make life easier for others and to improve the local area. Some of the most dedicated are those women who are members of their local branch of the Country Women's Association [CWA]. The Country Women's

Association of NSW was established in 1922 to improve the plight of women and children in rural areas. In the early years the women worked tirelessly, advocating for better access to health care, a greater role in public life for country women and equal pay for women. More than just homemakers, they were fighters, lobbyists and activists. Given that it has been active for almost a century, the CWA is arguably one of the most influential women's organisations in the twentieth century.

In the electorate of Swansea we are lucky to have two branches of the CWA—Belmont and Mannering Park. As the member for Swansea I have been privileged to meet those women and see firsthand the wonderful work they do. Last month the Belmont branch celebrated its seventieth birthday. That is 70 years of community activism, fundraising and agitating for regional services in the Belmont area. Over seven decades, the Belmont CWA has helped to build our community. The Belmont branch was initially established to raise money to build a baby health clinic in Belmont. Women rallied to the cause by hosting beetle parties, card afternoons, apron parades, street stalls, fetes, baby show competitions and doll shows. In June 1946 the Younger Set—the youth wing of the CWA—was established in Belmont. The Younger Set aimed to support the work of the parent branch through additional fundraising efforts and to ensure that the passion for the betterment of women everywhere was passed on. The Younger Set's enthusiasm was evident in the successful events it hosted, including annual balls, a grand concert, a pantomime and a garden fete.

The CWA advocates not only for women in its community but also for women generally. This was true of the Belmont CWA, whose members banded together with other members of the Hunter River group to purchase and renovate a seaside home in Merewether so that rural families could holiday by the sea. Belmont CWA also supported the patients at Stockton Hospital, donating gifts and clothing and making financial donations to the hospital. These days Belmont CWA has 80 members and continues to support the community through monthly market stalls that raise money for charities and contribute to the CWA of New South Wales emergency, disaster and administration funds.

The women of the Mannering Park branch are just as dedicated and passionate about improving the lives of women. Established in 1958, the branch has been working for more than 50 years with other community organisations to further the cause of the CWA. Mannering Park CWA has been at the forefront of the push for greater awareness of domestic violence and the effect it has on women and children. I recently attended a forum on domestic violence hosted by my Federal Labor colleague the member for Shortland, Jill Hall, and the Mannering Park CWA. As always, the stories were sobering. Whilst Mannering Park CWA has never shied away from confronting broader issues like domestic violence, the one thing that shines through in all the work of Mannering Park's 50 members is that even the smallest act can have a big impact on someone's life. The idea that practical assistance and small acts of kindness and generosity make a big difference to the everyday lives of people is evident in everything they do.

I have been fortunate to attend one of the Mannering Park CWA friendship mornings, where they work together to make small comforts for the sick. This involves, for example, sewing breast care cushions for breast cancer patients to help them recover from their operations, crocheting rugs for cancer patients seeking treatment at Lake Haven and assembling emergency toiletry packs for patients at Wyong Hospital who have been admitted suddenly, without time to prepare. There is no doubt that the women of Belmont and Mannering Park CWA are a talented, dedicated and hardworking bunch. But, more than anything, they are strong and they are further strengthened by their friendship and support for each other. For that, they should be applauded.

**Mr RAY WILLIAMS** (Castle Hill—Parliamentary Secretary) [1.06 p.m.]: I congratulate the member for Swansea on paying tribute to one of the most commendable organisations in this country, the Country Women's Association [CWA]. It is derogatively referred to as the "Cranky Women's Association", which is not a true description. As a former president of the Windsor Country Women's Association, my wife will scold me for saying that. I acknowledge the Castle Hill Country Women's Association. I regularly attend its events. I also acknowledge the Hills Trefoil Guild, many members of which are also members of the Country Women's Association. The CWA was born in the war years, when the organisation provided

support to women on the home front. It supported the families of those who were involved in the war effort. It is an incredible organisation. I commend the member for Swansea for bringing it to the attention of the House.

### **DURAL RURAL FIRE BRIGADE**

**Mr MATT KEAN** (Hornsby—Parliamentary Secretary) [1.07 p.m.]: I acknowledge the seventieth anniversary of the Dural Rural Fire Service, which has provided outstanding service to my community. I joined NSW Rural Fire Service Commissioner Shane Fitzsimmons, Hornsby Ku-ring-gai Manager Peter Marshall, Dural Rural Fire service captain Kevin Ho, Dural Brigade President Chris Billett and brigade members and assembled guests to mark the significant occasion. Like many of our Rural Fire Services, the Dural brigade is made up of a group of highly dedicated volunteers who give up much of their spare time to ensure their community is kept safe in times of need.

The Dural brigade is fortunate to have so many selfless and caring volunteer members who take an active role in protecting our wonderful bushland shire. I formally recognise Dural deputy captain Peter Robinson, who was formally inducted as a lifetime member of the Dural Rural Fire Brigade. Deputy Captain Robinson joins a list of dedicated professionals who have given more than 100 years of service between them. These remarkable lifetime members include Ken Bevan, Barry Shinfield, Ian Bradburn, Alistair McIntosh and Ken Barnwell. I join Hornsby Ku-ring-gai Rural Fire Service district superintendent and Dural Rural Fire Service member Mark Sugden in congratulating each and every one of them on the fantastic job they have done for their brigade and the Dural area.

The Dural Rural Fire Brigade has come a long way since its humble beginnings in 1945. It is believed that the brigade was established by a number of residents of Quarry Road and surrounding streets who were concerned about the threat of bushfire. It is truly remarkable how far firefighting has come in New South Wales when we consider the equipment issued to the very first captain of the Dural brigade in the mid-1940s. Back then, the brigade captain would have been equipped with only fire beaters, fern hooks and a couple of shovels. Today the picture could not more different, with the Rural Fire Service providing state-of-the-art fire trucks, modern equipment, radios and first-class training.

Rural Fire Service volunteers are consummate professionals. Their range of skills is impressive because they must not only know how to combat serious bushfires but also attend motor vehicle accidents, house fires and assist in dealing with storm and flood damage. The diversity of the role is often overlooked, but in an emergency situation one of the best assets to have around would be a Rural Fire Service volunteer. The courageous men and women of the Dural brigade have been involved in some memorable fire battles and rescue responses over the past 70 years. I remember one occasion just last year when the Dural Rural Fire Brigade crew was able to stop a major blaze at Redfield College, Dural. The brigade quickly stopped the fire and contained it to one section, and as a result the school's visual arts block was saved.

Another occasion comes to mind when former Dural Rural Fire Brigade captain Peter Robinson was instrumental in saving the life of motorist Michael Balangue. Mr Balangue was involved in a horrific traffic collision in July 2007 in the Galston Gorge. The accident involving a light truck was so bad that Mr Balangue had to have one of his legs severed below the knee. The Dural Rural Fire Brigade crew was luckily travelling through the area at the time and was able to stabilise the injured man by stemming the blood loss from his horrific injury. There is no doubt that the heroic actions of the Dural brigade crew saved this man's life and gave him a second chance to be with his family and loved ones.

Dural is blessed to have so many volunteers, who all deserve recognition for the tremendous roles they play in our community. I single out one long-time volunteer who has dedicated more than 19 years of service to the Rural Fire Service. Keith Koomen's journey with the Rural Fire Service started in 1967 with the Blaxland Rural Fire Brigade. Keith had a tough initiation into the Rural Fire Service when a short time after he joined he was involved in a fierce fire battle in the Blue Mountains area during which

130 homes were lost. Several of Keith's brigade colleagues lost their homes during the awful 1968 summer bushfire season. It would have been a difficult situation for the young cadet, but Keith showed maturity and strength beyond his years to help his fellow brigade men and women stop up to 31 recorded fires during that season.

Keith moved back to the Hornsby Ku-ring-gai Rural Fire Service district in 1996, joining Glenhaven Rural Fire Brigade before moving on to his current home at the Dural Rural Fire Brigade. This year Keith was recognised for his outstanding continued efforts when NSW Rural Fire Service Commissioner Shane Fitzsimmons awarded him a Long Service Medal for his 19 years of service. This was due recognition for one of our district's most talented, dedicated and hardworking volunteers. The remarkable thing about the Rural Fire Service is that Keith's story is not unique.

Many of Dural's Rural Fire Brigade members deserve special recognition, including Dural President Ken Middleton; Queens Birthday Honours list recipient for the Australian Fire Services Medal Bill Lea, who is one of the best blokes one could meet; Acting President of the NSW Rural Fire Service Association Ken Middleton; and long-time volunteers Jason Goddard, Ross Turner, Steve Burns, Jarryd Barton, David Fernie, Arnold Teuben, Cameron Watters, Warwick Thompson and Peter Hanselmann. Many of these volunteers join to make a difference in our community. Some join to protect local neighbourhoods and some join for the amazing comradeship that comes from years of service fighting fires together on the front lines. On behalf of an extremely grateful community, I thank everyone involved with the outstanding Dural Rural Fire Brigade over the past 70 years. They represent what is best about the Rural Fire Service and our community.

**Mr RAY WILLIAMS** (Castle Hill—Parliamentary Secretary) [1.12 p.m.]: I commend the member for Hornsby for raising the importance of not only the Dural Rural Fire Brigade but also Glenhaven Rural Fire Brigade. It was my great pleasure to join in the seventy-fifth anniversary celebrations of the Rouse Hill Rural Fire Brigade, which is my local brigade. That followed the seventy-fifth anniversary of the Kellyville Rural Fire Brigade last year and prior to that the seventy-fifth anniversary of the Box Hill-Nelson Rural Fire Brigade. These brigades operate in The Hills area and were all established after the Black Saturday bushfires of 1939. Like the Dural community, our community said that enough was enough and raised funds and worked hard with few resources to establish these brigades. I am happy to say that all three levels of government now recognise the important role that Rural Fire Service brigades play, and fund them appropriately. It is a great pleasure to support the Rural Fire Service in this place.

### **MOUNT DRUITT ELECTORATE SCHOOL TRUANCY**

**Mr EDMOND ATALLA** (Mount Druitt) [1.13 p.m.]: I bring to the attention of the House a matter of great importance relating to the increased level of truancy in the electorate of Mount Druitt. All government high schools in the Mount Druitt area have recorded student attendance well below the State average in the past year. The average State attendance rate was 92.9 per cent in 2014. However, many schools in my electorate are not following the trend and some have recorded an 82 per cent attendance rate. That is a variation of more than 10 per cent. Attendance rates at some schools for Indigenous students are as low as 77 per cent.

As truancy rates continue to increase, it is time that the New South Wales Government undertook a comprehensive review of the current policies and programs to ensure their effectiveness. The importance of school attendance should not be understated. A study by the New South Wales Bureau of Crime Statistics and Research and the New South Wales Crime Prevention Division found that truancy can be an important predictor of juvenile criminal behaviour. The study found that, among other factors, juvenile youths who had engaged in assault, malicious damage and property theft had higher levels of school truancy and that truancy was a particularly strong predictor for those crimes.

According to information on the NSW Police Force website, in early 1999 the New South Wales Government announced two measures to address the ongoing problems of truancy: Operation Roll Call



and Street Sweeps. The aim of these strategies was to extend existing local joint initiatives between the NSW Police Force and the Department of Education. These programs included police attending shopping centres, parks and amusement arcades to conduct what are known as "street sweeps". Operational Roll Call mandates that students wishing to leave school during the day must be issued with a leave pass. These passes can then be checked by general duties police officers. They approach students who are apparently of school age and found absent from school during normal school hours. The officers then provide the relevant schools with the names of students from their school who have been found outside school without a leave pass. On some occasions the students involved may be accompanied back to school by the officers.

This program was legislated in accordance with Education Act 1990. Under the Act, students between the ages of six and 15 years are required to be enrolled at a government or registered non-government school, or be registered as homeschoolers with the Board of Studies. The Act authorises police officers to ask students for their names and addresses, and the names and addresses of their schools. Once this information is obtained the officer may accompany the student to school or home to verify the information, direct them to return to school, or allow them to continue with their business if the police officer's inquiries have been satisfied and it has been proven that the student has approval to be absent from school.

One of the primary concerns in addressing truancy is the protection of students from the risk of becoming victims of crime while not under the supervision of their school. Police officers speaking to students about suspected truancy will also consider whether the student is at risk of abuse or in need of care. I acknowledge the Mount Druitt Learning Ground, which is running a variety of programs designed to get truanting kids back to school. The Mount Druitt Learning Ground has an 80 per cent success rate and in the past three years has returned approximately 188 students to school. The program works closely with parents to equip them with the skills to guide their kids. Unfortunately, the program's future is uncertain because of a lack of State Government funding.

I have been unable to obtain information about the NSW Police Force truancy program that was successfully initiated in 1999. Truancy information is listed on the NSW Police Force website, but does not indicate whether the program is operational because the website was last updated on 1 September 2008. I call on the New South Wales police Minister and the Government to investigate this matter and the information provided on the police web page, and to update the public on the current situation.

## **NEW SOUTH WALES AMBULANCE TOLL BANKSTOWN HELICOPTER RETRIEVAL AND TRAINING BASE**

**Mr GLENN BROOKES** (East Hills) [1.18 p.m.]: Last month I had the pleasure of joining our health Minister, the Hon. Jillian Skinner, and New South Wales Ambulance Commissioner David Dutton at Bankstown Airport. The purpose of our visit was to turn the first sod on the new state-of-the-art New South Wales Ambulance Service Toll Bankstown, Helicopter Retrieval and Training Base. This project forms part of the \$151.2 million partnership between Toll Group and the Ambulance Service to establish a new New South Wales Helicopter Retrieval Network. The network, run by the Toll Group, will operate the Ambulance Service's southern fleet of eight helicopters from Orange, Wollongong, the Australian Capital Territory and Bankstown Airport which is in my electorate.

What is now a vacant site at Bankstown Airport in 12 months will house three operational helicopter hangars, two major servicing hangars, administration offices, state-of-the-art training facilities, medical simulation rooms and an auditorium. Importantly, this site represents much more than just an investment in training infrastructure; it is an investment in patient care for the people of New South Wales. This facility will train and equip our aeromedical staff of doctors, flight nurses and paramedics, whose clinical capability virtually allows them to take the emergency department to the patient.

The exciting new partnership between the Toll Group and the Ambulance Service will deliver

improved patient retrieval coverage across the State, with patients responded to by state-of-the-art helicopters and thereby receiving emergency care faster. The need for aeromedical retrieval in New South Wales is predicted to increase by 23 per cent by 2022. Because of investments such as this, the Ambulance Service and Toll can continue to deliver the world's best helicopter emergency retrieval service well into the future. I am proud that this service will be operating out of my electorate of East Hills, and I thank the men and women who will be on those flights as they carry out more than 3,000 missions a year, rescuing severely injured and ill patients in dangerous locations.

### **COOGEE SURF LIFE SAVING CLUB**

**Mr BRUCE NOTLEY-SMITH** (Coogee) [1.22 p.m.]: I was proud to be invited to officially raise the flags signalling the opening of the New South Wales surf lifesaving season on 18 September on the iconic Coogee beach. The Coogee Surf Life Saving Club has an illustrious and proud history as a foundation member of the Australian surf lifesaving movement. Founded in 1907, Coogee Surf Life Saving Club is now in its 108th year and is thriving more than at any other time in its history. It has more than 1,000 members, a large nipper membership and more than 400 active volunteer lifesavers—in other words, it is part of the fabric of Coogee, as it has been for a very long time. The club has a proud past of many firsts in the lifesaving movement, such as the first mass rescue and the first night surf carnival, and it was an early adopter of resuscitation techniques.

Club volunteers manage numerous activities and programs that are so important to my community, supported by many local business sponsors. The Coogee Minnows are Australia's longest continually operating junior surf lifesaving movement, having celebrated their 50-year anniversary last year. They are a dynamic component of the club, offering a fun and active lifestyle for children, helping them develop life skills and lifesaving skills, from surf safety to cardiopulmonary resuscitation [CPR] and rescues. The club patrols Coogee on weekends and public holidays during the summer season, providing indispensable support for the Randwick City Council lifeguards. In fact, the club is very proud of its pristine record of no lives lost whilst its members have been on patrol. Beachgoers can trust that they are in good hands when they go down to Coogee Beach on the weekend.

Unfortunately, a major storm event in April caused serious damage to the administrative area of the clubhouse, which is at the southern end of the beach. The Coogee Surf Life Saving Club has done a fantastic job getting back on its feet following the storm. However, it needs a bit more help, which is why I went down to Coogee over the weekend to seek support from locals for my call for more funds to get the work completed. Their unanimous support was clear: We received hundreds of signatures in just a couple of hours. It was not a surprise to see the community come together and rally in support of the club. Many locals spoke about the importance of the club to our community and the values that it has instilled in their children.

On that Sunday morning I saw more than 900 children assemble on the beach to commence their training for the season. In fact, about half the beach was occupied by the club, so numerous were the activities that morning. All were competently managed by Steve O'Donnell. I congratulate the new executive of the club, President Mark Doepel, Secretary Pat Garcia, Treasurer Rob Gibellini, Club Captain Tass Karozis and the many other office-bearers unfortunately too numerous to mention here. I have had a long association with the Coogee Surf Life Saving Club and it can always rely on me to assist wherever I can. I want to ensure that the club's money is not diverted from lifesaving and youth programs, which is why I have been knocking on the door of the Minister for Emergency Services and on the door of that most eminent of clubbies, Premier Mike Baird, for dollars to meet the shortfall needed to fix the club. In closing, I wish all the members and the executive of the Coogee Surf Life Saving Club a safe and enjoyable season.

**Mr RAY WILLIAMS** (Castle Hill—Parliamentary Secretary) [1.26 p.m.]: It was marvellous to sit here this afternoon and listen to another member speak about another very important volunteer association. We have heard this afternoon about the work of the Country Women's Association and the

Rural Fire Service and the member for Coogee has just spoken about the wonderful, commendable surf lifesaving movement, which protects life and property along our coastlines. Every summer volunteer lifesavers are prominent on our beaches. They are certainly an asset to our communities and I thank the member for Coogee for raising in the House what the surf lifesaving movement does for them. We hope the upcoming season is not too busy for our lifesavers.

**Private members' statements concluded.**

*[The Assistant-Speaker (Mr Andrew Fraser) left the chair at 1.27 p.m. The House resumed at 2.15 p.m.]*

**VISITORS**

**The SPEAKER:** Welcome to all our guests in the gallery this afternoon for question time. In particular I extend a very warm welcome to Hugh Bateman from Mudgee. He is in Parliament as part of the Pink Tractor Trek, in his pink shirt—very nice to see—raising money for the McGrath Foundation, journeying with the pink tractor from Mudgee to Sydney and back. He is a guest of the Deputy Premier, Minister for Justice and Police, Minister for the Arts, and Minister for Racing, and member for Dubbo. He is also a guest of the member for Lismore.

I acknowledge 20 year 12 legal studies students and their teachers from the Dubbo College Senior Campus in Dubbo, guests of the Deputy Premier, Minister for Justice and Police, Minister for the Arts, and Minister for Racing, and member for Dubbo. I also welcome 18 students and their teachers from the Chatswood Intensive English Centre in Chatswood, guests of the Treasurer, and Minister for Industrial Relations, and member for Willoughby. It is a good place, Chatswood—that is where I grew up. I also welcome eight members from Leichhardt Municipal Council's Seniors Council and a representative from Leichhardt Municipal Council, Councillor John Jobling, former member of the New South Wales Legislative Council, guests of the member for Balmain.

**REPRESENTATION OF MINISTERS ABSENT DURING QUESTIONS**

**Mr MIKE BAIRD:** I inform the House that this week the Minister for Industry, Resources and Energy will answer questions in the absence of the Minister for Regional Development, Minister for Skills, and Minister for Small Business.

**CENTENARY OF FIRST WORLD WAR**

**The SPEAKER:** On 23 October 1915 the German U-boat *U-35* spotted an unmarked transport ship which had just left Alexandria and was heading for Salonika where a new front in the Great War was opening up. Without mercy it sent the converted tramp steamer *Marquette* to the bottom. Among the 167 souls who perished that night were 10 New Zealand nurses—the worst disaster of its kind to befall our sister nation. Their loss serves to remind us of the incredible contribution made by Australian and New Zealand nurses to their nations' war efforts. Some 3,000 Australian nurses volunteered for service in the Australian Army Nursing Service. About 2,500 of them were to serve overseas. So intense was the competition for places that at least 130 Australian nurses left for England to enrol in Queen Alexandra's Imperial Military Nursing Service where more places were on offer.

It is difficult to describe the outstanding effort of these women. Their diaries and letters reveal the horrors of what they witnessed—wounds the like of which they had never seen, the disfigurement of gas attacks and the constant death of young men who could have been, and sometimes were, their brothers. In two months alone, 57,000 sick and 37,000 wounded were evacuated from the Gallipoli peninsula to the base hospital on Lemnos where the nurses were initially based. However, they would serve wherever Australian troops served, suffering many of the same privations and hardships, often under direct fire and always without the resources they needed to cope with the vast numbers of their patients.

The records are replete with the gratitude, admiration and sheer love that so many diggers came to feel for the nurses who cared for them, to whom so many entrusted the job of writing to their loved ones and families as they knew that their own time was being cut short. Twenty-eight Australian and 16 New Zealand nurses—10 on that one terrible night—are listed on their respective rolls of honour as are 65 winners of the Military Medal and 207 winners of Royal Red Cross medals. Nurses who lost their lives from New South Wales were Edith Blake, Ruby Dickinson, Pearl Goodman, Narelle Hobbes, Lily Nugent, Katherine Porter, Mary Stafford, Ada Thompson and Fanny Tyson. Katherine Porter was born in Milton in my electorate. She was known as Kitty Porter. The Premier would have seen photos of Kitty Porter when he visited the Not Forgotten exhibition in Nowra last Sunday. Their names and their sacrifices are as worthy of remembrance as any. Lest we forget.

## **BUSINESS OF THE HOUSE**

### **Notices of Motions**

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

### **QUESTION TIME**

*[Question time commenced at 2.27 p.m.]*

### **LOCAL GOVERNMENT AMALGAMATIONS**

**Mr LUKE FOLEY:** My question is directed to the Premier. Will the Premier now admit that certain councils will be forced to merge against their will?

**Mr MIKE BAIRD:** It is positive that Opposition members are asking about the theme of the day. It is a good step forward. We have stated time and again that we want to ensure that we have the strongest possible local government sector that delivers the greatest possible benefits to its communities. We have asked our councils to consider those benefits and to bring forward plans. Today we have announced that we will allow them an additional 30 days to do that. We look forward to the councils introducing their proposals that will stand up for ratepayers in this State. This Government is proud to do that.

### **LOCAL GOVERNMENT AMALGAMATIONS**

**Mr CHRIS PATTERSON:** My question is addressed to the Premier. How is the New South Wales Government helping councils to become Fit for the Future?

**Mr MIKE BAIRD:** It is a great question from a great former mayor and a great member for Camden.

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

**Mr MIKE BAIRD:** For some reason I am hearing the voices of members on the other side. Those members are not standing up for the ratepayers of this State and I do not know why they are not doing that. We have been consulting for a considerable period.

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

**Mr MIKE BAIRD:** We have consulted for many years with the local government sector and we have asked: "How can we work together to deliver more and better services and additional infrastructure? How can we put downward pressure on rates for our communities?" That has been our driver. To date some councils have shown leadership and the Minister for Local Government has alluded to this on many occasions. There have been constructive contributions from some councils but over the next 30 days we

are hoping for a constructive contribution from all councils because they should be looking after the ratepayers in this State.

I have been disappointed in some respects because many councils have undertaken business cases which show that mergers would deliver substantial benefits for their communities. In spite of those benefits, councils did not decide to put forward merger proposals. That is obviously disappointing from the Government's point of view. The Government wants to do the right thing but the councils have put forward alternative proposals to be fit for the future by raising rates. The Government will not support that. We believe there are much better options for delivering services and infrastructure and for putting downward pressure on rates. That is why we are proud to have the Independent Pricing and Regulatory Tribunal [IPART] independently assess the benefits. Indeed across metropolitan Sydney up to \$2 billion in benefits will come to communities across the State.

Those opposite might criticise and decide they do not want to support council mergers but on this side of the House we are happy to have that money go towards better services in our community, to have more infrastructure in our communities and we are happy for councils to put downward pressure on rates as part of the proposals. That is what we are proud to be delivering for the people of New South Wales. We have asked councils to ensure that they respond constructively over the next 30 days. I pay tribute to the local government Minister, his department and the work he has done to ensure that everything possible is done to ensure great outcomes for the ratepayers of New South Wales. There is one merger I do not expect to occur in this State and that is a merger between the Sensibles and the Neo-Terrigals. I do not think you will ever see a merger there. To give you a sense of where this is at, we know Mr Sensible—there he is—and we know Mrs Sensible but there is a new Prince of Darkness in the Sensibles—the member for Fairfield.

**Mr Clayton Barr:** Point of order: My point of order is under Standing Order 129. The question was about local councils and local government. The Premier has strayed into the machinations of the Labor Party.

**The SPEAKER:** Order! The Premier has briefly strayed. The Premier has the call.

**Mr MIKE BAIRD:** The only reason I raised the matter of the member for Fairfield is I have never before seen a situation where the leader hands across the member's mobile number and the member is so upset about it that he calls a press conference.

**Mr Guy Zangari:** Point of order—

**The SPEAKER:** Order! I have just ruled on relevance.

**Mr Guy Zangari:** My point of order is under Standing Order 73. Premier—1300-Guy—I am available 24/7 for you.

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

**Mr MIKE BAIRD:** I will tell you why the member for Fairfield is so upset that his mobile number was given out, because no-one had ever rung it before and when it rang he said, "Hang on, what's this, what's this?" But it was just the Leader of the Opposition asking him to deal with something. And he so much wants to undermine—

**The SPEAKER:** Order! The member for Strathfield will cease interjecting. I call the member for Strathfield to order for the first time.

**Mr MIKE BAIRD:** He so much wants to undermine the Leader of the Opposition that he calls a press conference to complain about it. I have never seen anything like it.

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

**Pursuant to standing order additional information provided.**

**Mr MIKE BAIRD:** If the Leader of the Opposition wants to hand out a shadow Minister's mobile number he should be able to do it.

**Mr Guy Zangari:** Point of order: My point of order is under Standing Order 129, relevance. On the eve of local government reform this is the best he can dish out?

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

**Mr MIKE BAIRD:** I ask the member, when he goes around the back room undermining his leader—

**Ms Jodi McKay:** Point of order: This is not relevant.

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

**Mr MIKE BAIRD:** Members opposite are sensitive about it but in relation to our reforms the Government is determined—and there is one team here in relation to this—to do the right thing by the ratepayers of New South Wales.

**Mr David Harris:** Point of order—

**The SPEAKER:** Order! The Premier has just returned to the leave of the question. What is the member's point of order?

**Mr David Harris:** It is under Standing Order 129.

**The SPEAKER:** Order! The Premier has just returned to the leave of the question.

**Mr David Harris:** Madam Speaker, you ruled that he strayed for a second; he has now strayed for more than two minutes.

**The SPEAKER:** Order! I ruled that the Premier has just returned to the leave of the question. The member for Wyong was not listening. The Premier has the call.

**Mr MIKE BAIRD:** As we have said on many occasions this is an opportunity for local councils to do the right thing by their communities. That means looking after the ratepayers of this State. If members opposite want local councils to be provided with additional money for parks, local infrastructure, libraries and senior citizen centres, this provides the capacity to deliver that for the communities. That is what the Government is proud of. The Government will do everything to stand by the ratepayers of New South Wales. We will stand by our reforms. Councils now have the opportunity to look after their ratepayers. That is what we are asking for.

## **LOCAL GOVERNMENT AMALGAMATIONS**

**Ms LINDA BURNEY:** My question is directed to the Minister for Local Government. Given that your party room was told last week that the maps are already drawn up for the new local boundaries across the State, why are you keeping them hidden from the community?

**Mr Brad Hazzard:** That is not true.

**The SPEAKER:** Order! The question is out of order. There is an alleged statement of fact in the question that was not necessary. It should have been put as a question, not a statement of fact. The member will restate the question in an appropriate form. I advise her to look at the standing orders in relation to the framing of questions.

**Ms LINDA BURNEY:** Given the reports that your party room was told last week that the maps are already drawn up for the new local government boundaries across the State—

**The SPEAKER:** Order! For the reasons I gave previously, the question is out of order. The member will resume her seat.

### **LOCAL GOVERNMENT AMALGAMATIONS**

**Mrs MELINDA PAVEY:** My question is addressed to the Minister for Local Government. How is the New South Wales Government supporting regional councils to deliver better services, more infrastructure and better value for ratepayers?

**Mr PAUL TOOLE:** I thank the member for Oxley for her question. There is a member who cares about her community.

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

**Mr PAUL TOOLE:** There is a member who shows leadership and who understands that by having strong councils we have strong communities across New South Wales. There is a member who wants to see her council building roads, fixing bridges, putting on services and building facilities in communities that they need and deserve. I agree with the member for Oxley: We need strong councils in regional New South Wales. We need strong councils that are fit for the future—councils that are going to provide services. We have seen four years of research, analysis and consultation.

**The SPEAKER:** Order! Opposition members will come to order, particularly the member for Cessnock and the member for Charlestown.

**Mr PAUL TOOLE:** All reports clearly indicate that change is needed in the local government sector. The current system of local government is not working as well as it should be. Today, the Premier and I released the Independent Pricing and Regulatory Tribunal [IPART] report. We guaranteed at the Local Government NSW Annual Conference only last week that once we received that report we would release it as soon as possible to councils. Having received the report on Friday we released it today to councils. It presents a very bleak picture for councils in New South Wales.

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

**Mr PAUL TOOLE:** The true picture shows that 60 per cent of councils are deemed to be not fit. In regional New South Wales the report indicates that 56 per cent of councils are not fit. Many are deemed not fit because IPART has found that the community would benefit from a council merging. And yet the council has decided to stand alone. Others are struggling financially. We know that there is no one-size-fits-all. That is why we are implementing a number of changes in supporting regional communities. We have \$5.3 million in funding for joint pilot organisations, five of which are being rolled out across the State at the moment in Central New South Wales, the Hunter, the Illawarra, the Riverina and the Namoi. That is a record investment for this area.

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

**Mr PAUL TOOLE:** We have said that there will be an opportunity for another two regions to

become pilot organisations in the near future.

**The SPEAKER:** Order! I call the member for Charlestown to order for the first time. She should cease interjecting.

**Mr PAUL TOOLE:** We have invested \$4 million into an innovation fund to support councils in regional and rural parts New South Wales that are struggling financially, to help them to make the improvements that are needed. Eight councils in the Far West of the State are struggling financially. They have large distances to cover geographically and they have declining populations. We need strong councils and I am pleased that as part of the reform the Government has established the Far West Advisory Group, which is working with councils in the Far West to develop strong councils that can deliver for their communities. The Government is asking councils that have been deemed to be not fit due to scale and capacity, and their neighbouring councils that are not fit due to scale and capacity, to consider the IPART findings.

The Government is asking them to consider their preferences for mergers. This Government is providing unprecedented funding of up to \$10 million for each new regional council through the Stronger Communities Programme. This fund will enable regional councils to provide more parks, libraries and sporting fields for their communities; it will give those communities a head start. It will go a long way to support new entities to make the necessary changes. By providing another \$5 million to each new regional council, the Government will also ensure that ratepayers do not fund the upfront costs of mergers. The benefits of merging are obvious. We must ensure that the upfront costs are not a barrier for councils that would otherwise merge.

#### **Pursuant to standing order additional information provided.**

**Mr PAUL TOOLE:** I guarantee that local reforms will deliver tangible benefits and stronger councils. Mergers will reduce red tape and waste. All the savings will go back into better services and more infrastructure or put pressure on councils to lower rates. Local representation will be maintained. The IPART report showed that the situation is now critical; action is needed to ensure that ratepayers get value for money, and the services and the infrastructure they need. We cannot let vested interests prevent regional communities from getting the infrastructure and services they deserve. The Government will give councils a 30-day period to inform themselves of the Government's position on local government reform and to respond to the IPART findings.

My vision—the vision of those on this side of the House—is for a system of local government that is professional, flexible and community focused; a system that willingly embraces new ideas, works with its neighbours and works in partnership with the State to deliver better services and facilities for the people of New South Wales. We want every council in New South Wales to be part of this great change that is coming. We want them to play a meaningful role in building prosperous regions. At this stage no decision has been made about any individual council. However, we are committed to stronger councils that deliver better services and more infrastructure, and that keep rates down. We on this side of the House are putting communities first.

#### **LOCAL GOVERNMENT AMALGAMATIONS**

**Ms LINDA BURNEY:** My question is directed to the Premier. I refer to the *Daily Telegraph* article on 13 October, which said that the Premier had advised his members of Parliament that the maps had already been drawn up. Why is the Premier keeping these maps from the public?

**The SPEAKER:** Order! I will reluctantly allow the question. The Premier has the call.

**Mr MIKE BAIRD:** I love Opposition members. They keep us on our game. They are all over it. They are combing over every piece of material and analysis, and they are talking to stakeholders—so



much so that when they make a regional visit they do not tell anyone that is what they are doing. That is their great modus operandi. Nine councils have made merger proposals, which means, yes, there must be changes to maps. That is earth-shattering; the Opposition is onto something very significant. The Opposition is absolutely on to something. Yes, the maps have changed because we have agreed that mergers should take place. That is already underway.

Our important point to the Opposition—I think this is what the member is getting at—is that we want councils to listen, read and go through the IPART report, and through the analysis that many councils have undertaken. They decided that, as part of the IPART process, they did not want to bring forward those business cases because the analysis showed significant benefits that would come to their communities. The Government believes it is time for councils to level with their communities and do the right thing by them.

**Mr Michael Daley:** Point of Order: My point of order is taken under Standing Order 129. The Premier is going over old ground. We know all that. We want to know why the maps are such a big secret.

**The SPEAKER:** Order! The Premier remains relevant. The member will resume his seat. There is no point of order. When I ask the member to resume his seat he should do so, otherwise he will be called to order.

**Mr MIKE BAIRD:** Today, the shadow Treasurer—when making his economic commentary, which happens about every six months—decided to say, "Hang on, if stamp duty falls 2 or 3 per cent we will go into deficit." Two or 3 per cent is just over \$200 million. The surplus is \$2.5 billion, and \$2.5 billion minus \$0.2 billion is a \$2.3 billion surplus.

**The SPEAKER:** Order! I call the member for Kogarah to order for the first time. He will cease shouting. I call the member for Kogarah to order for the second time. I call the member for Kogarah to order for the third order.

**Mr MIKE BAIRD:** I issue a warning to the Opposition frontbench and to the party room: The guy who costs your election policies and is in charge of your economic policies cannot take 0.2 from 2.5 to get 2.3. I would have a few concerns if I were a member of the Opposition.

**The SPEAKER:** Order! I call the member for Rockdale to order for a first time. I direct the member for Kogarah to remove himself from the Chamber until the end of question time.

*[Pursuant to sessional order the member for Kogarah left the Chamber at 2.48 p.m.]*

**Mr MIKE BAIRD:** It is nice to see school students in the gallery. The question is: Are we determined to do everything for the people—the ratepayers—of New South Wales? Yes, we are. Are we determined to ensure downward pressure is put on rates and to provide better services or more infrastructure across New South Wales, including in all our local communities? Yes, we are. That is exactly what we are determined to do.

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

**Mr MIKE BAIRD:** We are determined to do everything that is in the ratepayers' interests, and that is it. If Opposition members want to judge us because we stand-up for the ratepayers of this State they should go ahead and judge us, because members on this side of the Chamber are determined to do the right thing for the people of New South Wales.

## COUNTERTERRORISM LEGISLATION

**Mr MARK COURE:** My question is addressed to the Attorney General. What steps is the

Government taking to ensure that those who are a terrorist risk do not receive bail?

**Ms GABRIELLE UPTON:** I thank the member for Oatley for his question. He is a community-minded member of Parliament who is dedicated to the safety of his local area. Madam Speaker—

**Ms Linda Burney:** Gab-free hour.

**Ms GABRIELLE UPTON:** The member for Canterbury, Madam Speaker—

**Mr Michael Daley:** You have said that three times.

**The SPEAKER:** Order! The member for Maroubra—who at least is listening for a change—will come to order. He is being so disrespectful and so rude. The Attorney General has the call.

**Ms GABRIELLE UPTON:** Madam Speaker—

**The SPEAKER:** Order! I call the member for Strathfield to order for the second time. I call the member for Canterbury to order for the third time. Disrespect for other women in the Chamber is really beyond the pale as far as I am concerned. It is unbelievable.

**Ms GABRIELLE UPTON:** As a community, we have witnessed brutal and senseless killings through terrorism. Last year the world was with us during the agonising hours of the Lindt cafe siege and its aftermath. Once again we are being haunted by terrorism. This time, as we know, it was in Parramatta. The murder of police accountant and father of two, Curtis Cheng, is a tragedy. For the second time in a matter of only months, our city has been a victim of terrorism. It is a reminder that our battle against terrorism is being fought right here, at home. But it is a different battle. It is a battle without a clearly defined enemy. We are fighting against ideologies that are poisoning minds, including those of our youth.

As the Premier has said, nothing is more important than the safety of the people in our community. The Government will do whatever it takes to protect our community. We will ensure that our laws are up to the task. Today I will introduce new laws that will deliver on a promise the Premier made in August. Those laws will further strengthen our bail laws and deliver on the recommendations of a joint Commonwealth-New South Wales Martin Place siege review, on the final report of the Hatzistergos review, and on the NSW Sentencing Council report. The changes will work like this: If a person is charged with an offence that carries a jail sentence and has been convicted of a terrorism offence, or is the subject of a terrorism control order, that person will not get bail unless there are exceptional circumstances.

The Government also is strengthening the existing unacceptable risk tests in our bail laws, which means that new factors will be taken into account when the courts consider bail. They will include factors such as an accused person's association with terrorist organisations, an accused person's actions advocating support for terrorist acts or violent extremism, and an accused persons associations with people who support terrorist acts or violent extremism. The changes, which will be introduced in the House today, are measured and necessary.

The Hatzistergos final review, which is the second of John Hatzistergos' reviews of our new bail laws, made it clear that the community should be confident that, on the whole, the Bail Act is working well and has been working well since those significant changes were made in January. The Government is also adopting some improvements arising from that review, which include making it easier for the courts to revoke bail when there is a breach of bail conditions. But, importantly, the Government will continue to keep a close eye on New South Wales bail laws to ensure that they are working to protect the community. Let me be clear: The Government always will put the safety of this community first. The New South Wales Government always will do what we need to do to keep our people safe.

## **LORD MAYOR OF SYDNEY**

**Mr LUKE FOLEY:** My question is directed to the Premier. Given that the Government has legislated to render her ineligible to sit in Parliament, changed the City of Sydney's voting system and now plans to redraw its boundaries, what will he not do to drive Sydney's Lord Mayor from elected office?

**Mr Mike Baird:** That is so pathetic.

**The SPEAKER:** Order! The Premier has the call.

**Mr MIKE BAIRD:** Is that the best the Leader of the Opposition has? For goodness' sake! I think I understand, but I would have expected the member for Sydney to have asked that question. I would have preferred the member for Sydney to ask that question rather than the Leader of the Opposition, but the simple fact is that the Government is working constructively with the Lord Mayor and the City of Sydney across a range of measures. The Leader of the Opposition is alluding to an Independent Pricing and Regulatory Tribunal [IPART] report to which the Government has not yet responded. The Government has released the report to councils to give them an opportunity to consider it. That is it. There is no rocket science in it. That is the truth of the matter. If the Leader of the Opposition wants to pick out the City of Sydney or any other council, that is a matter for him; but, obviously, the Government will respond holistically.

**The SPEAKER:** Order! There is too much audible conversation coming from Government members. The Premier has the call.

**Mr MIKE BAIRD:** The Government is determined to do what is right for the ratepayers of this State. That is what people expect and that is exactly what this Government will deliver.

**The SPEAKER:** Order! The Minister for Family and Community Services will come to order.

## **CBD AND SOUTH EAST LIGHT RAIL PROJECT**

**Ms ELENi PETINOS:** My question is addressed to the Minister for Transport and Infrastructure. How is the Government preparing Sydneysiders for major changes on George Street, Sydney, as construction ramps up on the central business district [CBD] light rail project?

**Mr ANDREW CONSTANCE:** I thank the member for Miranda for her question. We have had the entree and now it is time for the main course. It all kicks off on Friday night when we close George Street to cars between King and Market streets to pave the way for construction of the CBD light rail. Just over a fortnight ago the Government overhauled bus routes into the city—a massive exercise that required tens of thousands of commuters to prepare and plan their journeys. We are now stepping it up a notch. I cannot underestimate the impact of shutting down that part of George Street when it comes to cars.

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

**Mr ANDREW CONSTANCE:** The message is simple: If people do not need to drive into the city, do not do so. It will not be worth the pain.

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

**Mr ANDREW CONSTANCE:** Just as the people of Sydney rose to the challenge with the bus plan, I know that they will do the same with this challenge because they know that the light rail project is critical to fixing this broken city. It will take hundreds of buses off our streets and get people from one side of the city to the other more efficiently. Whatever tactics the Leader of the Opposition is using, they are not working. The Opposition backed in light rail at the election. Then Labor said it would scrap it, and now

Labor will honour the contract. We also heard the bold declaration that the project will be a Berlin wall that divides the city.

Thankfully, the people of Sydney are smarter than the Leader of the Opposition and member for Auburn. The comments in the *Sydney Morning Herald* online sum up the situation, "Possibly one of the dumbest things ever muttered"; "Luke Foley, don't be so dense"; "Can't say I'm surprised to hear that this Labor Party wants to cancel yet another piece of transport infrastructure"; and—my favourite one of all—"Who is this clown? Bring back Robbo." I could not help but think that the member for Blacktown had been busy!

**Mr Greg Warren:** Point of order: My point of order is taken under Standing Order 78. This is not a time for personal reflections of the Minister. I ask that you ask the Minister to show some courtesy.

**The SPEAKER:** Order! The Minister was quoting and was not making those accusations himself. The Minister has the call.

**Mr ANDREW CONSTANCE:** Those quotes were from the Herald online. I turn to the member for Keira.

**Mr Ryan Park:** How's the dead fish going?

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

**Mr ANDREW CONSTANCE:** It is flapping around like you, mate. This morning on radio 2BL the member for Maroubra said, "There is a growing fiscal debt in NSW which means that in time the government will not be able to fund its present services."

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

**Mr ANDREW CONSTANCE:** The member for Keira, only yesterday, having come up for air after reading some serious reports went on to say—

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

**Mr ANDREW CONSTANCE:** —that Labor has a policy that free travel on Opal cards should occur after six paid journeys instead of eight because of the disruptions caused by construction of the light rail. He said that the cost of this would be around \$65 million. Unfortunately, the shadow Minister and member for Keira does not know how Opal works. The Opal system settings for the number of paid weekly journeys after which travel is free can only be changed network wide. If the number of paid journeys after which travel is free were to be reduced from eight to six, the estimated revenue impact is of the magnitude of \$200 million per annum. Over the course of the construction of the light rail that would amount to 700 million dollarydoos.

Given Labor's history, that is a pretty good result. The changes in the central business district are not just about light rail. About \$40 billion worth of construction is on the go across 90 different projects—everything from Barangaroo to Sydney Metro, ICC Sydney, and billions in commercial and residential developments. We are changing the face of Sydney and setting it up for future generations. We know there will be upheaval with the closure of George Street to cars as of Friday night. We urge people to plan their journeys, be prepared and avoid the city if they can so we can make this work.

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

#### **LOCAL GOVERNMENT ELECTION DONATIONS**

**Ms JODI McKAY:** My question is directed to the Minister for Local Government. Given that the State's laws restricting political donations were upheld in a decision by the High Court of Australia earlier this month, when will the Government extend spending caps on donations for local government elections?

**The SPEAKER:** Order! I am not sure whether that question should have been directed to the Minister for Local Government.

**Mr PAUL TOOLE:** I thank the member for Strathfield for her question. In New South Wales, those of us on this side of the House are reforming local government. As a part of that, we are committed to reforming the Local Government Act. The findings of the High Court indicate that there are wider issues with New South Wales councils and that more reform is needed in this sector to protect our communities. I find it hard to understand why Opposition members are asking questions on local government when they did not support local government in any way during their years in government. They sat back and watched infrastructure crumble while council backlogs blew out. What did they provide to support councils in New South Wales? Nothing.

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

**Ms Jodi McKay:** Point of order: My point of order is taken under Standing Order 129. This question is about political donations. Will the Minister answer the question in regard to political donations?

**The SPEAKER:** Order! The Minister has remained relevant under standing orders and that is all I can ask him to do.

**Mr PAUL TOOLE:** We are looking at reforming local government. Why do those opposite not step up and support some of the changes needed in councils in their electorates? I hear the whimpering member for Canterbury asking questions about maps.

**Ms Linda Burney:** Point of order: Madam Speaker, I ask that you ask the Minister to withdraw his statement about my persona.

**The SPEAKER:** Order! I presume the member for Canterbury is referring to the word "whimpering". Does the Minister for Local Government wish to withdraw that word?

**Mr PAUL TOOLE:** I withdraw.

**The SPEAKER:** Order! The Minister has withdrawn.

**Mr PAUL TOOLE:** The member for Canterbury opposes local government reform in this place, yet where is the leadership from those opposite? There is no leadership. Canterbury council has indicated in recent reports that savings can be made and passed on to the communities they represent, but the member for Canterbury has said nothing about that.

**Ms Jodi McKay:** Point of order—

**The SPEAKER:** Order! The Minister has concluded his answer.

## **NSW GAS PLAN**

**Mr THOMAS GEORGE:** My question is addressed to the Minister for Industry, Resources and Energy. How is the NSW Gas Plan providing certainty to the residents and communities of the Northern Rivers?

**Mr ANTHONY ROBERTS:** I thank the member for Lismore for his question and for his efforts in representing the people of Lismore despite the threats, harassment and intimidation he has been subjected to over this issue. I do not believe anyone in this place could possibly condone that form of behaviour.

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

**Mr ANTHONY ROBERTS:** I pay tribute to the Deputy Premier, along with the members for Clarence and Tweed Heads who have been working with me to ensure that this buyback was successful, was executed with value to the taxpayer and would provide communities with certainty.

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

**Mr ANTHONY ROBERTS:** Yesterday the Government announced the buyback and cancellation of Petroleum Exploration Licence [PEL] 445 in the Northern Rivers region. PEL 445 was issued in April 2004 by, guess who? It was those opposite, the worst State Government we have had.

**Mr John Robertson:** And renewed by you.

**The SPEAKER:** Order! The member for Blacktown will come to order. I call the member for Blacktown to order for the first time.

**Mr John Robertson:** And renewed by you.

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

**Mr ANTHONY ROBERTS:** PEL 445 covers some 565,693 hectares of land around Lismore, Kyogle, Nimbin and Evans Head. Like every PEL in the Northern Rivers, it was disgracefully issued by the former Labor Government for a mere \$1,000 application fee. That is less than a cent per hectare, which is the value the former Labor Government placed on the State's valuable and productive land. Yesterday The Greens' candidate for Lismore, with unfortunate timing, issued a media release titled "Thomas George should resign over CSG betrayal". The candidate went on to say that the people "feel betrayed because Thomas George failed to represent them". However, last night I was perusing Facebook and noticed that Lismore radio had posted about The Greens' media release, describing it as the "Biggest fail ever!" One comment on this post stated, "Typical Green, no idea of anything. Some things are done quietly and in the background, without all the ranting and screaming, trying to arrange protests and running people into the ground".

**Ms Kate Washington:** What has this got to do with anything?

**The SPEAKER:** Order! The member for Port Stephens should listen rather than interject all the time.

**Mr ANTHONY ROBERTS:** The Labor Party has a disgraceful record in the Northern Rivers. Despite issuing every licence in the Northern Rivers, the Labor Party's only proposal to fix this mess is to do a complete 180-degree turn on its previous position and propose legislation that would retrospectively cancel licences without compensation. Whether or not you like these licences they are a form of property right—a property right that was handed out by the Labor Party.

The Greens and the Labor Party should apologise and thank the local Nationals members who helped to bring this about. This is where Government members differ from members opposite: We are about delivering for the people of this State, whereas Labor and The Greens are all rant and no responsibility. The Nationals have represented this region since its inception. Nationals members care for the people of the Northern Rivers region and advocate for them. That stands in stark contrast to the

attitudes and efforts of The Greens and the Labor Party in that area. Where were The Greens and their Labor friends when these licences were being handed out? I will save the answer to that question for another occasion.

The first time that members of the Labor Party were ever seen north of Newcastle was during the 2015 election campaign, when they sniffed an expedient political opportunity. The lazy Labor bus rumbled into town for a day, Labor members tried to rewrite history, and then the bus chugged out of town under a cloud of belching hypocrisy. Members opposite do not care about the people of the Northern Rivers region and never have, and the local community saw through them. Although the Liberal-Nationals did not unleash this problem on the Northern Rivers region, we are fixing it. We have a plan and it involves delivering for the people of New South Wales. Through the NSW Gas Plan, we are giving communities certainty and ensuring that this industry operates on the Government's terms. Again, we have a problem and a solution, leaners and lifters, darkness and daylight.

**The SPEAKER:** Order! Members should seek the call audibly so that I can hear them.

### **NEWCASTLE RAIL LINE**

**Mr TIM CRAKANTHORP:** I direct my question to the Deputy Premier. I refer to the University of Newcastle Liberal Club event the Minister attended last Friday night.

**The SPEAKER:** Order! Government members will come to order. The member for Newcastle will wait until Government members are quiet. The Minister for Finance, Services and Property and the Minister for Industry, Resources and Energy will come to order. The member for Newcastle will be heard in silence.

**Mr TIM CRAKANTHORP:** Will the Minister confirm that prominent property developer Keith Stronach successfully bid at auction for a copy of the new legislation which allows for the Government to tear up the Newcastle rail line and which will be signed by the Premier and the Treasurer?

**The SPEAKER:** Order! The Deputy Premier has the call. He does not need any help. The member for Newcastle asked the question and he should listen to the answer. The Deputy Premier does not need the help of the Minister for Family and Community Services.

**Mr TROY GRANT:** Thank you, Madam Speaker. I thank the member for Newcastle for his question. Very simply, I have no idea about what happened because I was not there during any auction. I was pleased to receive the invitation and thoroughly enjoyed the evening.

**The SPEAKER:** Order! The Minister does not need any help.

**Mr TROY GRANT:** I met wonderful people from the Newcastle and Upper Hunter region. I was joined by the Parliamentary Secretary for the Hunter and Central Coast, Mr Scot MacDonald, and the member for Upper Hunter, Michael Johnsen, from The Nationals. The University of Newcastle Liberal Club is the only club in the university sector whose constitution states that it represents the interests of both the Liberal Party and The Nationals. It is a coalition.

**The SPEAKER:** Order! Members will cease interjecting. The next member called to order will be removed from the Chamber for three hours. The interjections are over the top.

**Mr TROY GRANT:** I was happy to talk to the club members because they asked many questions about why the member for Newcastle was not representing their interests and why he had no interest in growing Newcastle. They asked why the member for Newcastle voted in the Legislative Assembly against legislation—

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

**Mr TROY GRANT:** —in this place, but when allegedly representing the community on the Newcastle City Council he supported the proposal. They are a little confused. They asked me whether I would give the member for Newcastle some advice about how to be an active and effective member.

**The SPEAKER:** Order! I call the member for Port Stephens to order for the first time. She will cease shouting.

**Mr TROY GRANT:** I said that it was not my job to advise the member for Newcastle about how to serve his community better and to represent its views. The only advice I had for them was to keep working hard to articulate to the Newcastle community why it should vote at the next election for the wonderful candidate Jodie Howard.

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

**Mr TROY GRANT:** I meant to say Karen Howard.

**The SPEAKER:** Order! Is the member for Strathfield seeking the call or simply standing to argue with the Deputy Premier?

**Mr TROY GRANT:** I apologise for misspeaking. There was a member for Newcastle called Jodie at one stage, but her counterparts took care of her.

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

**Mr TROY GRANT:** I heard that evening from a group of people who were very grateful for the leadership shown by the Government in investing in Newcastle.

**The SPEAKER:** Order! If the member for Newcastle is seeking the call he should say "Madam Speaker". Simply coming up to the table is not sufficient to get the call. A member could simply be getting a glass of water, as the member for Canterbury does so frequently.

**Mr Tim Crakanthorp:** Point of order: My point of order relates to Standing Order 129.

**The SPEAKER:** Order! The Deputy Premier answered the question.

**Mr Tim Crakanthorp:** The question is—

**The SPEAKER:** Order! The Deputy Premier answered the question.

**Mr TIM CRAKANTHORP:** It was—

**The SPEAKER:** Order! I heard the question and the Deputy Premier said that he was not present for any auction.

**Mr Tim Crakanthorp:** Will he confirm—

**The SPEAKER:** Order! He answered the question. The member for Newcastle will resume his seat.

**Mr Tim Crakanthorp:** I did not ask whether he was there; I asked whether he could confirm—

**The SPEAKER:** Order! The member should not argue with me. If he does he will be in serious



trouble.

**Mr TROY GRANT:** One of the ways to be an effective and good member is to listen to the community. The member for Newcastle did not listen to my answer.

**The SPEAKER:** Order! Opposition members do not seem to be able to listen.

**Mr TROY GRANT:** If the member has any interest in the electorate of Newcastle he should open his ears and his eyes and look at what is happening in the region. If he did so he might do a better job.

**The SPEAKER:** Order! Can the member for Londonderry not hear over all the interjections from her fellow members? She now knows how frustrating it is.

**Question time concluded at 3.17 p.m.**

## **INSPECTOR OF CUSTODIAL SERVICES**

### **Report**

**The Speaker** tabled, pursuant to section 16 of the Inspector of Custodial Services Act 2014, the report of the Inspector of Custodial Services for the year ended 30 June 2015.

**Ordered to be printed.**

## **AUDITOR-GENERAL'S REPORT**

**The Clerk** announced the receipt, pursuant to the Public Finance and Audit Act 1983, of the Auditor-General's Financial Audit Report, Volume Four 2015, received on 15 October 2015.

## **BUSINESS OF THE HOUSE**

### **Suspension of Standing and Sessional Orders: Order of Business**

**Motion by Mr ANTHONY ROBERTS agreed to:**

That standing and sessional orders be suspended at this sitting to:

- (1) Postpone the commencement of private members' statements until the conclusion of Government business.
- (2) Permit the House to sit past 7.45 p.m.

## **BUSINESS OF THE HOUSE**

### **Suspension of Standing and Sessional Orders: Bills**

**Mr ANTHONY ROBERTS** (Lane Cove—Minister for Industry, Resources and Energy) [3.18 p.m.]:  
I move:

That standing and sessional orders be suspended to permit the resumption of the adjourned debate on Wednesday 21 October 2015, and passage through all remaining stages at that or any subsequent sitting, of the following bills:

Bail Amendment Bill 2015 and cognate bill

Courts and Other Justice Portfolio Legislation Amendment Bill 2015  
Health Legislation Amendment Bill 2015  
Treasury Corporation Amendment Bill 2015 and cognate bills

**Mr MICHAEL DALEY** (Maroubra) [3:19 p.m.]: It is not often that I feel sorry for the Leader of the House but I feel sorry for him today.

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

**Mr MICHAEL DALEY:** In light of the motion to suspend standing and sessional orders people on both sides of the House will be tempted—

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

**Mr MICHAEL DALEY:** —to criticise the Leader of the House for not being able to get this place organised in time for the cut-off date for bills to be debated in the Legislative Council, which was announced as 29 October. He is fighting against the impossible as this Government has been stuck in a post-election torpor since election day.

**The SPEAKER:** Order! Interjections will cease or Government members will be removed from the Chamber.

**Mr MICHAEL DALEY:** During this session of Parliament Opposition members have been sitting in this Chamber day after day and they have taken note of how wonderful the Queen is. I think about 50 speakers, one of whom was the Premier, told us how terrific the Queen is.

**The SPEAKER:** Order! The Deputy Premier will come to order.

**Mr MICHAEL DALEY:** We have been talking about fossil fish—was the State Arms, Symbols and Emblems Amendment (Fossil Emblem) Bill 2015 not a cracking bill?

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

**Mr MICHAEL DALEY:** An endless procession of Government members spoke ad nauseam in debate on a handful of inconsequential bills that were introduced in this place. All of a sudden the Legislative Council said to the Government that the cut-off date for a certain number of bills was 29 October. All of a sudden the penny dropped. All those Ministers who have been sitting in their offices and who have not introduced legislation in this place have been told by the Leader of the House that they had better get cracking if they want their bills to go through the Parliament. Those bills have all been bottlenecked until the end of the year, which is why the Leader of the House was forced to come into the Chamber and embarrass himself by admitting that the Government cannot get its act together.

**Ms Noreen Hay:** Better do some work.

**Mr MICHAEL DALEY:** I do not always agree with the member for Wollongong who is a friend, and we have had our disagreements over the years, but on this occasion I have to say that she has got it right. This Government is lazy, lazy, lazy. We do not agree to this motion to suspend standing and sessional orders. Next year the Leader of the House should tell his Ministers to start working from the beginning of the year.

**Mr ANTHONY ROBERTS** (Lane Cove—Minister for Industry, Resources and Energy) [3.21 p.m.]: I acknowledge and pay tribute to my learned colleague on that side of the House. However, if he had asked more questions at question time Opposition members would have been in a better position and we would have had an Opposition leader asking real questions, driving change and assisting us. But I cannot

speak on his behalf. All that Opposition members can do is watch his fantastic performance.

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

**Mr ANTHONY ROBERTS:** I am happy to loan the member for Maroubra a soap box if that would help. This Government is like a turbocharged super car as so much is going on. We are speeding through and driving reforms. Ministers are travelling throughout this State implementing reform after reform. We are introducing and implementing good legislation in this Chamber and in the other place and we do not apologise for that. If that means we have an opportunity to acknowledge and pay tribute to our wonderful sovereign Queen Elizabeth II we will do that. In fact we might even do that again before this Parliament rises for the Christmas break. The member made light of the State Arms, Symbols and Emblems Amendment (Fossil Emblem) Bill 2015. I mean, come on! It has been waiting 200 million years for a bit of recognition. Is it not time that we gave it a go? While I respect the member's position on this issue I ask Opposition members to join us on this wonderful journey of reform. They will love it. They should open up their minds to a remarkable Government that is turbocharging this State and its economy.

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

**The House divided.**

**Ayes, 52**

Mr Anderson	Ms Goward	Mr Provest
Mr Aplin	Mr Grant	Mr Roberts
Mr Ayres	Mr Gulaptis	Mr Rowell
Mr Baird	Mr Hazzard	Mr Sidoti
Ms Berejiklian	Mr Henskens	Mrs Skinner
Mr Brookes	Ms Hodgkinson	Mr Speakman
Mr Conolly	Mr Humphries	Mr Stokes
Mr Constance	Mr Johnsen	Mr Taylor
Mr Coure	Mr Kean	Mr Toole
Mr Crouch	Dr Lee	Mr Tudehope
Mrs Davies	Mr Maguire	Ms Upton
Mr Dominello	Mr Marshall	Mr Ward
Mr Elliott	Mr Notley-Smith	Mr Williams
Mr Evans	Mr O'Dea	Mrs Williams
Mr Fraser	Mrs Pavey	
Mr Gee	Mr Perrottet	<i>Tellers,</i>
Mr George	Ms Petinos	Mr Bromhead
Ms Gibbons	Mr Piccoli	Mr Patterson

**Noes, 38**

Ms Aitchison	Mr Harris	Mr Park
Mr Atalla	Ms Harrison	Mr Parker
Mr Barr	Ms Hay	Mr Piper
Ms Burney	Ms Haylen	Mr Robertson
Ms Car	Mr Hoenig	Ms K. Smith
Ms Catley	Ms Hornery	Ms T. F. Smith
Mr Chanthivong	Mr Kamper	Ms Washington
Mr Crakanthorp	Ms Leong	Mr Zangari

Mr Daley  
Mr Dib  
Ms Doyle  
Ms Finn  
Mr Foley  
Mr Greenwich

Mr Lynch  
Dr McDermott  
Ms McKay  
Mr Mehan  
Ms Mihailuk  
Mr Minns

*Tellers,*  
Mr Lulich  
Mr Warren

**Pair**

Mr Barilaro

Ms Watson

**Question resolved in the affirmative.**

**Motion agreed to.**

**LEGISLATION REVIEW COMMITTEE**

**Report**

**Mr Michael Johnsen**, as Chair, tabled the report entitled "Legislation Review Digest No. 8/56", dated 20 October 2015, together with minutes of the committee meeting regarding Legislation Review Digest No. 7/56, dated 13 October 2015.

**Report ordered to be printed on motion by Mr Michael Johnsen.**

**PETITIONS**

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

**Inner-city Social Housing**

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

**Pet Shops**

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

**Plastic Bags Ban**

Petition calling on the Government to introduce legislation to ban single-use lightweight plastic bags at retail points of sale in New South Wales to reduce waste and environmental degradation, received from **Mr Alex Greenwich**.

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

**Homeless People Accommodation**

Petition requesting that the Government open the Community Offenders Support Program 40-bed

unit and make it available to homeless people seeking emergency accommodation in the Shoalhaven, received from **Mrs Shelley Hancock**.

**The Clerk announced that the following Ministers had lodged responses to petitions signed by more than 500 persons:**

The Hon. Duncan Gay—West Bank Road Realignment—lodged 15 September 2011 (Mr Kevin Anderson)

The Hon. Anthony Roberts—Port Kembla Steelworks—lodged 17 September 2015 (Mr Gareth Ward)

The Hon. Andrew Constance—Rail Services—lodged 17 September 2015 (Mr Tim Crakanthorp)

The Hon. Andrew Constance—Edgecliff Railway Station and Interchange—lodged 17 September 2015 (Ms Gabrielle Upton)

## **CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY**

### **Local Government Reform**

**Mr MATT KEAN** (Hornsby—Parliamentary Secretary) [3.31 p.m.]: This motion deserves to be accorded priority because we believe that New South Wales residents deserve better infrastructure and more services at a lower cost. They deserve better parks, improved roads and—for the member for Drummoyne, even though he has never used one—more libraries. We believe that we can deliver more with less by reforming local government. We want to do that because we are a friend of ratepayers. Who is not a friend of ratepayers? There is no prize for guessing that it is members opposite. Who opposite, in particular, is not a friend of ratepayers? I do not think the member for Cabramatta is a friend of ratepayers. While he was on council his residents were slugged with a 44.9 per cent increase in special rate variations. I do not think the member for Charlestown is a friend of ratepayers. She oversaw slugging her ratepayers with a 46.7 per cent increase in special rate variations.

Members will love this one. Mr Sensible, the man who would be leader, slugged the ratepayers of Randwick City Council with a 47.96 per cent increase in rates. And now for my personal favourite; it could not get any better. Whilst a member of council the member for Newcastle—the man they call Crakkas, not Jodi—was not satisfied with holding back the City of Newcastle or stopping progress for the Hunter, so he oversaw slugging his ratepayers with a 58.55 per cent increase in rates. He did not do that because he wanted to help Newcastle ratepayers; he did that because he wanted to help his mates in the United Services Union [USU]. While we are looking out for the ratepayers of New South Wales and making things better for communities across New South Wales, members opposite are looking after the USU. We are interested in building more libraries, improving roads and delivering better services. We want to implement infrastructure at a lower cost. The member for Cabramatta is upset that his council has not charged enough in rates. We will not let him do what his instincts tell him should be done. We will look after our communities while he continues to smash them. [*Time expired.*]

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! I direct the member for Canterbury to remove herself from the Chamber for a period of half an hour.

[*Pursuant to sessional order the member for Canterbury left the Chamber at 3.34 p.m.*]

### **Youth Unemployment**

**Mr DAVID HARRIS** (Wyong) [3.34 p.m.]: Today it gives me no pleasure to argue why my motion should be given priority. My motion is about protecting young people in Western Sydney. You people

should be ashamed of what you are doing to our TAFE system and what you are doing to young people.

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

**Mr DAVID HARRIS:** In Blacktown youth unemployment is registered at 13.3 per cent; in outer south-western Sydney at 14.5 per cent; and in the outer western Blue Mountains at 10.9 per cent. This Government introduced Smart and Skilled, which forced the western institute of TAFE to cut staff and services for those who need it the most. Government members should be ashamed of themselves. They are arrogant and all they can do is laugh when people's lives are being affected. Some of the most important TAFE courses that enable young people to get jobs are being cut. Teachers of foundation studies are having their jobs cut.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! I call the member for Kiama to order for the second time.

**Mr DAVID HARRIS:** Four head teachers and 23.57 positions will be cut. The Government's discussion paper states that the main reason for the decline in enrolments is the introduction of student fees for programs that were traditionally offered as open access and fee free. In addition, the previous qualification rule for lower level English courses has meant that qualified migrants are not eligible for subsidised places. People who have trouble speaking English are being denied access to courses because of programs introduced by this Government. Government members sit in this Chamber and arrogantly criticise Opposition members when they are closing campuses, cutting teaching jobs and shutting down courses. They are affecting the most vulnerable young people in our community. They should be ashamed of themselves. I am talking about courses that prepare people for work and study, that teach people vocational English and that teach people literacy and numeracy so they can get access to jobs. This Government is all about dollars and not about people. Government members need to have a good hard look at themselves and they need to start looking after people again.

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

**The House divided.**

**Ayes, 51**

Mr Anderson  
Mr Aplin  
Mr Ayres  
Mr Baird  
Ms Berejiklian  
Mr Brookes  
Mr Conolly  
Mr Constance  
Mr Coure  
Mr Crouch  
Mrs Davies  
Mr Dominello  
Mr Elliott  
Mr Evans  
Mr Fraser  
Mr Gee  
Ms Gibbons  
Ms Goward

Mr Grant  
Mr Gulaptis  
Mr Hazzard  
Mr Henskens  
Ms Hodgkinson  
Mr Humphries  
Mr Johnsen  
Mr Kean  
Dr Lee  
Mr Maguire  
Mr Marshall  
Mr Notley-Smith  
Mr O'Dea  
Mrs Pavey  
Mr Perrottet  
Ms Petinos  
Mr Piccoli  
Mr Provest

Mr Roberts  
Mr Rowell  
Mr Sidoti  
Mrs Skinner  
Mr Speakman  
Mr Stokes  
Mr Taylor  
Mr Toole  
Mr Tudehope  
Ms Upton  
Mr Ward  
Mr Williams  
Mrs Williams

*Tellers,*  
Mr Bromhead  
Mr Patterson

### Noes, 36

Ms Aitchison	Ms Harrison	Mr Park
Mr Atalla	Ms Hay	Mr Parker
Mr Barr	Ms Haylen	Mr Piper
Ms Car	Mr Hoenig	Mr Robertson
Ms Catley	Ms Hornery	Ms K. Smith
Mr Chanthivong	Mr Kamper	Ms T. F. Smith
Mr Crakanthorp	Ms Leong	Ms Washington
Mr Daley	Mr Lynch	Mr Zangari
Mr Dib	Dr McDermott	
Ms Doyle	Ms McKay	
Ms Finn	Mr Mehan	<i>Tellers,</i>
Mr Greenwich	Ms Mihailuk	Mr Lulich
Mr Harris	Mr Minns	Mr Warren

### Pair

Mr Barilaro

Ms Watson

**Question resolved in the affirmative.**

### BUSINESS OF THE HOUSE

#### Suspension of Standing and Sessional Orders: Order of Business

**Motion by Mr ANTHONY ROBERTS agreed to:**

That standing and sessional orders be suspended at this sitting to postpone the commencement of Government business until the conclusion of proceedings on the motion accorded priority.

### LOCAL GOVERNMENT REFORM

#### Motion Accorded Priority

**Mr MATT KEAN** (Hornsby—Parliamentary Secretary) [3.44 p.m.]: I move:

That this House:

- (1) Notes the need for New South Wales to have strong and modern councils that deliver better services, more infrastructure and better value for ratepayers.
- (2) Notes that the Independent Pricing and Regulatory Tribunal has found that mergers will deliver up to a \$2 billion windfall to communities and reduce the need for rate rises.
- (3) Supports the Government's efforts to help local councils to become fit for the future.
- (4) Calls on the Opposition to join with the Government in supporting local government reform

in the interests of stronger communities in New South Wales.

The Government has moved this motion because it believes reform is necessary to deliver better services and more infrastructure at lower costs to residents across the State. That is something all members of this House should support. The great Minister for Local Government, who is in the Chamber, commissioned the Independent Pricing and Regulatory Tribunal [IPART] to look into the performance of councils across the State. It found that 60 per cent of councils in New South Wales are not fit for the future. As a result, the Government has announced new Stronger Communities program funding. Each new council will receive up to \$15 million to invest in community infrastructure and up to \$10 million to ensure that ratepayers do not pay for the up-front costs of merging. This funding will be available to those mergers agreed to by councils and the New South Wales Government.

The Government is urging councils to consider the IPART findings for their particular council. It is urging councils to have discussions with neighbouring councils and the New South Wales Government. The \$2 billion in savings that IPART identified and the Stronger Communities program funding will enable each council to make a decision on investing extra funds to provide better services, more infrastructure and lower rates across the community. The member for Port Stephens is not a fan of lower rates, more services or more infrastructure. She wants to continue to punish her community by slugging them with higher rates, just as the member for Charlestown and the member for Maroubra did and as the member for Newcastle continues to do. He likes rate increases so much that he voted to support rate increases over the next three years—an 8 per cent per year special rate variation. They were so enthusiastic about slugging their communities they got in early and smashed them with rate increases of 24 per cent over the next three years.

The member for Port Stephens can act as a cheer squad for increasing the rates of every resident in New South Wales. She can be the cheer squad for continuing to make sure that services and infrastructure are not delivered. But the Government will not stand for that. That is why we are improving conditions for residents across New South Wales. It is time for councils to think about what they need to do to become fit for the future. It is time for councils to work with the State Government in light of its generous offer of support.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! I remind the member for Port Stephens that she is on two calls to order.

**Mr MATT KEAN:** There is a 30-day consultation opportunity for councils to inform themselves about the Government's position on local government reform and the response to IPART's findings, which are available online today. All councils should go to the website to see what IPART has said and work out their response. It is a final opportunity for councils to do the right thing for the future of their communities. I read a comment recently by a great Labor luminary who said that the only people who want more councils or more politicians are politicians. The member for Charlestown wants more politicians and more bureaucracy because she is beholden to the United Services Union [USU]. She is a member of the USU. That is a clear conflict of interest because, rather than looking out for the residents of her community, she will be the champion of the USU.

Members on this side of the Chamber will be the champions of the people. While Opposition members look after their union mates, we will continue to support residents across New South Wales to ensure that they get better services and more infrastructure at lower cost. Strong and vibrant communities in our cities and regions need strong local councils to deliver the services and infrastructure that those communities need now and in the future. Councils have been consulted every step of the way, and this Government will continue to consult. Local government reform means delivering for residents right across New South Wales. It means delivering more parks, better roads and improved libraries—not that the member for Drummoyne would ever use one. This is about making things better for communities; not making them worse, as those opposite want to do. [*Time expired.*]



**Mr GUY ZANGARI** (Fairfield) [3.49 p.m.]: It is clear that those opposite are back to their old tricks. It is obvious that they are using their standard methods in this debate. Those opposite remind me a lot of mischievous children. They have found something that works well—something that works really well—so they have thrown it against the wall a few times and broken it. They have tried to fix it and failed. That demonstrates the lengths this Government will go to. It is evident that the Government does not care about local councils. It is simple: Government members do not care about real local representation; nor do they care about enhancing the strength of our local councils. What they care about is mutilating an existing product and rebranding it as their own.

We need strong councils; we need modern councils. Opposition members agree absolutely about that. Many councils are already sustainable. For example, Fairfield and Holroyd councils in my electorate are in surplus; they have money. They are strong and they are modern and they continually deliver new infrastructure projects. They enhance services and meet the needs of local residents. Both councils have a firm grasp of what it means to be local representatives and our community is incredibly happy with the work they do. Councils in my electorate do a fantastic job and they have their finger on the pulse of local community need. Those councils provide the best services they can while supplying the new, modern and updated infrastructure that our communities require. Local residents have been overwhelmingly strong supporters of the council's hands-off campaigns and have voiced their opposition to local councils amalgamating.

Yet this morning we were shocked to be told that the councils are apparently not "fit for the future". There is only one Government that is not fit for the future, and that is the Government whose members sit opposite. Fairfield and Holroyd councils are fit for the future, as are many more councils that are providing the local representation the people of New South Wales deserve. Calling them unfit for the future is an affront to our councils and is shameful. We can say one thing about those opposite: They are consistent. They have been systematically destroying every great thing in this State and then giving themselves a big pat on the back. Today we see nothing new. The Government has broken the system and has given itself a pat on the back. The Government is getting pretty good at doing that.

Labor members agree we need strong, modern councils that deliver better services and more infrastructure. However, our local councils have been doing that for many years now, and they have no intention of changing the formula. I think those opposite, including the Minister, are a little confused about that old saying. Why is it that every time something is working, they break it? That is what the Minister is doing. He is not meant to break things; he is meant to fix them. I have given the example of the two local government areas in my electorate. It is sheer lunacy to force councils to amalgamate even though they have demonstrated that they are fiscally responsible, delivering on the needs of their local community and never missing a beat.

Today is a very sad day. Opposition members do not support this motion. I do not support the Government's claim that Fairfield City Council and Holroyd City Council are not fit for the future nor do I believe this Government cares about the needs and concerns of residents in those local government areas. Those councils care; they are great councils. The Minister is in the Chamber. I ask him: Where are the maps that he has been talking about? He said that councils have 30 days to come back to him. If we take away eight days we find that the councils really have 22 days in which to respond. The Minister has moved the goalposts many times—he has moved them so many times that councils have had to chop and change. The Minister has mismanaged the most significant local government reform in the history of New South Wales, and he knows it. This will cost communities through the loss of services, amenities and jobs. The Minister knows that. He knows that when he merges Fairfield and Liverpool councils, and when he merges Auburn and Holroyd councils, there will be job losses. He knows that amenities will be sold off. He is the "Minister against local government", and the people of New South Wales deserve better.

**Mr GARETH WARD** (Kiama—Parliamentary Secretary) [3.54 p.m.]: It is a pleasure to support the motion moved by the member for Hornsby on this very important matter. Having served my local community as a councillor, like so many members in this place, I know that local government reform is

something that many governments have talked about for many years but have never been able to achieve. When talking to many Labor members—behind closed doors, over a drink in the comfort of the bar—they say that they agree with local government reform, but only one side of this Chamber has been able to put forward a proposal as to what should be considered.

I will clear up some misconceptions from previous contributions. After extensive consultation the Minister asked for an Independent Pricing and Regulatory Tribunal report on how councils can be more sustainable. All of us, as ratepayers and residents of local government authorities, want to see our councils working effectively. I am sure there will be healthy debate about how we achieve that but the facts speak for themselves: More than half the councils in regional New South Wales are not sustainable. Almost two-thirds of councils in metropolitan Sydney are not sustainable. That was why I said, in my inaugural speech to Parliament, that we need to see reform of the local government sector and a combination of councils across Sydney.

The Greens are the worst poster children for local government. In Marrickville The Greens-controlled council spent millions of dollars on a divestments, boycotts and sanctions campaign against the state of Israel. That is clearly not the sort of core business that residents and ratepayers want to see from their councils. And The Greens have a great deal to answer for when it comes to poor administration. Simply shirking reform is not an option for this Parliament. When I think about the sorts of commentary that I heard during question time today I am reminded who the real conservative party of this State is—it is the party of the people who sit opposite and who oppose the reforms that we bring forward. It is no longer the party of Hawke or Keating; it is the party that opposes reform that we are trying to introduce.

In my region Wollongong City Council and Shoalhaven City Council are fit for the future. I commend the mayors of those councils, as well as Eurobodalla and Bega councils. But in Kiama and Shellharbour there are some issues—even though they have met many of the requirements of Fit for the Future. In that region a joint organisation is working to develop strategic planning opportunities. I am sure the Minister will bring about the reform that this State needs. I say to the Labor Party: Simply saying no is not the answer; work with us. Let us set up local government for the next 100 years. Every ratepayer in this State deserves strong, effective local government. [*Time expired.*]

**Ms SONIA HORNERY** (Wallsend) [3.57 p.m.]: It disappoints me that I have to label this motion "amalgamation arrogance". Last year I had the pleasure of visiting each of the 11 Hunter councils and meeting all the mayors and general managers. I learnt then what it would take to make a council fitter. Dungog council is a particularly good example. Dungog is a beautiful council, a beautiful area and a beautiful place to visit, but it has a small rate base and a huge road network. What Dungog council said to me echoed what all the councils said when I spoke to those 11 mayors. What will make Dungog council fitter, and what is real reform for it, is shifting funds back from the State Government to local government. The problem that all councils currently need addressed is funds being shifted by the State Government away from councils where money is needed. That has been a big problem for every single council—not only councils in the Hunter but councils throughout the rest of New South Wales.

I will speak about two councils that I know very well. Newcastle City Council oversees a population of 160,021 and Lake Macquarie City Council oversees a population of 202,000. The Government proposes to amalgamate those two councils. That is definitely amalgamation arrogance because the Newcastle and Lake Macquarie council areas will not receive better services; rather, we will have a huge council and consequently we will lose jobs, services and amenities. Money spent on rebranding will also be wasted. In contrast, the Hunter region of councils, comprising 11 councils, works very successfully in many respects through partnerships such as information technology, waste contracts, professional exchanges and library exchanges.

Those councils are doing well on their own, but what they do not need is an arrogant amalgamation. Those councils need a State Government that will shift back the funds that this

Government has taken from councils over the past four years. Small councils such as Dungog and Gloucester, which have large road networks but small rate bases, need more roads funding to survive. Those councils need more funding from the State Government for their survival and for the provision of necessary services for their communities. Not one of those 11 mayors would say to the Government or to me that amalgamating councils is the answer. It is not reform. [*Time expired.*]

**Mr MATT KEAN** (Hornsby—Parliamentary Secretary) [4.00 p.m.], in reply: I join the member for Wallsend in supporting local government reform. She said that councils such as Dungog and Gloucester are not fit for the future. What is the Labor Party's solution? It is to increase taxes and slug ratepayers. No-one does that better than Labor. When all else fails, Labor just ratchets up rates and hurts those who can least afford it. Labor cuts services and delivers less infrastructure—or no infrastructure, as Labor did throughout the Carr, Iemma, Rees and Keneally years. That is not acceptable. New South Wales residents deserve better infrastructure and more services, and they deserve to receive them at lower cost. That is why reform is necessary.

In many cases, local government boundaries were drawn up more than 100 years ago. They are not representative of local communities today. They are not necessarily representative of how things should be done at the moment and for many years into the future. That is why the Government needs to examine the situation with local government and implement best practice. The Government thinks we should be delivering more parks, better roads and improved libraries—things that will make the lives of every resident in this State better. That is why the Government will be taking up the recommendations made by the Independent Pricing and Regulatory Tribunal and that is why the Government supports local government reform—to deliver better services and infrastructure at lower cost to every resident.

The member for Cabramatta is not a fan of delivering things at lower cost. While he was a member of Cabramatta City Council, he oversaw rate increases of 44.9 per cent. But cheer up, Chuckles! The Government understands that he likes raising taxes, but that is not the way it thinks things should be done. The Government will take our plan to the community and will take our proposal forward. The Government will work with councils to achieve the best outcome for residents across the State. That is what needs to be done.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! I remind the member for Prospect that he is on two calls to order. The member for Port Stephens will come to order. This is her final warning.

**Mr MATT KEAN:** There is no greater champion of the United Services Union [USU] in this House than the member for Prospect. The USU got on the phone to him and said, "Member for Prospect, we've got to get you down in the House because our honour is being disgraced in the Chamber. They're taking us on. They're taking on the little closed shop that we run and are trying to break down our personal fiefdom. You get down there, Prospect, and stop this."

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! I call the member for Prospect to order for the third time.

**Mr David Harris:** Point of order: My point of order relates to Standing Order 76, relevance. The member for Hornsby is busy criticising Labor members in the House. He is not even talking about one of the biggest issues facing this Government.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! There is no point of order.

**Mr MATT KEAN:** The member for Wyong is still recovering from his thrashing by Darren Webber. Government members will always stand up for ratepayers while Labor members want to tax more and spend less. [*Time expired.*]

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

**Motion agreed to.**

**Pursuant to resolution Government business proceeded with.**

## **STRATA SCHEMES MANAGEMENT BILL 2015**

## **STRATA SCHEMES DEVELOPMENT BILL 2015**

### **Second Reading**

**Debate resumed from 14 October 2015.**

**Mr GUY ZANGARI** (Fairfield) [4.06 p.m.]: I participate in this debate on behalf of the New South Wales Labor Opposition and represent the Hon. Peter Primrose in the other place with regard to the Strata Schemes Development Bill 2015 and the cognate Strata Schemes Management Bill 2015. The Strata Schemes Development Bill 2015 will replace the existing Strata Schemes (Freehold Development) Act 1973 and the Strata Schemes (Leasehold Development) Act 1986. The Strata Schemes Management Bill 2015 will replace the existing Strata Schemes Management Act 1996.

Throughout parts of this legislation, I found myself asking why the Government essentially has thrown the baby out with the bathwater under the guise of urban renewal. The Strata Schemes Management Bill 2015 will enact new laws relating to the management of strata schemes and the resolution of disputes. The Strata Schemes Development Bill 2015 will enact new laws relating to how strata schemes are formed, the way in which lots and common property are dealt with and the variation, termination and renewal of strata schemes. There has been extensive consultation with stakeholders over the past four years with regard to the bills before the House. The Opposition accepts that both bills contain a number of sensible and updated amendments and will not oppose them. However, we have major concerns regarding the termination of schemes and the impacts that will have on home owners in New South Wales.

Minister Dominello in his second reading speech commended the legislation and the importance of the reforms for the people of New South Wales. No-one would not guess from his title, but the Minister for Innovation and Better Regulation appears proud that this legislation will pave the way for developers to seize control and will allow 75 per cent of an owner's neighbours to forcibly sell off their home. The euphemism in this bill labels that as a strata renewal process and the proposal may be found in the Strata Schemes Development Bill 2015, part 10. Clause 154 provides that should a consensus of 75 per cent of lot owners vote in favour of selling, an owner will have no means of keeping their home. You will need to remember that it is not only your neighbours but also any developers who have purchased lots who vote.

The current law for termination of a strata scheme, so that a site can be sold or redeveloped, requires the unanimous support of all lot owners. The new laws will allow the redevelopment or sale of a building despite the objection of up to a quarter of lot owners who do not accept the proposal. Further, the process of initiating the preparation of a strata renewal plan will require the support of only 50 per cent of lot owners. The Government says this change has been prompted by cases involving one individual holding out against other owners who want to sell to a developer. The argument here is that apartment owners are legally obliged to maintain buildings that are well past their use-by dates, while allegedly being blocked from selling the whole block by hold-outs as individual owners are hoping to get an inflated price for their units.

While this problematic scenario could arise, it is worth noting the impact of changes on the legitimate concerns of residents of lots who are elderly, families with children, or those who have a specially modified dwelling to cater to their mobility needs who would then be forced out of a home that they do not want to leave. Checks and balances have been put in place regarding the forced sale of

strata lots and the requirement to ensure the process remunerates lot owners as per the law. However, the checks and balances really do nothing to make things better for those who are forced to sell. The process is more of an assurance that each lot owner receives at least the market value of their lot plus moving costs and that due process has been followed. The provision of a new hotline may provide owners with information and advice. The real problem is that the so-called due process is unfair and the prescribed outcome is unfair for the 25 per cent of owners who objected to a sale. No amount of ticking boxes will make this any less unfair.

The number of strata schemes in New South Wales is currently around 74,668. Of the 851,426 lots worth more than \$350 billion in assets, 64,176 are residential schemes. In the greater Sydney area there are 44,636 strata schemes with 663,812 lots and 37,406 of are being residential schemes. In the greater Sydney area approximately one-third of these schemes was registered before 1980, with approximately 60 per cent between three and 10 lots; 31 per cent are owner occupied; 42 per cent are privately rented; 7 per cent are social and community housing; and 19 per cent are other tenures, visitor only or unoccupied. With these figures in mind, how many people does the Government think will be affected by the enacting of this legislation?

This legislation makes retrospective changes that will result in many home owners having the rug pulled out from underneath them. The Government is fully aware of how angry people in the community will be, especially older people, when they are made aware of the proposal within these bills to allow 75 per cent of their neighbours to vote to force them to sell their home. The Government wants to ram this legislation through the House to ensure any campaigns to fight it will not get off the ground, which is coincidentally where 25 per cent of strata home owners may end up. It is deplorable that those opposite would consider destroying the security measures that have been put in place to protect those who would otherwise be rendered vulnerable, but it is another scenario all together to go ahead and do it while trying to sell it as a good thing.

Those who purchased their lot under strata title did so in the knowledge that the law protected the indefeasibility of their title. Under this legislation, ownership under strata titles will be less secure and precarious. The right to terminate an entire scheme on a majority vote, even if the Government is right and it is a necessary evil, in many cases will constitute a new exception to indefeasibility of title in New South Wales law. Labor has always supported the working class, which is why cannot fathom how the Government believes it is fair and just to take away everything from those who have worked hard for it all their lives. For the retired pensioners who paid their dues time and time again and for those who have struggled and finally managed to own their own home, all of their dreams could disappear as a result of these protections being stripped away.

People's private rights should not be taken away lightly and without a very good public reason. These bills and the discussion paper suggest that private interests should be given the power to extinguish title rights without demonstrating a public purpose or benefit. The safeguards proposed will ensure financial fairness, but disregard individual legal rights and the wider public interest. In some instances, this may result in the loss of affordable housing and a possible reduction in the supply of houses due to the nature of redevelopment. Devaluation of strata titles may also occur given that the decisions of others will dramatically impact on people's ability to deal with their own property and even on the length of time the strata unit will exist.

It may become extremely difficult for people such as the elderly to afford to buy a new property in the same location, given they are no longer able to work to pay off a new mortgage. As a result it will become especially difficult to find a long-term solution for many elderly people, families and those who are struggling to keep their heads just above water. Given the drastic changes made by these new laws, finding affordable housing would become a near impossible task as older stock begins to dwindle. Diversity of housing stock is essential for all cities, and the legislation before us today will most certainly lead to many people being priced out of this new urban market. In the real world, this legislation will enable the majority to overrule a single person holding out if there are four lots in the strata scheme.

If there are eight lots, two may be overruled and so on. Given this is how it will work, should there be six objections out of 24 apartments wishing to sell to a developer, they would be completely overruled given that 75 per cent of the owners wish to sell. As lots are often purchased by property developers, this legislation will reduce the number of lots they are required to buy to force any unwilling owners to sell. On what policy basis is it reasonable for any government to designate a class of property owner as being greedy and a hold-out if they do not wish to sell their lot to a developer because they believe they are not being offered an acceptable price? This should be a matter for the market to determine, not Government. If an owner will not accept an offer to sell, the buyer should consider increasing the offer to sell—not have the Government pass laws to force them to sell so that the buyer can make a quick buck.

The new 75 per cent rule has been strongly opposed by organisations such as Shelter, the Retirement Village Residents Association and the Combined Pensioners' and Superannuants Association, which have raised concerns regarding how this change may affect families and the aged in residential strata schemes. Many of the issues surrounding this legislation are being canvassed in the media, including issues associated with parking, smoking and noise. However, it is worrying that given such broad reform, the Minister has indicated that work on these areas has barely commenced—despite the years of consultation that has already taken place.

While the Labor Opposition welcomes most of the updated proposals, we cannot support legislation that contains the 75 per cent proposal. This is simply unfair, unjust and will cause great distress, especially to the elderly. We on this side of the House believe the level of support needed to terminate a strata scheme should remain at 100 per cent of lot owners where there are residential lots in the scheme, and 75 per cent for all other schemes. I note that the Labor Opposition will move to have these two bills split because it will not support them as cognate bills. Further, it will seek to move amendments.

**Mr GEOFF PROVEST** (Tweed) [4.16 p.m.]: I support the Strata Schemes Management Bill 2015 and the cognate Strata Schemes Development Bill 2015. I commend the Minister for Innovation and Better Regulation for introducing these bills to the House. The management of strata schemes is an important and sizable sector of the New South Wales economy. It is more than 50 years—1961—since the first strata plan was registered in New South Wales, and during that time the size and complexity of the strata sector has grown significantly. Today more than 1,600 strata managing agents are licensed with NSW Fair Trading. Managing agents are trusted to help run people's homes and investments. We know that their advice, guidance and actions can have far reaching consequences.

Almost 25 per cent of greater Sydney's population live in strata apartments. As the sector grows, the Government must ensure that adequate checks and balances are in place for managing agents who provide these services—activities that can have a huge impact on the quality of life of those living and working in strata communities. Transparency, disclosure, impartiality and owners corporation empowerment were the objectives of the reforms to the strata managing agent requirements. The strata reform package includes a number of amendments to meet these objectives. In particular, the bill contains a number of reforms that will significantly increase accountability measures and disclosure requirements for strata managing agents. These changes will ensure there is transparency, accountability, choice and competition in this area of the strata marketplace. They will also protect consumers and build trust in people and companies that play an important role in managing a strata scheme.

During the consultation process on these new laws, NSW Fair Trading found that the community expects strata managers to conduct their duties to the highest ethical and professional standards. It is clear that the majority of strata managing agents strive to act correctly and work to support the strata schemes that they manage. However, half of all strata complaints are about strata managing agents. Therefore, it is clear that while the majority of agents are honest and serve their owners corporations well, more can be done to lift standards, to improve accountability and to address conflicts of interest within the

sector. These reforms will make it easier for schemes to change strata managing agents if the agent is not performing to an acceptable standard. Currently, the length of the appointment for a strata managing agent is negotiated by the owners corporation.

An agent can be dismissed or have their delegation changed only at an annual general meeting by a majority vote, and the owners corporation must provide reasons for the dismissal. Any move to dismiss the agent must be in line with the terms and conditions of their contract. Under the proposed changes to strata law, management contracts will be limited to one year in the first year, and then up to three years, with successive one-month rollovers to be allowed. The transitional provisions in the bill will mean that all current contracts will end within three years from the time the contract commenced, or six months from the commencement of the Act, whichever is the latter. This will prevent long contracts being entered into before commencement of the Act in an attempt to avoid these new restrictions. The capacity for owners corporations to roll over the agreement has been provided to the strata committee so that a general meeting of the owners corporation is not required. In addition, regulation-making powers allow the regulations to provide for special meeting procedures of committees for this purpose, for example, by circulated resolution and approval in writing.

The bill also requires managing agents to provide three months written notice to the owners corporation before the end of any three-year period, and at least seven days before the end of any one-month rollover period. The three-month notice period will give owners corporations sufficient time to call a meeting to decide whether to renew the contract, or to appoint a new agent. In the event that does not occur, the seven-day notice requirement will ensure that owners corporations are aware of the imminent expiration of the rollover period and can take any necessary action. This will help owners corporations to be aware of their responsibilities leading up to the end of a strata managing agent's contract and that they need to act. It is important that an agreement not continue in rollover indefinitely because it provides no certainty for either the owners corporation or their managing agent. Entering into a new agreement will ensure that both strata managing agents and owners corporations have an agreement in place that meets their current and ongoing needs.

Accountability and disclosure requirements are other aspects of strata management that have required reform, and are areas in which the bill delivers. First, the bill provides that the developer or a person connected with the developer cannot be the strata managing agent within 10 years of the registration of the scheme. Second, the provisions of the bill require a managing agent to disclose any commissions or training courses provided by a third party in the past 12 months and seek approval for those expected during the next year, and any relationship or link with the original developer of the building that may create a conflict of interest to their role in managing the property.

Importantly, the bill imposes limitations on agents receiving gifts or benefits over a certain amount in connection with their role. It should be noted that this type of limitation is now commonplace in commerce and business, and is not restricted to government. Such limitations are based on the need for integrity, trust, service and accountability. Owners corporations have long been concerned about the need for transparency in this area. They need to know that the managing agent is negotiating fairly on their behalf, and obtaining services based on value for their money—not on any benefit the agent may receive. The reforms deliver a good outcome for common sense. They ensure that regular items, such as receiving reasonable refreshments and small gifts, will not be unnecessarily captured under this new provision. The prescribed amount will be determined following further consultation with strata stakeholders during the development of the supporting regulations for the new legislation. However, I am advised that it is likely to be \$60.

Strata managing agents will also be able to attend conferences and training that is in connection with their role. However, like commissions or monetary payments, they must provide advice about training courses received from third parties in the previous 12 months and upcoming 12 months at annual general meetings. The NSW Civil and Administrative *Tribunal*, with its broad powers to oversee this process, will be able to deal with agents who do not disclose commissions or intentionally provide false estimates. If

the agent fails to meet new disclosure obligations, the tribunal can make orders that the agent forfeit the commissions to the owners corporation. Agents also face fines of up to \$2,200 for each offence and any breach of disclosure requirements. These measures have been subject to extensive discussions and negotiations with stakeholders, including Strata Community Australia and the Owners Corporation Network.

I am confident that these new strata laws will enhance disclosure arrangements to improve transparency and accountability. NSW Fair Trading will continue to monitor the effectiveness of these measures following implementation of its landmark strata law reform package. Like you and other members, Mr Deputy-Speaker, constituents often approach me about problems they are experiencing with strata legislation issues. Staff at the local NSW Fair Trading office do an excellent job. I cannot commend them highly enough; they are always receptive, and diligently and openly deal with the problems presented to them. I and my staff are very grateful for the efforts of that office. I commend the bills to the House.

**Ms TANIA MIHAILUK** (Bankstown) [4.26 p.m.]: I have reservations about speaking on the Strata Schemes Management Bill 2015 and the cognate Strata Schemes Development Bill 2015. However, I am the former shadow Minister for Fair Trading. We no longer have a Fair Trading portfolio.

**Mr Mark Coure:** Did you get the note?

**Ms TANIA MIHAILUK:** We now have the Better Regulation and Innovation portfolio. However, it is important that I address the real history behind the Strata Schemes Development Bill 2015. I acknowledge the interjection of the member for Oatley. I am sure that he will reiterate his concerns later for the thousands of people in his electorate who live in strata accommodation and who would be particularly concerned about the very specific point of part 10 in the development bill that will clearly affect the security of their tenure in their properties down the track.

I thank Minister Dominello for introducing these bills, but let us be clear: He is just the ball boy in a tennis game between developers and this Government. This has been the agenda for many years. In 2013 when Minister Roberts was the Minister for Fair Trading, he made it very clear that the Government's agenda would be to make sure strata schemes could be terminated by resolution of 75 per cent of lot owners, so it is a nonsense that there has been a huge amount of consultation over the course of the past two years about the development bill. The reality is that the Government has been fixated on this figure of 75 per cent probably since 2012, but officially on record since 2013.

When Minister Roberts handed over the baton to Minister Ayres and it was later handed on to Minister Mason-Cox the agenda was clear, irrespective of any of the potential opposition raised, whether by the Combined Pensioners and Superannuants Association, the Tenants' Union, Shelter NSW or a whole range of others that have raised their concerns over the course of the past two years about the Government's agenda to make life very vulnerable for the two million or so people who either live in or own units in strata schemes in the State. Let us be clear: There are more than 70,000 and potentially 75,000 strata schemes in this State. Undoubtedly the number will grow. We know that in 20 years half of the population of New South Wales is projected to be living in strata units. It is sad that this legislation will be rushed through this House quickly tonight. An inquiry probably will be required to look deeper into why this Government is so fixated with assisting developers to rip up the homes in which people in the State reside.

**Mr Ray Williams:** It is called stimulating the economy.

**Ms TANIA MIHAILUK:** I am delighted that the member for Castle Hill has intervened during my contribution to the debate because—let me make it very clear—it will not stimulate the economy. What it will do is create a situation where it will be far harder for people to have security of tenure in their homes. And let us be clear: It does not assist affordable housing at all. With an old three-storey walk-up where a



new complex is built on a site, most of the units probably will go for far more than the unit owners paid to go into that strata initially. Ivanhoe is a great example. The Government recently announced that potentially it would build 6,000 new private dwellings in that part of Macquarie Park and only 120 would be deemed affordable housing. Potentially, the new two-bedroom units will sell at about the \$1 million mark, which is not affordable and will not create a situation where families can enter that market. Shelter NSW and others have raised concerns. Shelter NSW said:

The notion that freeing up the process for collective selling of strata-title schemes to developers, or for terminating strata-title schemes for developers, and badging this as 'renewal', is a useful public-policy intervention is bogus.

Shelter NSW went on to say:

The Government, through Fair Trading, has persistently refused to systematically address the potential impacts of the 'strata renewal' changes on lower-income households in urban areas in the context of either loss of supply of affordable housing or possible generation of new affordable housing.

This Government does not understand that "a slight over-representation of lower-income households and a slight under-representation of higher-income households in higher-density dwellings" is in fact the reality. In effect, this Government is assisting a situation that will affect particularly the elderly and people in tough circumstances with a whole range of different financial restraints. This may be their only property, their only home. Potentially, down the track, we will see a whole range of legal disputes within these strata schemes, where some neighbours may decide to sell up because it suits them while others entered a particular scheme in the belief that it was their final home and that they would live there for many, many years. There is no doubt that this has created a situation where we will see a range of issues surrounding tensions between neighbours.

The Tenants' Union has also raised concerns about what that will mean for the insecurity of tenure for tenants, because the vast majority of units—as we know—are owned by investors and, in reality, in many of these schemes it is tenants that reside in these units. Not taking into consideration the impact that this change will have on residential tenancy agreements further showcases the way this Government is completely ignoring the needs of our constituents. Housing and the security of tenure of a person's home should, I would have thought, be the most important aspect of any type of consideration by this Government in thinking about how to consolidate the future and support urban renewal.

The Government needs to be mindful of the fact that property ownership is significant and residential property ownership matters. The Tenants' Union in relation to part 10 of this bill said, "There are many who have bought into strata schemes with the assumption that their housing would be secure and assured as a result. To lose that security based on the decisions of other owners in a strata scheme would be an injustice, particularly for those in older schemes where the market value may not provide enough to remain within the same locality."

That is the issue that this side of the House has. Even though the Government might argue that this will support some type of urban renewal and potentially create a whole range of housing stock on the market, we know the reality is that many individuals, family members, pensioners and a whole range of people who are struggling as it is to make ends meet will find it very, very difficult to enter the same unit complex, potentially under a different strata scheme but in the same locality. It will be extraordinarily difficult. I can think of suburbs where this will be the case, not only around Bankstown and along the entire Bankstown train line, which has now been effectively deemed as a potential growth area by the Government, but also the East Hills train line, in West Ryde and some of the suburbs around Ryde and Parramatta. It will also affect Oatley and Hurstville, in the electorate of the member for Oatley—although he does not live in strata, so he will not be too concerned.

**Mr Mark Coure:** I used to.

**Ms TANIA MIHAILUK:** Many in his electorate live in strata accommodation. He says he used to live in strata accommodation, so it does not matter anymore for the member for Oatley, but it certainly matters for many who reside in his electorate. The security of tenure of their property matters, and that is why the New South Wales Opposition opposes the development bill. We will seek to have these bills determined separately. We certainly oppose the development bill and I ask that the Government considers the amendments that we will put forward to adjust the lot schemes or any strata scheme to be only terminated at 100 per cent, not at 75 per cent.

**Mr RAY WILLIAMS** (Castle Hill—Parliamentary Secretary) [4.36 p.m.]: It gives me great pleasure to speak on the Strata Schemes Management Bill 2015 and the cognate Strata Schemes Development Bill 2015 and from the outset to correct some of the inaccurate statements made by the shadow Minister and some of the mistruths that the Opposition is spreading about this legislation has been a long time in the making. As a matter of fact it goes back to the previous Government, who could not deal with it. The Labor Government could not manage the plethora of issues involving strata management. This reforming Government has dealt with those challenges and has brought forward an effective piece of legislation for the future.

I wish to focus on the proposed reforms for the collective sale and renewal of strata schemes by owners corporations. Currently New South Wales has 74,507 registered strata plans. From those plans three-quarters of a million lots have been created. For the record, I declare an interest. I own units in strata developments that form part of my superannuation. I have owned those properties for some time and I would not like it to be said that I did not declare that interest. I speak not only for me but also for the many owners of strata developments who will find this legislation useful in the future.

Strata schemes have a lifecycle. They can be altered and changed and eventually when a scheme no longer suits the needs of its owners, it can be terminated. Under current laws, the vast majority of strata terminations are progressed by applying to the Registrar General. This process requires the unanimous support of lot owners. The proposed reform deals proactively with the issue of ageing strata schemes and enables strata owners to make collaborative decisions about their strata building. The majority of community feedback that was received by the Government on the strata reforms acknowledged that the decision to end a strata scheme should not require the 100 per cent support of owners, provided that the process is flexible, transparent and fair. I emphasise the word "fair". I will deal with that issue later in more detail.

The renewal provisions are designed to empower strata owners to make a collective decision about the most important issue that would confront all strata buildings, such as what to do with the building as it ages. It would come as no surprise that the ability to knock down and rebuild buildings is a significant economic stimulant. There is a great need across the Sydney metropolitan area to provide housing. It is expected that the population in Western Sydney will increase by one million over the next 15 to 20 years. At the moment there is a propensity in urban renewal to provide some embellishment to older style buildings, but as I have already stated, it needs to be done transparently and fairly.

If there is a division among the owners of strata schemes about a termination proposal, those owners are left with few options. Proceedings can be commenced in the Supreme Court but this avenue is complex, drawn out and extremely costly. The current legislation provides no direction on how the process should be handled or what matters the court should consider. All applications are speculative without any guarantee of success. As a result, few applications for termination are attempted through this means. Since the strata laws in New South Wales commenced there have been approximately 660 terminations. This is a small amount in comparison to the number of strata schemes in operation. As the number of ageing strata schemes grows, an alternative process will be needed to assist owners to overcome the deadlock that prevents renewal and regeneration.

When the Strata Titles Act was introduced in 1975, all decisions affecting common property required a unanimous decision. This requirement was relaxed in 2001 because of the difficulty in attaining this objective. At the time, reducing the level of support needed to sell, add or change common property was viewed with caution. It is now accepted as entirely appropriate that decisions about the shared property of a scheme should be made by special resolution. One of the driving factors behind the reforms is allowing for the future growth of Sydney and surrounding areas as part of the need for urban consolidation, renewal and embellishment on behalf of our growing communities.

This is particularly important for inner city areas where people are more likely to live in apartments. Therefore, it is desirable to enable the development of high quality apartments in inner city areas. During the next 20 years the population of Sydney will grow by an expected 1.6 million people with the population of Western Sydney expected to grow by 900,000. The Sydney Metropolitan Strategy sets out the need to identify more urban renewal areas, to locate housing in centres closer to transport and where other community infrastructure is already available. The plan makes it clear that urban renewal is essential to meet the demand for new housing in Sydney during the next two decades.

As land use evolves and high densities are made possible in urban areas, the current strata scheme acts as a barrier to that change. Where land is held in single ownership, an owner can renovate and update a building to ensure it meets environmental and aesthetic urban design standards. Once a building has been strata subdivided it becomes much more difficult to achieve this aim. More pressing for strata owners than the public need for urban renewal is the reality of Sydney's ageing housing stock. It is also fair to say that this is at the heart of private property rights, which has largely been in the domain of the Coalition Government. It comes back to owners who, in the future, may not want to onsell because they have been in an area for a long time. If they are not included in the 75 per cent of people who have voted for buildings to be knocked down and rebuilt, they will be appropriately compensated. I support that aspect of the bill. Through the development application process, homes will be valued at the current market price.

My suggestion to the Minister was to propose a like-for-like scenario. For instance, the owners of a two-bedroom apartment in a six-storey building that is to be redeveloped into a 16-storey building would receive a new apartment in the same area. It was not possible to include that scenario in the current legislation. However, the legislation allows for the value of properties to be recognised throughout the development application process so that they are appraised appropriately. Therefore, the market appraisal will be based on the cost of a new apartment as opposed to an older apartment, which will be a great attraction for people when they realise they will receive a fair market price for their properties. This process is based on the Land Acquisition (Just Terms Compensation) Act, which was introduced in 1988 by the Coalition Government to compensate people through the acquisition process.

I understand that due to the effects of time or a lack of ongoing maintenance, many buildings are in poor condition or in need of major renovations. I am advised that many of the older buildings do not meet the standards of the current Building Code of Australia. The failure of water systems can cause damage or electricity cabling can cause buildings to catch fire. Therefore, it is important that properties be upgraded. It is certain that many older buildings would not meet contemporary building standards without significant renovations. This gives rise to a whole range of health and safety concerns for people living or working in strata buildings. There is also a financial impact on owners of units in dilapidated buildings. Schemes can be left cash-strapped as owners struggle to raise enough in levies to cover the cost of necessary and extensive maintenance and repair work. [*Extension of time agreed to.*]

At some point it may become uneconomic to keep pouring money into maintaining a building. A complete redevelopment may be the best solution. All those factors highlight the clear need for better alternatives and a better mechanism to deal with ageing strata buildings. Strata owners groups, such as the Owners Corporation Network, will have call for a system that better accounts for the wishes of the majority of owners. The process provided in the Strata Schemes Development Bill addresses this need by being transparent and collaborative and it focuses on owners' interests. Like all big decisions, the strata

renewal process begins with a proposal that could have been put together by a group of owners or suggested by an external party such as a developer with an idea to remodel and enhance the building. If a majority of owners see merit in the proposal, the legislative renewal process can begin.

The process involves a number of steps and a staged approval process. Each stage includes safeguards to protect individual owners and will ensure that owners are provided with information to make informed decisions. Under this legislation, acceptance of a renewal plan will require support from 75 per cent of strata lot owners. I understand the process is characterised by a high degree of transparency, extensive consultation with owners from beginning to end and independent assessment. It is designed to deliver a fair and reasonable result for everybody. Importantly, the Land and Environment Court will have final oversight of the decision, providing further protection for owners. The court will consider whether the required processes have been followed by the owners corporation. The package provided to owners will need to be just and equitable before it is approved by the court.

A fair market appraisal will be provided on behalf of owners who do not want to sell. Unfortunately the unit may need to be compulsorily acquired. The court will consider all factors that influence the property's sale and its potential impact on a dissenting resident. The court will be able to reject the proposal if it has not been developed in good faith or if the owners corporation has not followed the correct process. The court will also have to consider the amount of money each owner will receive through the renewal process, with no owner to receive less than the compensation value of his or her lot. Compensation value is worked out using the principles of just terms compensation, about which I have already spoken, as is required by the Land Acquisition (Just Terms Compensation) Act 1991. This is an important safeguard that ensures all owners are fairly rewarded.

In determining the compensation value, factors such as relocation costs and stamp duty will be taken into account and included in the package. Importantly, vulnerable residents who do not support the proposal will be assisted throughout the process. Fair Trading will establish a Strata Renewal Advice and Advocacy Program to help these residents. This program involves a dedicated hotline that vulnerable residents can ring for further information and advice. A resident on an aged pension, for example, would have access to a specialty aged advice service which could assist in finding alternative housing options such as a retirement village. An owner on a disability pension could receive help from this service and free advocacy when it comes to reviewing the strata renewal plan. During any collective sale and renewal process, elderly and vulnerable owner-occupiers will be protected every step of the way.

It is also important to remember that the idea of ending a scheme with support from a significant majority of owners is not new. Most other countries with a large number of strata or condominium buildings have adopted procedures to allow schemes to end with less than unanimous support of owners. New Zealand allows for the cancellation of a strata scheme by special resolution. Most states of North America and the United Kingdom also have a procedure for cancellation with less than unanimous approval. The proposed reforms will allow New South Wales to catch up with the rest of the developed world when it comes to collective sale and renewal of strata. These reforms will bring existing strata laws into the twenty-first century and will help New South Wales strata schemes, especially those residential buildings that are starting to feel the effects of time. The reforms will help us plan for future growth, boost housing supply across the State and refresh tired areas with new and updated urban design. The reforms will have a positive and lasting impact on strata living. I commend the bills to the House.

**Ms JULIA FINN** (Granville) [4.51 p.m.]: I speak in debate on the Strata Schemes Management Bill 2015 and the Strata Schemes Development Bill 2015 and oppose these bills which should not be considered cognately. The Strata Schemes Management Bill 2015 includes timely reforms but the same cannot be said for the Strata Schemes Development Bill 2015. A key principle of Torrens title is indefeasibility. It means that a registered proprietor has paramount title over his or her land, estate or interest in land, and holds the same, free from any unregistered interests. This principle is being trashed by the Minister's introduction of these cognate bills.

People in my electorate have bought strata titled properties because they have family, friends, employment and support networks in the area. They have purchased in the area because they have access to public transport, are close to Westmead Hospital and have a wide range of schools and other community services. The multicultural diversity of our area is what makes Granville, Merrylands, Guildford, Westmead, Wentworthville and Greystanes great. To change the collective sale rules now about their ownership in strata schemes is unfair and unjustified. It is clearly not about urban renewal, otherwise there would be requirements that strata schemes could only be wound up if a building had reached the end of its economic life, in order to increase housing density.

In reality, it is nothing more than a charter for developers to grab valuable land in New South Wales and to make a killing out of it. The Opposition believes the changes in the Strata Schemes Development Bill 2015 will force home owners to sell against their will, allowing developers to kick out the elderly and families for profit. If one owns property in New South Wales, one should have the right to decide how and when to sell it and not be forced to leave when a developer says so. Once again, the Baird Government has chosen property developers over mum and dad owners and the elderly who stand to lose out.

The law should not be used to take people's homes from them so that developers can make money. Home ownership in New South Wales will become more insecure. Other jurisdictions are looking at collective sale rules but the New South Wales Government's proposals are more extreme than anywhere else. Proposals under discussion mean that Western Australian strata owners will require support from 95 per cent of owners for a scheme older than 15 years but less than 20 years old; 90 per cent for a scheme older than 20 years but less than 30 years old; and 80 per cent for a scheme more than 30 years old. Proposed strata reforms in other places also favour a staggered threshold for collective sales.

The New South Wales proposal requires 75 per cent support for a residential strata of any age. I have been in contact with many of my constituents on the proposed strata law changes. I wrote to residents of strata schemes in my electorate because it was clear that the Government had failed to inform strata owners of their proposals. When I spoke to strata owners in my electorate, very few were aware of the proposed changes. It makes one wonder whether the Government was hoping to change the rules before anybody noticed and it would be too late. In question on notice 1033, I asked the Minister for Innovation and Better Regulation how many comments were received from stakeholders and members of the public in the Government's consultation on the proposed changes to strata laws and what were the main concerns raised in submissions. His answer was:

NSW Fair Trading received 396 submissions from stakeholders and members of the public about the proposed changes to strata laws during the recent exposure period.

Concerns raised in submissions related to issues such as tenant participation, allowing pets in schemes, the sale and renewal process and the defect inspection regime.

Given the significance of the proposed changes, it is clear that the Government did not adequately promote its consultation process. People's homes are the largest investment they are likely to make in their lives. With only 396 submissions received from the owners of 75,000 strata units across the State, clearly this was not something about which people were aware. I know from talking to residents in my electorate that the concerns they made in their submissions related to what the Minister called "the sale and renewal process". My constituents have phoned me, emailed me and visited my office to tell me directly that they are confused about the Government's plans and they do not like the risk of being evicted from their homes.

I recently hosted a public forum in Merrylands with my colleague the Hon. Peter Primrose, MLC, to discuss the Government's proposals. Mr Primrose gave a detailed presentation about what is being proposed and was able to clear up some of the confusion in the community. The main concern related to

winding up a strata followed by the use of sinking funds to develop renewal plans with the consent of only 50 per cent of owners. Many of my constituents have contacted me about these bills and I will now share some of their comments with the House. Geetinder from Merrylands told me:

I think the current policy is favourable, all owners must agree.

Mark from Westmead wrote:

I am concerned there has not been enough publicly available information about these proposed changes to allow people living in strata to have the conversation about the proposed changes and to develop an informed opinion. Most of the people in our complex have no idea about the proposed changes and it would have helped if there had been a direct mail-out from the Government to all registered strata plans advising of the proposed changes and a decent consultation period.

Dianne from South Wentworthville told me:

If you are one of the 25 per cent who don't want to sell, bad luck, you get kicked out of your home. Even if for some reason you think this is a good idea, for example, nearly everyone in your block, including yourself, wants to sell but a few neighbours are holding out, it is still bad for you. At the moment in that situation, the developer would have to make the proposal extremely attractive to those few who are holding out, which of course benefits everyone else as the developer would probably be forced to pay everyone more.

However, with these new laws the balance of power is with the developer as they only have to convince the 75 per cent to sell. I can just imagine what the developers would do: buy a whole lot of blocks of villas, offer you slightly more than the going rate, demolish them all and build flats on them. They obviously can build a lot more flats on them than would be the case if the villas remain. Then they probably sell each flat for around the same price that the villas were. They make a killing. Even if you live in a house, this still affects you, because if you have villas near you, then this will make it easier for developers to buy those villas, demolish them and build flats next door to you.

Maureen from Granville told me she is concerned about the 75 per cent threshold because she owns her own home and wants to stay in her home. It is not just the people of my electorate who are concerned about these changes. The Combined Pensioners and Superannuants Association said:

There is a subset of CPSA's constituency that would suffer immeasurably if the 75 per cent rule were brought in. In stakeholder debates this category is often referred to as the little old ladies. CPSA is happy to re-appropriate that pejorative term in its campaign against the 75 per cent rule. Little old ladies are people (men and women) typically aged 80 and over who, if forced to move from their apartment, would almost certainly end up in a nursing home. Research tells CPSA that 95 per cent of older Australians want to avoid going into a nursing home at all cost. Nineteen per cent of people over 85 live in apartments.

In many cases, stamp duty and other costs will make a forced move unaffordable for little old ladies. In some cases, he or she may be able to afford an apartment in the same area, but this would likely be an apartment in a scheme also being eyed off by investors and developers. There will also be cases where little old ladies are simply hanging on in their apartments.

For the category little old ladies as a whole, the forced sale of their apartment will almost without exception mean going into a nursing home, where, again almost without exception, their mental and physical wellbeing will deteriorate rapidly. Typically, eighteen months is how long people last in our nursing homes.

Shelter NSW said:

The rationale for changing the way a strata scheme is dissolved has been that this will facilitate redevelopment of aging stock, boost urban consolidation and improve economic growth. There is however little evidence that the proposed changes are either necessary or will achieve such aims.

NSW does not currently have a whole of Government affordable housing strategy or suite of policies that seeks to holistically address the supply, standard and affordability of housing across different tenure types. As a consequence the changes proposed by the bill will exacerbate rather than ameliorate the current shortage of affordable and secure housing for lower income households.

In our view, the proposed changes will not significantly add to improved quality of strata buildings, urban renewal efforts or increased affordability but will have significant negative implications for particular types of current strata scheme residents.

University of New South Wales strata title expert Cathy Sherry told the ABC that the Government's changes would inevitably result in people being forced to sell their homes. She said:

It's the Government empowering private citizens to take other people's property and the Government can essentially write the legislation any way it wants.

The Tenants' Union of New South Wales has been scathing in its submission on the Strata Schemes Development Bill and supports the call to retain the required level of support for a strata renewal plan at 100 per cent of affected strata lot owners. However, they are generally supportive of some of the proposals in the Strata Schemes Management Bill, especially in relation to allowing tenants greater participation in the management of strata schemes through improved access to owners corporations; and establishing "building bonds"—an amount to be put aside by developers of new strata schemes to pay for defective building work after completion. Similarly, the Owners Corporation Network of Australia, the peak body representing residential strata and community title owners and occupiers, welcomes the requirement for disclosure by strata managers of commissions received, as a good step towards transparency. We support the broad sweep of these bills and welcome most of the updated proposals. But the 75 per cent proposal is simply unfair. It is bad policy, poorly thought out, and will cause great distress, especially to the elderly. We do not support it.

**Mr MARK COURE** (Oatley) [5.01 p.m.]: I speak in support of the Government's Strata Schemes Management Bill 2015 and cognate Strata Schemes Development Bill 2015 and commend the Minister for including more than 90 amendments as part of this package. Twenty-five per cent of the population of greater Sydney lives in strata title properties. It is estimated that by 2040 half of Sydney's residential accommodation will be strata titled. There are many schemes throughout Sydney. There are many unit blocks in my electorate, in suburbs like Penshurst, Mortdale, Riverwood, Oatley, Hurstville and Beverly Hills. Those schemes are for a wide range of uses including residential, commercial, retail, mixed use, serviced apartments and retirement villages. They are predominately small schemes, more than 50 per cent having five lots or less.

In addition, more than 1,660 licensed strata managing agents in New South Wales guide and assist the volunteer strata committees—I used to be on one—of each owners corporation in the management of the scheme. The primary tool for owners corporations and agents in the successful day-to-day management and functionality of their scheme is the scheme's by-laws. That is why the reforms to the model by-laws in the strata reform package and the reforms in the bill to improve the operation and enforcement of all by-laws are so important. The list of matters that by-laws can deal with has been replaced with a broader statement: By-laws may be made in relation to the management, administration, control, use or enjoyment of the lots or the common property and lots of a strata scheme.

This new provision is clearer and less likely to be misinterpreted than the previous provision, which was drafted as a list of specific items. The bill also introduces a new overarching principle that by-laws must be user friendly. This is an important change that places new limits on by-laws that did not previously exist in New South Wales.

It is important to note that penalties for by-law breaches and the enforcement process have been overhauled as part of the proposed changes. Under current strata law, residents who breach a by-law face a maximum fine of \$550 for each offence. The bill doubles the maximum penalty to \$1,100 for each offence. If the tribunal imposes a monetary penalty on the same person for the same breach within a 12-month period every subsequent penalty doubles to \$2,200. These new maximum penalties bring the existing penalty regime into line with current expectations, and it is hoped that these tougher penalties will result in greater compliance. Penalties will be paid to the owners corporation instead of being paid to NSW Fair Trading, unless the tribunal orders otherwise. I think this is a common-sense change.

It is appropriate that these penalties can be paid to the owners corporation, given that the owners may have suffered as a result of the by-law breach, and have spent time and money pursuing the by-law breach in the tribunal. Owners corporations will be encouraged to enforce their by-laws more actively as they will be compensated for their time and effort. This change also aims to address concerns that by-laws are often not enforced. The reforms also allow penalties to be added to an owner's levies, which should act as further incentive to comply with the rules of his or her strata scheme. The bill also addresses some important matters to be dealt with under by-laws. Overcrowding has been an issue mostly in the strata or unit blocks in the inner-city area but also in parts of my electorate.

Overcrowding can have a significant impact on other residents' use and enjoyment of their lots and the common property. It can result in increased water and power consumption and puts a greater strain on facilities and the common property. Fire safety can also be compromised. Strata schemes will be able to better manage overcrowding as the bill allows for a by-law limiting the number of residents who can occupy a lot. Any such by-law cannot limit occupancy to fewer than two adults per bedroom. The by-law cannot affect children and cannot—this is a common-sense proposal—go against a development approval that applies to the scheme. A "bedroom" will mean a room approved for such use in development plans, and not just any space within the lot that has been adapted for use as a bedroom.

The overcrowding provision applies only to people who reside in a unit, not friends or family who stay overnight or for a short time. The maximum penalty for a breach of the overcrowding by-law will be \$5,500. However, the maximum penalty will double to \$11,000 if the tribunal is satisfied that the person has contravened the by-law within 12 months of it having imposed a monetary penalty for the same by-law. That type of by-law will help home owner corporations to deal with overcrowding. It is an appropriate and measured response for dealing with residents and owners who have allowed strata dwellings to be overcrowded.

As I mentioned earlier, that has been an issue throughout Sydney from time to time. I am reminded of a particular example in my electorate. Constituents had written to me about a particular strata building they were living in—from memory, it was in Hurstville but it could have been Mortdale. A particular owner, who lived in the same building, decided to divide the television room in half to create a fourth bedroom and allow another two, or possibly three, people to live there in addition to the six people who already were living in the unit. This legislation will target unit dwellings where people have been crammed in and when the strata corporation has tried to intervene, but has failed.

I lived in a unit for many years so I know from personal experience that smoke drift is a problem in a lot of strata schemes, given the close proximity of homes. The strata reforms will make it easier for schemes to deal with that issue. Those who have lived in units or who are currently doing so will know that from time to time it can be a major issue. There are two ways in which the new strata laws will deal with smoking. First, there are the existing obligations on strata residents not to create a nuisance or hazard for other residents. But the legislation now includes a note that smoke penetration may constitute



a nuisance or hazard. By including that note, the legislation will give guidance to the tribunal that smoke drift, regardless of the source, can be considered a nuisance or hazard. That will strengthen the existing powers. For the first time, a new model by-law concerning smoke drift will be added to strata regulations when they are made.

These amendments represent the first set of amendments in this area in probably 20 years. I read the strata laws earlier and I think the last amendments were introduced in 1996. This legislation will beef up existing strata schemes and consolidate laws that have been created already. The bills contain common-sense amendments and common-sense changes. I am confident that these legislative improvements to the strata by-law framework will make a positive and lasting contribution to strata living in New South Wales. I commend the bills to the House.

**Mr ALEX GREENWICH** (Sydney) [5.11 p.m.]: More than three-quarters of homes in the Sydney electorate are apartments. Apartments will constitute a greater proportion of the housing mix across Sydney and the rest of the State to house our growing population. Massive redevelopment is occurring or is planned on land that is adjacent to my electorate, including at Barangaroo, Darling Harbour, the Bays Precinct, Central to Eveleigh, Green Square and the Carlton United Brewery site. All new homes will be apartments. Apartments are essential if we are to minimise environmental and social impacts. However, high-density living creates challenges that require laws to protect owners and residents so that apartment living remains attractive and sustainable, and is managed efficiently and equitably.

Little reform has occurred since the initial legislation was introduced, and many problems remain unresolved. I congratulate the Minister for Innovation and Better Regulation and the Government, including previous Ministers, on introducing the Strata Schemes Management Bill 2015—a bill that will bring much-needed relief to owners and residents. The House should also acknowledge the work of my predecessor, Clover Moore, who long championed strata reform. In 2009 she began a process that included a discussion paper, a forum, public submissions, a think tank and a bill that was presented to Parliament in 2010 and again in 2011. It was in response to her legislation that the Government began its review. Many of the issues raised in her discussion paper are raised in this bill.

Strata problems remain the biggest concern that my constituents raise with me. I will discuss some of the most common issues that this bill will address. I will then speak to the Strata Schemes Development Bill 2015. My constituents who contacted me and I take a view that is different from that of the Government. One of the biggest complaints made by apartment owners to my electorate office staff concerns proxy votes. Current practices allow one person or a small group of persons to control management of a building by collecting an unlimited number of proxies—sometimes at the expense of most owners. I hear regular reports of situations in which owners use proxies to make decisions that benefit them personally, despite opposition from the majority of owners, particularly in larger schemes and schemes with investors. That is unfair and undemocratic.

The bill will limit the number of proxies that each person can hold to one if the scheme has fewer than 20 lots, or 5 per cent of lots in larger schemes. This is a massive improvement on the current situation and will make it less likely for power to be concentrated in the hands of any one person. It has been raised with me that in some buildings someone with 5 per cent of lots will be able to control decisions because fewer people turn up at meetings. I hope that the introduction of new ways to vote on items at meetings, such as through conference calls, will help to achieve quorums without resorting to proxies. However, I ask the Government to monitor this situation and introduce further reforms, if needed.

Another serious and common concern in apartment buildings is the overcrowding of lots. Unscrupulous landlords and subletting tenants cram people into bedrooms and living rooms for profit. Overseas students and new residents are targeted. Neighbours and owners suffer from the overuse of bathrooms and lifts, wear and tear of common property, fire risks, safety risks due to access manipulation, and extra rubbish and recycling. One central business district [CBD] building that had overcrowding in more than 50 lots was unable to get a normal lift maintenance contract because overuse was identified

and insurers refused to cover the building. Living conditions in those crammed apartments are abhorrent. While councils can take action against overcrowding based on planning, building and fire safety breaches, councils can be refused entry by owners and therefore fail to collect enough evidence to obtain an order.

The bill will allow an owners corporation to pass a by-law that limits the number of adults per bedroom in each lot to not fewer than two. The owners corporations of schemes that choose to adopt such a by-law will be able to take action in the tribunal. This is an improvement, but to address cases where owners who profit from overcrowding could block the by-law, it should be mandatory for all buildings. Owners corporations are likely to face the same problems as do councils with collecting evidence. I understand that the Government is working with stakeholders to establish further reforms. I look forward to working with the Government to address overcrowding. The bill does not address the problem of short-term letting in apartments. In my electorate some buildings have been turned into quasi hotels at the expense of neighbours' amenity and at a cost to owners. This matter must also be addressed. I understand it is being reviewed by the planning committee.

Defects remain a serious problem in apartment construction. A City Futures Research Centre survey of 1,550 individuals, 106 strata managing agents and 11 peak body representatives found that 85 per cent of respondents in strata buildings that had been built since 2000 had one or more defects present, with 75 per cent reporting defects not yet fixed. That is alarming. It demonstrates a clear need for reform that helps owners to get faulty work fixed and discourages builders from cutting corners. I hear regularly from owners who have spent massive amounts on legal fees to pursue defect repairs. They want laws to promote well-constructed, reliable buildings that do not need to be fixed—homes that can be enjoyed without the stress of pursuing litigation or rectification.

The defects bond and inspection regime in this bill, which requires the developer to lodge a bond of 2 per cent of the contract price that is either returned or used to fix any defects found in an independent defects report, would help home owners hold developers and builders to account. There is strong support for this regime. It should also be expanded to cover non-compliance with standards, such as the Building Sustainability Index, for which I understand there are high levels of non-compliance and safety matters in relation to windows. I welcome the ban on developers being involved in decisions about defects, and bans on the developer, or any person connected with them, from being the strata managing agent within 10 years of the registration of a scheme, thereby reducing their influence on the pursuit of defects.

Under the bill, if the levies set by the developer are too low the owners corporation will also be able to apply for a compensation order. I strongly support that provision. Underestimations can occur to attract buyers, and owners may end up with increases they cannot afford. I have heard of cases in which owners have had to sell their homes. Smoke drift is a growing problem in apartments. I increasingly hear from constituents who are subjected to passive smoke in their homes, particularly parents with young children who are more at risk of long-term damage. Everyone should be able to live in a smoke-free home. I strongly support changes that ensure smoke from another apartment or common property would be considered to be a nuisance that interferes unreasonably with the enjoyment of a home, thereby ensuring that residents can seek an order to protect their health.

I support the proposal to give tenants an opportunity to participate in decisions that affect them. Tenants use common property and are affected by decisions like waste management. Tenants generally care about their homes as much as owners and their input would be beneficial. An annual general meeting must take place within the one-month anniversary of the first annual general meeting, with the Consumer, Trader and Tenancy Tribunal required to approve it outside this period. This is onerous, particularly given that it is desirable that as many owners as possible attend. The bill will allow flexibility so that one annual general meeting is held each financial year. [*Extension of time agreed to.*]

The bill includes a number of important reforms to improve transparency in management, including requirements for managing agents to declare commissions and bans on receiving gifts. I am

pleased that the Minister restated the Government's commitment to encourage more apartments to become pet friendly. The initial commitment was made when I asked a question in this place more than two years ago of a former Minister, and I welcome the introduction of the new pet-friendly model by-law. Bans will no longer be the default position and hopefully fewer people moving into apartments will be forced to give up their beloved pet and more apartment residents will be able to enjoy the benefits of a furry companion.

I have received a number of complaints about compulsory management from constituents who say it is undemocratic. Unfortunately, the bill does not address this issue. I agree with owners who say they should be able to contribute to the way their building is managed. I have heard from owners who say that compulsory managers use owners' levies to pay legal fees against them or fail to pursue defective work. The Government should look at limits on compulsory management and mandatory audits on expenditure. It should explore other avenues to help an owners corporation perform its duties. Compulsory strata management should be a last resort with limits and I ask the Minister to review current provisions. I commend the Government for this bill and congratulate the Minister on introducing these important reforms that will make a difference to the lives of my constituents.

I now turn to the Strata Scheme Development Bill 2015. The bill establishes a new regime to allow for majority termination of strata schemes, replacing the current requirement for unanimous agreement. I have thought carefully about this bill and have consulted widely with my community, and I cannot support it. There is great fear that this bill will force people out of their homes, where they want to live for the rest of their lives. This will be a problem especially for old, frail and poor people and people with a mental health problem or physical disability. Vulnerable people do own homes. Tenants will be at risk of eviction because more schemes will be terminated. I acknowledge that the Minister has included an important safeguard to protect owners, with the Land and Environment Court required to approve renewal plans. The court must be satisfied with the distribution of sale proceeds and that owners will be adequately compensated based on just terms. However, I do not believe this is enough of a guarantee for vulnerable people.

In the inner city, many apartments are owned by older people who live by themselves. If they are forced to move they will have trouble finding a home in their community that they can afford, especially if they only receive the market value of their home plus disturbance costs. They may be forced to move from their networks and services. They may not have the means or anyone to help them to find a new home. The health and mental health impacts of being forced to move can be disastrous. Shelter NSW points to City Futures Research Centre modelling that suggests less than 3 per cent of buildings could be redeveloped at levels considered affordable. Poor people will be further priced out of inner-city areas, where values are rising and housing diversity is declining. Apartments with high levels of investor owners are more likely to be terminated.

Given the bill allows developers to put forward redevelopment proposals, there is real risk of a mass termination of schemes in gentrified areas like the inner city, particularly where there are gardens, large common property areas or high ceilings that allow space to squeeze in more units. Developers are known to invest in buildings where they believe they could profit through a termination and the strata renewal committee could be made up entirely of developers. The potential to bully other owners is real. I believe this bill is being driven by developers. It is to the detriment of vulnerable people and to housing diversity, particularly in the inner city. There is already a process for terminating schemes that cost too much to maintain. While I understand this has not been widely used, the process could be reformed to allow termination or renewal where maintenance is too difficult and expensive. Reforms to this effect should be explored. The bill allows for the termination of strata schemes with few problems. The bill allows people to lose their homes for the profit of others and I cannot support it.

**Ms JENNY LEONG** (Newtown) [5.24 p.m.]: On behalf of The Greens and as holder of The Greens' tenancy and rental portfolio, which includes strata, I speak in debate on the Strata Schemes Management Bill 2015 and the cognate Strata Schemes Development Bill 2015. The reality is that today

more and more people are living in properties that are part of strata schemes. As the Minister for Innovation and Better Regulation noted in his second reading speech, there are approximately 75,000 strata title schemes registered in New South Wales with more than 100 additional schemes being registered every month. The vast majority—around 90 per cent—of those schemes are residential. The number of people living in strata scheme properties will increase as our population increases.

I acknowledge that consultation on these bills has occurred with key stakeholders and particularly note submissions to the draft bill released in July 2015 made by the Australian College of Community Association Lawyers, the City of Sydney, the Combined Pensioners and Superannuants Association, the Council of the Ageing NSW, Financial Rights Legal Centre, the Law Society of NSW, Legal Aid NSW, the Owners Corporation Network, Shelter NSW and the Tenants Union of NSW. It is clear that there is a need to review existing strata laws and we will on the whole support the improvements to the Strata Schemes Management Bill 2015. I foreshadow that I will move a couple of amendments to this bill. In relation to the review process, this Minister and previous Ministers have engaged in wide-ranging consultation. I acknowledge my colleague in the upper House Dr John Kaye, who used to have carriage of the strata portfolio for The Greens.

I now turn to the serious concerns The Greens have with the Strata Schemes Development Bill 2015. The Greens do not support part 10 of the bill, which deals with the sale or redevelopment of a strata scheme property. Our primary concern is that the change to the requirement of owner approval needed to sell such a property will reduce from 100 per cent to 75 per cent. On any measure, this is an exceptionally low threshold at which owners—that is, people living in their homes—can be kicked out of their property. Many on the Government side of the House—including, I believe, the Minister—have said that by 2040 half the residents of Greater Sydney will be living in strata-titled residential properties. Under these changes, that means by 2040 half the residents of Greater Sydney will be living with uncertainty and insecurity. They will be not be sure whether their home can be taken from them as a result of these laws.

Having a safe, secure, affordable home environment is one of the best indicators of wellbeing. We know that having a secure place to call home is one of the most important indicators of a healthy and stable society. Yet by 2040, under this legislation, 50 per cent of residents in the Greater Sydney region will live under the constant threat of insecurity as at any stage their home could be taken from them. The Greens have been contacted by many community members concerned by this legislation. Understandably, they fear that their home—a unit in a strata scheme—can be forcibly taken from them. Many of them are older residents who, after working for many years, have invested in a property to give them security in later life. In his second reading speech the Minister claimed that the legislation will empower strata owners to make a collective decision about the most important issue to confront all strata buildings at some point: what to do with a building as it ages.

However, there is no requirement in this legislation for there to be an improvement as a result of this process. There is no requirement to address sustainability, housing affordability or any of those sorts of measures, so we ask: Why will these residents potentially be forced to give up their homes as a result of these changes? The absence of any requirement for positive outcomes demonstrates that this is not the intention of the bill. The bill's intention is for people to make money from the housing market. That intention fails to recognise that people's properties are not a way of making money but are their homes. They are places where they live and with which they have a personal connection. If you ask any resident concerned about losing their home whether they could place a value on their personal attachment, I doubt they would come up with a figure of \$26,710—the maximum compensation offered under this legislation. That shows the arbitrary nature of the attempt to compensate people for a very personal attachment to their home.

A senior citizen living in Seaforth took the time to send a handwritten letter to The Greens explaining their concerns about the fact that they bought their property as their final home and believed they would be secure there until the end of their life. This person is now insecure despite the fact that they

believed they had taken control of their life. This legislation contains no requirement to improve residents' circumstances. If we were debating a bill that provided for some people's wishes to be overridden on the basis that it would result in improved housing affordability and sustainability, perhaps we would consider a percentage threshold. However, the reality is that the threshold is being reduced from 100 per cent to 75 per cent simply to allow people to make money to the detriment of people who want to be secure in the knowledge that they can stay in their home.

In its submission on the draft bill, Shelter NSW observed that the forced displacement of strata titleholders and residents to a strained housing market, especially in Sydney, will have a significant negative social impact. Shelter NSW has advocated for a model that involves an independent review process for any dispute between a minority and a majority of owners. The sale or redevelopment of a strata scheme should be mediated, not forced. The Greens maintain that residents should not be forced from their homes to make way for private development and to enable developers to make profits, particularly because it will have a huge impact on older and vulnerable residents in our city. The Minister has flagged a number of safeguards that will support and protect vulnerable owners through a strata renewal process. However, those safeguards are not enough because they do not give residents security about the place that they call home and they will not be able to refuse to sell or to move. No safeguard will be strong enough to protect someone from losing their home. That is the main reason The Greens oppose those provisions in the bill.

I foreshadow that The Greens will move three amendments to the Strata Scheme Management Bill 2015. While we welcome the amendments to the approval mechanism for cosmetic and minor renovations and recognise the need for the bill and the improvements it makes, some amendments could be made to the way in which tenants are involved in the decisions made by strata committees, and they should be able to raise concerns about the by-laws. The Greens' amendments cover three issues: first, allowing tenants to move a motion about the strata committee; secondly, allowing a tenants' representative to be a member of a strata committee of any building or lot that is occupied by tenants; and, thirdly, allowing tenants to lodge challenges to by-laws with the NSW Civil and Administrative Tribunal.

I draw members' attention to the harsher penalties and infringements in the legislation. I urge the Minister to address in his reply how the Government will ensure that tenants are not unfairly targeted under the by-laws. The Minister referred to the support that would be provided to owners and tenants during the process. A timeline and detail should be provided with regard to how that support will be offered to tenants and owners dealing with the Strata Schemes Development Bill 2015 and the risk they face of losing their home. In short, The Greens oppose any bill that puts profit before people's secure occupation of their home. The ability to live securely in our home is a fundamental right and we should protect it by not prioritising developers' interests. I hope that we can work together to ensure that people feel secure in the knowledge that they will not be forced out of their home.

**Dr HUGH McDERMOTT** (Prospect) [5.34 p.m.]: I oppose the Strata Schemes Management Bill 2015 and the cognate Strata Schemes Development Bill 2015. The Strata Schemes Development Bill does not protect the best interests of the people of New South Wales. It is retrospective legislation that breaks contracts so that property can be forcibly sold to developers. It is an economically reckless move that will push the New South Wales economy towards a bursting housing bubble and potentially a recession. On the other hand, the Strata Scheme Management Bill 2015 is a reasonably well-thought-through piece of legislation; it offers more rights to residents and holds potentially untrustworthy developers to account. It also reforms how strata committee meetings are conducted, bringing protocol into the twenty-first century. It is a shame that the bills are being debated cognately. If they had been introduced individually, I believe the Opposition would be able to support at least one.

Had the electorate of Prospect existed 10 years ago, these bills would be irrelevant. The great Australian dream of an affordable three-quarter acre block with the Hills hoist out the back was still alive and well 10 years ago. "Strata" would have been a dirty word for new home owners in Western Sydney

because they had no intention of sharing their home. Times have changed dramatically. Subdivisions and new developments have boomed, and multi-level apartments are being proposed almost weekly throughout the region. Many families can no longer afford a three-quarter acre block, and ironically now live in townhouses built on subdivided blocks. Therefore, it is more important than ever that we protect from property developers the rights of those living what is left of the great Australian dream.

It appears as though the Baird Government has forgotten the lessons taught in that great Australian movie *The Castle*. The idea of forcible acquisition of homes is so sensitive that it is addressed in the Commonwealth Constitution, at section 51 (xxxi). Until now, only State, Federal and local governments have been able to acquire land forcibly. Even then, such acquisitions have been allowed only if they relate to matters of public significance, such as airports or highways. Even if acquisition is necessary, it must be a last resort. Importantly, compensation must be fair and meet the market value at the time of the acquisition. Until now, losing one's home—or castle—could be justified only if it were done in the public interest. However, the Baird Government wants to change the doctrine so that a family could lose their home based on interest being shown by developers and in response to market demand. People who bought a home in a strata scheme understood that their right as a home owner would be protected. Their title was deemed indefeasible and home owners did not have to fear a majority vote terminating their right to stay in their home.

The Department of Planning and Environment knows very well that simply changing strata laws will not solve Sydney's housing crisis, and so should the Minister. Similar global cities provide a warning of what is to come if this legislation is passed. Paris experienced a housing boom not long before Sydney's housing boom. It was brought on by the deregulation of the rental market in the mid-1980s. Until deregulation, rents were fixed and landlords often lost money on rental properties because the French legislation was designed to house as many people in the aftermath of the Second World War. A loophole was introduced by changing legislation to allow rents to increase only if significant renovations had been undertaken. Landlords soon refurbished the apartment blocks they owned and the result was a doubling, or even tripling, of rental income. Rents skyrocketed around Paris, leading to the same housing affordability debate we are having now in Sydney.

This raises the question of what will happen to the thousands of ageing strata schemes throughout New South Wales, and particularly in Sydney, when the will of 75 per cent of a strata scheme's owners, or potentially a single investor, reigns supreme. I expect the same crisis that occurred in Paris to occur in Sydney because of this flawed legislation. The affordability crisis we already face will only worsen and the Baird Government, particularly this Minister, will be to blame. The affordability crisis we already face will only worsen and the Baird Government, particularly the Minister, will be to blame. The Baird Government must understand that real life is not like the popular computer game SimCity. There are real families, many already under financial stress, who will suffer due to the effect that this legislation will have on the owner-occupiers of strata accommodation or small-time investors in strata accommodation in New South Wales. The Baird Government also must accept the reality that the real estate market is not a suitably solid foundation for the New South Wales economy.

Only seven years ago the world's economy crumbled as the real estate market in the United States collapsed. The Baird Government knows this, but it is being reckless in its approach to growing the New South Wales economy. Letting property developers loose in a race to buy, evict, demolish and rebuild will create problems down the line. This is not the developers' problem as they are doing their job—it is what developers do. Developers are an important part of the community and have the genuine vision of building homes and communities for families to live and grow in. This is a Baird Government problem and it is acting with typical Baird Government short-sightedness.

If investor confidence in Sydney property falls as a result of a housing super bubble bursting, it could start a chain reaction that will cause the entire New South Wales economy to crumble. This is the exact scenario that has occurred recently in the United States. The Baird Government is proposing to give Sydney the worst aspects of both the Paris and United States markets. This is a reckless approach and

the Baird Government should know better. Like almost every reform the Baird Government proposes, these cognate bills combine solid ideas with ill-thought-through actions that will be detrimental to the people of New South Wales. For example, reforming strata management laws so that owners can vote via email is a long-overdue reform. The Opposition supports this idea.

Holding property developers to account after the construction and sale of strata lots by charging a 2 per cent bond is also a good reform and one that will be significant to the hundreds of small strata lots throughout Prospect and Western Sydney. I feel this could also improve the reputability of property developers, which is a good thing for the industry. If any developers disagree, the Government should convince them that greater confidence from their customers will only improve their business—that is, of course, unless they had bad intentions from the start, in which case they would be rightfully penalised. However, there is a problem. The Minister is keeping a recent report written by Ernst and Young to "evaluate direct and indirect costs of the bond initiative and review how potential benefits may emerge from the bond's implementation". Why is the Minister hiding this report? What does he have to hide? A good, transparent government would make this report available and I urge the Minister to heed the advice to do so.

There are almost 75,000 strata schemes in New South Wales. This involves some 850,000 lots and more than \$350 billion in assets. Reforming strata legislation will have a significant impact on a large portion of the New South Wales population and the New South Wales economy. Therefore it is important to get it right. The Opposition will propose much-needed amendments to these bills to ensure that reforming the real estate sector does not lead to disaster. Many of the reforms proposed by the New South Wales Government will be supported by the Opposition. However, the greater impact on hundreds of thousands of families and the New South Wales economy must be considered. Make no mistake, even seemingly small amendments passed quickly and without proper review through this House can have an enormous impact.

The Baird Government must understand that sometimes short-term gains in the name of reform simply do not balance with the wider scope of governing in the best interests of the people of New South Wales. The 75 per cent threshold to take over a strata scheme must be rejected. Despite believing that strata reform is essential, I am disappointed the Baird Government had an error of judgement in preparing this legislation. I look forward to seeing a more appropriate version of these cognate bills and, as such, I oppose these bills.

**Ms YASMIN CATLEY** (Swansea) [5.43 p.m.]: I make a contribution to debate on the Strata Schemes Management Bill 2015 and the cognate Strata Schemes Development Bill 2015. From the outset it should be noted that we on this side of the House, along with a number of peak bodies and advocacy services, have very deep reservations about some aspects of these bills—in particular, aspects of the development bill—and what these changes will mean for the people of New South Wales. While we would be more comfortable voting in favour of the management bill, there are too many aspects of the development bill that will leave people worse off. Yet again the Government has presented bills in a manner that is of concern to those on this side of the House.

As the shadow Minister advised when leading this debate for the Opposition, while we support the broad sweep of these bills and welcome many aspects of the updated proposals, we do not support the 75 per cent proposal because it is simply unfair. It is bad policy, it is poorly thought out and it will cause great distress, especially to the elderly and the disadvantaged—that is why we cannot support it. The problem with this aspect of the development bill is that yet again the Government is creating laws to benefit developers—and what a coup this is for property developers in New South Wales! I urge the Government to exercise great caution when getting too close to those in the property development business. I am sure I do not have to remind those on the other side of the House of the dangers of being beholden to those who pursue this vocation. What we saw recently in Newcastle and the Hunter Region, where I am from, should be warning enough.

The 75-per-cent aspect of the bill is pretty bad news for almost anyone outside of the property development industry in New South Wales. It is certainly bad news for renters, seniors, pensioners, the disadvantaged and, of course, strata property owners. Almost 3,500 people are living under strata arrangements in the electorate of Swansea. This bill is certainly bad news for them. As many members would know, Swansea has the second-largest ageing population in the State. Many of those people are living under strata arrangements. People in the Swansea electorate are scared that their hard-earned investments—what they have worked all of their lives for—their homes and their way of life could suddenly be turned upside down. We can see why they would be scared. As the shadow Minister said, "If you live in strata accommodation, your life is about to become a lot more precarious under this bill."

We are not talking about a small number of people who will be affected by these changes. According to Fair Trading more than two million people in New South Wales are strata dwellers, amounting to about 25 per cent of the greater Sydney population. There are approximately 75,000 strata and community schemes across the State that total about \$350 billion in assets. The worrying aspect of this bill is indeed the strata 75-per-cent component. This section of the bill will essentially require only 75 per cent of owners to agree to the sale of a strata unit block, despite widespread community opposition. That is a very scary reality when you think about it.

The current law for termination of a strata scheme so that a site can be sold or redeveloped requires the unanimous support of all lot owners. Most in the sector are concerned. The Combined Pensioners and Superannuants Association, who I have met with, described this bill as "a developer money grab with no benefits to ordinary New South Wales citizens". Shelter NSW has advised that "the Government has given only partial recognition to concern that fast-tracking redevelopment of strata schemes could lead to massive displacement of lower-income homeowners and renters". These are the people in my electorate of Swansea who are worried. They have also said that they "anticipate that the people who are likely to be badly affected by the proposed change will be lower-income and disadvantaged homeowners and renters".

These people are being let down by the Government in spades. The Government is retrospectively changing the contracts that these people thought they had. This is despicable. The Government is allowing the appropriation of people's properties. That is right, properties of home owners, not for public good such as building a road, a hospital or a school, but for a developer to gain financial benefit. Carroll and O'Dea Lawyers also recently spoke about the bill and advised:

Whilst the Government currently can only [compulsorily] acquire properties for public purposes ... it is now being proposed that private citizens can compulsorily acquire their neighbours for the single purpose of deriving profit, making no contribution to the public purse or needs of the community.

If you thought the script for *The Castle* was entertaining, wait for the next movie based on this proposed legislation.

In an opinion piece entitled "Strata law overhaul a step too far" published by the *Sydney Morning Herald* in August, respected property lawyer and academic Dr Cathy Sherry raised a number of concerns about the bill. She stated:

... strata title legislation should never take the property of one citizen and give it to another for the sole purpose of that other citizen making a profit.

I could not agree more. She further stated:

The justification for the legislation is urban renewal and urban consolidation.

...



... the government has not included either justification in the legislation.

She further stated:

The new strata legislation will empower not the government, but private citizens to compulsorily acquire other people's homes. Compensation will be paid, but because the justification for the legislation, namely urban renewal consolidation are absent from its provisions, [an] acquisition may or may not produce a public benefit. In some buildings, the only benefit will be a nice fat profit for other owners and a developer, as well as more high-end housing for those who can afford it.

The Combined Pensioners and Superannuants Association has been vocal in its opposition to the bill, and rightfully so. As representatives of seniors and superannuants it is concerned about what the bill will mean for older Australians. It is describing my electorate. It believes that these measures, if passed in Parliament, will mean older people will be kicked out of their strata homes, losing their security of tenure and making unit dwellers second-class citizens. It pointed out that those who will be particularly hard hit are little old ladies—widows who are living on their own who will not be able to live out their last years in their apartments because they will not be able to afford to do so.

Shelter NSW has also raised significant concerns about the bill. Shelter NSW is a not-for-profit agency and has dedicated its work to fair housing systems for disadvantaged groups and moderate income earners. It stated that the notion of freeing up the process for collective selling of strata title schemes to developers or for terminating strata title schemes for developers and then badging them up as renewal is preposterous. I urge the Government to exercise great caution to ensure that property developers do not benefit from this legislation. [*Extension of time agreed to.*]

Last week we had the opportunity to address the overarching hand of property developers in New South Wales by making meaningful reforms to local government. Instead of adopting the sensible changes flagged by Opposition Leader Luke Foley and members on this side—namely, to legislate a ban on developers and real estate agents from standing at all future council elections, and for campaign spending and political donations to be capped in council elections—we have a watered-down bill that goes nowhere to remove the scourge of influence over our political culture. This week we once again saw a Liberal fundraiser in my region accepting money from property developers. Will we ever learn?

More than 712,000 homes are within the scope for the changes, which will represent the largest overhaul of New South Wales property ownership in decades. The New South Wales Opposition stated that the changes in the Strata Schemes Development Bill 2015 will force home owners to sell against their will, which will enable developers to profit by kicking out the elderly and families. Labor has made a pledge to the communities that we represent to fight against the harsh aspects of this legislation. It is for those reasons that members on this side cannot support the 75 per cent proposal contained in the cognate bills.

**Ms LINDA BURNEY** (Canterbury) [5.55 p.m.]: My contribution to debate on the Strata Schemes Management Bill 2015 and the cognate Strata Schemes Development Bill 2015 will be brief. There is no need for me to canvass the many fine points of this legislation that have been spoken about by members from the Labor Party and The Greens. The position of the Labor Party has been well articulated and is clear. I speak from the point of view of my electorate of Canterbury, but also from having had responsibility for the portfolio that the Minister for Innovation and Better Regulation now enjoys, which was then called Fair Trading. I am familiar with the long gestation of this legislation. I have no doubt that consultations and discussions were entered into in good faith by Minister Dominello and successive shadow Ministers and other Ministers from many years ago.

Whilst certain aspects of the bills are worthwhile, the line in the sand is the issue around part 10

clause 154 of the Strata Schemes Development Bill 2015. That aspect of the bill makes it impossible for Labor to support it. As I mentioned, the reasons have been well articulated. In New South Wales there are more than 70,000 strata schemes that cover the estimated \$350 billion in assets. This legislation will affect every residential owner-occupier living under one of those schemes. It should not be rammed through Parliament by a government that is uninterested in the examination of its agenda. It is not only those pieces of legislation that should be considered when we talk about development. This Government is spouting great nonsense that we can see thousands of cranes in the air, which means something good is happening. That is not necessarily the case.

Tonight I give voice to residents in Canterbury. Many have serious concerns about this Government's agenda. The Government's sweeping changes to planning rules along the Bankstown rail line will work in conjunction with this legislation and will see people forced out of their homes so that developers can increase density without any of the necessary community infrastructure in place. I am not speaking in alarmist terms. We know there is much speculation, particularly in the inner west and inner south-west of Sydney. Quite regularly we come home to find cards in our mailbox asking us if we are interested in selling our homes.

This legislation is only going to ramp that up. In my own street, across the road, there is a block of units that I am sure is going to feel the full brunt of part 10 clause 158. Many of the proposals in the bill are sensible but part 10 clause 154 of the Strata Schemes Development Bill 2015, allowing a vote of just 75 per cent of strata members to force individuals to sell their homes, is outrageous. That means that, in a block of 24 apartments up to six people—whom the Government calls hold-outs for wanting to stay in their homes—will be forced out. This brings me to the point I wanted to make and which I am sure others have made. In his reply the Minister should explain the difference between the rights of people who live in freestanding homes and the rights of people who have lived for 40 or 50 years in their unit and who will be subject to this legislation. It is the issue of rights that I am most concerned with.

In my electorate, and in the electorates of many in this House, these people are likely to be the elderly who have lived in their homes for decades. I am already receiving emails and letters on the subject. These residents now face being told that they must move because a developer wants to build a bigger apartment block. I am not reassured by explanations about body corporates and so forth because we know how they can be manipulated. The legislation will enable the redevelopment or sale of a building even if a quarter of the residents do not want to sell. That is not acceptable because of the issue of rights to which I referred earlier. These residents bought into strata schemes on the understanding that their ownership was protected by law, but now the Government wants to pull the rug out from under them. The legislation will reduce the number of apartments a developer must buy before unwilling owners are forced to sell. Many individuals in my electorate have raised their concerns. One wrote:

Our concern is that my husband and I are aged pensioners, whose only asset is our unit. There is the possibility that we could be voted out of our own home by the change in the new proposed strata laws and would have to find an alternative dwelling for our needs and the remainder of our lives will be difficult.

The Opposition has endorsed the majority of the measures in these bills, but the 75-per-cent rule does not provide the protection needed. The Opposition does not support the bills.

**Mr JAMIE PARKER** (Balmain) [6.02 p.m.]: I speak for The Greens on the Strata Scheme Development Bill 2015 and the cognate Strata Scheme Management Bill 2015. I welcome the Government's review of New South Wales strata laws, the first major review in 20 years. The Greens also recognise the amount of engagement the Government has had with the sector to examine these issues. Despite the fact that there are some serious objections, which I will outline, many of the proposals put forward by the Government are welcome and important to improve the functioning of strata laws in New South Wales. The electorate of Balmain is one of those at the centre of the problems around housing affordability in our community. It is disappointing that the Government proposes that this scheme will

somehow add to affordability and sustainability in strata developments, yet it does not seem to provide the evidence to support that. In fact it misses some of the key elements that are required to address its claims that the bills will deal with.

The current legal regime is complex; it is spread over a number of Acts and hundreds of provisions. The Greens are pleased to see the simplification of the law to make it more accessible to a large proportion of the community who are affected. We will support a number of the reforms in the bills. A major concern is the requirement of owner approval to sell a scheme and the reduction in the 100 per cent owner approval that is required. The bills reduce this to 75 per cent of owners, which means many owners will be forced to sell their properties against their wishes. Like many members, I have been contacted by people in my community who are concerned about this proposal. One of the things that struck me is that within Australia there is only one jurisdiction that does not require 100 per cent owner consent—the Northern Territory—but the thresholds for sale are higher than 75 per cent and are based on a sliding scale that takes into account the age of the building. That can be used as a justification for the refurbishment and redevelopment of buildings.

However, this legislation has no requirement that new developments that replace the sold-off strata dwellings are to be more sustainable or are to have an equal or greater number of dwellings. I draw the attention of the House to the Balmain electorate where, during my period as mayor of Leichhardt and during the 13 years I spent on the council, we saw many development applications for multi-unit apartments that had been built in the sixties, especially on the Balmain peninsula. The council supported the redevelopment and it was adopted by 100 per cent of the members of that strata. In every case we saw a reduction in the number of apartments. The large developments built around the Colgate Palmolive site in the 1950s and 1960s for workers were all single-bedroom, smaller apartments.

Apartment living, especially in areas with views of the harbour, does not favour single studio apartments, but larger two- and three-bedroom properties. We need affordable housing in these areas. There is no provision in the legislation that requires the redevelopments that will result from the 75 per cent rule to increase the stock of housing so that the supply argument—the invisible hand of the market, according to Adam Smith—will work to make sure that the increase in supply generates affordability. My experience in the inner west is that the opposite happens. The small one-bedroom apartments are redeveloped into larger, more luxurious apartments and the price of those increases. In my experience what we see, as a result of the selling of strata buildings and their redevelopment, is a reduction in supply and an increase in the price of those properties. I draw the attention of the House to a local Glebe resident, who said:

When I bought my unit 47 years ago, in a brand new building, the prime reason was that nobody could tell me to go. That is security of tenure. Mine is one of 14 units. In a 75 per cent vote, 11 can tell three to go and that means no security of tenure.

We acknowledge that there is a compromise of tenure and property ownership in a strata development, but in our view to deny the rights of those who have purchased in good faith on the understanding that a 100 per cent strata rule will apply is a step too far. The question that we should ask is: What should we be doing about sustainability and affordability? I draw the attention of the Minister and the Government to the important calls that have been made, not just by the not-for-profit sector, by The Greens and by others but also by the business community. I draw attention to the Committee for Sydney and its recent policy paper, "A City for All", supported by groups such as Payce Consolidated and Lend Lease, which are listed companies.

They have argued that inclusionary zoning should be something that is considered by government in particular when it comes to public land. In my electorate we have the Bays Precinct—80 hectares of public land. The Treasurer said last year the Government was looking at 16,000 new dwellings. Not one of those dwellings is affordable or social housing. What UrbanGrowth NSW has said to us is, "We have affordable housing; it is called micro-apartments." In the electorate of Balmain a

micro-apartment will cost \$600,000 to \$700,000 for a tiny studio apartment. How can the Government legitimately claim it is supporting affordability in housing when, in the largest redevelopment process in Australia, the Government has not committed to one affordable housing dwelling?

We need inclusionary zoning, which is supported by groups like Lend Lease and Payce Consolidated. They have said, "Tell us what it is upfront and we can factor that into our purchasing." We believe that if the Government is serious about affordable housing, it should not put up a smokescreen that says the 75 per cent rule is about affordable housing. The Government should admit the truth—that it is about a pipeline for developers. The development industry knows that the real game is in places such as the Bays Precinct, which is central to Eveleigh and other places around Sydney.

In Pyrmont, Ultimo and Green Square—although it is a miserable 3 per cent—the Government has shown that inclusionary zoning can deliver the heavy lifting when it comes to affordable housing. The Government is not doing that because we know that the benefits of government decisions and investments in public infrastructure should be shared by the whole community, not just private interests. We have seen private interests running rampant in New South Wales when it comes to rezoning. We do not have value share mechanisms or any type of mechanism to capture the uplift in value from rezoning that we are seeing in places such as Parramatta Road.

If we do not have value capture mechanisms and inclusionary zoning any pretence at affordable housing clearly is a vacuous proposal. On the issue of sustainability, many older apartments are more sustainable because they do not have air-conditioning and they do not have much of the high carbon footprint energy-using equipment that many modern buildings have. A modern building that is redeveloped will definitely have air-conditioning. We learnt last week that the Government cannot even meet its own sustainability target for energy efficiency. Its recent legislation highlighted the fact that it cannot reach that target.

This debate should be a call to the Government to support affordable housing, to invest in social housing and to make sure we have a city that is good for everyone to live in. Unfortunately, this 75 per cent rule will not deliver any affordable housing and it will not deliver sustainability benefits. I support the residents of my community who have expressed serious concerns about this approach. I conclude by saying that it is important to address these strata laws—I mentioned at the outset that The Greens welcome that—but we strongly defend the rights of 100 per cent of unit holders to have their views taken into account when determining the future of their property.

I add, parenthetically, that this legislation seems to be a triumph for the neoliberals in the party, because conservatives support property rights. Conservatives recognise that property rights are at the heart of the laws of any country. I understood that property rights were at the heart of the Liberal philosophy. Watering down those rights is something we should all be concerned about. This legislation is a triumph of neoliberalism because it is a triumph of the need for development, construction and progress over some of those basic principles. That is concerning.

In Haberfield—an area that was in my electorate from 2011 to 2015—more than 100 houses were compulsorily acquired. It was devastating for those people. The Government can put forward a justification—as wrongheaded as it is—about WestConnex, but in this case, I am sorry to say, there is no philosophical justification for the objectives that the Government has used as a cover to propose this 75 per cent rule. We recognise the efforts that have been made to include in these bills—the Strata Schemes Management Bill 2015 in particular—improvements to the strata system. We welcome and encourage that but unfortunately we are unable to support the 75 per cent rule as it is unjust.

**Mr JIHAD DIB** (Lakemba) [6.12 p.m.]: I speak in this debate on the Strata Schemes Management Bill 2015 and cognate Strata Schemes Development Bill 2015. In question time today the Minister for Energy and Resources—although he was referring to something that was completely different—used the line that it was all about property rights. At the time I thought it was fantastic because the property rights

issue was what I was going to be talking about later. Today others talked about the specifics and the fine detail of these bills but I would like to talk about the practicalities—what they mean for the people in our electorates. I am reminded of something that is really clear: We all aspire to be home owners. However, at this time that is a challenge for some. We must do whatever we can for them. Australians are attached to their homes, whether they are owned or rented over a long time, or whether they are modern and stylish or humble and functional. All the little nooks and crannies make our homes special and unique.

Recently I was thinking about that when I was painting my house. As the kids grew up, every few years we would make a mark on the wall to measure their heights. That led me to thinking about what it is that makes up a home. As Darryl Kerrigan from *The Castle* said, a home is a lot more than bricks and mortar—something we need to take into account. A home is where families grow. It is a place where marks are made on door frames as toddlers grow into teenagers. It is a strong part of our collective psyche. In 1997 the movie *The Castle* captured this—a case of art imitating life. That film raised the issues about which we have been talking tonight—the value of connection, of fairness and the great Australian dream. In that movie, when Mr Kerrigan is offered a fair amount of money for his house he says:

I don't want to be compensated. You can't buy what I've got.

That is important. When I was a teacher my students and I talked about *The Castle* and the differences between a house and a home. A home is all about growing up; it is about memories; it is about families who have lived in that house; and it is about those who have passed away. If people pass away a house will become more than bricks and mortar to those who knew them. Homes carry memories and the spirits of those who have lived in them. We cannot put a figure on a home and say, "Seventy-five per cent of people have agreed so this house may be sold." This issue is about humanity. If people decide to sell their homes it is their decision alone.

We have seen these sorts of overly optimistic bills before. In the best case scenario an old building that is falling down is sold. The tenants, who have high maintenance bills, make a good sale and they then live happily ever after in a really nice place. That is the ideal scenario. In the worst-case scenario, buildings that are not so old and that are occupied by tenants who do not want to move out are sold against their wishes and they are forced to leave. The 25 per cent of tenants who do not want to leave are then forced to join the ranks of those who are competing in the private rental market or the sales market. We often hear Government members talking about the most vulnerable and needy in our society. Opposition members do the same, which is why they are in this Chamber. We are all in this place to make a difference.

If we did not believe we could make a difference we would not be in this Chamber, standing at the despatch boxes every day and fighting for people. I think about those who will struggle the most as a result of this legislation. What protections are in place for the elderly? What protections are in place for the disabled, those who have no family and those who have nowhere to go? What protections are in place for the unemployed whose only possession is their home and who then need to go into the private market? They are given additional money but they have to go through the process of finding a place, finding a lawyer, paying the stamp duty, moving and getting things reconnected. Those people have nothing other than a hotline. The proposed hotline encourages people to seek advice. If we want to look after the most vulnerable and those who need assistance we need to act carefully. Madam Temporary Speaker, I draw your attention to the noise in the Chamber.

**TEMPORARY SPEAKER (Ms Melanie Gibbons):** Order! I ask members who are having a conversation in the Chamber to desist from doing so—it is quite distracting.

**Mr JIHAD DIB:** Most recently, in my part of the world there has been a great deal of development in the Sydenham to Bankstown train corridor. I look at this legislation from the perspective of people living in my electorate and the surrounding areas. Imagine the enormous pressure that will result if this

legislation is passed. People will be pressured to sell their homes. If they do not want to sell developers will move in and as soon as 75 per cent of their neighbours approve it will be a done deal. What happens to the people who did not want to sell? We have said that we will protect those kinds of people. We have said that we will do everything we can to support them.

I am reminded of Jack, the elderly character from *The Castle*. Someone like Jack, who has lived in a house or a unit for 40-odd years, is familiar with only that place and that community. If people like that are forced to leave I want to ensure that they are looked after. I want to ensure that they have someone who is fighting for them and helping them to find a place. At present if Jack does not want to move he does not have to do so because developers have to obtain 100 per cent approval and those provisions should remain. If tenants who live in a strata development decide to sell that is their choice.

By the same token, an important right is to be able to own your own home, to live in it and not be forced to move. I cannot believe we are discussing a bill that may result in people being forced to move against their wishes. When my family and I bought our first house the thing that we loved the most was that we could put a nail in any wall when we wanted. We could hang up anything we wanted and we could paint the walls whatever colour we wanted as it was our house. I am not talking about money; I am talking about emotional investment—the things that people own and the things in which they invest. This comes down to the emotional investment—what has been built, what is between those walls, what is under the floorboards, what is in those little rooms—and all the memories. If people want to sell, that is fantastic, but the Government cannot force them to sell.

Out of a sense of concern about this legislation I have sought opinions and, like other members to whom I have spoken, I have received emails and other forms of correspondence from local constituents. Last night, as it happened, I was in Riverwood and I spoke to some people there. I asked them about this legislation. For the information of members who do not know Riverwood, I point out that it is an area in south-west Sydney that has lots of social housing. The residents own their homes and are houseproud. They love their houses, which contain everything they have ever owned. I spoke to them about this legislation. I said, "This is what is coming up. I am standing against it. What do you think?" They were fully supportive of my position. If anything, I am merely projecting their voices.

The issues included who would look after people who need help, such as disabled people and elderly people, and how do we stop people from taking advantage of them. They asked me, "How do you make sure that nobody is forcing us to leave? I don't want to leave this place." That was the theme. It is easy to say, "They're going to be compensated well enough to be able to buy another place", but where is that guarantee in the legislation? I cannot see it in the bills and I do not believe it exists. I just do not believe that that guarantee will be given. There may be a case to be made if a public benefit is involved. What is the public benefit? Is the Government acquiring somebody's place so that we can build a school, or build a hospital, or build more public transport? No. We are acquiring a place so that we can knock it down and some people will be able to make a bucketload of money.

As the member for Balmain mentioned, the Government is not taking into account social housing or affordable housing. If we are going to take something, we must give something back. It is pretty much the rule of life that if one wants to take something, one has to give something. I believe this legislation is no more than a money pit or a money grab for some people. I worry, as do all non-government members who preceded me in this debate. They are in line with me on this and we agree on the same matters. There is no guarantee that the redeveloped property provides an improved response to density. I can imagine a smaller building with what might be called penthouse-style apartments that are swish and luxurious in a great location. I do not believe this legislation is about density. As I have said a number of times, I believe this legislation is about particular people making a lot of money. My colleagues and I always will stand up for those who need support. It is all well and good to say we will stand up for those who are vulnerable, so let us do that. We do not stand up for vulnerable people by selling the house, with its memories and dreams, in which they live.

**Mr ANOULACK CHANTHIVONG** (Macquarie Fields) [6.22 p.m.]: I participate in debate on the Strata Schemes Development Bill 2015 and the cognate Strata Schemes Management Bill 2015. Our parliamentary democracy is one of the most admired in the world. All members of this Parliament come here to advance the public interest over private indulgence and political ideology. But that is where part 10 of the Strata Schemes Development Bill 2015 falls short. This part in particular is full of contradiction and fails the public interest advancement test. It is bad law based on flawed logic to allow strata renewal through forceful acquisition requiring only 75 per cent of strata owner support. Let me now go through some of those flaws.

It does not take long to identify the first flaw. On the very first page in the second paragraph is a summary of the three main objectives of the bill: the subdivision of land, the way strata schemes may be dealt with, and variation, termination and renewal of strata schemes. But where is the objective of advancing the public interest? Where is the aim of creating a better community? Where is the goal of upholding the fundamental principle of law and individual property? Madam Temporary Speaker, I will tell you where it is located. It is located nowhere. Without some guiding principle on how this legislation increases the greater good, part 10 of this bill is legislation that is not only without principles but also without a public purpose. If part 10 is about improving housing affordability, it should state that. If it is about redeveloping old strata titles when the structure of a building is unsound and unsafe, it should state that. If it is about renewing and revitalising older suburbs, part 10 does not show that.

Without guiding public interest principles, part 10 is at best ill-considered; at worst, it is a dangerous piece of legislation with significant adverse consequences for our community. On just terms, the basic right to own and control property is imperative for the functional capabilities of our society. Regardless of how large or how small and regardless of the type of property, whether real or personal, an owner should have full rights to buy and determine how his or her property is sold. In a free market economy, individuals are fundamentally free to have the security of capital and the autonomy of trade as they see fit, and in a circumstance that is to their benefit. Under part 10 there is never any certainty that a person's property is actually secure. If a network of neighbours can impair a person's right to his or her own domicile that creates competing interest over who claims to be the true owner of a particular parcel or property.

Although someone might be the registered proprietor, his or her interests may be subverted by popular rule, if a decision is made to sell off a strata scheme. There are a number of instances in which persons would be unwilling or incapable of giving their consent. That may include a kindred or practical link that persons might have to their local community; the strata is the only asset persons have and they wish to protect it; or, alternatively, an individual's other housing options are quite limited. When people are forced to leave their homes, they lose not only their asset but also their access to infrastructure, such as hospitals and schools, and their sense of identity that comes from being part of their local community. There are sentimental and personal values attached to a property in a caring community which is in addition to the nominal value. Compensation cannot remedy this.

The threshold of consent by at least 75 per cent, or three-quarters, of the people to consent to be able to instigate changes suggests that proportionality rather than numbers will be considered for the application of this rule. Different strata schemes will vary in the scope of impact. A four-lot strata scheme has differing and significant outcomes compared to a strata scheme of 100 lots or more. Part 10 effectively will mean that every scenario will accentuate different problems and produce different results, with varying degrees of remedy. However, by stark contrast, unanimous consent will be the same across the board. For a blanket provision that must be uniform across the whole landscape, it would make more sense for consent to be unanimous rather than being subject to an arbitrary proportion, which changes with every situation.

In my view it is a fundamental rule of law that in a just and democratic society, governments forcibly acquire a person's private property only on the rarest of occasions and with the primary obligation of producing a greater public good. This transfer of power to a private individual to forcefully acquire

another individual's property without his or her consent, and without the production of a public benefit, is deeply concerning with dangerous consequences for resumptive powers, the rule of law and individual property rights. Philosophically, a person's freedom to exercise control over his or her personal asset would be taken away by those better financed, more organised and with greater resources.

When I consider the impact of part 10, I think of Warren and his young family at Minto and I think of Dominic and his elderly father at Ingleburn. Both families are honest, hardworking people in my local community, but both also are susceptible to potential predatory practices of property developers who could use their resources to force Warren and Dominic to move against their will. They are but just two families. Potentially there are many others in my local area who live in small to medium strata schemes and who could be turfed out of the place they call home and out of a community they love. All of this so that someone else can forcibly take an asset at a cheap price to make a bigger and quicker buck!

I have to say it is surprising to see a political party that has been founded on individual rights and the unshakeable belief in the power of markets introducing such legislation. It is difficult to see how part 10 fits with Liberal Party ideology. It seems the Liberals' philosophy of market freedom carries a big asterisk and notations clearly saying, "Only when it suits the political situation," as a permanent footnote. A market mechanism already exists in the situation of strata renewal without the need for a 75 per cent threshold. It is called negotiation between private individuals about the exchange of a contract on what parties agree is the true commercial value of the asset. If owners do not receive a suitable offer for their asset they simply will not sell. The solution is not forcible legislation but for the buyer to offer a price and/or incentives to make the owner want to sell.

One of the great founders of free market economics, Adam Smith, would be appalled at seeing his "invisible hands", which should determine the equilibrium price and conditions of free exchange, being nothing more than an extension of an arm of market intervention through government legislation enacted by a Liberal Party that supposedly believes in the free market. Forceful acquisition of another person's property at a non-market value or in a disputed situation only enhances an entitlement mentality on the side of property developers and speculators. Those with the means and resources will use their strength to acquire assets at below-market value and maximise their profits, not through free market exchange but through market intervention mechanisms. Once these properties are forcibly acquired, developed and sold, the realised value is likely to be significantly higher than they were once worth and definitely more than their original owners were given.

The University of New South Wales in its "Renewing the compact city" report analysed the redevelopment potential of strata schemes across Greater Sydney. The analysis results clearly show that suburbs in Sydney's inner-city ring and coastal suburbs are more likely to be forcibly acquired and redeveloped. These inner-city or coastal suburbs are likely to produce greater profits for developers and speculators but also produce situations where owners are more likely to miss out financially on the true market value of their asset. Part 10 will do nothing to improve housing affordability because the identified suburbs are already attracting prices close to or more than the \$1 million price mark. All part 10 does is allow property predators to "luxurise" older strata schemes with a view to maximising their profits by acquiring property at below-market value under a bill that favours the well financed over the honest and hardworking.

An adverse repercussion of part 10 using UNSW's finding is the further segregation and decreased diversity in our suburbs. Consider the situation where strata renewal under part 10 is concentrated in the inner-city or coastal suburbs of Sydney. The newly redeveloped strata properties will only be available to those on the highest levels of income and those with the largest capital asset base. What were once suburbs housing people of varying incomes, wealth, professions, age and cultural backgrounds would become homogeneous exclusive estates with money the only determinant. A broadly representative and diverse community is greatly reduced if not eliminated where profit maximisation in an unfair system is allowed to take control. [*Time expired.*]



**Mr STEPHEN KAMPER** (Rockdale) [6.32 p.m.]: I speak in debate against the disastrous ramifications for some of the most vulnerable members of our community of the Government's Strata Schemes Management Bill 2015 and cognate Strata Schemes Development Management Bill 2015. It is frankly astounding to see the total arrogance with which the Baird-Grant Government holds our society. The Government has been developing these bills behind closed doors for months, yet has given this House less than a week—just days—to consider more than 300 pages of legislation. I cannot stomach, and I cannot see how members opposite can stomach, the idea that with the impending passage of this legislation we will see the rights of many hundreds of thousands of homeowners stripped away retrospectively through the so-called strata schemes renewal package. The only thing that is being renewed here is the conservative parties' contempt for the community.

It defies belief that the Liberal Party, the so-called party of individualism, would launch such a disgusting attack on the fundamental property rights of hundreds of thousands of people living across our State. I call on those opposite, those who truly believe in traditional values of conservatism and liberalism, to join me in amending these bills. I know there are members opposite, Ministers like my friends the Minister for Industry, Resources and Energy, Anthony Roberts, and Minister for Finance, Services and Property, Dominic Perrottet, who are of true Liberal conviction, and yet those people of real Liberal values seem to have been abandoned by the rest of those opposite, their so-called friends and allies. If the changes enacted by these bills were not so far reaching and damaging, it would be almost laughable to see the Liberal Party so proudly championing collective ownership and power over the rights of individual property owners.

I am sure that many of those opposite are quietly furious that they could be so betrayed on this issue by Premier Mike Baird and the Minister for Innovation and Better Regulation, Victor Dominello. This legislation is not making New South Wales number one again; it is reducing our property rights to be the worst in Australia for strata owners. It is entirely unconscionable that the Baird-Grant Government would allow strata owners to be effectively voted out of their own homes. This is an assault on some of the most treasured values we hold dear as Australians. I know that my friend Minister Perrottet might be too young to have seen *The Castle*, but I am sure many of the more mature members opposite would be able to tell him that this legislation undoubtedly goes against the vibe of the thing. I have no idea why the Baird-Grant Government would wish to give such an obvious free kick to the type of unscrupulous property developers who would love to exploit these laws to boot vulnerable people out of their homes.

It is particularly disturbing to see this move in the wake of the outrageous abuse of the public trust we have seen in the Liberal Party's illegal donation racket, the push by former major Liberal Party donor and Newcastle Lord Mayor Jeff McCloy to contest the ban on property developer donations in the High Court and the stubborn refusal of the Baird-Grant Government to match Labor's commitment to ban property developers from serving on our local councils. A disturbing pattern is starting to form in the conduct of this Government, a sense of hubris in its actions. There has been no community push for these bills and there is no desire or need to see these laws introduced. This is simply a case of an unaccountable Minister and a Premier taking his "nice guy" image for granted. It will take more than a long-winded Facebook post or a professionally crafted tweet to sell these dud laws to our State. The people of New South Wales depend on us in this place to stand up for their rights, not retrospectively sell out their property ownership to the highest bidder.

I challenge the Premier to tweet about this to his followers, to let them know that he does not believe that people living in strata titled properties should have the right to the safety and security of owning their own homes. It would be little wonder if Minister Dominello were to rename his Fair Trading portfolio, because no decent person could describe this legislation as fair. Anybody familiar with the building and development industry would be able to inform the Minister that there are plenty of operators out there who would be quite willing to engage in unscrupulous conduct to secure a sale agreement. I assure members it will not take long before good, honest traders are undercut by the shonks and the phoenix companies who are only concerned with making a quick buck.

We need legislation that pursues best practice, but instead we have bills that practically encourage the worst sort of rip-offs and rorts. These bills assume a startling amount of legal literacy is being held by the elderly and infirm residents who will come under attack as a result of these laws. The idea that a vaguely defined advice and advocacy service would put retirees, who are simply trying to live out their golden years in peace, on the same footing as Sydney's major property developers is an absolute farce. Premier Mike Baird loves to be the nice guy, but this is simply not nice legislation. I encourage the Premier to cross the floor and maintain his rosy façade. This is bad legislation, it is poorly thought-out legislation, it is legislation that goes against the Australian spirit, and I urge all members opposite to stand by our community and amend it.

**Ms JO HAYLEN** (Summer Hill) [6.38 p.m.]: I speak in debate on the Strata Schemes Management Bill 2015 which is cognate with the Strata Schemes Development Bill 2015. These bills makes a series of changes to existing laws pertaining to strata management including reducing the threshold of residents who agree to sell a building or terminate a strata scheme from 100 per cent to just 75 per cent. Labor will seek to split these cognate bills and oppose this deeply unfair measure which undermines the basic rights of property owners—in fact, it allows private citizens to forcibly acquire other people's homes. I am deeply concerned about the impacts of such a change on vulnerable homeowners, particularly the elderly.

Many of the provisions included in the bills, however, are welcome reforms and I cautiously welcome the provision for a 2 per cent deposit to force developers to fix building defects. This may go some way towards addressing the problem of shonky developers leaving tenants with unreasonable repairs, particularly water damage. I welcome the provisions that reduce the need for owners to seek permission for minor renovations and allow for greater pet ownership, which will create more flexibility for owners. I also welcome the provisions that reform strata management by expanding the ways in which strata committee members can participate in votes and requiring the managing agent to disclose third-party commissions. These measures will improve the management of strata committees and move towards addressing community concerns about accountability and transparency.

However, as I foreshadowed, the amendment that will have the greatest impact on residents is the provision that 75 per cent of their neighbours can force someone to sell their home, irrespective of their circumstances or how they feel about it. The reality is that this legislation will add further uncertainty for home owners in what is already a volatile property market, and at the same time it will strengthen the hand of developers. The people who will be most affected are the elderly, the poor and families; they will be forced to sell their homes against their wishes to developers who want to make a quick buck. The Opposition will not support legislation that tips the scales so heavily towards developers. For vulnerable people, the safety and security of home ownership is paramount to their sense of financial and emotional wellbeing. Changing the threshold of residents agreeing to sell a building to just 75 per cent undermines the fundamental foundations of home ownership. It effectively allows contracts to be breached retrospectively. It robs people of their security by giving their neighbours the right to force them to sell their home.

There will be no guarantee for elderly owners forced to sell that they will be able to remain in the neighbourhood to which they have contributed so much. I regularly meet elderly residents terrified that they will have to move to make way for the Government's plans to redevelop Parramatta Road or the Sydenham-Bankstown line. They have lived in their homes for decades, worked hard in their jobs, volunteered for their community and raised kids. They have given back to the community and made their neighbourhood the wonderful place in which they live today. They have saved money and worked hard for their retirement, and often they are relying on remaining in their homes to be financially secure. They have banked on certainty: the certainty they can stay in their homes, manage their finances and benefit from the community that they helped to build. It is not only financial security they are after; it is also emotional security and wellbeing. Their doctors, social groups and friends are in the local area.

Sydney's housing affordability crisis means that if they are forced to move they are increasingly

unlikely to be able to buy another home in their local area. Let there be no doubt about this: The bill will not only evict elderly and vulnerable people from their homes but also uproot them from their community at the point in their lives when they need it most. For families with children, this uprooting has additional consequences by forcing kids out of their schools and day care centres. As any parent knows, finding new childcare places where very few are available is extremely stressful. The most vulnerable people in our community need certainty and a sense of security. This legislation will deliver the opposite; it will catapult the elderly, poor and families into a volatile housing market against their wishes. The Government says that it will introduce measures to protect the vulnerable. However, a phone line simply does not cut it; it will not change the fact that this legislation is deeply unfair and amounts to an attack on individual legal rights.

Affordable housing is a critical priority demanding leadership and action. In my electorate of Summer Hill residents understand the need for development that extends the dream of home ownership to everyone. However, they also understand that development must not come at the expense of the most vulnerable. The Government says that this legislation will improve housing affordability. However, there is little evidence to suggest that that will occur. As a result of this legislation, developers could purchase units to achieve the required 75 per cent threshold, flip the properties with cosmetic renovations and sell them at a profit. There is no provision designed to ensure that developers increase density or diversify the housing stock to include affordable housing. There is no public benefit. In fact, a developer could take a block of eight older, low-cost apartments and turn them into four luxury, high-cost apartments. There is nothing in the legislation to prevent that. We are likely see a reduction in the number of rental properties and an increase in the number of people looking for access to social housing and joining waiting lists that are already far too long.

People in my electorate and across New South Wales want to see real plans that genuinely address housing affordability without destroying communities. They want visionary plans that meet the needs of a growing city but which are sympathetic to the unique character of our suburbs. They want sympathetic development that represents a genuine attempt to provide affordable housing but which does not simply line the pockets of developers. The Government's proposed massive land use changes along the Sydenham to Bankstown line, with increased density slated for Marrickville and Dulwich Hill, have been met with scepticism given that there are few details about plans for housing affordability, good, sustainable design or required community amenities such as schools and childcare centres or much-needed open space. The same is true of the Government's proposed urban renewal plan for Parramatta Road.

Residents across my electorate are furious that the Government has misled them over WestConnex, with the revelation that the tunnel was rerouted from under Parramatta Road to allow for greater density so that mass high-rise apartments with deep underground carparks can be built without conflicting with the tunnel. The tunnel will now go directly under some homes. Many residents are understandably sceptical that the Government has moved forward with these projects with little care for community consultation and in the face of fierce opposition. The community is rightly sceptical of a Government that consistently puts the interests of developers ahead of communities' and residents' interests. This legislation exacerbates those fears. While Labor supports the Strata Schemes Management Bill 2015, the Strata Schemes Development Bill 2015, with its 75 per cent proposal, amounts to the Baird Government's once again prioritising developer interests over the rights of residents. If the Government wants to pit developers against residents in the fight for affordable housing, I will stand with the elderly, families and the most vulnerable in our community.

**Mr CHRIS PATTERSON** (Camden) [6.46 p.m.]: I move:

That the question be now put (S.O. 86).

**The House divided.**

### **Ayes, 48**

Mr Anderson	Ms Gibbons	Mr Provest
Mr Aplin	Ms Goward	Mr Rowell
Mr Ayres	Mr Gulaptis	Mr Sidoti
Mr Baird	Mr Hazzard	Mrs Skinner
Ms Berejiklian	Mr Henskens	Mr Speakman
Mr Brookes	Ms Hodgkinson	Mr Stokes
Mr Conolly	Mr Humphries	Mr Taylor
Mr Constance	Mr Johnsen	Mr Toole
Mr Coure	Mr Kean	Ms Upton
Mr Crouch	Dr Lee	Mr Ward
Mrs Davies	Mr Maguire	Mr Williams
Mr Dominello	Mr Marshall	Mrs Williams
Mr Elliott	Mr O'Dea	
Mr Evans	Mrs Pavey	
Mr Fraser	Mr Perrottet	<i>Tellers,</i>
Mr Gee	Ms Petinos	Mr Bromhead
Mr George	Mr Piccoli	Mr Patterson

### **Noes, 37**

Ms Aitchison	Mr Harris	Mr Minns
Mr Atalla	Ms Harrison	Mr Park
Mr Barr	Ms Hay	Mr Parker
Ms Burney	Ms Haylen	Mr Piper
Ms Car	Mr Hoenig	Mr Robertson
Ms Catley	Ms Hornery	Ms K. Smith
Mr Chanthivong	Mr Kamper	Ms T. F. Smith
Mr Crakanthorp	Ms Leong	Ms Washington
Mr Daley	Mr Lynch	Mr Zangari
Mr Dib	Dr McDermott	
Ms Doyle	Ms McKay	<i>Tellers,</i>
Ms Finn	Mr Mehan	Mr Lalich
Mr Greenwich	Ms Mihailuk	Mr Warren

### **Pairs**

Mr Barilaro	Mr Foley
Mr Grant	Ms Watson

**Question resolved in the affirmative.**

**Question—That these bills be now read a second time—proposed.**

**Mr VICTOR DOMINELLO** (Ryde—Minister for Innovation and Better Regulation) [6.55 p.m.], in reply: As members have heard, the purpose of the Strata Schemes Development Bill 2015 and the Strata Schemes Management Bill 2015 is to implement the Government's landmark strata title law reform

package. The clear message from stakeholders during the extensive community and industry consultation process carried out over four years was that the current laws are outdated and need to be modernised. There is strong support for greater owner and tenant participation, improved voting and meeting procedures, increased transparency and accountability, enhanced dispute resolution, reducing red tape, and use of modern technology for communication.

The reforms will establish an open and transparent legislative framework that will provide greater protection for home owners, minimise disputes and generally improve strata living. The Government's strata title reform package is firmly focused on delivering change that will meet the needs of the strata and community title sector for the next 50 years. The reforms contained in the bills were amended and refined throughout the consultation process as a result of input and advice from stakeholders. As such, it is an excellent example of how the Government, community and other stakeholders can work together to create an improved and enduring legislative framework. I thank the following members for their contributions to this debate: the member for Fairfield, the member for Tweed, the member for Bankstown, the member for Castle Hill—

**TEMPORARY SPEAKER (Mr Bruce Notley-Smith):** Order! I remind members that a number of them are on two or three calls to order. Members will exercise some restraint and listen to the Minister in silence.

**Ms Noreen Hay:** We don't want to hear him.

**TEMPORARY SPEAKER (Mr Bruce Notley-Smith):** Order! The member for Wollongong is free to leave the Chamber.

**Ms Noreen Hay:** It's rubbish. I'm not on a call yet.

**TEMPORARY SPEAKER (Mr Bruce Notley-Smith):** Order! I call the member for Wollongong to order for the first time.

**Ms Noreen Hay:** I am on one.

**TEMPORARY SPEAKER (Mr Bruce Notley-Smith):** Order! I call the member for Wollongong to order for the second time.

**Mr VICTOR DOMINELLO:** I also thank the member for Granville, the member for Oatley, the member for Sydney, the member for Newtown, the member for Prospect, the member for Swansea, the member for Canterbury, the member for Balmain, the member for Lakemba, the member for Macquarie Fields, the member for Rockdale and the member for Summer Hill. I will try to answer some of the questions they raised but I acknowledge that there are more than 90 reforms in the respective bills and that they are all pretty much endorsed apart from one, and that is the collective sale and renewal provision. So about 99 per cent of the reforms are supported, and I have heard compliments about them from those opposite.

I thank Opposition members for their compliments in relation to the overwhelming reforms that will improve the lot of stakeholders, including providing added protections for unit holders particularly when it comes to retention deposit bonds and increasing the voice of tenants, for example. There is a lot of good reform in this legislation for both tenants and unit holders alike. I will go through some of the issues that were raised during debate, one of which was consultation. NSW Fair Trading and Land and Property Information worked in partnership with industry stakeholders to develop more than 90 reforms and received well over 3,000 submissions during the four-year consultation period.

The consultation has involved online surveys, publicly released discussion position papers, roundtables and focus meetings, as well as an opportunity to comment on the draft exposure bills. The

member for Rockdale was surprised. He thought the legislation had been rushed through in the past six days. I assure him that the draft exposure bills were put on the table in mid-July and were on the table in their full complement for more than a month. I reassure him that the process was not rushed. The discussions have taken place over four years and this Government has been transparent about them.

Key stakeholders have been engaged and consulted throughout the process, including but not limited to the Owners Corporation Network, Strata Community Australia, the Real Estate Institute of New South Wales, the Housing Industry Association, the Master Builders Association, the Combined Pensioners and Superannuants Association, the Urban Taskforce, and many other key consumer industry groups. Each phase of the consultation process has led to important changes and refinements of the proposal as a direct result of the feedback from members of the public and stakeholder groups. Much was said about the issue of collective sale. I quote the Hon. Dr Nick Smith, the Minister for Building and Housing in New Zealand, about that country's experience with collective sale renewal provisions at 75 per cent. Minister Smith stated:

This reform has worked well in New Zealand and is an example of sound public policy which has improved the quality of housing stock. It continues to enjoy broad support across the political spectrum including from the Labor Party and The Greens.

It is interesting to know that a similar provision has been operating in New Zealand for four years that has broad political support. It is also interesting to remember that, in 2001, the Labor Government changed the resolution on decisions affecting common property from a unanimous decision to 75 per cent. Prior to 2001 if one wanted to impact on the common property rights of people, the reality was that a 100 per cent vote was needed. There were concerns at that time that nothing was being approved because it was nigh on impossible to achieve a 100 per cent resolution. The Labor Government, in its wisdom, said the legislation needed to be reviewed. It then made changes in 2001 that stated that 100 per cent was not needed to impact on common property, which is the entitlement of unit holders. The Labor Party reduced the resolution to 75 per cent. The change was supported by the Liberal Opposition and, surprisingly, the world has not collapsed.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! The Minister will be heard in silence.

**Mr VICTOR DOMINELLO:** The Labor Government's proposal in 2001 to reduce the resolution from 100 per cent to 75 per cent was accepted by both sides of Parliament. It is now accepted as entirely appropriate that decisions about the shared property of a scheme should be made by special resolution—that is, by 75 per cent. It happens time and again and it has happened time and again since 2001; it is now standard practice. The member for Sydney raised the issue of overcrowding. The bill seeks to empower owners corporations to tackle the situation. A new provision specifically allows for the adoption of by-laws imposing occupancy limits on a strata lot. Importantly, any limit must not be fewer than two adults per bedroom and only applies to persons residing at a lot. It does not apply to overnight stays or visits from friends and family. The first offence for a breach of an overcrowding by-law is 50 penalty units, which is currently \$5,500.

In addition, Fair Trading has been leading an interagency working group to address the issue from a whole-of-government perspective. I expect to announce reform proposals on the issue of overcrowding by the end of the year. I have been in discussions with the member for Sydney about this and I will continue to engage him because I know he is passionate, as am I, to ensure the right policy settings are achieved to ensure that vulnerable people in our communities are not exploited by some appalling landlords—or slum lords, as they are known. I give the member for Sydney my assurance that I am passionate about this issue and I will work with him to continue to drive reform to achieve outcomes by the end of the year.

The member for Balmain raised the issue of affordable housing. I am proud of the Government's record on affordable housing and its efforts across the State to improve housing stocks. I was recently in

Macquarie Park in my electorate with the Minister for Planning, Minister Stokes, and the Minister for Family and Community Services, and Minister for Social Housing, Minister Hazzard. We announced that as a result of planning changes the number of social housing units in Macquarie Park will more than double, from 259 to 556. Also, we will provide for an additional 128 units to contribute to affordable housing. In my electorate alone we are doing our best to increase social and affordable housing for those in need. Some members opposite wanted to know why tenants are treated differently from lot owners. As we all know, strata lot owners are members of the owners corporation and, therefore, have a direct legal and financial interest in the strata scheme. This means that they have additional rights and responsibilities related to the operation and governance of the scheme.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! I call the member for Wollongong to order for the third time.

**Mr VICTOR DOMINELLO:** For those reasons, it is reasonable that tenants are not eligible to participate in the operation of the strata scheme to the same extent as lot owners. Some members raised questions about the protection for tenants. The rights of tenants have not been overlooked. Tenants who have notified the owners corporation of their tenancy will receive a copy of the agenda of all meetings of the owners corporation, so they will be well aware at an early stage of any renewal proposal. Formal notice will be provided to tenants by the secretary of the owners corporation if a renewal plan has been approved by the required threshold of owners before an application is made to the Land and Environment Court. This will give tenants plenty of time to find alternative accommodation. All leases should be terminated in accordance with the provisions of the lease and in compliance with other legislation, such as the Residential Tenancies Act. If they are not, the tenant will be entitled to compensation from the lessor. The Land and Environment Court has been given the power to award compensation to a tenant whose lease was cut short by a strata renewal plan.

**Ms Noreen Hay:** Point of order: This is a serious issue. It is important that members on this side of the House hear and understand what the Minister is saying.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! There is no point of order.

**Ms Noreen Hay:** I cannot hear him and I do not understand what the Minister is talking about.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! I admit that I am finding it difficult to hear the Minister.

**Mr Michael Daley:** Tell him to stop mumbling.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! I do not know what standing order that comes under. The Minister will be heard in silence. Members will come to order. The Minister has the call.

**Mr VICTOR DOMINELLO:** It is obviously that hour when the crowds are restless. I assure the member for Wollongong that I am speaking English but I will try to speak more slowly for those opposite. I will provide an illustration of how the current system is unfair. At the end of the day, we are trying to introduce flexibility and fairness—

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! I have one conversation taking place on my right and another on my left, and Opposition members are talking. Members who wish to have private conversations will do so outside the Chamber.

**Mr VICTOR DOMINELLO:** I will give an illustration of how unfairness operates within the current framework. Fair Trading and the Land and Property Information have been approached by residents of a strata development in Tamarama who have been attempting to achieve a redevelopment without the assistance of the regulated renewal procedure. The Tamarama block has more than 65 lots and is in a

prominent position on the headland. Unfortunately, the location of the building, although providing magnificent views, means that concrete cancer is a major issue. The council has also issued the building with a fire safety order that will cost \$9 million to comply with.

Collectively the owners have been considering ways of raising the funds to resolve these issues. Obtaining finance for these large amounts is difficult for strata buildings. The major opponent of the plans for redevelopment is a developer who has been purchasing lots within the building in the hope of redeveloping the property. Seventy-five per cent of the lot owners in the Tamarama property want to redevelop it, but the plan is opposed by the developer. If the strata renewal process were available now, the owners of the Tamarama property could proceed with their scheme. As it is, the owners are forced to live in a substandard building, with ongoing disputes and litigation over maintenance and levies.

It is wrong to say that the renewal process will only benefit developers. I stress that it is the owners and owners alone that will dictate whether the collective sale or the renewal provisions are in fact operating. We have put a number of safeguards in place in the bills concerning collective sale and urban renewal. I have heard a lot of emotive language from those opposite in relation to the impact of the bills but I reassure them and the community at large that what we are proposing exists in similar provisions in First World countries—States in the United States of America [USA], the United Kingdom [UK], Canada and even our friends across the ditch in New Zealand, which has almost identical provisions to those proposed by the Government.

Those opposite use emotive language. I give them the benefit of the doubt and assume that they are not doing so maliciously, but that they are coming from a good, albeit misconceived, place. I reassure them that the bills contain numerous safeguards that will protect the vulnerable against exploitation. The first safeguard is that not only does one need a special resolution that is normally based on unit entitlement, but one also needs 75 per cent of the vote of the owners. That distinction is drawn because somebody very wealthy might be in the top apartment and have a disproportionate amount of unit entitlement to somebody in the bottom apartment. The wealthy person's vote will be greater than the vote of the resident in the bottom apartment. The bill requires 75 per cent of unit entitlement, as per a normal special resolution, but every resident must also get a vote of equal weight. That means that the bill requires 75 per cent of the owners and that is the first protection.

Another safeguard is the just terms compensation. We must ensure that the compensation provided to the owners—it will be a transparent process—is in line with the Just Terms Compensation Act, which is a well-worn, well-used Act that inspires confidence within the community. Another protection relates to the fact that the Land and Environment Court has ultimate jurisdiction. Those opposite used language such as "unscrupulous", "unfair", "unconscionable"—typical language that is heard in equity cases in the Supreme Court. I assure those opposite that the type of conduct that would encapsulate that language is exactly what we are empowering the Land and Environment Court to remedy.

In other words, regardless of the renewal plan and regardless of the collective sale, whether it is agreed at 100 per cent or at 75 per cent, it must go to the Land and Environment Court. If the Land and Environment Court believes that it is unjust or unfair in any circumstance because there is unscrupulous conduct, because it is unfair or because it is unconscionable, it will not approve the plan. It is as simple as that. The Government has included enormous safeguards in the bills to ensure that those who may be exploited are not; the Land and Environment Court—a superior court of record in this State—will have a supervisory role in the reform process.

I thank the many organisations and individuals who have joined the Government on this journey, generously giving their time and experience to help develop this important legislation at various stages of the strata law reform process. I also thank the many Fair Trading, and Land and Property Information Officers who have developed these reforms over a long period: Leanne Hughes, Adam Heydon, Luke Walton, Matt Press, Warren McAllister, Tori Marshall, Gabbie Mangos and John Vernon. I also thank the Commissioner for Fair Trading, Mr Rod Stowe; Assistant Commissioner, Rhys Bollen; and Matt Dawson,



Jane Standish, Tom Green and Stephanie Matti from my ministerial office for their support and continued enthusiasm. I commend the bills to the House.

**Question—That these bills be now read a second time—put.**

**The House divided.**

**Ayes, 48**

Mr Anderson	Mr Gulaptis	Mr Rowell
Mr Aplin	Ms Goward	Mr Provest
Mr Ayres	Mr Hazzard	Mr Sidoti
Mr Baird	Mr Henskens	Mrs Skinner
Ms Berejiklian	Ms Hodgkinson	Mr Speakman
Mr Brookes	Mr Humphries	Mr Stokes
Mr Conolly	Mr Johnsen	Mr Taylor
Mr Constance	Mr Kean	Mr Toole
Mr Coure	Dr Lee	Mr Tudehope
Mr Crouch	Mr Maguire	Mr Ward
Mrs Davies	Mr Marshall	Mr Williams
Mr Dominello	Mr Notley-Smith	Mrs Williams
Mr Elliott	Mr O'Dea	
Mr Evans	Mrs Pavey	
Mr Fraser	Mr Perrottet	<i>Tellers,</i>
Mr Gee	Ms Petinos	Mr Bromhead
Ms Gibbons	Mr Piccoli	Mr Patterson

**Noes, 37**

Ms Aitchison	Mr Harris	Mr Minns
Mr Atalla	Ms Harrison	Mr Park
Mr Barr	Ms Hay	Mr Parker
Ms Burney	Ms Haylen	Mr Piper
Ms Car	Mr Hoenig	Mr Robertson
Ms Catley	Ms Hornery	Ms K. Smith
Mr Chanthivong	Mr Kamper	Ms T. F. Smith
Mr Crakanthorp	Ms Leong	Ms Washington
Mr Daley	Mr Lynch	Mr Zangari
Mr Dib	Dr McDermott	
Ms Doyle	Ms McKay	<i>Tellers,</i>
Ms Finn	Mr Mehan	Mr Lalich
Mr Greenwich	Ms Mihailuk	Mr Warren

**Pairs**

Mr Barilaro	Mr Foley
Mr Roberts	Ms Watson

**Question resolved in the affirmative.**

**Motion agreed to.**

**Bills read a second time.**

## **BUSINESS OF THE HOUSE**

### **Suspension of Standing and Sessional Orders: Consideration in Detail**

**Mr VICTOR DOMINELLO** (Ryde—Minister for Innovation and Better Regulation) [7.09 p.m.]: I move:

That standing and sessional orders be suspended to:

- (1) Provide that two questions be put, the first on the amendments, in globo, circulated by the member for Fairfield, and the second on the amendments, in globo, circulated by the member for Newtown without further debate or amendment.
- (2) Following which the question will be put on all remaining clauses and schedules of the cognate bills and the third reading.

**Mr MICHAEL DALEY** (Maroubra) [7.23 p.m.]: The fact that I am reaching across the table and asking the Minister to extend me the courtesy of giving me a copy of the motion shows just what an insulting farce this place has become tonight. The Minister in charge of these bills has been at pains to point out to the House that these bills are the result of years and years of careful consideration and community consultation. But now, nine days before the cut-off for legislation going from this place into the other place, the Government whip has walked into this place, whilst members were speaking on these important bills, to gag debate. This place is an ungoverned and disorganised farce. First the Government Whip gagged debate on the bills so that Government members did not have to debate this legislation for another hour or two, notwithstanding the fact that the Minister has told us that this legislation has taken years to come to this place.

Now, Minister Dominello has moved this insulting, undemocratic motion to suspend standing orders. This motion guillotines not only the question on the bills but also all debate on the amendments. The Legislative Assembly of New South Wales has had a couple of hours in this second reading debate to discuss issues that go to the very heart of the most basic property rights of owners and tenants. Under this Government, after the passage of these bills through the Legislative Council, a person's home will no longer be his or her castle. That is the question that is before this House, and this Government wants to insult this place, and insult every property owner, strata owner and tenant in this State by saying to them, in effect, "We do not care what you think. We do not want to know what a single one of your 93 representatives in this place thinks about your property rights—rights that we are going to rob you of, to make you more vulnerable to developers."

Old ladies will be able to be—they will be—kicked out of their homes. That is what this legislation will allow. Make no mistake: This legislation will allow elderly and vulnerable people who live in strata units to be kicked out of their homes when younger people, developers or people who have greed in their hearts get together and take out them and their property rights. That is what the debate in this House is about tonight. There can scarcely have been a more important and significant question put before this House this year.

Under the premiership of Mike Baird and the tenure of "Evictor Dominello"—that is what the Combined Pensioners and Superannuants Association is calling him now—the debate on this legislation will be gagged. Members have consulted with the Government, peak bodies and tenants, and have

crafted some careful amendments to put to the House tonight to amend this legislation to make it better. The regard that this Government has for every strata unit owner in the State can be summed up by the insulting manner in which this has been handled in the House this afternoon. On behalf of the Opposition, The Greens and the crossbench, I say that we will have none of this disgraceful behaviour.

**Mr Andrew Fraser:** Point of order: I remind the member for Maroubra of a fellow that was in this Chamber once, named Paul Whelan.

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! There is no point of order.

**Ms JENNY LEONG** (Newtown) [7.28 p.m.]: I seek leave to speak to the motion.

**Leave not granted.**

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! I direct the member for Newcastle to remove himself from the Chamber for a period of 10 minutes

*[Pursuant to sessional order the member for Newcastle left the Chamber at 7.29 p.m.]*

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

**The House divided.**

**Ayes, 48**

Mr Anderson	Ms Goward	Mr Provost
Mr Aplin	Mr Gulaptis	Mr Rowell
Mr Ayres	Mr Hazzard	Mr Sidoti
Mr Baird	Mr Henskens	Mrs Skinner
Ms Berejiklian	Ms Hodgkinson	Mr Speakman
Mr Brookes	Mr Humphries	Mr Stokes
Mr Conolly	Mr Johnsen	Mr Taylor
Mr Constance	Mr Kean	Mr Toole
Mr Coure	Dr Lee	Mr Tudehope
Mr Crouch	Mr Maguire	Mr Ward
Mrs Davies	Mr Marshall	Mr Williams
Mr Dominello	Mr Notley-Smith	Mrs Williams
Mr Elliott	Mr O'Dea	
Mr Evans	Mrs Pavey	
Mr Fraser	Mr Perrottet	<i>Tellers,</i>
Mr Gee	Ms Petinos	Mr Bromhead
Ms Gibbons	Mr Piccoli	Mr Patterson

**Noes, 36**

Ms Aitchison	Ms Harrison	Mr Park
Mr Atalla	Ms Hay	Mr Parker
Mr Barr	Ms Haylen	Mr Piper
Ms Burney	Mr Hoenig	Mr Robertson
Ms Car	Ms Hornery	Ms K. Smith
Ms Catley	Mr Kamper	Ms T. F. Smith

Mr Chanthivong  
Mr Daley  
Mr Dib  
Ms Doyle  
Ms Finn  
Mr Greenwich  
Mr Harris

Ms Leong  
Mr Lynch  
Dr McDermott  
Ms McKay  
Mr Mehan  
Ms Mihailuk  
Mr Minns

Ms Washington  
Mr Zangari

*Tellers,*  
Mr Lulich  
Mr Warren

### **Pairs**

Mr Barilaro  
Mr Grant

Mr Foley  
Ms Watson

**Question resolved in the affirmative.**

**Motion agreed to.**

**Consideration in detail requested by Ms Jenny Leong.**

### **Consideration in Detail**

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! Pursuant to resolution the question is that the following amendments of the member for Newtown, as circulated, be agreed to:

#### **No. 1 Tenant members of strata committee**

Page 16, clause 33 (1), line 40. Omit "at least half of the number of". Insert instead "any".

#### **No. 2 Tenant members of strata committee**

Page 16, clause 33 (3) (a), line 46. Omit "put a motion or".

#### **No. 3 Orders about by-laws**

Page 59, clause 148 (1), line 9. Insert "or the occupant of a lot" after "scheme".

#### **No. 4 Orders about by-laws**

Page 60, clause 150 (1), line 12. Insert "or the occupant of a lot" after "scheme".

#### **No. 5 Tenant members of strata committee**

Page 128, Schedule 2, clause 14, line 30. Insert "However, a tenant member may move a motion at a meeting." after "motion".

**Question put.**

**The House divided.**

**Ayes, 37**

Ms Aitchison  
Mr Atalla  
Mr Barr  
Ms Burney  
Ms Car  
Ms Catley  
Mr Chanthivong  
Mr Crakanthorp  
Mr Daley  
Mr Dib  
Ms Doyle  
Ms Finn  
Mr Greenwich

Mr Harris  
Ms Harrison  
Ms Hay  
Ms Haylen  
Mr Hoenig  
Ms Hornery  
Mr Kamper  
Ms Leong  
Mr Lynch  
Dr McDermott  
Ms McKay  
Mr Mehan  
Ms Mihailuk

Mr Minns  
Mr Park  
Mr Parker  
Mr Piper  
Mr Robertson  
Ms K. Smith  
Ms T. F. Smith  
Ms Washington  
Mr Zangari

*Tellers,*  
Mr Lalich  
Mr Warren

**Noes, 48**

Mr Anderson  
Mr Aplin  
Mr Ayres  
Mr Baird  
Ms Berejiklian  
Mr Brookes  
Mr Conolly  
Mr Constance  
Mr Coure  
Mr Crouch  
Mrs Davies  
Mr Dominello  
Mr Elliott  
Mr Evans  
Mr Fraser  
Mr Gee  
Ms Gibbons

Ms Goward  
Mr Gulaptis  
Mr Hazzard  
Mr Henskens  
Ms Hodgkinson  
Mr Humphries  
Mr Johnsen  
Mr Kean  
Dr Lee  
Mr Maguire  
Mr Marshall  
Mr Notley-Smith  
Mr O'Dea  
Mrs Pavey  
Mr Perrottet  
Ms Petinos  
Mr Piccoli

Mr Provest  
Mr Rowell  
Mr Sidoti  
Mrs Skinner  
Mr Speakman  
Mr Stokes  
Mr Taylor  
Mr Toole  
Mr Tudehope  
Mr Ward  
Mr Williams  
Mrs Williams

*Tellers,*  
Mr Bromhead  
Mr Patterson

**Pairs**

Mr Foley  
Ms Watson

Mr Barilaro  
Mr Grant

**Question resolved in the negative.**

**The amendments as circulated by the member for Newtown negatived.**

**Question—That clauses 1 to 276 and schedules 1 to 4 be agreed to—put.**

**The House divided.**

**Ayes, 47**

Mr Anderson  
Mr Aplin  
Mr Ayres  
Ms Berejiklian  
Mr Brookes  
Mr Conolly  
Mr Constance  
Mr Coure  
Mr Crouch  
Mrs Davies  
Mr Dominello  
Mr Elliott  
Mr Evans  
Mr Fraser  
Mr Gee  
Ms Gibbons  
Ms Goward

Mr Gulaptis  
Mr Hazzard  
Mr Henskens  
Ms Hodgkinson  
Mr Humphries  
Mr Johnsen  
Mr Kean  
Dr Lee  
Mr Maguire  
Mr Marshall  
Mr Notley-Smith  
Mr O'Dea  
Mrs Pavey  
Mr Perrottet  
Ms Petinos  
Mr Piccoli  
Mr Provest

Mr Rowell  
Mr Sidoti  
Mrs Skinner  
Mr Speakman  
Mr Stokes  
Mr Taylor  
Mr Toole  
Mr Tudehope  
Mr Ward  
Mr Williams  
Mrs Williams

*Tellers,*  
Mr Bromhead  
Mr Patterson

#### **Noes, 37**

Ms Aitchison  
Mr Atalla  
Mr Barr  
Ms Burney  
Ms Car  
Ms Catley  
Mr Chanthivong  
Mr Crakanthorp  
Mr Daley  
Mr Dib  
Ms Doyle  
Ms Finn  
Mr Greenwich

Mr Harris  
Ms Harrison  
Ms Hay  
Ms Haylen  
Mr Hoenig  
Ms Hornery  
Mr Kamper  
Ms Leong  
Mr Lynch  
Dr McDermott  
Ms McKay  
Mr Mehan  
Ms Mihailuk

Mr Minns  
Mr Park  
Mr Parker  
Mr Piper  
Mr Robertson  
Ms K. Smith  
Ms T. F. Smith  
Ms Washington  
Mr Zangari

*Tellers,*  
Mr Lalich  
Mr Warren

#### **Pairs**

Mr Barilaro  
Mr Grant

Mr Foley  
Mrs Watson

**Question resolved in the affirmative.**

**Clauses 1 to 276 and schedules 1 to 4 agreed to.**

**The DEPUTY-SPEAKER (Mr Thomas George):** Order! Pursuant to resolution the question is that the following amendments of the member for Fairfield, as circulated, be agreed to:

**No. 1 Required level of support for strata renewal**

Page 69, proposed section 154, definition of ***required level of support***, lines 42 and 43.  
Omit all words on those lines. Insert instead:

means the support (given in support notices that are in effect under this Part)  
of:

- (a) all the owners of the lots (other than utility lots) in the scheme, or
- (b) if there are no residential lots in the scheme—the owner or owners of at least 75% of the lots (other than utility lots) in the scheme.

## No. 2 **Determining whether renewal proposal warrants further consideration**

Page 71, proposed section 158. Insert after line 6:

- (4) The owners corporation may, by special resolution, decide that the strata renewal proposal warrants further investigation.

**Question put.**

**The House divided.**

### **Ayes, 37**

Ms Aitchison	Mr Harris	Mr Minns
Mr Atalla	Ms Harrison	Mr Park
Mr Barr	Ms Hay	Mr Parker
Ms Burney	Ms Haylen	Mr Piper
Ms Car	Mr Hoenig	Mr Robertson
Ms Catley	Ms Hornery	Ms K. Smith
Mr Chanthivong	Mr Kamper	Ms T. F. Smith
Mr Crakanthorp	Ms Leong	Ms Washington
Mr Daley	Mr Lynch	Mr Zangari
Mr Dib	Dr McDermott	
Ms Doyle	Ms McKay	<i>Tellers,</i>
Ms Finn	Mr Mehan	Mr Lalich
Mr Greenwich	Ms Mihailuk	Mr Warren

### **Noes, 47**

Mr Anderson	Ms Goward	Mr Piccoli
Mr Aplin	Mr Gulaptis	Mr Provest
Mr Ayres	Mr Hazzard	Mr Rowell
Ms Berejiklian	Mr Henskens	Mr Sidoti
Mr Brookes	Ms Hodgkinson	Mrs Skinner
Mr Conolly	Mr Humphries	Mr Speakman
Mr Constance	Mr Johnsen	Mr Stokes
Mr Coure	Mr Kean	Mr Taylor
Mr Crouch	Dr Lee	Mr Toole
Mrs Davies	Mr Maguire	Mr Tudehope

Mr Dominello  
Mr Elliott  
Mr Evans  
Mr Fraser  
Mr Gee  
Ms Gibbons

Mr Marshall  
Mr Notley-Smith  
Mr O'Dea  
Mrs Pavey  
Mr Perrottet  
Ms Petinos

Mr Ward  
Mr Williams  
Mrs Williams  
*Tellers,*  
Mr Bromhead  
Mr Patterson

**Pairs**

Mr Foley  
Ms Watson

Mr Barilaro  
Mr Grant

**Question resolved in the negative.**

**Opposition amendments as circulated by the member for Fairfield negatived.**

**Question—That clauses 1 to 204 and schedules 1 to 9 be agreed to—put.**

**The House divided.**

**Ayes, 46**

Mr Anderson  
Mr Aplin  
Mr Ayres  
Ms Berejiklian  
Mr Brookes  
Mr Conolly  
Mr Constance  
Mr Coure  
Mr Crouch  
Mrs Davies  
Mr Dominello  
Mr Elliott  
Mr Evans  
Mr Fraser  
Mr Gee  
Ms Gibbons

Ms Goward  
Mr Gulaptis  
Mr Henskens  
Ms Hodgkinson  
Mr Humphries  
Mr Johnsen  
Mr Kean  
Dr Lee  
Mr Maguire  
Mr Marshall  
Mr Notley-Smith  
Mr O'Dea  
Mrs Pavey  
Mr Perrottet  
Ms Petinos  
Mr Piccoli

Mr Provest  
Mr Rowell  
Mr Sidoti  
Mrs Skinner  
Mr Speakman  
Mr Stokes  
Mr Taylor  
Mr Toole  
Mr Tudehope  
Mr Ward  
Mr Williams  
Mrs Williams  
*Tellers,*  
Mr Bromhead  
Mr Patterson

**Noes, 37**

Ms Aitchison  
Mr Atalla  
Mr Barr  
Ms Burney  
Ms Car  
Ms Catley  
Mr Chanthivong

Mr Harris  
Ms Harrison  
Ms Hay  
Ms Haylen  
Mr Hoenig  
Ms Hornery  
Mr Kamper

Mr Minns  
Mr Park  
Mr Parker  
Mr Piper  
Mr Robertson  
Ms K. Smith  
Ms T. F. Smith



Mr Crakanthorp  
Mr Daley  
Mr Dib  
Ms Doyle  
Ms Finn  
Mr Greenwich

Ms Leong  
Mr Lynch  
Dr McDermott  
Ms McKay  
Mr Mehan  
Ms Mihailuk

Ms Washington  
Mr Zangari  
  
*Tellers,*  
Mr Lulich  
Mr Warren

### **Pairs**

Mr Barilaro  
Mr Grant

Mr Foley  
Ms Watson

**Question resolved in the affirmative.**

**Clauses 1 to 204 and schedules 1 to 9 agreed to.**

**Consideration in detail concluded.**

### **Third Reading**

**Mr VICTOR DOMINELLO** (Ryde—Minister for Innovation and Better Regulation) [7.58 p.m.]: I move:

That these bills be now read a third time.

**Question put.**

**The House divided.**

### **Ayes, 46**

Mr Anderson  
Mr Aplin  
Mr Ayres  
Ms Berejiklian  
Mr Brookes  
Mr Conolly  
Mr Constance  
Mr Coure  
Mr Crouch  
Mrs Davies  
Mr Dominello  
Mr Elliott  
Mr Evans  
Mr Fraser  
Mr Gee  
Ms Gibbons

Ms Goward  
Mr Gulaptis  
Mr Henskens  
Ms Hodgkinson  
Mr Humphries  
Mr Johnsen  
Mr Kean  
Dr Lee  
Mr Maguire  
Mr Marshall  
Mr Notley-Smith  
Mr O'Dea  
Mrs Pavey  
Mr Perrottet  
Ms Petinos  
Mr Piccoli

Mr Provest  
Mr Rowell  
Mr Sidoti  
Mrs Skinner  
Mr Speakman  
Mr Stokes  
Mr Taylor  
Mr Toole  
Mr Tudehope  
Mr Ward  
Mr Williams  
Mrs Williams  
  
*Tellers,*  
Mr Bromhead  
Mr Patterson

### **Noes, 37**

Ms Aitchison  
Mr Atalla  
Mr Barr  
Ms Burney  
Ms Car  
Ms Catley  
Mr Chanthivong  
Mr Crakanthorp  
Mr Daley  
Mr Dib  
Ms Doyle  
Ms Finn  
Mr Greenwich

Mr Harris  
Ms Harrison  
Ms Hay  
Ms Haylen  
Mr Hoenig  
Ms Hornery  
Mr Kamper  
Ms Leong  
Mr Lynch  
Dr McDermott  
Ms McKay  
Mr Mehan  
Ms Mihailuk

Mr Minns  
Mr Park  
Mr Parker  
Mr Piper  
Mr Robertson  
Ms K. Smith  
Ms T. F. Smith  
Ms Washington  
Mr Zangari  
  
*Tellers,*  
Mr Lulich  
Mr Warren

### **Pairs**

Mr Barilaro  
Mr Grant

Mr Foley  
Ms Watson

**Question resolved in the affirmative.**

**Motion agreed to.**

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

### **ELECTRICITY SUPPLY AMENDMENT (ENERGY SAVINGS SCHEME) BILL 2015**

### **ENERGY LEGISLATION AMENDMENT (RETAIL ELECTRICITY AND GAS PRICING) BILL 2015**

**Messages received from the Legislative Council returning the bills without amendment.**

### **TREASURY CORPORATION AMENDMENT BILL 2015**

### **SUPERANNUATION ADMINISTRATION AMENDMENT (INVESTMENT MANAGEMENT AND OTHER MATTERS) BILL 2015**

### **STATE INSURANCE AND CARE GOVERNANCE AMENDMENT (INVESTMENT MANAGEMENT) BILL 2015**

**Bills introduced on motion by Ms Gladys Berejiklian, read a first time and printed.**

**Ms GLADYS BEREJIKLIAN** (Willoughby—Treasurer, and Minister for Industrial Relations) [8.05 p.m.]: I move:

That these bills be now read a second time.

I am pleased to be joined in the House by Coalition colleagues, the shadow Treasurer and the shadow Minister for Finance, Services and Property as I introduce these cognate bills, which are a culmination of

a number of years of work. This legislation will tidy up what in essence is important reform that has taken place. In June 2015 the New South Wales Government finished a four-year project to amalgamate the State's key funds management activities in the New South Wales Treasury Corporation, or TCorp. This has made the New South Wales central financing authority, or TCorp, a top 10 Australian investment manager, with more than \$70 billion in funds under management. The three cognate bills will cement the changes that have taken place, tidy up provisions and ensure that TCorp and New South Wales two single largest guardians of financial assets—SAS Trustee Corporation, or State Super, and Insurance and Care NSW [icare]—can get the most out of the new and positive arrangements. The bills will save taxpayers' money and help TCorp to earn higher investment returns on the \$70-plus billion in funds under management.

All three cognate bills include amendments that help the Government to monitor the financial performance of, and risks taken by, the agencies. That will boost confidence, which is so critical, among TCorp, State Super and icare's customers. The aim is to realise scale, which consolidating the managed funds obviously will do, and gain benefits from the efficiency of consolidation into a larger fund, which will remove duplication and standardise funds management processes. The whole-of-portfolio view that TCorp now will be capable of providing will be an essential element in enhancing our State's financial risk management. Together, the Treasury Corporation Amendment Bill 2015, the State Insurance and Care Governance Amendment (Investment Management) Bill 2015 and the Superannuation Administration Amendment (Investment Management and Other Matters) Bill 2015 will ensure that the full benefits of the reform can be realised, including the potential to achieve superior returns.

The legislation as it currently stands does not allow the agencies and the State to gain full advantage of the potential benefits and efficiencies. The proposed amendments remove these constraints. They will bring a number of benefits. They will improve governance at TCorp to match its increased responsibilities as the Government's key financial services authority. They will help lower the costs of managing the agencies' funds and potentially give capacity for higher investment returns over time. They will clarify the responsibilities of agency directors and they will improve the Government's oversight powers and help provide a whole-of-government view of key financial assets and liabilities and the associated risks.

While TCorp is to be the central investment manager for the funds controlled by State Super and icare, the ultimate responsibility for determining investment strategy for these funds will remain with State Super and icare and their respective boards. This is an important point to reiterate: The respective boards will maintain their right over key decisions, as will management within those entities in their prerogative to exercise decision-making. TCorp will perform all the agreed activities required to implement that investment strategy. The efficiency benefits of the proposed reforms will come from increased scale and from improved business processes. The only direct impact of the reforms on governance at the three agencies will be a potentially expanded TCorp board, which will be positive. Staff resource requirements at the three agencies will not substantially change and the composition of the State Super and Insurance and Care boards will remain unchanged.

I now turn to the proposed amendments in greater detail. The Treasury Corporation Amendment Bill 2015 contains amendments to the Treasury Corporation Act 1983 which relate mainly to enhancing governance arrangements at TCorp. Obviously, with an increase in funds under management this is an appropriate and critical reform. New section 4A allows up to three additional independent directors to be appointed to support and expand the board's skills mix. This section also allows an independent chair to be appointed, if required. This will ensure the required expertise is available for the important responsibility of managing TCorp's significantly expanded funds management responsibilities. I take this opportunity to thank the chief executive of TCorp and the board for their financial management responsibilities for the State.

New section 4C allows the board to delegate functions and responsibilities to subcommittees. Not only does this represent good governance practice; it is also prudent, given TCorp's expanded

responsibilities. New section 13A allows the New South Wales Government to issue financial risk management orders, imposing prudential or other requirements on TCorp where necessary or desired—again a critical reform. This enhances the Government's ability to meet its oversight responsibilities for the agency with a defined mechanism by which we can set standards for the agency to meet. This measure will help us ensure that TCorp is managing State assets and liabilities in a way that meets relevant Commonwealth requirements. It will also improve the State's ability to manage financial risk.

I now turn to the Superannuation Administration Amendment (Investment Management and Other Matters) Bill 2015, which will amend the Superannuation Administration Act 1996. The changes will free up government resources and reduce State Super's costs—something that will ultimately benefit members. We are making changes in section 51 that mean that the State Super Trustee needs to consider the role the employer plays in funding super benefits. This is important, given the State and other smaller employers bear considerable responsibilities for State Super's defined benefit liabilities.

There is no impact on the State Super Trustee's ultimate discretion when making investment decisions about the defined benefit assets, and the trustee's responsibilities are unchanged with regard to the management of the "member" assets—another key point. This change has absolutely no impact on the fact that the State Super Trustee must put members' best interests first when it is making any decision. We are pleased that this is entrenched in these reforms. The new requirement for the State Super Trustee is a sensible recognition of the employer's role in the funding of defined benefit entitlements and is designed to give appropriate context to the trustees in their consideration of government policy with regard to the members' benefits that are backed by the taxpayer.

The amendments to sections 53, 59 and 61 mean that State Super will be able to allow a delegated agent, such as an investment manager like TCorp, to make a further delegated appointment without the need to refer to State Super for approval. This is a sensible reform that we encourage to maximise the effective management of State Super's funds. While this may seem a small change, it is this constraint on the State Super Trustee that has created significant administrative costs and it means that the operating model is currently not working efficiently. A key factor in successful funds management is the ability to make speedy decisions and a multiple approval requirement slows down these decisions, with little or no benefit.

Section 54 allows the responsible Minister, currently the Treasurer, to determine the requirements for appointing investment managers, administrators and custodial service providers. It also allows that Minister to waive, either wholly or partly, the need for State Super to seek consent for such appointments. Currently all investment manager appointments—and State Super has more than 60 different investment managers—require ministerial consent. Similarly, the current requirement impacts on the timely appointment of investment managers, with little or no benefit.

Section 60 means that the Treasurer, with the agreement of the responsible Minister, can require State Super to appoint a mandated investment manager. An investment manager would provide superannuation investment management and/or custodial services, and the manager's role would be defined through an order. This provides further appropriate oversight for the Government. Section 58 will also be amended to make it clear that, even if an investment manager is appointed, trustees are still responsible for determining an overarching investment strategy for the State Super funds. I assure members that each board will still retain its decision-making powers in relation to key decisions. In all other respects the duties and obligations of State Super trustees remain unchanged.

Section 60 will also allow the mandated investment manager to appoint a custodian on behalf of State Super, or the Treasurer, with the agreement of the responsible Minister, to mandate a custodian appointment. A single custodian, those who safe keep our financial assets, is important and beneficial for several reasons. First, being able to buy services for the large value of funds managed by TCorp will save all agencies and therefore the State significant money. Secondly, a common custodian will provide the

Government with a rich view of the State's financial asset investments, on a whole-of-portfolio basis, which will help us to prudently manage the State's balance sheet and financial risks.

New section 127A will enable the State Super Trustee to transfer funds to another superannuation trustee, but only if he or she determines that it is in the best interest of members and the Minister consents. For example, member funds for which the member bears the full investment risk and for which the Government has no ongoing responsibility might be transferred to a reputable open-offer superannuation fund like the State's default accumulation fund, First State Super. Defined benefits, such as pension entitlements, could not form part of any such transfer. In order for a transfer to occur certain conditions would need to be met, including maintaining all member rights so that no member could be worse off in the new superannuation fund.

There are a number of reasons why the State Super Trustee might think of transferring funds to another trustee—for example, if the size of the pool of funds to be transferred is a comparatively small part of the State Super Pooled Fund, and if the pool is likely to further diminish in size fairly quickly as members leave employment and withdraw their benefits. At some point in the future the State Super Trustee may wish to transfer the remaining funds to a superannuation fund with larger scale and more investment expertise to maximise returns for members. New section 129A improves the Government's oversight of State Super and helps it enforce other standards. This will not only have risk management benefits but also ensure State Super complies with the Commonwealth's retirement incomes policy by clarifying the Government's expectations.

The final cognate bill, the State Insurance and Care Governance Amendment (Investment Management) Bill 2015, amends the State Insurance and Care Governance Act 2015. New section 16B allows the Treasurer, with the agreement of the responsible Minister, to make an order that requires all or part of the icare funds to be managed by a mandated investment manager, and sets out the terms and conditions. This provides further oversight for the Government. New section 260 helps improve the Government's oversight of icare. It will help icare better understand how Commonwealth governance standards, such as those administered by the Australian Prudential Regulation Authority and the Australian Securities and Investments Commission, apply to it and its underlying entities operations.

These bills will help implement the centralised investment management model and ensure the full benefits of the model are realised. They will also modernise the governance arrangements at TCorp to match its new status and improve government oversight of all three agencies so that we can better manage risks. As I mentioned, this is important reform and these cognate bills will tidy up the current legislation for the important reform process that is already being undertaken to consolidate the \$70 billion of funds under management. The key issue in this reform is that each of the three boards will maintain its right on key decision-making at an independent level. I appreciate that the shadow Treasurer is in the House and I hope that the Opposition will agree with the Government's position on this critical, non-controversial reform. I seek the support of the Opposition in commending the bills to the House.

**Debate adjourned on motion by Mr Michael Daley and set down as an order of the day for a future day.**

## **HEALTH LEGISLATION AMENDMENT BILL 2015**

**Bill introduced on motion by Mrs Jillian Skinner, read a first time and printed.**

**Mrs JILLIAN SKINNER** (North Shore—Minister for Health) [8.20 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce the Health Legislation Amendment Bill 2015. This bill is part of the Government's regular review and monitoring of legislation to ensure that it remains up to date and

relevant. To that end, the bill seeks to make a number of miscellaneous amendments to various health Acts: the Public Health Act 2010, the Health Care Complaints Act 1993, the Mental Health Act 2007, the Public Health (Tobacco) Act 2008 and the Private Health Facilities Act 2007.

I turn first to the amendments to the Health Care Complaints Act and the Public Health Act. The Acts together provide for a regulatory regime for non-registered health practitioners. The Public Health Act and Regulation set out a code of conduct for non-registered health practitioners. The Health Care Complaints Act allows the Health Care Complaints Commission to investigate complaints against a non-registered health practitioner who breaches the code of conduct. Under the Health Care Complaints Act, the commission can issue a prohibition order for breaches of the code where the practitioner poses a risk to the health or safety of the public. A prohibition order can either prevent a practitioner from practising or place conditions on their practice. Practising in breach of a prohibition order is an offence under the Public Health Act.

New South Wales was the first jurisdiction in Australia to establish a code of conduct for non-registered health practitioners, in 2008. It has since been joined by South Australia and Queensland, which have both introduced similar legislative provisions. There are moves to establish a code of conduct across all jurisdictions and to allow for prohibition orders to be issued for serious breaches of the code. These moves are welcomed. In light of this, it is important that New South Wales recognises and applies an interstate prohibition order as if it were made here. Accordingly, the bill proposes to amend the Public Health Act to recognise and apply in New South Wales a prohibition order made under a prescribed law of another jurisdiction. Once these changes commence, the relevant South Australian and Queensland legislation will be prescribed, as will any other similar legislation passed by another jurisdiction. This will mean, for example, that if a counsellor was issued with a prohibition order in South Australia, the prohibition order will be recognised in New South Wales and it will be an offence for the counsellor to provide services in New South Wales in breach of the order.

The bill also includes new section 41E in the Health Care Complaints Act that will require the commission to keep a public register of prohibition orders. These are sensible changes that will assist in protecting the public from practitioners who have been found unsafe to practise in other jurisdictions and will ensure that the public can find out which non-registered health practitioners are subject to a prohibition order. The bill also proposes to amend section 94A of the Health Care Complaints Act to allow the Health Care Complaints Commission to issue an interim public warning during an investigation. Currently, while the commission can issue a public warning if it is of the view that a treatment or health service poses a risk to public health or safety, this power can be exercised only after an investigation. There is no power to issue such a warning during an investigation.

The bill will rectify this situation and allow the commission to issue an interim public warning during an investigation if it considers it necessary to protect public health or safety and that any further delays will pose a risk to an individual or the public. This amendment follows a recommendation of the 2014 parliamentary Committee on the Health Care Complaints Commission "Report on the Promotion of False and Misleading Health Related Information and Practices", and will ensure that the public can be put on notice of serious risks at any earlier stage. The bill also includes changes to the Public Health Act relating to the installation, operation and maintenance of regulated systems, which are systems such as water cooling systems or hot water systems that can spread legionella organisms. Legionella organisms are capable of transmitting legionnaires' disease, which is a serious form of pneumonia.

The Public Health Act contains offences if the occupier, or a duly qualified person engaged by the occupier, fails to comply with the standards in the Public Health Act and Regulation relating to the installation, operation and maintenance of a regulated system. However, these offences do not extend to subcontractors engaged by a duly qualified person. The bill therefore amends sections 28, 29 and 30 of the Public Health Act to provide for specific offences by subcontractors who fail to comply with the standards required by the Public Health Act and Regulation when installing, operating or maintaining regulated systems. I turn to schedule 2 to the bill, which makes amendments to section 191 of the Mental

Health Act. Section 191 provides a protection from personal liability for any police officer, healthcare professional or ambulance officer who, in good faith, exercises a function under the Mental Health Act or the Mental Health (Forensic Provisions) Act 1990.

A healthcare professional is defined to mean a registered health practitioner. Staff of NSW Health other than registered health practitioners and ambulance officers may from time to time be called on to assist registered health practitioners in the exercise of their functions. For example, if a patient becomes agitated and violent, security staff or assistants in nursing may be required to assist a registered health practitioner in restraining the patient in order to protect the patient, other patients and staff of the facility. Because other staff of NSW Health may be involved in the care, treatment and detention of patients, the bill amends section 191 to extend the protection from personal liability to all staff who exercise functions under the Mental Health Act or the Mental Health (Forensic Provisions) Act, or who assist registered health practitioners and ambulance officers in the exercise of their functions.

I turn now to the changes to the Public Health (Tobacco) Act, which are set out in schedule 6 to the bill. Sections 6 and 7 of the Act make it illegal to sell tobacco in a product which is not in the original packaging or which does not have appropriate health warnings. Such tobacco is often known as "illegal tobacco". The availability of illegal tobacco in New South Wales is a community concern. Illegal tobacco is harmful to the health of the user because it may contain impurities not normally found in legal tobacco products.

The lower cost of illegal tobacco makes it more appealing and affordable to young people and low-income groups, thereby encouraging the uptake of smoking by these groups. Further, tobacco products without a health warning mean that people are not warned of the dangers of smoking. In 2014 the Ministry of Health conducted a statutory review into the Act. A report on the review noted anecdotal evidence and concerns about increases in the sale of illegal tobacco. Further, the report identified difficulties associated with prosecuting breaches because retailers found with illegal tobacco would claim it was for personal use and not intended for sale. This is true even when tobacco is found in quantities in which it is difficult to believe that it was not intended for sale.

The report also noted that there are limited powers to seize illegal tobacco. In order to address these issues, the bill amends sections 6 and 7 to create a rebuttable presumption that prescribed quantities of tobacco are for sale. Further, a new section 8A will be included in the Act to give inspectors a power to seize illegal tobacco found in retail tobacco shops over the prescribed quantities. Any such tobacco seized will be returned only if the retailer can demonstrate that the tobacco was for not for sale. The bill also includes a new section 39A in the Act to require a tobacco retailer notification number to be provided before tobacco products are sold by wholesale. Currently, before a person can engage in tobacco retailing they must notify the Ministry of Health, which can then provide a tobacco retailer notification [TRN] number.

This allows the Ministry to know where tobacco retailers are located and ensure that inspections can take place. There is no current requirement in the Act to require a wholesaler to be provided with a TRN before supplying tobacco. This creates a potential loophole that allows a person who does not have a TRN number to be supplied with tobacco products by a wholesaler. The bill will rectify this situation by including the new section 39A that will make it an offence for a person to obtain tobacco products from a wholesaler without providing a tobacco retailer notification number and for a wholesaler to supply tobacco products without first obtaining a tobacco retailer notification number.

I turn finally to the amendments to the Private Health Facilities Act, which are set out in schedule 4 to the bill. A private health facility is required to be operated by a person with a licence granted under the Private Health Facilities Act. The Private Health Facilities Act provides a number of grounds for refusing an application for a licence, including section 7 (4) (c) (i). This section allows the secretary to refuse an application for a licence if, after considering any approved developmental guidelines, the secretary considers that the approval will result in more than an adequate number of health services

becoming available in a particular clinical or geographical area and will undermine the provision of viable, comprehensive and coordinated health services.

Section 7 (4) (c) (i) has not been used as a basis to refuse an application for a licence. A report on the statutory review of the Private Health Facilities Act tabled in this House on 18 June 2013 found that the provision has the potential to be anti-competitive and that there were other mechanisms to ensure the provision of viable, comprehensive and coordinated health services. Accordingly, the report recommended that section 7 (4) (c) (i) be removed from the Act. The bill will implement this recommendation and remove that section from the Private Health Facilities Act.

Ensuring that a robust process is in place when granting private health facility licences is absolutely paramount. That is why the current protections, such as allowing a licence application to be refused if an applicant is not a fit and proper person or if the applicant is a bankrupt and requiring private health facilities to comply with the standards in the Private Health Facilities Regulation—including that all facilities have a sufficient number of qualified and experienced staff on duty and have procedures in place to transfer patients if the facility cannot provide care—will continue to be monitored and enforced. Further, general market conditions mean that a private operator is unlikely to seek to establish a financially unviable health service. The amendments contained in the bill are all sensible amendments that will ensure the continued smooth operation of the various health Acts. I commend the bill to the House.

**Debate adjourned on motion by Mr Clayton Barr and set down as an order of the day for a future day.**

#### **CRIMES AMENDMENT (OFF-ROAD FATAL ACCIDENTS) BILL 2015**

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

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

#### **BAIL AMENDMENT BILL 2015**

#### **TERRORISM (POLICE POWERS) AMENDMENT BILL 2015**

**Bills introduced on motion by Ms Gabrielle Upton, read a first time and printed.**

#### **Second Reading**

**Ms GABRIELLE UPTON** (Vaucluse—Attorney General) [8.36 p.m.]: I move:

That these bills be now read a second time.

The Government is pleased to introduce the Terrorism (Police Powers) Amendment Bill 2015 and the Bail Amendment Bill 2015. The New South Wales Government is resolved to take all possible steps to protect the community from the risk of terrorism. These bills are an important part of that work. The recent events in Parramatta and those that took place in Martin Place last year have reinforced the need for ongoing review and scrutiny of our laws to ensure they remain up to date and are able to respond to terror threats. These bills will ensure that the New South Wales police can continue to apply for preventative detention orders to detain a person for up to 14 days where it is necessary to prevent a terrorist act or preserve evidence following a terrorist act.

They will also strengthen the Bail Act 2013 so that some people accused of a criminal offence can be released only if there are exceptional circumstances, including those subject to a terrorism control order or with a previous terrorism conviction. Links with terrorist organisations and support for violent extremism will also be added to the list of matters taken into account when making a bail decision. It is



appropriate that the Government make these changes to ensure these laws remain effective and are responsive to the extraordinary harm that can be caused by terrorism.

The Terrorism (Police Powers) Amendment Bill 2015 implements the legislative recommendations of the statutory review of the Terrorism (Police Powers) Act 2002, which was conducted by the Department of Justice and tabled today, 20 October 2015. The statutory review was the fifth review of the Terrorism (Police Powers) Act. The fifth review covers the period 2013 to 2015 and examines the operation of the Terrorism (Police Powers) Act with respect to its policy objectives. The review also covers recommendations made by the NSW Ombudsman's 2014 review of parts 2A and 3 of the Terrorism (Police Powers) Act, tabled in Parliament on 11 November 2014.

The Terrorism (Police Powers) Act was assented to on 5 December 2002 and it confers special powers on police officers to deal with imminent threats of terrorist activity and to respond to terrorist attacks. The Terrorism (Police Powers) Act was drafted in the wake of the September 11 terrorist attacks and Bali bombings, when all States and Territories in Australia agreed to refer their powers relating to terrorism to the Commonwealth. The policy objectives of the Terrorism (Police Powers) Act are to give police officers special powers to deal with imminent threats of terrorist activity and to respond effectively to terrorist acts after an attack has occurred.

The Terrorism (Police Powers) Act enables police to use preventative detention orders to detain suspects for up to 14 days to prevent terrorist acts or to preserve evidence following a terrorist act. The Terrorism (Police Powers) Act also establishes a regime that enables the covert entry and search of premises by specially authorised police officers. In accordance with a recommendation of the Ombudsman's 2011 review of parts 2A and 3 of the Terrorism (Police Powers) Act and the 2013 Department of Justice statutory review, a key consideration of this review relates to the preventative detention scheme.

In December 2014 the Commonwealth Government extended the sunset period for its preventative detention order [PDO] scheme for a further three years. The Commonwealth cited the current heightened terror threat environment and extended the scheme believing it was crucial for law enforcement agencies to retain effective mechanisms to respond to and manage emerging terror threats. The New South Wales Government acknowledges that States and Territories, including New South Wales, agreed to enact those extraordinary powers as part of a complementary scheme to the Commonwealth legislation. It is also important that the law enforcement agencies have the necessary powers to keep our community safe.

The Justice Strategy and Policy branch of the Department of Justice has undertaken the review on my behalf. In undertaking the review, the Department of Justice engaged with stakeholders, including the NSW Police Force, the Australian Federal Police, the Law Society of New South Wales, Legal Aid New South Wales, the Public Defender's Office, and Justice Price, the Chief Judge of the District Court. As already noted, the review was conducted at a time when Australia continues to face an increased security threat. The Commonwealth Government's recent Review of Australia's Counter-Terrorism Machinery 2015 notes that the threat of terrorism in Australia is rising and becoming harder to combat, particularly because there are an increasing number of Australians joining extremist groups overseas as well as an increasing number of potential terrorist supporters and sympathisers in our community.

Against this background, the review recognises the need to ensure that the Commonwealth, State and Territory counterterrorism frameworks remain robust, and that law enforcement and security agencies have the tools they need to operate effectively. In light of this heightened security threat, the review concluded the policy objectives of the Terrorism (Police Powers) Act remain valid and it made two key recommendations that require legislative amendment: first, to extend the operation of the preventative detention order powers under the Terrorism (Police Powers) Act, which are due to expire on 16 December 2015, for a further three-year period until 16 December 2018; and, secondly, to remove the New South Wales Crime Commission's powers to apply for covert search warrants, which was requested

by the New South Wales Crime Commissioner. The review considered the power to apply for covert search warrants should be limited to those agencies that directly need to use such powers and, accordingly, has agreed with the New South Wales Crime Commissioner's request for the powers to be removed from the New South Wales Crime Commission.

The preventative detention order scheme is established under part 2A of the Terrorism (Police Powers) Act. The scheme commenced on 16 December 2005 and is due to sunset on 16 December 2015. It is part of the uniform model laws as agreed to at the Council of Australian Governments [COAG] meeting on 27 September 2005. Under the scheme, New South Wales police can apply to the Supreme Court for a PDO if there is a reasonable suspicion that the person will engage in a terrorist act or has done an act in preparation for or planning a terrorist act, and the PDO will assist in preventing a terrorist act occurring. PDOs can also be made where a terrorist act has occurred in the past 28 days and the order is reasonably necessary to preserve evidence. The maximum detention period for a PDO under the scheme is 14 days.

The Australian Federal Police and the NSW Police Force submitted to the review that the PDO powers remain useful in their toolkit of law enforcement powers. The review notes the concerns raised by stakeholders regarding the retention of the preventative detention order scheme, particularly by the Law Society of New South Wales, Legal Aid New South Wales, and the Public Defender's Office, which reiterated their opposition to the PDO provisions on the basis that persons who are not charged with or found guilty of criminal offences should not be imprisoned by the State without trial. However, the review recommends an extension of the PDO scheme for a further three years.

As noted in the second reading speech on the Terrorism (Police Powers) Amendment (Preventative Detention) Bill in 2005, when the Labor Party introduced the preventative detention order powers they were designed to be used only in extraordinary circumstances and are to be accompanied by strong safeguards and accountability measures. Those measures include oversight by the New South Wales Supreme Court that people be treated humanely, that people be given a copy of the relevant order, and that detained persons may contact specified people and have access to a lawyer. Those safeguards remain in place under the Terrorism (Police Powers) Act and against the background of a heightened security threat. The review includes that the PDO provision should be retained and that the sunset date for those provisions should be extended for a further three years, until 16 December 2018.

I now turn to the detail of the Terrorism (Police Powers) Amendment Bill. Schedule 1 to the bill relates to amendments to the preventative detention order provisions. Part 2A of the Terrorism (Police Powers) Act establishes a scheme for preventative detention orders. Those powers are extraordinary and, appropriately, they have been used sparingly to date. Importantly, the preventative detention order provisions seek to maintain a balance between protecting the rights of people who are subject to an order against the need to protect the community from terrorist acts. For example, the Terrorism (Police Powers) Act provides for a prohibition on questioning the detained person. The NSW Ombudsman retains oversight of the use of those powers.

Schedule 1, items [1] and [2] extend the current sunset provision of the preventative detention order powers, which will now continue to operate until 16 December 2018. Part 3 of the Terrorism (Police Powers) Act relates to the covert search warrants. Those provisions commenced on 16 December 2005 and enable specially authorised police officers or staff of the New South Wales Crime Commission to covertly enter and search premises under the authority of a special covert search warrant for the purposes of responding to or preventing terrorist acts. Only eligible Supreme Court judges can issue such warrants.

The Ombudsman's 2014 review of the powers noted that in January 2014 the Crime Commissioner expressed the view that while there is a continuing need for the covert search powers, it is unnecessary for those powers to be available to the New South Wales Crime Commission. The New South Wales Crime Commissioner advised that the use of those powers would ordinarily be deferred to

the NSW Police Force and that the New South Wales Crime Commission lacks the appropriately trained staff and equipment necessary to conduct covert searches. The review supported this recommendation, agreeing that the extraordinary powers conferred by the Terrorism (Police Powers) Act should be strictly limited to agencies that use them directly. Accordingly, schedule 1, items [3] to [20] of the Terrorism (Police Powers) Amendment Bill 2015 remove the powers of the New South Wales Crime Commissioner and staff of the New South Wales Crime Commission under that part.

Schedule 1, items [21] to [23] make consequential amendments to the Terrorism (Police Powers) Act and enable any saving and transitional regulations to be made as a consequence of the amendments contained in the Terrorism (Police Powers) Amendment Bill 2015. The New South Wales Government acknowledges the current trend towards low-tech "lone actor" attacks, which are exponentially harder to disrupt as there is no visibility of planning and no time delay between the intent and the action. Against this background, the New South Wales Government recognises the need to ensure that Commonwealth, State and Territory counterterrorism frameworks remain robust and that law enforcement and security agencies have the tools they need to operate effectively. Extending the preventative detention order scheme is but one measure that the New South Wales Government has to address the increasing threat of terrorism. It is a sensible proposal to extend this scheme for a further three years.

I now turn to the Bail Amendment Bill 2015. It has three purposes. First, it makes amendments to the Bail Act 2013 to give effect to recommendations made by the former Attorney General, now District Court Judge, John Hatzistergos, in the final report of his review of the Bail Act. Secondly, it makes amendments to the Bail Act in response to the Sentencing Council's report on additional show cause offences completed earlier this year. Thirdly, it makes amendments to the Bail Act in response to the joint Commonwealth-New South Wales Martin Place siege review.

I now turn to the Hatzistergos review. In June 2014 the Government established the Hatzistergos review of the Bail Act 2013 to ensure that the safety of the community, victims and witnesses is at the forefront of all decisions made on bail. The Hatzistergos review delivered an interim report in July 2014, which made a number of recommendations to strengthen provisions in the Bail Act. The Government accepted all the recommendations, which were implemented through the Bail Amendment Act 2014. The key feature of the Bail Amendment Act was to introduce a new show cause test for adults charged with certain offences that pose a significant risk to the community. This new show cause test has been in force since January 2015 and requires people charged with these offences to show cause why their detention is not justified.

Judge Hatzistergos has now completed his final review of the Bail Act and has made a number of final recommendations, which have been accepted by the Government. This bill does not implement the second limb of recommendation 15, which would allow police to make a bail determination after a person has had a mental health assessment. The intersection between the Bail Act 2013 and the Mental Health (Forensic Procedures) Act 1990 is complex and the New South Wales Government will bring forward an amendment after it receives advice from the Bail Act Monitoring Group.

Overall, Judge Hatzistergos found the amended Bail Act and the show cause test are working well and his recommendations in the final report aim to address operational issues and further streamline the operation of the Bail Act. These recommendations were formed after extensive consultation with stakeholders and careful consideration of bail decisions made under the Bail Act, as amended. These are important changes that will continue to strengthen and streamline the operation of the Bail Act 2013 and ensure that serious offenders are dealt with appropriately and in line with community expectations.

I turn to the Sentencing Council report. The Government referred three matters to the Sentencing Council in connection with the Bail Act in September 2014 and in January 2015. The Sentencing Council was asked to consider whether the show cause test and the categories under the Bail Act should be extended to include people charged with an offence while already serving a sentence—that is, when they are in prison or in the community—to look at the definition of serious personal violence offences within the

show cause category, and to look at the existing show cause category of committing a serious indictable offence while on bail.

The Sentencing Council recommended that the definition of serious personal violence offence in section 16B (3) of the Act be expanded to include offences under the law of the Commonwealth, another State or Territory or another country that are similar to the offences under part 3 of the Crimes Act 1900 that are punishable by imprisonment for a term of 14 years or more. The Bail Amendment Bill 2015 picks up this recommendation and will ensure that a person charged with a serious personal violence offence in New South Wales, who has been convicted of a similar offence in any jurisdiction, will now be required to show cause why their detention is not justified. The other matters referred to the Sentencing Council will be considered as part of the council's ongoing role in monitoring the show cause categories.

I now turn to the Martin Place siege review. The Bail Amendment Bill 2015 also makes amendments to the Bail Act in response to the joint Commonwealth-New South Wales Government Martin Place siege review. The siege review recommended that bail authorities be required to take into account links with terrorist organisations or violent extremism. The Bail Amendment Bill 2015 implements this recommendation by adding new terrorism-related factors to the list of matters that can be taken into account for the unacceptable risk test that bail authorities apply when considering whether to grant bail. These will include a person's associations with terrorist organisations and statements or activities in support of terrorist acts or violent extremism.

In addition, as announced by the Premier on 28 August this year, the Bail Amendment Bill 2015 will introduce a new test requiring bail to be refused unless there are exceptional circumstances. This new exceptional circumstances test will apply to an accused person charged with an offence carrying a custodial penalty who is subject to a terrorism control order, has a previous terrorism conviction under Commonwealth or New South Wales law, or has been charged separately with a terrorism offence and the proceedings have not yet concluded. The new test will also apply to a person charged with being a member of a terrorist organisation under the New South Wales Crimes Act 1900.

The new exceptional circumstances test provides for a higher threshold than the existing show cause test, so that bail will be granted only when the circumstances are exceptional. A similar test applies under section 15AA of the Commonwealth Crimes Act 1914 so that bail must not be granted for a Commonwealth terrorism offence unless exceptional circumstances exist to justify bail. While the new test will be applied on a case-by-case basis, New South Wales courts may find guidance in decisions under the Commonwealth provisions.

I now turn to the detail of the Bail Amendment Bill 2015. Schedule 1 contains amendments to implement the final recommendations of the Hatzistergos "Review of the Bail Act 2013" and the recommendation of the NSW Sentencing Council in its recent report, "Bail—Additional Show Cause Offences". Item [1] will amend section 4 to insert necessary definitions. Item [2] will amend section 16B to insert a new show cause offence for a serious indictable offence committed by an accused person subject to an arrest warrant issued under the Bail Act 2013 or part 7 of the Crimes (Administration of Sentences Act) 1999. The show cause test already applies to a serious indictable offence committed while on bail or parole. This amendment will correct an anomaly so that the show cause test applies if bail or parole has been revoked and a warrant has been issued before the alleged further offending.

Item [3] will amend section 16B to insert a new definition of serious personal violence offence, as recommended by the NSW Sentencing Council. The expanded definition will require a person accused of a serious personal violence offence in New South Wales to satisfy the show cause test if previously convicted of a similar offence in any Australian or overseas jurisdiction. Currently, the definition only includes previous New South Wales offences. Item [4] will add a history of compliance or non-compliance with additional sentencing orders to the list of matters in section 18 that must be considered by a bail authority in assessing bail concerns under the unacceptable risk test. A history of compliance or non-compliance may assist in assessing the level of risk and likelihood of future compliance with orders

and conditions.

Item [5] will amend section 18 to require a bail authority to consider any previous warnings issued to an accused regarding non-compliance with a bail acknowledgment or bail condition if a further breach is established. Previous warnings from police officers or bail authorities may also be relevant to assessing the level of risk and likelihood of future compliance. Item [6] will amend section 18 of the Bail Act so that if the accused person has been convicted of an offence but not yet sentenced, the bail authority must take into account the likelihood of a custodial sentence being imposed when assessing bail concerns for the purposes of the unacceptable risk test. This is consistent with the existing requirement to consider the likelihood of a custodial sentence if the person is convicted, which applies to bail decisions before a verdict is reached. A strong likelihood of imprisonment may be relevant to a concern that the offender will fail to appear in later proceedings.

Item [7] will amend section 28 of the Bail Act so that arrangements can be made by bail conditions for a person to be released on bail to be admitted to a residential rehabilitation facility. Under this type of pre-release condition an accused person who is suitable for rehabilitation can be remanded in custody until a place becomes available in the residential facility. The expanded note to be inserted by item [8] clarifies that in making such a condition, the court can provide for the accused person to be accompanied to the facility, for example, by a family member.

Item [9] will amend section 43 to permit a police officer of or above the rank of sergeant to make a bail decision if an accused person is receiving treatment in hospital and it is not reasonable to take the person to a police station due to incapacity or illness. This will avoid the need to organise a bedside court where the police officer makes a decision to grant bail. Item [10] is a consequential amendment to section 47, which provides for review by a senior police officer of a bail decision made by a police officer at a hospital. Item [11] will amend section 78 to remove the requirement for a bail authority to be satisfied that the decision to refuse bail is justified, having considered all possible alternatives.

This requirement currently applies when the bail authority is reconsidering bail because the accused person has failed or is about to fail to comply with a bail acknowledgment or a bail condition. Removing this requirement clarifies that the show cause and unacceptable risk tests apply where a breach has been established, as for any other bail decision. The note to be inserted by item [11] clarifies that the power to vary a bail decision includes a power to revoke the bail decision and substitute a new bail decision. I would like to take this opportunity to thank Judge Hatzistergos for his careful and detailed work in reviewing the Bail Act 2013. The Government welcomes the findings of the review that overall the Act is working well, and will continue to monitor its operation and the implementation of these amendments through the Bail Act Monitoring Group.

Schedule 2 to the Bail Amendment Bill 2015 makes amendments to the Bail Act in response to the joint Commonwealth-New South Wales Martin Place siege review. Item [1] will amend section 4 to insert necessary definitions and item [2] makes a consequential amendment to section 16B. Item [3] will amend section 18 to include three new terrorism-related factors in the list of matters to be considered by the bail authority in an assessment of bail concerns for the purposes of the unacceptable risk test. These are whether the accused has any associations with a terrorist organisation, whether the accused has made statements or carried out activities advocating support for terrorist acts or violent extremism and whether the accused has any associations or affiliation with any persons or groups advocating such support.

Links to terrorism and those who advocate support for it are relevant in assessing bail concerns under section 18 for the purposes of the unacceptable risk test. The bail authority must refuse bail if satisfied there is an unacceptable risk that the accused will fail to appear, commit a serious offence, endanger the safety of victims, individuals or the community, or interfere with witnesses or evidence. In assessing bail concerns, the bail authority relies on the information made available to it, and it is acknowledged that a person's links to terrorism will not always be known or able to be disclosed. In

particular, information may be held by a Commonwealth agency or available to only a limited number of police officers. Information may also be classified or sensitive, and unable to be disclosed without compromising an ongoing investigation or officer safety.

Item [4] will insert a new test so that bail must be refused unless it is established that exceptional circumstances exist. It will apply when a person is charged with being a member of a terrorist organisation under section 310J of the New South Wales Crimes Act 1900. The new test will also apply to an accused person charged with any offence carrying a custodial penalty in three circumstances. The first is if the accused has already been charged with a terrorism offence under Commonwealth law as defined in the Commonwealth Crimes Act 1914, or section 310J of the New South Wales Crimes Act 1900, and the proceedings relating to that offence have not concluded. The second is if the accused person has a previous conviction for a Commonwealth or New South Wales terrorism offence.

The third is if the accused is subject to a control order under the Commonwealth Criminal Code. The new test provides for a higher threshold than the existing show cause test so that bail will be granted only when the circumstances are exceptional. A similar test applies under section 15AA of the Commonwealth Crimes Act 1914 so that bail must not be granted for a Commonwealth terrorism offence unless exceptional circumstances exist to justify bail. While the new test will be applied on a case-by-case basis, New South Wales courts may find guidance in decisions under the Commonwealth provision.

Item [4] also clarifies that if the offence is also a show cause offence, the requirement that the accused person establish exceptional circumstances will apply instead of the show cause test. If the person is able to establish that exceptional circumstances exist, the bail authority must then go on to apply the unacceptable risk test. The Bail Amendment Bill 2015 will commence upon proclamation. Time for implementation of these changes is needed to ensure that systems and forms are updated, and appropriate training and resources are in place for the police, judiciary and legal profession. These reforms are a priority and the Government will ensure they commence as soon as operationally possible.

When concerns were raised over bail decisions under the 2013 Bail Act, the Government listened and took decisive action. Today's Bail Amendment Bill 2015 is the culmination of a comprehensive review of the State's bail laws. The amendments set out in this bill further strengthen the bail laws in New South Wales and reinforce the necessary legislative framework for bail authorities to apply when making bail decisions. Recent events within Australia have highlighted the need to ensure that New South Wales legislation remains effective in preventing and combating terrorism, while ensuring civil liberties are properly protected and retained.

There is no doubt this is a delicate balancing act, but it is the Government's view that protection of the community must remain the paramount concern. This is why the New South Wales Government is working closely with the Commonwealth Government to ensure that counterterrorism laws and measures are properly directed at combatting the threat of terrorism not only to the New South Wales community, but to all Australians. The Government will also continue to monitor the operation of the bail laws to ensure they are adequate and working effectively. The introduction of these bills will ensure the respective laws remain effective and are responsive to the extraordinary harm that can be caused by terrorism. I commend the bills to the House. [*Quorum called for.*]

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

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

## **COURTS AND OTHER JUSTICE PORTFOLIO LEGISLATION AMENDMENT BILL 2015**

**Bill introduced on motion by Ms Gabrielle Upton, read a first time and printed.**

## Second Reading

**Ms GABRIELLE UPTON** (Vaucluse—Attorney General) [9.10 p.m.]: I move:

That this bill be now read a second time.

The Government is pleased to introduce the Courts and Other Justice Portfolio Legislation Amendment Bill 2015. The bill is part of the Government's regular legislative review and monitoring program. The bill makes miscellaneous amendments to legislation affecting the operation of courts and tribunals in New South Wales, and to other legislation affecting justice-related issues. I now outline each of the amendments in turn. Schedule 1 deals with amendments to the Civil Procedure Act. Schedule 1.2 [1] introduces amendments as a result of recommendations from the statutory review of the Civil Procedure Act 2005. Schedule 1.2 [2] introduces an amendment as a result of the Chief Justice's review of the costs assessment regime. Schedule 1.2 [1] amends the Civil Procedure Act to provide that the court is not required to approve a settlement agreement if the plaintiff has turned 18 by the time the agreement to settle is made, and is otherwise not under legal incapacity—for example, due to a cognitive disability.

Currently, section 76 of the Civil Procedure Act provides that the court must approve an agreement for compromise or settlement if the plaintiff is a person under legal incapacity. A person can be under legal incapacity in civil proceedings if he or she is under the age of 18 when proceedings are commenced. This amendment clarifies that section 76 does not apply if the plaintiff has turned 18 by the time of the agreement. This will avoid unnecessary and costly delays, as some defendants have argued previously that the court is required to approve the settlement, despite the person reaching the age of 18 by that time. Schedule 1.2 [2] amends section 101 of the Civil Procedure Act to provide that interest accrues on party-party ordered costs from the date when the costs are ordered rather than the date when the costs are paid by the receiving party, unless the court otherwise orders. Interest accrues at the prescribed rate applicable to a judgement debt.

Currently, section 101 of the Civil Procedure Act states that the interest accrues on party-party ordered costs from the date when the costs were paid by the party; in other words, the date when the party became out of pocket. However, a party must first apply to the court for such an order. This amendment implements a recommendation from the Chief Justice's review of the costs assessment regime that a default rule for interest on costs orders should be introduced. The default rule will mean that interest accrues automatically from the date on which the costs are ordered, without the need to make an application for such an order. This will simplify the issue of applying interest to costs orders. The court will retain an unfettered residual discretion to order otherwise, if the circumstances demand it—for example when charging interest from the date the costs were paid would better reflect the economic burden to the receiving party.

Schedule 1.2 [3] amends section 121 of the Civil Procedure Act to clarify what must occur when more than one garnishee order is made against a person's wage or salary. When the court makes a garnishee order against a debtor's income, the garnishee, who often is an employer, is required to withhold part of the wages owed to an employee and to pay the amount to the creditor. Currently, if a debtor has multiple debts owed to different creditors, he or she may be subject to more than one garnishee order at the same time. A debtor may apply to the court to request that a garnishee order against his or her income be made into a limited garnishee order.

Under a limited garnishee order, the amount that is taken out of the debtor's wage or salary is reduced to a smaller amount that is paid under regular instalments. Section 121 of the Civil Procedure Act operates so that, when a limited garnishee order is already in place against a wage or salary and a subsequent garnishee order is made against the same wage or salary, the subsequent garnishee order must not exceed the amount payable under the first limited garnishee order, unless the court orders otherwise. Submissions to the statutory review of the Civil Procedure Act advised that section 121 is operating as it is intended, but that garnishees may find the wording of the section complex and

confusing. This amendment is intended to clarify the operation of section 121.

Schedule 1.2 [4] amends section 123 of the Civil Procedure Act to clarify that the administrative charge that may be retained by a garnishee is in addition to the amount attached under a garnishee order. Section 123 of the Civil Procedure Act applies to both garnishee orders made against income and to garnishee orders made against bank accounts. In both cases, the garnishee is entitled to retain an administrative charge to cover the expenses of executing the order, except if a limited garnishee order has been made. The administrative charge currently is \$13. Submissions to the statutory review of the Civil Procedure Act noted that there is confusion among stakeholders as to whether the administrative charge should be deducted from or be in addition to the amount that is attached to the garnishee order. This has resulted in different organisations taking different approaches.

When the garnishee deducts the administrative charge from the amount that is garnisheered, the creditor will be underpaid. This can create a loop of debt and enforcement, as the creditor may need to seek a further garnishee order. The statutory review found that section 123 is not intended to operate to place a burden on the creditor and recommended that the section be clarified to state that the administrative charge may be deducted in addition to the amount that is garnisheered. The statutory review noted that when the debtor does not possess sufficient funds to satisfy both the amount that is attached to the garnishee order and the administrative charge, the garnishee should be permitted to deduct the administrative charge as soon as funds next become available—for example, when the employee is next paid.

Schedule 1.2 [5] inserts a note into section 126 of the Civil Procedure Act to clarify that charging orders for specified security interests are not available for judgements of the Local Court. Those orders may be sought only in respect of judgements of the District Court and the Supreme Court. Charging orders operate as an equitable charge and the Local Court does not exercise equitable jurisdiction. A number of parties who appear in the Local Court nevertheless attempt to apply for a charging order. This note will help to avoid these unnecessary applications. Schedule 1.2 [6] provides that amendments made to the Civil Procedure Act will commence on assent, but will not extend to proceedings commenced before the commencement of the schedule.

I now deal with amendments to other instruments. Schedules 1.1, 1.4, 1.5, 1.15 and 1.16 make amendments to various instruments to transfer the fee-setting power and fee amounts for applications that are made to the New South Wales Civil and Administrative Tribunal [NCAT] under the Community Land Management Act 1989 and the Strata Schemes Management Act 1996 into the Civil and Administrative Tribunal Regulation 2013. Those fees were omitted from the consolidation of fee-setting powers that occurred as a result of the amalgamation of the former Consumer, Trader and Tenancy Tribunal into NCAT. The amendments will facilitate the transfer of fees into the NCAT legislation so that all fees for applications to NCAT will be in a single location. The current fee amounts will not change as a result of these amendments.

I turn to classification of publications, films and computer games. Schedule 1.3 makes amendments to the Classification (Publications, Films and Computer Games) Enforcement Act 1995 to ensure that New South Wales complies with recent changes to the National Classification Scheme and is consistent with the corresponding Commonwealth legislation. Currently, under the New South Wales Act, film festivals and other cultural organisations can apply to the Classification Board for an exemption that will allow them to show films that have not been classified. This bill amends the New South Wales Act to reflect new arrangements, so that organisations no longer need to make a written application for exemption. Instead, they will simply need to register online to obtain a conditional cultural exemption for their event. This simplifies and streamlines the application process.

I turn to reporting requirements for the Child Death Review Team. Schedule 1.6 to the bill amends part 5A of the Community Services (Complaints, Reviews and Monitoring) Act 1993 [CRAMA] to enable the Child Death Review Team to report on child deaths in New South Wales every two years, rather than



annually. The team is convened by the NSW Ombudsman and is responsible for keeping a register of all child deaths in New South Wales for classifying and analysing these deaths for patterns and trends, and for undertaking research into the causes of death. Based on its findings, the team then makes recommendations to government and relevant non-government agencies aimed at preventing future deaths.

The purpose of these amendments is to increase the effectiveness of the team's role in preventing child deaths and in the reporting of child deaths by the team to the New South Wales Parliament. Specifically, it is proposed that the obligation of the team to report on child deaths, which are currently provided on an annual basis, be done biennially. Generating data and producing an annual report on child deaths, in addition to its other activities, consumes the best part of the team's resources and impacts on its ability to undertake substantial work on prevention strategies emerging from its data and analysis. The proposed amendment will allow the team to report to the New South Wales Parliament every two years on child deaths in New South Wales in line with the NSW Ombudsman's reporting requirements in relation to reviewable deaths under part 6 of CRAMA.

Resources freed up through the amendments will enable the team to devote more of its time to key targeted initiatives aimed at preventing child deaths from various causes. For example, if the team identifies a spike in an infectious disease, such as whooping cough, the most effective strategy would be to engage with primary health and relevant preventative networks to take preventative actions. Biennial reporting will continue to identify trends and, in fact, it should enhance the identification of real trends over the longer term as opposed to spikes or anomalies that may occur during a 12-month period. The current demands of reporting also limit the team's capacity to publish specific issues papers as provided for under section 34H of CRAMA. These papers highlight particular risks and safety measures emerging through the team's work.

This important function allows for an in-depth analysis of causes of child deaths, and comprehensive and informed responses towards prevention. It is also proposed that the team report on child deaths actually occurring during the reporting period, rather than those registered during this period, and that the team report as soon as possible after June, rather than within four months after June. Both of these amendments will align the work of the team with the Ombudsman's reportable deaths function. The proposed amendments have the support of all of the team members, including nominated government representatives, as well as the support of the Committee on the Ombudsman, the Police Integrity Commission and the Crime Commission.

I turn to amendments to the Crimes (Sentencing Procedure) Act 1999. Schedule 1.7 makes minor amendments to the Crimes (Sentencing Procedure) Act 1999 in relation to alternative sentencing orders. Schedule 1.7 [1] amends section 71 to change the commencement of an intensive correction order from up to 21 days to on the date on which it is made. The 21-day period was originally inserted to allow time for Corrective Services NSW to establish the operational requirements for an intensive correction order. This time period is no longer operationally required, and Corrective Services NSW reports that in rare circumstances offenders may re-offend in the period before commencement.

It has also been reported that the delay can cause offenders to lose motivation to comply with the requirements for an intensive correction order. The amendment will allow an intensive correction order to commence immediately. Schedule 1.7 [2] amends section 86 to allow suitable work placements for a community service order to be undertaken in another State or Territory, but only if the offender is able and willing to travel to that State or Territory. Offenders who reside in border towns, such as Queanbeyan, may miss out on opportunities to do community service work if it is located in another State or Territory. The amendment will provide more flexibility for offenders in these areas to undertake community service work.

I turn to the powers of police officers and public officers to issue court attendance notices [CANs]. Schedule 1.8 amends the Criminal Procedure Act 1986 to clarify the powers of police officers and public

officers to issue a court attendance notice to commence proceedings for an offence. Criminal proceedings are generally commenced under the Criminal Procedure Act by the issuing of a court attendance notice. A CAN may be issued by police and other public officers, including Independent Commission Against Corruption and Police Integrity Commission officers. As a matter of practice ICAC and PIC have commenced criminal prosecutions for statutory and common law offences arising out of their investigations by issuing a CAN to the accused person. A recent local court judgement has questioned the power of an ICAC officer to commence a prosecution for a common law offence by issuing a CAN.

It has always been the intention of the legislation to allow police officers and public officers to commence criminal prosecutions for both statutory and common law offences by issuing a court attendance notice. This issue was discussed by the Hon. Murray Gleeson, AC, and Mr Bruce McClintock, SC, in the 2015 Independent Panel Review of the Independent Commission Against Corruption as it related to ICAC. Rather than relying on the common law power to commence prosecutions, the amendments create a clear statutory power for police officers and public officers, like ICAC and PIC officers, to commence criminal prosecutions for all New South Wales offences by issuing a court attendance notice. In relation to ICAC and PIC, these prosecutions are only commenced on the advice of the Director of Public Prosecutions [DPP]. After the prosecution is underway the DPP will take over the matter. The redrafted provisions adopt a more plain English approach to the system that will make it easier for all to understand. This clarification is supported by the Law Society, the Bar Association and the DPP.

I turn to appearances by audio or audiovisual link. Schedule 1.9 amends the Evidence (Audio and Audio Visual Links) Act 1998 to clarify that the court must consider the views of any party to proceedings before making a direction that a witness may give evidence or make submissions via audio or audiovisual link. Currently, section 5B (2) (c) refers only to the court being required to consider the views of the party. This ambiguity has been subject to different judicial interpretations. The amendment will ensure that the interests of all parties are considered before a direction is made.

I move to contempt of court fines. Schedule 1.10 amends the Fines Act 1996 to clarify that any monetary penalty that is imposed by a court for contempt of court is included in the meaning of a fine for the purposes of that Act. Currently, it is not clear that fines that are imposed for civil contempt are included in the definition. If a person is found to have committed civil contempt and subsequently refuses to pay the fine into court, it would not be appropriate for court administrators to commence proceedings in the Local Court to obtain a judgement debt for enforcement of the court's own orders. Accordingly, the most appropriate mechanism for courts to enforce contempt of court fines is through the Office of State Revenue under the Fines Act.

This will ensure that the court's authority to punish those who commit contempt of court is maintained and that justice is administered effectively. Parties who are alleged to have committed contempt of court are given the opportunity to make submissions to the court on the issue and to appear at a formal hearing. If a fine is issued against a person or company for civil contempt and the person or company is not able to pay the full fine, the courts may extend the time to pay or allow the contemnor to pay by instalments. If that person does not respond to the court's request for payment, the fine will be referred to the Office of State Revenue.

At this stage, the enforcement options under the Fines Act will come into play, which include giving the person a further 28 days to pay an enforcement order, to organise a time to pay or to make a Centrepay arrangement, or to make a financial hardship application. These procedures ensure that the needs of any vulnerable people are protected and that they are not unnecessarily disadvantaged. Contempt of court, regardless of whether it is classified as criminal or civil in nature, is a serious charge that can result in imprisonment. Monetary penalties are a mechanism that the courts may use to punish contemnors but avoid sending the person to jail. These fines must have a clear enforcement mechanism should the contemnor continue to disobey the directions of the court and refuse to make payment. The

amendment will clarify that the enforcement options under the Fines Act apply to all monetary penalties imposed by the courts for contempt.

Schedule 1.11 to the bill will amend the Government Information (Public Access) Act 2009 [GIPA] to provide that documents that have been subject to a decision by the State Parole Authority under section 194 of the Crimes (Administration of Sentences) Act 1999 are subject to the conclusive presumption of overriding public interest against disclosure. Currently, if the State Parole Authority has determined that particular documents should not be disclosed, and a GIPA application is made for the same documents, a second decision-making process is required to be undertaken. The factors relevant to a decision under section 194 of the Crimes (Administration of Sentences) Act are broadly similar to the factors relevant to a decision not to disclose a document under the GIPA legislation; for example, if the documents would jeopardise an investigation, adversely affect the security of a correctional facility or endanger any person, or if they would reveal the medical reports of an offender or place a person at risk of harm. There are already a number of similar documents included in schedule 1 to the GIPA Act and the overriding public interest against disclosure. This amendment will eliminate the need for double decision-making processes to be undertaken and ensure consistency.

Schedule 1.12 amends the Legal Aid Commission Act 1979 to clarify the appeal rights and procedures that apply if the Legal Aid Commission makes a decision about an application for a grant of legal aid via its online application process. Legal Aid's online application process streamlines applications by allowing them to be automatically determined if the application meets certain criteria. The applicant then receives an immediate notification from the system about the outcome of the application. Only legal practitioners may make applications to Legal Aid on behalf of their clients via the online process. Self-applicants must fill in hard copy applications, which are determined by a Legal Aid grants officer. If a legal practitioner is dissatisfied with the outcome of an application, the amendments clarify that there is a right of appeal to the independent Legal Aid Review Committee.

The amendment does not introduce any new procedures or appeal right, but it makes it clear that the rights of appeal extend to the determination or redetermination of online applications. The amendment also makes it clear that the applicant must be given notice of the right of appeal and the reasons for the determination or redetermination must be recorded. Schedules 1.13 and 1.14 introduce amendments to the Legal Profession Uniform Application Law as a result of recommendations made by the Chief Justice. Schedule s 1.13 [1] and 1.13 [4] will give costs assessors the discretion to hold an oral hearing for the purposes of determining an application. This may be useful when one party is unrepresented and the issues may be best resolved through oral rather than written submissions.

They may also assist where the issues relate to matters where there is no written documentation, such as where the parties are in dispute about verbal terms in a costs agreement. Oral hearings will have to be conducted in accordance with the costs assessment rules. These will be developed by the Costs Assessment Rules Committee, which includes costs assessors, judges of the Supreme Court and representatives of the Law Society and Bar Association. Schedule 1.13 [2] and Schedule 1.14 allow parties to apply for a review of a costs assessment determination within 30 days unless an application for an extension is granted. This lifts the existing entitlement from the regulations into the Act.

Schedule 1.13 [3] provides that appeals against reviews of costs assessment decisions may be made to the District Court if the amount of costs in dispute is more than \$25,000, or by leave if it is less. Additionally, appeals may be made to the Supreme Court if the amount in dispute is more than \$100,000. Otherwise, leave is required. Currently, almost all costs assessment appeals go to the District Court. This amendment will reinstate the supervisory jurisdiction of the Supreme Court over practitioner's costs and will ensure that the Supreme Court has the power to hear the more significant or complex costs assessment appeals. As I said, the amendments were proposed by the Chief Justice to improve the costs assessment procedures in New South Wales. Costs assessment is generally used where a dispute arises between a client and law firm about a bill of costs, or where parties to proceedings have had a costs order made.

Schedule 1.13 [5] amends schedule 3 to the Legal Profession Uniform Law Application Act 2014 to allow the Chief Justice to nominate acting or retired judges and existing Supreme Court judges to the Legal Profession Admission Board. This amendment will increase the pool of eligible judges to hold the position and will ensure that the Chief Justice is able to nominate the best and most appropriate judges or former judges to the board. Overall, the amendments in this bill will improve the administration of justice in this State. They will assist the courts, tribunals and other agencies within the Department of Justice to perform their important work more efficiently. I commend the bill to the House.

**Debate adjourned on motion by Mr Greg Warren and set down as an order of the day for a future day.**

**Pursuant to resolution private members' statements proceeded with.**

## **PRIVATE MEMBERS' STATEMENTS**

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### **HOUSING AFFORDABILITY**

**Mr GREG WARREN** (Campbelltown) [9.38 p.m.]: The Government's consistent focus on increasing housing supply to address Sydney's housing affordability crisis is short-sighted, flawed and ignores a far larger socio-economic influence affecting affordability. To put it simply, we could have an entire generation of Sydneysiders who will spend their entire lives mortgage locked or struggle ever to own their own home. A recent report produced by the International Monetary Fund adds validity to that point, revealing that the debt-to-income ratios for Sydney households have tripled from 47 per cent in 1990 to an historic high of 154 per cent last year. As members know, this has further economic consequences because householders' lower disposable incomes limit their ability to contribute to the economy through consumer spending on both essential and non-essential commodities.

A conservative ideological approach to strong wage growth or the lack thereof by way of wage capping has consequences. Caps on wage increases have been seen to have ramifications through some sectors. This ideologically driven position ignores the longer term economic effects on overall growth and investment and directly reduces people's ability to enter the housing market as an outcome of the restriction of spend that they may have. Addressing supply is not a fix-all solution to the far larger economic issue driven by demand-based and behavioural factors. At the recent Festival of Urbanism held at the University of Sydney, urban planning experts Professor Peter Phibbs and Professor Nicole Gurran categorically rejected this myth, saying:

... it is not working. We have produced a lot more supply in Sydney in the last few years but prices keep going up.

We cannot discount that private sector development undeniably remains a major part of the solution to Sydney's housing affordability crisis by building new homes in growth areas within the metropolitan and surrounding areas. For me an example close to home is the New South Wales Government's recent 7,700 hectare land release south of Campbelltown. This release will see 35,000 new homes added at Menangle Park, Mount Gilead and Wilton Junction. A development of this size will change the face of the Macarthur region and thus it is vital for the Government and this place to get it right. Since its announcement in September 2015 the Greater Macarthur Land Release has drawn broad concern from the Campbelltown community, primarily driven by inadequate infrastructure planning, a notably absent employment strategy and a lack of details for planned service provision.

Campbelltown and the broader Macarthur region have a long history of welcoming new people. However, in doing so we want to ensure that these new people and future residents enjoy the same lifestyle that existing residents currently enjoy. The absence of an employment strategy with detailed

timelines is of particular concern, as this should be the starting block for a broader, regional economic plan focused on job creation of a similar scale to that of the Norwest Business Park. Norwest Business Park currently accommodates 20,000 jobs and is predicted to expand to 35,000 jobs. The key factor in the success of this business centre is a considerable commitment from the State Government in cooperation with the private sector.

At the 2015 election, the New South Wales Labor Opposition took the front foot when it came to infrastructure projects in the Macarthur region. Our commitments to the region consisted of scoping works to kick-start the Spring Farm link road, including entry and exit ramps to the Hume Highway in both directions, along with a connection to Appin and the extension of electrified rail beyond Macarthur to an upgraded station at Menangle Park. In contrast, the Government's Greater Macarthur Land Release website, published by the Department of Planning, merely states that "key infrastructure requirements have been identified" and that "necessary infrastructure will be funded by developers at no cost to Government". This is not the detailed, considered infrastructure plan that is required for a development of this size and it is disappointing to the residents of the region.

Based on developer contributions for similar greenspace developments in the Macarthur region, the New South Wales Government can expect to receive upwards of \$400 million in special infrastructure contributions as a result of this land release. However, there is no real vision for how this money will be spent. Furthermore, the most recent New South Wales budget delivered a windfall surplus of over \$2 billion, primarily based on stamp duty revenue from new homebuyers. It is only fair that this stamp duty revenue, along with the \$400 million in developer contributions, is used to provide the necessary infrastructure and services to enable this development to grow into yet another of our region's great communities.

**Mr GARETH WARD** (Kiama—Parliamentary Secretary) [9.43 p.m.]: I thank the member for Campbelltown for his private member's statement, but for the benefit of the House I will point out some of the extraordinary investments that are being made in the member's electorate. This Government, in the last Parliament, invested in the Sydney Metro City and Southwest as well as making major investments in such things as the M5 widening. We did not see investments for 16 years when Labor ignored Campbelltown and it continues to ignore Campbelltown. We are now seeing record investments in infrastructure that were opposed by the Labor Party relating to poles and wires. An amount of \$20 billion was on offer, which it said it did not want. I say to the electors of Campbelltown that if they want to see more investments—

**Mr Greg Warren:** No—we don't need to flog something off to run an economy.

**Mr GARETH WARD:** I acknowledge the member's interjection. Labor talks about flogging things off when it sold generators and retailers. It flogged off everything that was not bolted down. This Government is investing in infrastructure. Some of the most major investments have been made by this Government because Labor ignored Campbelltown for 16 years.

## **CRIME PREVENTION**

**Ms KATRINA HODGKINSON** (Cootamundra—Parliamentary Secretary) [9.44 p.m.]: Since December 2012 the National Centre for Indigenous Studies at the Australian National University [ANU], led by Dr Jill Guthrie, has been conducting a research project exploring the concept of justice reinvestment as an alternative to incarceration. The groundbreaking project, funded by a three-year Australian Research Council grant, entitled "Reducing incarceration using Justice Reinvestment: an exploratory case study" is based in Cowra in my electorate. The study's aim is to evaluate the theory, methodology and potential use of a justice reinvestment approach to addressing crime and particularly the imprisonment of the town's young people.

About 6.5 per cent of Cowra's population of around 10,000 identifies as being of Aboriginal or

Torres Strait Islander descent. Cowra was chosen as an ideal study site due to its stable population and middle-range crime profile, the fact that it does not have a prison that is an economic base for the town, and because the research team has good links with the community. The study focuses on issues of incarceration of all young people from Cowra, not just the Indigenous population. Justice reinvestment [JR] looks beyond offenders to the needs of victims of crime and communities. It is a crime prevention strategy that can help create safer communities.

JR is a framework for rethinking the criminal justice system so large sums of taxpayer money are not spent on imprisoning people for low-level criminal activity such as traffic offences, public order offences and justice procedure offences. It diverts a portion of funds that would have been used for imprisonment of the offender back into local communities through early intervention, crime prevention and diversionary programs. The money that would have been spent on imprisonment is reinvested into health and social welfare services that address the underlying causes of crime in these communities. Justice reinvestment retains detention as a measure of last resort.

Justice reinvestment involves all three levels of government as well as non-government organisations, the business sector, service providers, the education sector, the health sector and the judiciary. It was developed in the United States around 10 years ago and has had terrific results in more than 30 states and more than 18 counties. In Australia there are many supporters of justice reinvestment at a national level as well as grassroots supporters from all walks of life. In an article entitled "Rethinking the justice system" the *Cowra Guardian* quotes Dr Jill Guthrie as saying:

This study is a conversation with the town to explore what are the conditions, the understandings, the agreements that would need to be in place in order to return those juveniles who are incarcerated in detention centres away from the town, back to the town, and to keep those juveniles who are at risk of incarceration from coming into contact with the criminal justice system.

The ANU research team has met with senior students from Cowra's high schools, local business leaders, Cowra Shire Council and the community as a whole, and has held forums and conducted fieldwork trips, gaining firsthand evidence through talking to key community members and discussing measures to prevent Cowra's youth from getting into trouble. Organisations such as the Cowra Information and Neighbourhood Centre, Cowra Youth Council, Cowra Police Citizens Youth Club, Cowra Aboriginal Land Council, Headspace and the local mental health service have all enthusiastically participated in this project. The research will continue into 2016, but already common themes are emerging.

This investigation will identify and explore effective alternatives to prison that should be invested in, such as better, more integrated services and holistic and long-term initiatives that address the underlying reasons why a young person may get into trouble in the first place. Dr Guthrie and her research team are keen to talk to as many people as possible, especially young people, and welcome inquiries from anyone interested in the research. Many young people need to be given a second chance when they make mistakes or take unwise decisions, and these decisions should not necessarily haunt them for the rest of their lives. Keeping young people out of jail is a worthy goal. The concept of justice reinvestment and the exploratory research by the ANU and Dr Jill Guthrie in Cowra are opening the eyes of the community to a worthwhile alternative to jail. I commend Dr Guthrie, her team and the town of Cowra for their participation and research to date and support them in their efforts. I look forward to meeting Dr Guthrie and discussing this matter further with her when she comes to Cowra in December.

### **LOURDES SOCCER CLUB SEVEN HILLS**

**Mr MARK TAYLOR** (Seven Hills) [9.48 p.m.]: I wish to speak about my recent visit to the Lourdes Soccer Club Seven Hills on its annual presentation day. It certainly was a fantastic day and I thank the club from the bottom of my heart for the invitation. I caught up with several of the teams and I was thoroughly impressed by the overriding sense of camaraderie emanating from all players across all age groups and genders. To foster such a strong sense of spirit among groups of young people and to instil

such a sense of pride in a great organisation like a sporting club is no mean feat. Lourdes Soccer Club Seven Hills not only provides competitive sport for young people but also teaches important life lessons and imparts strong foundational values.

All the teams representing Lourdes have achieved great things this season, but I acknowledge especially the under 14s team. This team of legends has gone above and beyond all reasonable expectations. The extraordinary group of young men have chalked up strong wins across all the competitions in which they have participated and, remarkably, their domination is not restricted to their own domestic division. The team of champions played in, and won, the Sydney International Cup, which is a great opportunity for teams of a strong calibre to test their mettle against equal competitors. The under 14s did not disappoint. The team also made it into the knockout stages of the Champions of Champions Cup. The name tells the whole story—those lads are champions.

I also make mention of the under 7s girls Lions team. On the surface, the under 7s had a bit of a rough year. We could be mistaken for thinking they did not do well and then write them off, but it would be incorrect to do so. They played 18 games—drawing one and losing 17. Although that seems harsh, the team of girls embodies everything we know about community youth sport. They have shown perseverance and determination to achieve what they set out to do. Each week they went as hard as they could. They played their best and, above anything else, they had lots of fun.

Without the passion and commitment of members of the Lourdes committee, our young children would not have a soccer club. I thank the following committee members: Ken Duncan, president; Chris Brazell, vice president; Sharlene Cormack, secretary; Meredyth Brazell, treasurer; Melissa Maher, registrar; Margaret Duncan for her canteen duties; Sean Battersby for coaching and looking after the parks and gardens; and Elizabeth Bollard. Earlier this year, with the assistance of Minister Ayres, I was pleased to provide the club with a sporting grant of \$2,000. I am happy to see firsthand how well the club has used the money. I am pleased to be part of a government that cares about our communities and that understands that youth sport is important to the lives of children and teenagers. Sport does not discriminate. Whatever our background, we all have an opportunity to join a sporting team to maintain healthy exercise.

In Western Sydney, and particularly in the diverse electorate of Seven Hills, so many sporting clubs are doing great things to facilitate active engagement by our youth. Lourdes Soccer Club Seven Hills is a fine example. I commend the club and thank its members again for the opportunity to attend its annual presentation day. One of the best things I enjoy about being a local member is the opportunity to meet remarkable young people. So many of them have a bright future ahead.

### **CABRAMATTA MOON FESTIVAL**

**Mr NICK LALICH** (Cabramatta) [9.52 p.m.]: For many years I have spoken in this House about the Cabramatta Moon Festival. I hope a few members were able to attend the 2015 Cabramatta Moon Festival to establish what I have been talking about. This year Channel 7 News reported that the seventeenth Cabramatta Moon Festival was a big hit. It was held on 27 September and, again, about 90,000 people attended the all-day event. They came for the fantastic line-up of entertainment and food stalls. It is hard to imagine the scale of the event, but more than 50 food stalls were on offer. I met representatives of the cultural phenomena K-pop, which performed. There were performances also from Alex Wild and ZISSpop, as well as martial arts exhibitions, a children's lantern parade, lion dancing, fire twirling, cooking demonstrations and noodle-eating, prawn-peeling, and mooncake-eating competitions.

The Minions Disney characters visited, and even the moon goddess showed up. The list of what was on offer at the Moon Festival is huge. One of the highlights was seeing the largest ever mooncake baked in Australia. Weighing in at 70.5 kilograms, the mooncake was 73 centimetres wide and 13 centimetres high, breaking a previous record set in 2009. It was great to see the mooncake being shared among the crowd. I am not sure whether members are aware of the origins of the Moon Festival. Also

known as the Mid-Autumn Festival, the Moon Festival is celebrated throughout China and Vietnam. It celebrates three concepts: gathering, such as family and friends coming together, or harvesting crops; thanksgiving, to give thanks for the harvest; and praying, such as for babies, a marriage, beauty, long life, or for a good future. An important part of the festival is moon worship. Offerings are made to the moon goddess of immortality, Chang'e.

The legend of the moon goddess is a man named Yi, who was an excellent archer, married Chang'e. One year 10 suns rose in the sky, which was a disaster for the people. Yi shot down nine suns and left one to give light. As thanks, Yi was given the elixir of immortality. But Yi did not want to be immortal because he did not want to live forever without Chang'e. Yi gave Chang'e the elixir to keep safe. One of Yi's apprentices found out about the elixir and tried to force Chang'e to give it to him, but Chang'e refused. Instead, she drank the elixir and flew into the sky. Chang'e did not want to be too far from her husband so she chose to live on the moon. Yi was sad about losing his wife and made offerings of her favourite fruits and cakes in his garden. This is said to be the origins of the Moon Festival.

I have attended almost every Moon Festival that has been held in Cabramatta, especially the first one that was organised by Fairfield City Council. Back then the crowd was only big enough to fill Freedom Plaza; now the festival takes over the entire centre of Cabramatta. In the beginning I remember that mainly the local Asian community attended. The Moon Festival is now embraced by everyone in Sydney. The Moon Festival is a special event. To me, it highlights that Cabramatta has become one of the most successful multicultural communities in the country. We gladly celebrate and take part in each other's cultural traditions and celebrations. We show respect for each other's beliefs and cultural values because we are secure in our belief that we are all Australians. No matter where we have come from, we chose Australia to be our home. I congratulate the wonderful staff at Fairfield City Council on their great work in making this event happen and all the other organisations, businesses and people who made the event such a great success this year.

### **KANGAROO MARCH RE-ENACTMENT**

**Ms PRU GOWARD** (Goulburn—Minister for Mental Health, Minister for Medical Research, Assistant Minister for Health, Minister for Women, and Minister for the Prevention of Domestic Violence and Sexual Assault) [9.56 p.m.]: The re-enactment of the Kangaroo March is one of the great events that has taken place in the Goulburn electorate this year. Members will be aware that there were several enlistment marches during the First World War in New South Wales. Collectively, they were known as the cooe marches. Their purpose was to add to the number of troops that the new nation of Australia was to send to the Great War then raging in the Middle East and in France. To mark the centenary of the marches, which occurred in the same year as the Gallipoli landings, committees were formed around the State to organise re-enactments. A century earlier, bands of citizens had also formed to organise the original marches, and the march from Wagga Wagga to Campbelltown, where a troop train waited, was known as the Kangaroo March.

This year, despite the efforts of many groups around New South Wales, only the Kangaroo March re-enacted the entire 520-kilometre, 36-day journey by foot. It faithfully followed the original highway, known as the Great South Road, as it wound through towns and hamlets. We owe the small organising committee a great debt. I have come to know most of its members very well over the past few years as they have worked their way through the tortures of insurance, permission from Roads and Maritime Services, daily commemorative ceremonies and the organisation of local supplies for the small group of people who walk the entire march. Needless to say, the marchers were joined along the way by local people who were happy to walk or ride a few kilometres. Evening celebrations were blessed with performances by local children's choirs and other performers who are often direct descendants of the original marchers.

We must take our hats off to OJ Rushton, who performed at all the community events, directing local choirs and the RSL Commemorative Children's Choir, which she formed. For good measure, she



also threw in a new anthem that she wrote, which was sung lustily on each occasion. I saw her in Breadalbane when she entertained the local community, as she did every night, with gusto. She looked exhausted despite having three weeks to go. Rhondda Vanzella, known to many of us here, was also a great organiser, who ensured every person in her address book who could give a speech or donate money or time was ensnared in the great Kangaroo March re-enactment. We have only to ask Brendan Nelson, director of the Australian War Memorial, how he came to give so many speeches down our way.

OJ did not do it alone, of course. Nick Illek, my admirable associate, managed the paperwork; president Graham Brown, who also heads a lighthouse re-enactment troop, gave a hearty recruitment speech of the type that locals might well have heard a century ago—resplendent with rhetorical flourishes and suitable references to the "Hun" and to "white feathers"—David Williamson conducted the service; and Jan Brown and Angela Williamson, along with Julie Scandrett, played solo parts. And they all dressed in period costume every day. Of course, local RSL groups ensured there were returned soldiers and access to memorials. Historical societies dug out photographs and display materials and local schoolchildren presented, as part of the service, small biographies of local men who had joined the march.

The tireless organisational efforts of Sally McLean in Breadalbane, Jackie Waugh in Goulburn, and Christine Jannsen in Bundanoon, among others, cannot be ignored. Thank you for bringing our history to life so that we may give thanks for the sacrifices of our forefathers with greater insight and appreciation. I was delighted to welcome Premier Mike Baird and the Minister for Corrections, Minister for Emergency Services, and Minister for Veterans Affairs, David Elliott, to Bundanoon for a celebration that the entire community took part in, including children ostensibly on school holidays. The Premier was showered with our famous hospitality and could see how meaningful it is for country communities like mine to be able to actively join in our nation's Centenary of Anzac—for once not watching it on the telly, but being part of it and proud of it.

**Mr DARYL MAGUIRE** (Wagga Wagga—Parliamentary Secretary) [10.00 p.m.]: I congratulate the member for Goulburn on bringing this important commemoration to the House. I congratulate everyone involved in what I would describe as an adventurous memorial to the 88 brave men who marched out of Wagga Wagga and finished in Camden with 220 men. Twenty of those men never returned to this country. It is fitting that we recognise their great sacrifice and contribution. I put on record the Government's thanks to members of Parliament who have assisted along the way and also to those marches that will occur next year, such as the Cooee march in your electorate of Northern Tablelands, Mr Temporary Speaker, which will start at Inverell on 9 January. It is important that communities commemorate the great efforts that were made to enlist servicemen through the marches. The re-enactment is a credit to the organising committee, and I congratulate its members.

## **DRUG DEPENDENCY**

**Mr ALEX GREENWICH** (Sydney) [10.01 p.m.]: Ice, or crystal methamphetamine, is a central nervous system stimulant. There are some indications that ice use is on the rise, with reports of the availability of the drug increasing, its cost decreasing and growing waiting lists for rehabilitation programs. To understand the problems associated with ice I have spoken to health professionals, social workers, heard from people who have experienced addiction to the drug and looked at the relevant research. Ice can be addictive because it acts quickly, with long-lasting effects. People who develop an addiction may lose their jobs and family and social connections, and engage in crime to fund their habit. Chronic use of ice at its worst can lead to psychosis, including confusion, delirium, panic, aggression and hallucination. I am concerned that we address this issue without media hype and hysteria, moral stances and stigma so that we do not make the problem worse and prevent people from getting help.

Drug use is prevalent and many people use mood-enhancing drugs recreationally without impact on themselves or others. Research suggests that 70 per cent of people who use ice consume it less than once a month. Yet governments continue to tackle the issue through law enforcement. The drug detection

dog laws introduced in 2001 were supposed to identify drug trafficking and deter use. A 2006 Ombudsman's review found that they targeted low-level users and that most people searched were not found carrying drugs. The Ombudsman recommended withdrawing the program but drug dog searches have doubled since 2009, with 16,000 people subject to an intrusive search every year. During the same time drug use increased from 12.1 per cent to 13.8 per cent. Drug dog operations can increase the risk of harm when people consume all their supply prior to going out or upon sighting the police.

The criminal approach discourages young people from seeking help if they get sick, criminalises low-level users who cause no harm and punishes people who have serious problems, rarely reaching the traffickers and suppliers. Drug experts tell me that many prevention campaigns and media reports are damaging when they focus on extreme examples. They stigmatise people who use ice, thereby discouraging them from seeking help. A recent roundtable of users organised by the NSW Users and AIDS Association, AIDS Council of NSW [ACON] and Positive Life highlighted that the hysteria and stigma surrounding ice prevent many users from accessing services or asking family or community members for support.

A broad spectrum of people take drugs for different reasons, and this will not change. We need a nuanced and informed approach that focuses on addressing problems based on sound strategy and evidence, in line with calls from Matt Noffs of the Noffs Foundation. The small minority of people who develop drug dependency accounts disproportionately for associated crime and community impact. They need help to function in the community and to get their lives back on track. The Australian Drug Foundation identifies that drug dependency often forms where there is a history of social and personal disadvantage, temperament and personality traits, prenatal problems, adverse childhood experiences, poor education, lack of family bonding and social isolation and psychiatric disorders.

We must provide treatment for those with problems so they can lead quality lives, reconnect with their communities and secure employment. Sadly, the great majority of funding to address drug problems goes into prisons and policing, leaving people with problems without access to help. An assessment of the social return on Mission Australia's Triple Care Farm rehabilitation centre at Knights Hill found a return of \$3 on every dollar invested into the centre in the form of the improved health and wellbeing of young people and a reduction in their use of medical treatment and juvenile justice services and in homelessness. Harm reduction approaches are needed, including the distribution of pipes. Injecting ice is more dangerous than smoking it because injecting achieves a higher blood concentration of the drug, causing quicker and more intense effects and making it more addictive. Injecting poses other risks including skin rashes, track marks and vein damage as well as blood-borne diseases if needles are shared.

We need more investment in new and effective treatments, including treatments that work, such as methadone, so that people can live in the community and work while they are treated for their dependency. I am pleased with the work that St Vincent's Hospital does in this area. We need to change the current emphasis on criminal sanctions which have failed to reduce use or harm. The United Nations Office on Drugs and Crime has made it clear that decriminalisation of drug use for personal use is consistent with international drug protocols and meets human rights obligations. It must be considered. If we are to address drug problems, including the use of ice, we must engage with users for them to contribute to solutions, rather than stigmatise and demonise them.

**Private members' statements concluded.**

**Pursuant to sessional order matter of public importance proceeded with.**

**NSW GRANDPARENTS DAY**

**Matter of Public Importance**

**Mr RAY WILLIAMS** (Castle Hill—Parliamentary Secretary) [10.07 p.m.]: In my time as a member of this House I have had the opportunity to raise some important topics. I have spoken about famous people and sad incidents, and I have recognised volunteers. But tonight I make my finest contribution because I will speak on behalf of some of the most important people in society: grandparents. It is my great pleasure to raise this matter of public importance and to speak on behalf of the wonderful people to whom we turn on an almost daily basis. Today parents are time poor and require people to assist in the nurture and care of their children. Grandparents ease the cost of child care, assisting parents to make their way through life and to own their homes. It is common for both parents to work, and who do they turn to? They turn to Ma and Pa, to Nan and Pop, to grandparents.

Grandparents make an enormous contribution to society and to our families. It is estimated that more than 200,000 grandparents across New South Wales provide almost 13 hours of unpaid, informal care for children each week and that more than 17,000 grandparents care for their grandchildren full time. I am proud that this Government was the first to formally recognise the contribution of grandparents by observing the first Grandparents Day in 2011. I compliment the former Premier, Barry O'Farrell, who saw this as an opportunity to recognise these important people on a specific day. For years, many in the community had lobbied for official recognition of the special contributions made by grandparents, and I am pleased to say that this Government listened to those calls and put Grandparents Day firmly on the calendar.

Grandparents Day in New South Wales is now held on the last Sunday of October, and this year it falls on 25 October. The celebration culminates in the announcement of the Grandparent of the Year Awards at the Norton Street Festa in Leichhardt. The festa is a wonderful celebration by the great Italian families in that area and it also provides a wonderful opportunity to recognise Grandparent of the Year. It was my special privilege last year to represent the Premier at the festa in Leichhardt, to announce Grandparent of the Year and to present several people with other specific awards. The awards recognise exceptional members of the community who have gone above and beyond in their traditional role as grandparents. I am pleased to have had the opportunity formally to recognise their important contributions.

People often concentrate on the problems of an ageing population but I look at our ageing population as an asset—not just because of the roles that grandparents play, as I have already recognised, but also because of their mentoring role for our youth. I have mentioned the role of the Dural Men's Shed many times in this place. That facility now has 80 retired men who mentor and nurture troubled youth from across Western Sydney, including from the electorates of Cabramatta and Fairfield. Members of the Dural Men's Shed play a significant role in teaching these guys to work with their hands, including making things with wood. It gives the men a purpose in life because they are achieving great things in that role. That is just one example of the roles that senior people are playing. The majority of those people who are involved with the Dural Men's Shed are also grandparents.

I am pleased to have watched the growth and progress of Grandparents Day over the past three years. Each year grants are available to community groups to host Grandparents Day and to assist local schools and community organisations to hold special events in their communities. This year more than 30 events will receive funding support, and many other events are registered across New South Wales. I encourage all members to attend an event and join in the celebrations. More information on Grandparents Day events and awards is available on the Grandparents Day website. I look forward to continuing this contribution in my reply to the discussion on this matter of public importance.

**Mr GREG WARREN** (Campbelltown) [10.12 p.m.]: I am delighted to contribute to the discussion on this matter of public importance. As the member for Castle Hill rightly said, there are not too many people who are more important in our lives than our parents and our grandparents. We all know—I am sure the previous speaker would agree—that it is important for public representatives to acknowledge the good contributions made by many in our community, and grandparents contribute in many ways. I did not know my grandparents very well—they died when I was quite young—but I know about the fantastic

brightness and great wealth that my parents and my wife Simone's parents have brought to my children's lives. They have contributed in a fiscal way—by looking after them and always being there for Simone and me—and they have shared wisdom and life experience with our two boys.

In 2011 the State Government chose to recognise the contributions that grandparents make by launching Grandparents Day. Each year Grandparents Day is celebrated in New South Wales on the last Sunday of October. It is a fantastic initiative that everyone in this House would agree is worthwhile. New South Wales Grandparents Day is a State-funded initiative that celebrates the vital role grandparents play in our society, as custodians of individual and cultural memories and as providers of care and love to their children and grandchildren. Grandparents Day recognises the irreplaceable role that grandparents play in the lives of their families and in the wider community. Grandparents Day is celebrated across the State through community-run events and activities organised by schools, clubs and playgroups, where grandparents can come and look at the artwork of their grandchildren or see the contributions of their local schools.

The Grandparent of the Year Awards is an important event. My only regret is that we cannot give awards to all grandparents because they all are probably fantastic in the eyes of our children. This day is essentially designed to allow children and families to acknowledge and thank the grandparents in their lives. This year Grandparents Day falls on 25 October and the theme is "Moments that Matter". That theme encompasses what grandparents mean to us and celebrates the moments they share with our children—their grandchildren—and vice versa. The moments that we share together, I am sure we would all agree, are precious. Whether community members think about a special day they have shared with their grandparents or a cup of tea they have shared with an older neighbour, we hope they will be inspired to come together across generations this Grandparent Day.

NSW Grandparents Day is funded by the New South Wales Government and coordinated by the Council of the Ageing [COTA] NSW. COTA NSW is an independent, non-partisan, consumer-based non-government organisation and is the peak organisation for people aged over 50 in our State. There is much more information about COTA NSW on the website, [www.cotansw.com.au](http://www.cotansw.com.au). I must acknowledge the weight of caring that is carried by grandparents. The member for Castle Hill touched on this. A study by the Social Policy Research Centre of the University of New South Wales has shown that 837,000 children are looked after by grandparents each week; 97 per cent of grandparent care is unpaid; 70 per cent of grandparents changed the days or shifts they worked in order to provide care for their grandchildren; 55 per cent of grandparents cut back on working hours; 18 per cent of grandparents changed jobs so that they could make themselves available to contribute to their grandchildren's lives; and one-third of grandparents surveyed also reported that their childcare commitment changed the timing or expected timing of their retirement.

National Seniors Australia has stated that for many grandparents that while providing regular child care is not the only factor it figures heavily in shaping their decision to retire. Barriers to formal child care, such as lack of availability and affordability, motivate grandparents to contribute, as those are key issues for working families. In addition, the type of employment that many women participate in when they return to the workforce after having children is incongruent with services provided in the current formal childcare market. This mismatch is what, in many cases, results in calls for grandparent childcare provision. They are just a few ways in which grandparents contribute. Having grandparents in our children's lives is invaluable and irreplaceable, as, unfortunately, one day we will discover. I thank the House for its indulgence.

**Mr DAMIEN TUDEHOPE** (Epping) [10.17 p.m.]: I welcome the opportunity to speak about Grandparents Day. It has a reasonably personal and special meaning for me. My mother is a champion grandmother. She has 43 grandchildren. She is 93 years of age and she remembers the birthdays of all her grandchildren. If I had the responsibility of choosing who should receive the Grandparent of the Year award I would not have to look very far. My mother also has great-grandchildren. I think she has 11 great-grandchildren, one of whom is my grandchild. One of the most special people in my life is my

granddaughter, Lily. I inform the House that next year I will have two more grandchildren. So it is a great delight for me to speak about Grandparents Day. I am delighted that my children are starting their own families.

My wife has demonstrated the great role played by grandparents. She has given up lots of time to look after our grandchildren. I urge people to get involved in Grandparents Day. I note that in the last sitting week the member for Londonderry referred to a function held at Wollemi College in her electorate, where she was in awe of the celebration of Grandparents Day. Grandparents were invited to the school to participate in the lives of their grandchildren who are students there. They are exactly the functions that Grandparents Day is all about: inviting grandparents to attend schools and events not only connects grandparents with their grandchildren in their everyday lives but also recognises the role that grandparents play in the lives of their grandchildren. I was struck by a couple of testimonies on the Grandparents Day website, one of which is by Giuseppe Comisso, who concluded his reflection on Grandparents Day by stating:

My heart fills with love and pride every time I see all of my grandchildren together, so the perfect Grandparents Day for me involves everyone being together regardless of where we are or what we are doing. The actual location and the activities fall by the side and are irrelevant as they can only be enjoyed through togetherness. In any case if I had to pick a particular activity I would probably say that the perfect Grandparents Day would be a barbeque at grandparents' house. The perfect day would be filled with love, play, laughter and happiness as this is what Grandparents Day is all about.

**Mr NICK LALICH** (Cabramatta) [10.20 p.m.], by leave: My contribution to this discussion will be brief. Grandparents Day is a great day, especially for people who have reached parenthood and grandparenthood. I have three grandchildren. Like all grandparents, I love them to pieces. I will look after them at a minute's notice. When my children phone and say, "Can you look after them?", like all grandparents I do not hesitate to make sure they are cared for. I must say I spend a lot of money on my grandchildren, which gets me into trouble. I receive a lot of complaints from my son-in-law and my daughter about spending so much money on my grandchildren. As some members know, my family has a refugee background and my Dad had no money to spend on us. We did not expect anything. I did not receive Christmas presents. I was lucky if I got two shillings from my Dad, two shillings from my older brother and maybe a shilling from my Mum in the days of pounds, shillings and pence. I do not mind spending money on my grandchildren and I will take all the flak that my son-in-law and daughter give me.

I congratulate Club Marconi on holding a celebration for Nonnos Day over the past eight years. Joe Comisso is President of the Nonnos Day committee at Club Marconi, where Grandparents Day originated. Joe lobbied the government of the day. I congratulate the Liberal Government on making Grandparents Day an official State-recognised event and express my sincere thanks. The men's shed was mentioned previously as a place where many grandparents make toys and gifts for grandchildren. All my local men's shed members are grandparents. They are great men and great members of our community who do a lot of good work. I congratulate all those involved in men's sheds throughout New South Wales. I conclude by thanking all members who contributed to the discussion on Grandparents Day. My wish is that each person and each member of this House will one day become a grandparent. I assure everybody that looking after grandchildren is a joy. I cannot help but love each one of them to pieces. I spend on them every day and every penny I can.

**Mr RAY WILLIAMS** (Castle Hill—Parliamentary Secretary) [10.23 p.m.], in reply: When I said that this discussion would be members' finest contributions to debate I was not far from the mark. What lovely and heartfelt contributions have been made to this discussion by members in the Chamber. I thank the member for Campbelltown, the member for Cabramatta and my good friend the member for Epping for participating in the discussion. If this year's award for Grandparent of the Year—which will be announced next Sunday—has already been decided but not yet announced, a very special award should be given to the mother of the member for Epping, who is 93 years of age and has 43 grandchildren. I do not know

what is in the water supply at Epping, but the member's mother has made an enormous contribution to the population of not only the Epping electorate but also our country. I wish her all the best. It certainly was lovely to hear about the important role she has played and continues to play in the lives of her grandchildren and great-grandchildren.

The Grandparent of the Year Awards will be announced on Sunday 25 October 2015 at the Norton Street Festa in Leichhardt. There are three categories of awards: Grandparent Carer of the Year, for an outstanding grandparent who is also a full-time carer of their grandchild or grandchildren; Community Grandparent of the Year, for a grandparent who is actively engaged in volunteer work in their community; and Grand Friend of the Year, for an individual aged 50 years or more who has made a positive contribution to children's lives in a professional capacity. Nominees for the latter category do not need to be grandparents to be eligible for the award. Nominations opened in July and closed on Sunday 20 September 2015. Last year I had the great privilege of presenting many of those awards to wonderful people.

The original funding commitment to Council on the Ageing NSW, or COTA NSW, for New South Wales grandparents ends this year. As is appropriate in relation to the expenditure of public funds, Grandparents Day will be evaluated before any recommendation is made on the future direction of the program. The Council on the Ageing New South Wales was given funding of \$1 million over four years, from 2011 to 2014-15, to coordinate NSW Grandparents Day activities. The project operates on a budget of \$250,000 a year and has been a good investment for the Government in raising awareness and creating opportunities to promote, recognise and celebrate the contributions made by grandparents.

I stated at the outset that this discussion would be one of the finest contributions made by members of this House. Elderly people continue to play a positive role and we should look to them in the future, not only because of the role they play with grandchildren but also because we should value them for the contribution they have made to society as well as the role they play by mentoring young people. When grandparents lend a sympathetic ear they seem to have a knack of connecting with young people that parents sometimes do not seem to have, especially when children reach their teenage years. Certainly we see grandchildren light up when they are in the company of their grandparents. The mentoring role of grandparents should be explored in the future. Having said that, we dips our lids to all grandparents and offer our congratulations as well as our thanks for the contributions they make to our society.

**Discussion concluded.**

**The House adjourned, pursuant to standing and sessional orders, at 10.26 p.m. until  
Wednesday 21 October 2015 at 10.00 a.m.**

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