



New South Wales

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PARLIAMENTARY DEBATES (HANSARD)

**Fifty-Sixth Parliament
First Session**

Tuesday, 10 May 2016

Authorised by the Parliament of New South Wales

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LEGISLATIVE ASSEMBLY

Tuesday, 10 May 2016

The SPEAKER (The Hon. Shelley Elizabeth Hancock) took the chair at 12:00.

The SPEAKER read the prayer and acknowledgement of country.

Visitors

VISITORS

The SPEAKER: I welcome our guests in the gallery this afternoon from the Chaldean League of Australia, guests of the member for Fairfield.

Private Members' Statements

REFUGEE RESETTLEMENT

Mr JONATHAN O'DEA (Davidson) (12:12): With more than four million people registered as United Nations High Commissioner for Refugees [UNHCR] refugees, the Syrian civil war has escalated into a major humanitarian crisis that will partly define this decade. In response to the great need for refugee resettlement, on 9 September 2015 the Australian Government announced that another 12,000 humanitarian program places would be opened in addition to the existing humanitarian program intake of 13,750 people. Of these 12,000 people, New South Wales has begun to receive what will total approximately 6,000 refugees over a 20-month period. These women, children and families primarily come from Lebanon, Jordan and Turkey, nations neighbouring Syria that lack the infrastructure to support the millions of Syrians in search of refuge. The refugees represent some of the most vulnerable civilian victims of the Syrian conflict who are unlikely ever to be able to return home safely.

In my former role as chair of the Public Accounts Committee [PAC], I oversaw a report that examined the Auditor-General's performance audits from April to August 2012, which included examination of services for humanitarian entrants. The New South Wales Government supported various PAC recommendations and it is pleasing to see progress in this area since then—for example, the appointment of the former head of the Australian Public Service Peter Shergold, AC, as the NSW Coordinator-General for Refugee Resettlement. Professor Shergold is playing an important role in coordinating State service providers as well as coordination with other levels of government. In March, one of the first families to be resettled in New South Wales, the Kaky family, was welcomed by Premier Mike Baird, Federal Minister for Social Services, Christian Porter, and Peter Shergold. I commend the spirit of the warm greeting from Premier Baird, who noted:

There's no point having the strongest economy in the nation if we don't care for society's most vulnerable, both within and beyond our borders... But our obligation to help those in need doesn't end at the state border. I'm proud of the generous spirit that I see in people right across this state. I'm proud that we can welcome refugees who are in desperate need of a fresh start. And I'm proud that Iptesam, Ayad, Mark and Rita can now call NSW home.

In addition to vital resettlement assistance administered by the Department of Social Services and organisations such as the Refugee Council of Australia, it is pleasing to see many individuals and communities actively showing compassion for these vulnerable people. The Premier has also shown support for a grassroots campaign in his electorate of Manly, the Refugee Initiative Northern Beaches Churches. Led largely by Reverend Michael Aitken of St Stephen's Anglican Church in Belrose, in my electorate, Anglican, Catholic, Baptist and Pentecostal churches have collaborated to offer new refugees resettling into the Dee Why-to-Forest area assistance such as affordable housing and opportunities to work and learn about Australian culture.

Also locally, I note that Ku-ring-gai Council is a proud Refugee Welcome Zone, having made a public commitment to welcoming refugees, upholding their human rights, demonstrating compassion, and enhancing cultural and religious diversity in the community. In that spirit, the council has partnered with the Rotary Club of Wahroonga, Lifeline Harbour to Hawkesbury, KYDS Youth Development Service and the Community Migrant Resource Centre to launch the Ku-ring-gai Refugee Welcome Pack Appeal. Compiled by countless individuals from schools, churches, Scouts, Guides, sports clubs and businesses, these refugee welcome packs reflect a warm embrace and deep concern from relevant local community members for their new neighbours. The welcome packs contain a range of useful gifts for children and adults, providing for basic needs like clothing and hygiene. They also feature toys and games that encourage children to play, and items to help them adjust to school such as colouring books, pencils, lunch boxes and English flash cards.

School students have been encouraged to write letters to recipients of the welcome packs and many have taken on the challenge. After viewing videos about the plight of refugees in class, students from Roseville College responded with overflowing kindness, personally buying the items needed to make nearly 100 customised school packs for children of refugee families who have often experienced terrible trauma and loss of livelihood. The welcome packs may seem like a small gesture in the grand scheme of things, but it is often the small acts of kindness by individuals that paint the portrait of a great State. In her appeal to the community, Ku-ring-gai Mayor Cheryl Szatow commented:

I feel sure that we can come together to support those refugees who will need our assistance in making Australia their new home.

I thank and commend all those involved with the Ku-ring-gai Refugee Welcome Pack Appeal for enacting the compassion reflective of this Christian ethos:

It is more blessed to give than to receive.

In considering the magnitude of the Syrian conflict and the sizeable task of resettling Syrian refugees in New South Wales, I reflect on the wisdom of American historian and civil rights activist, the late Howard Zinn. He penned in his autobiography, *You Can't Be Neutral on a Moving Train*, that:

Human history is a history not only of cruelty, but also of compassion, sacrifice, courage and kindness. What we choose to emphasise in this complex history will determine our lives.

We should emphasise moral courage and compassion in the way we interact with and support the refugees amongst us.

CHALDEAN LEAGUE OF AUSTRALIA

Mr GUY ZANGARI (Fairfield) (12:17): It is a great honour for me today to commend the amazing work of the Chaldean League of Australia and to recognise its outstanding commitment to the Chaldean people not only in Australia but also throughout the world. I would like to take a brief moment to acknowledge the members from the Chaldean League, who are with us in the Chamber today: Samir Yousif, the president; Rouwell Shammas, the vice president; Jimmy Naamo, the office manager; Salah Kina, the secretary; directors Younan Yousif, Marwan Yousif and Welson Hajo; Kamal Yousif; and Sali Toma.

The Chaldean League of Australia was formed in 2015 under the auspices of the Patriarch of the Chaldean Church. The Chaldean League acts as a peak coordinating body for all Chaldean community organisations not only in Australia but also around the world. Its dedication and commitment to aiding and supporting members of its community are second to none. I have had the great opportunity to work with many of these fine gentlemen and women in the local Fairfield community for a number of years now and I had the pleasure of hosting members of the league in my office not all that long ago. I was also welcomed by the Chaldean League to its new office in Barbara Street, Fairfield, where we discussed the current state of Chaldeans in Iraq and how the Chaldean League is getting involved to support its brethren overseas.

What the Chaldean League stands for is an amazing opportunity for Chaldeans everywhere to unite under the one organisation. It gives them the opportunity to stand together and to speak with one voice to make the world aware of what is happening to their people. It gives the Chaldean community an avenue to support the fight against the plight their Chaldean brothers and sisters are facing in Iraq. The Chaldean people in Iraq are being driven from their traditional lands and are being subjected to persecution at the hands of ISIS, a modern day genocide. The atrocities committed against the Chaldeans and other minority groups throughout the region are truly unspeakable. Families are fleeing their homeland and being forced out by this terrorist organisation. It seems that the Iraqi Government is not acting in the interests of Chaldeans, Assyrians, Mandaean or Yazidis and Druze who are being subjected to acts of violence.

As the peak body, the Chaldean League is working with all its sister organisations to look after and support the influx of refugees and newly arrived migrants to Australia who have fled persecution and terror in their homelands. I commend not only the Chaldean League but also the well-established Chaldean organisations that stand united to ensure the transition of their people into life in their new homeland of Australia is warm, opening and embracing. The Chaldean League has a vision to work with all tiers of government in Australia to ensure that the plight of the Chaldean people is brought to the attention of the aforementioned representatives. I am honoured to have been appointed as an ambassador of the Chaldean League of Australia, as were many of my parliamentary colleagues, in September last year.

We were appointed as ambassadors when we attended the celebration of the formation of the Chaldean League of Australia in Bonnyrigg which had an amazing turnout of approximately 500 members. We were also blessed to have met with Archbishop Nona on the evening, as well as a number of distinguished guests from around the world, and local religious leaders. I am so proud of these great gentlemen sitting in the gallery today. I am proud of what they stand for, what they represent and their commitment to bettering the lives of people in

their community. That is why I consider it an honour and a privilege to have invited them here today and to put on the record that I commend and congratulate the Chaldean League of Australia on its commitment to the Chaldean community both in Australia and abroad.

WAMBELONG FIRE

Mr KEVIN HUMPHRIES (Barwon) (12:21): I refer to the Wambelong fire that occurred on 12 and 13 January around the Coonabarabran district and the Warrumbungle National Park. On that day Bureau of Meteorology fire information, according to the continuous Haines index which measures atmospheric instability, was extreme. On those days there were temperatures of more than 40 degrees and winds from the north to north-west of 20 to 30 kilometres per hour. The resulting fire damaged hundreds of thousands of acres of national park, destroyed private property, and destroyed 52 houses and numerous stock.

The Government's response, which covers both the upper House and the coronial inquiries into the Wambelong fire, is that further investigation is required. It is apparent from initial information available to the National Parks and Wildlife Service [NPWS] that it was well aware of the seriousness of the weather conditions and the potential for a fire outbreak. We know from the NPWS response, the inquiries and the statements that have been made today, that one ranger was on duty when the duty roster called for at least 12. The NPWS did not comply with duty roster guidelines for extreme weather conditions, the regional manager did not consider suspending flexible leave and adjusting rosters to ensure maximum staffing levels, and it did not conduct a sufficient number of park patrols.

One ranger on patrol was absent from the park during the hottest part of the day and the only ranger on duty was 35 kilometres away from the park when the fire started. A NPWS ranger did not discover the fire. Not a single off-duty highly trained, competent and experienced ranger heard alarm bells ringing or expressed any concern about the understaffing of the park at a time when the fire danger rating was extreme. The NPWS did not have water in its firefighting tanker, it did not strategically place any firefighting equipment and it did not give consideration to deploying staff to strategic locations to enable a rapid fire response.

With the fire rating at extreme, NPWS staff did not staff a single fire tower or observation point and no other ground-based detection measures were implemented. The NPWS did not provide a level of preparedness for bushfire suppression that was appropriate to mount a sufficient initial attack capability, given the existing and forecasted fire danger. The one and only ranger who was on duty on the day that the fire ignited spent half the day away from the park. Rangers did not follow the NPWS fire management manual guidelines or the northern plains regional incident procedures manual regarding fire preparedness.

The Warrumbungle National Park area manager and regional fire management specialist allegedly had a poor relationship with other staff in the area and the regional fire management specialist was not consulted about the fire. It took 1½ hours from the time the fire was discovered for the first NPWS tanker to travel three kilometres along a fully sealed road to get to the scene. Staff did not initiate arrangements for rapid response of heavy plant and/or aircraft and they did not warn a single property owner adjoining the park, of which there were 41, that a fire had broken out, as they were required to do under their management guidelines. They did not adequately notify the public that the park was closed. NPWS staff did not prevent members of the public from walking around the park and did not remove members of the public who were found in the park at the time. The NPWS also did not conduct sufficient hazard reduction procedures to protect the park.

The coronial inquiry and the upper House inquiry were not about establishing liability for the fire but I want to comment on the unbelievable efforts that were made by a number of people during and after the fire. I raise this matter because to date the Government has not acknowledged the claims of the Coonabarabran Property Alliance that in the lead-up to this fire the NPWS was negligent in its duties and is liable for the outbreak, the resulting loss of property and damage to stock, and for ruining people's livelihoods. As the number of our national parks is constantly growing the NPWS must be a good neighbour, lift its game and prepare for and suppress any fires that occur. There is still a lot more work to be done.

HOME BUSH BAY BRIDGE

Mr JOHN SIDOTI (Drummoyne) (12:26): It is with pleasure that I inform the House of the official opening in a few weeks time of Homebush Bay Bridge—it is not just any bridge but a remarkable piece of infrastructure. This special housing project was fully funded by the construction industry thanks to a value uplift scheme approved by the New South Wales Government. The \$60 million 330 metre bridge, which will link Rhodes with Wentworth Point and be completely funded by Wentworth Point developers, is thought to be a first for a project this size anywhere in Australia.

The many benefits that will flow from the construction of this bridge will be shared by the residents of Rhodes and Wentworth Point. In fact this Government is also a beneficiary. Ausgrid will also benefit. Currently

the main electricity grid runs under the bay via a series of ageing cables that require replacement. The construction of the submarine tunnels and replacement of the cables was estimated to cost \$25 million. The bridge will be a designated high tension feeder route for these conduits and will represent a saving of \$25 million for the New South Wales Government. It will also provide environmentally sustainable transport and service infrastructure for pedestrians, cyclists, buses and emergency vehicles, and it should be noted that no cars will be allowed. It will not be open to private vehicles which is another first for Sydney.

The concrete bridge has two bus lanes and a shared pedestrian walkway and cycleway. There is also provision for light rail. Its objective is to promote use of public transport connectivity and the healthy options of walking or cycling. What have people had to say about this bridge? They said, "The bridge quietly changes everything. Without it we have two isolated peninsula communities and with it they will become much more than communities that stand alone." They also said that the bridge was the missing link in Sydney's network of urban cycleways and one person said it would have a broader impact and encourage a pedestrian culture, which is all good news for a great project in my electorate.

The Wentworth Point Landowners Alliance, which paid for the bridge, includes the Billbergia Group, which initiated the project, brokered the alliance and contributed 60 per cent of the funding; Sekisui House, which contributed 20 per cent of the funding; and Homebush Bay Properties and Homebush Bay Holdings, which contributed the balance. The alliance entered into a voluntary planning agreement with the New South Wales Government and in return was able to secure permission for an additional 1,300 apartments across the 25-hectare site. This in turn will pay for the bridge.

The New South Wales Government insisted that the bridge carry buses in addition to pedestrians and cyclists. It was also agreed that upon completion ownership of the bridge would be transferred to the New South Wales Government through Roads and Maritime Services. The 12-metre wide bridge will reduce the distance from Rhodes railway station for residents of Wentworth Point from eight kilometres to 500 metres. It will create better access to retail centres on the Rhodes peninsula and in turn residents of Rhodes will enjoy better access to the new Wentworth Point Primary School, Sydney Olympic Park ferry wharf and other waterfront amenities planned for Wentworth Point.

Being totally different from normal past procedure, the project was challenging from a bureaucratic point of view but innovative in every facet. I think future governments, particularly local governments, will rely heavily on this model to provide infrastructure in different and innovative ways. This project is a win-win for my electorate. It makes good sense to provide the facilities that should have been but were not planned for in the initial stages of an area's development. As new areas become built up over time it becomes more and more difficult to provide needed services. I congratulate all those who worked on this project. I know it was tricky because it involved a new way of doing things but overall this piece of infrastructure will be of great benefit to my community, the adjoining community of Wentworth Point and those across the inner west.

MAITLAND HOSPITAL

Ms JENNY AITCHISON (Maitland) (12:31): For five years my electorate has been promised a new hospital. Even though the former member for Maitland was a Minister during the first term of this Government, we still got no further on the matter. In the fifty-fourth Parliament—Labor's last term in office—a \$10 million upgrade to the Maitland Hospital emergency department was undertaken. That funding delivered 13 new treatment spaces, 12 new beds, and 300 jobs during the construction phase. It was an important project for our community, which has been experiencing high unemployment in the past year.

The Baird Government has done nothing for the health sector in Maitland for more than five years. Members opposite have sat on their hands. All we have is a \$6 million sign on Metford Road and more money spent on planning. It has been nearly six years, yet no time frame has been provided for the commencement of building works. In the past five years code reds have been applied to Maitland due to the lack of health funding in our community. Today the *Newcastle Herald* has reported that people are now waiting up to three years for a first appointment with their specialist. The paper says it has been told by a specialist at Maitland that specialists will take on only two public patients per year—just two.

According to the *Newcastle Herald*, staff at the John Hunter Hospital ear, nose and throat outpatient clinic told a patient recently that they were not accepting new referrals, except for urgent cases. The 74-year-old patient agreed to see a private specialist but, despite being willing and able to pay for treatment, the patient was told that the doctor does not accept anyone who is not privately insured. It is an absolute disgrace. The patient was told to try to get an appointment on the Central Coast or in Sydney.

The patient was also advised that the outpatient clinic is not accepting adult referrals and that there was a three-year wait for children to see ear, nose and throat specialists. For children who are at critical points in their

education that is an abomination. According to the paper, one Hunter specialist who did not wish to be named, said the wait lists were abhorrent. The paper was told, "We seem to be chasing our tails to get wait list reductions, and most of the KPIs apply only to surgical wait times. If you are a kid not hearing and falling behind at school, that's a real societal problem that we need to address."

The former member for Maitland and the Department of Health promised that the new hospital at Maitland would be a "John Hunter-sized" tertiary hospital. If such a hospital had been built it would be taking the stress off waiting lists at our health facilities. Instead of a major tertiary public hospital in addition to the existing public hospital—which the Government wants to close—we are left with unseen and unformulated plans for a rural referral public-private partnership hospital with a helipad. The helipad will be needed to take complex cases to other hospitals. With the current waiting lists at John Hunter, it is unlikely those patients will be able to go there.

I will now outline some of the current waiting times at John Hunter Hospital and the increases over the past year. In 2014 there were 242 people waiting for ear, nose and throat general appointments. That has blown out to 401, which is an increase of 66 per cent. For ear, nose and throat tonsillectomies 67 people were waiting in 2014. That figure has risen to 122, which is a blowout of 82 per cent. In 2014 some 166 people were waiting for hip replacements. Now 243 people are on the waiting list, which is an increase of 46 per cent. The number of people waiting for a knee replacement has increased from 232 in 2014 to 274, which is an increase of 18 per cent.

The overall total number of patients waiting for an ear, nose and throat specialist appointment is about 4,600, including approximately 1,500 children. That is 1,500 children who are not getting enough sleep, are likely to be taking time off school due to illnesses and may be having problems with their academic progress. The ear, nose and throat unit is dealing with only 60 referrals per week. That is appalling. The Government needs to take action to reduce waiting times for health services in our community.

The best thing the Government can do is what the Minister for Health promised to do back in 2014, with the then member for Maitland standing beside her. I believe the Minister has not attended my electorate since that time, certainly not since I have been the local member. Government members must do more than make promises. They must deliver the hospital they originally said they would build and not offer up some half-baked, half-sized excuse for a hospital that has no construction time frames and is only a fantasy.

COWRA GOVERNOR VISIT

Ms KATRINA HODGKINSON (Cootamundra) (12:36): Last week I was delighted to host a visit to Cowra by His Excellency General the Hon. David Hurley AC, DSC, (Ret'd) and Mrs Linda Hurley. Our full program of events over 2 and 3 May provided Cowra district locals with excellent opportunities to meet His Excellency and Mrs Hurley. On the morning of Monday 2 May His Excellency officially opened the Country Women's Association ninety-fourth annual State conference. With more than 650 delegates in attendance, the event was so big that it had to be held at the showground. The association's members really did do a wonderful job.

Following the official opening of the conference, His Excellency joined several eminent citizens and the mayor for a luncheon, which I was pleased to be able to attend. After lunch we visited Brumby Aircraft Australia at Cowra Airport, which is an excellent small business that constructs small aeroplanes and is looking to expand. After that His Excellency laid a wreath at the Cowra Japanese and Australian war cemetery and had afternoon tea at the Japanese Garden and Cultural Centre with Japanese ambassador His Excellency Mr Kusaka, Mrs Kusaka and others.

The following day was kicked off with a morning visit to the Lachlan Valley Learning Community Group of Schools at Cowra High School where a concert, attended by 650 students, was held. Local elder Aunty Robyn Coffey gave the welcome to country. The concert included performances by students from the Cowra Public School choir; the Holmwood Public School Marimba group, who did a great job; the Cowra High School and Mulyan Public School combined Aboriginal dance group; the Cowra High School senior dance ensemble, which is made up of a wonderful group of ballerinas as well as Wiradjuri dancers; the Cowra High School senior pianist and the Cowra High School year 10 drama class.

Charles Gauci, the principal of Cowra High School, welcomed His Excellency the Governor and Mrs Hurley. It was great to have staff and students from Cowra High School, Cowra Public School, Mulyan Public School, Canowindra High School, Canowindra Public School, Holmwood Public School, Koorawatha Public School, Woodstock Public School and Wyangala Dam Public School there to meet them. Cowra High School senior leaders and school captains Toby Baker and Alana Ryan were wonderful hosts.

The following people were presented to the Governor: Bradley Tom, principal, Cowra Public School; Mac Webster, school captain, Cowra Public School; Cailin McKay, school captain, Cowra Public School; Robert Webster, president, Cowra Public School parents and citizens association; Neryle Smurthwaite, principal,

Canowindra High School; Kellie Price, school captain, Canowindra High School; Matthew Harrison, school captain, Canowindra High School; Catherine Briggs, principal, Koorawatha Public School; Kylie Bright, principal, Holman Public School; John Smith, principal, Mulyan Public School; Sharon Hawker, principal, Canowindra Public School; Hayley Watson, school captain, Canowindra Public School; and Dustin Smith, school vice-captain, Canowindra Public School.

Also presented to the Governor were: Jennifer Lewis, principal, Holmwood Public School; Karen Beaumont, president of the Holmwood Public School parents and citizens association; Taylah Boatwood, school leader, Holmwood Public School; Lily Lawler, school leader, Holmwood Public School; Vanessa Williams, principal, Woodstock Public School; Gregory Pomeroy, principal, Wyangala Dam Public School; Blake Cooper, student leader, Wyangala Dam Public School; Zack Egan, student leader, Wyangala Dam Public School; Mack Ingram, student leader, Wyangala Dam Public School; Darren Smith, president of Wyangala Dam Public School parents and citizens association; and Beatrice Murray, president, Aboriginal Education Consultative Group. Beatrice is a wonderful Indigenous woman who teaches kindergarten classes at Mulyan Public School. She does a great job. Auntie Robyn Coffey, a Wiradjuri elder and vice president of the Aboriginal Education Consultative Group, was also presented to the Governor.

It was a wonderful day. Following the School Extravaganza at Cowra High School, we visited the Cowra Information and Neighbourhood Centre. His Excellency is very interested in justice reinvestment, and we had a meeting with Indigenous elders and others at the centre. We went on to meet Farmer of the Year Ed Fagan at his farm and also visited the Cowra Agricultural Research and Advisory Station. I thank His Excellency and Mrs Hurley for undertaking a most productive visit to Cowra.

Mr JONATHAN O'DEA (Davidson) (12:41): I commend the member for Cootamundra for bringing to the attention of the House the visit to Cowra undertaken by His Excellency General the Hon. David Hurley and Mrs Hurley. They regularly travel around regional New South Wales; in fact, they make a point of doing so. The nature of the visit and the extremely busy schedule demonstrates not only the efforts of the hardworking local member but also the hard work done by our Governor. We are privileged to have him as this State's Governor. The Cowra region has many attractions, particularly tourist attractions, which are a special interest of mine. It was great to hear about some of the educational and Indigenous attractions in the area. I commend the member for Cootamundra's private member's statement.

WESTCONNEX

Ms JENNY LEONG (Newtown) (12:42): Last Friday I hosted the People's WestConnex Inquiry in a packed Jubilee Room. The 100-odd participants who attended the four sessions heard presentations from 20 expert speakers, community representatives and councils, as well as multiple testimonies from affected members of the community who took the opportunity to put their views against WestConnex on the public record. The purpose of the people's inquiry was to highlight the lack of transparency, good governance and community consultation surrounding the \$16.8 billion WestConnex toll road. This inquiry exposed many of the extremely problematic impacts that the project will have.

As we heard testimonies from health professionals, council transport planners, academics, residents, community campaigners and members of Parliament, we were informed that the Sydney Motorway Corporation and the New South Wales Government were bulldozing heritage homes in Haberfield and cutting a swathe through land adjacent to Parramatta Road. Residents whose homes back onto the construction site were informed of the work by a generic flyer in their letterboxes the week before. Other residents who were forced from their homes of many decades were left crying as their beautiful houses were destroyed and because their lives had to be rebuilt somewhere else. This story is repeated along the route of this proposed polluting private toll road. It is devastating.

Apart from the disastrous environmental and economic issues being caused by the WestConnex project, we must recognise that communities are hurting and neighbourhoods are being destroyed at the hands of the Baird Government. Proper planning processes and independent oversight have been absent, and the Premier, the Treasurer, the Minister for Planning, the Minister for Health, the Minister for the Environment and others have failed to acknowledge the glaring problems that the motorway will cause. They are leaving it to the Minister for Roads, Maritime and Freight to deliver the project. Serious questions were raised at the people's inquiry about budget blowouts, incorrect modelling and assumptions, failure to address the concerns raised in the environmental impact statement, and the failure to comply with conditions of consent. Questions were also asked about the financial viability of the project and the corrupt and questionable behaviour of the corporations involved, including Leightons and AECOM.

The updated strategic business case has been signed off with only a P50 rating, which is ludicrous for a project of this size. The claimed cost-benefit ratio has been thoroughly demolished by transport planners and transport academics, and it is clear that it simply does not add up. It will be the residents of New South Wales

who will pay for this sham project for many decades to come. While this people's inquiry was an important event, it is crucial that an independent inquiry into WestConnex now be undertaken. The links between the New South Wales Government and big construction companies—some whose corrupt business processes have now been revealed—must be investigated and exposed.

This is not an issue that affects only New South Wales. It is important to remember that Federal funding is propping up this polluting WestConnex disaster. The recent Federal budget has seen the supposedly public transport-loving Prime Minister's Government set aside another \$300 million for WestConnex, which is in addition to the \$1.15 billion already gifted to the project. Additionally, the generous \$2 billion Federal concessional loan has yet to be drawn down. This makes the Federal Government complicit in the disaster that is WestConnex. The Greens oppose WestConnex in any form and any Federal funds being spent on the project.

While we know that Liberal governments at both the State and Federal levels support this project, what is less clear is the Labor Party's position on WestConnex. This is a Federal issue because both State and Federal money is being spent on the project. Construction must cease and no further contracts should be signed until an independent inquiry is undertaken. Until such an inquiry is undertaken or the Federal Auditor-General examines the project, it is crucial that funds and loans transfers be suspended. People's homes are being acquired and demolished, communities are being destroyed and our green spaces, environment and air quality are being put at risk.

WestConnex is not about finding a solution to Sydney's traffic congestion; it is about the transfer of public money to private development and construction companies. Given the blind determination of the New South Wales Baird Government to proceed at any cost to the community with this polluting WestConnex tollway, our best chance of stopping the project is to stop the flow of Federal funding. The Greens stand with the community in making this call. Like the community, we hope that the Labor Party will recognise the error of its ways—the former Federal Minister for Infrastructure and Transport, Anthony Albanese, committed Federal funds to WestConnex—and join with the community in opposing the allocation of any further Federal funding to this project until a public inquiry is conducted and an Auditor-General's report is provided.

SUTHERLAND SHIRE HISTORICAL SOCIETY

Mr MARK SPEAKMAN (Cronulla—Minister for the Environment, Minister for Heritage, and Assistant Minister for Planning) (12:47): The Sutherland shire, as the site where Europeans first encountered the Indigenous Australians on the East Coast, has a special place in our nation's story. It is a community with a unique and diverse history that spans the time from the custodianship of the Dharawal nation—a period that remains literally etched into the natural landscape—through to European settlement, and the rapidly changing profile of the community over the past century.

The Sutherland Shire Historical Society, which this year celebrates 50 years since its formation in 1966, is dedicated to discovering, collecting, and preserving all aspects of that history. I was pleased to have the opportunity last month to join members of the Sutherland Shire Historical Society to commemorate its golden anniversary, and to mark the occasion with the launch of a new book by Elizabeth Craig, *Caretakers of our Past: the first fifty years of Sutherland Shire Historical Society, 1966-2016*.

Elizabeth's book explores the people and events that led to the society's formation, the efforts of volunteers to adapt to a rapidly evolving digital environment and changing methods of historical inquiry, and the factors that have contributed to the organisation's success, where similar local history and heritage groups have failed. Elizabeth grew up in Perth and moved to the shire in 1977. After a long career in editing, initially writing for *Southside Home and Lifestyle* and later for *Reader's Digest Magazine*, she began to pursue her interest in oral history and around that time joined the Sutherland Shire Historical Society.

There is a great deal of enthusiasm for discovering and recording the Sutherland shire's rich history, and it is the dedication of people like Elizabeth that has underpinned the society's longevity. Reflecting on our past—whether it is our own experiences, our family history, the story of our local community, or indeed the broader national and global historical narratives—illuminates and enriches the present. That is why it is so important that we have groups like the Sutherland Shire Historical Society to collect and preserve cultural heritage materials in the local community.

In 2014 the society's president, Bruce Watt, published his fantastic book, *The Shire: a journey through time*. Bruce's book brilliantly captures the extensive tapestry of stories that constitute the shire's history. Examples given include the young Hawaiian actor and surfer Duke Kahanamoku, who brought surfing to Cronulla beaches over 100 years ago; and Cocky Bennett, the lemon-crested cockatoo, reputedly the oldest living bird, who spent some of its 116 years at the Sea Breeze hotel on the northern side of Tom Uglys Point. Cocky Bennett still lives on, albeit in taxidermic form. Further examples are the iconic "Surf Queen" of 1927, Phyllis Stroud, who won her

title after much sartorial controversy involving a non-conforming bathing suit; and Donald Mackay, a Port Hacking resident known as the last Australian explorer and one of the shire's truly great residents.

Mackay surveyed central Australia, which was then unexplored by Europeans, and in 1930 conducted the first aerial survey in Australia. His aerial expeditions added some 40,000 square miles of detail to maps of the country's inland. As I have mentioned, the shire also has a magnificent Indigenous history, which Bruce explores in detail in his book. I congratulate past and present members of the Sutherland Shire Historical Society on their significant milestone of 50 years. Their dedication to our shared history will continue to enhance the recognition and appreciation of heritage in New South Wales.

ST MARYS RSL SUB-BRANCH ANZAC DAY SERVICES

Ms PRUE CAR (Londonderry) (12:51): Today I pay tribute to the St Marys RSL Sub-Branch for another year of very moving Anzac Day services. As the member for the electorate of Londonderry, which includes the area of St Marys, it was an honour to attend the Sunday 17 April march and the dawn service. Thousands of residents attended the dawn service to pay their respects and acknowledge the sacrifices of our service men and women. I take this opportunity to acknowledge the number of school children who attended the service. Gallipoli marks the birthplace of the timeless Australian values of mateship and courage that have helped to forge our national identity. Last year, 100 years on, we showed that those values are well and truly embedded in who we are as a nation when we stood in silence to recognise the sacrifice that Australians made when they landed on the shores of Gallipoli.

The commitment of communities across Australia to upholding the spirit of the Anzacs is inspiring—from educating our youth through scholarship programs to supporting our veterans and commemorating those who died for their country through memorials and local exhibitions. It is essential that we continue to uphold the values of the Anzacs and that we ensure those values continue to inspire from one generation to the next. The challenge we face is to ensure that the heroic stories of the Anzacs that have lasted a century are never forgotten. Our nation is defined by the strength that the Anzacs displayed more than 100 years ago. Their willingness to sacrifice so that future generations could forge their paths from the opportunities this country has to offer must continue to be remembered. From Gallipoli, the Somme, Passchendaele and Bullecourt, these men and women knew that they may not return home but made the important sacrifice.

As I said earlier, thousands of members of the St Marys community joined in this year to remember and commemorate Anzac Day. An estimated 11,000 people participated in the dawn service at Penrith and St Marys, including more than 5,000 at the service at St Marys RSL Club, which I attended. I thank everyone who contributed to that successful morning. The St Marys area has a profound connection to the Anzac spirit. Last year the St Marys RSL Sub-Branch undertook an amazing project to commemorate service personnel from the St Marys area who served in World War 1. This project was undertaken with the help of primary and high schools within the old St Marys council area. It involved students undertaking research into service men and women from the St Marys district who served in World War 1. The St Marys RSL Sub-Branch put their research findings into a book called, *St Marys Served Australia in World War 1*. In particular, I thank Tony Fryer, Secretary, St Marys RSL Sub-Branch, for lending me the book and for meeting with me to discuss this speech.

A big well done goes to the team who assisted in putting this book together: Tony Fryer, Ron Blakely, David Cuff, George Perrin, Ron Kelly, John Foeken, Terry Burn, Garry and Lesley Ayres, and Steve Tolsher. The contribution of the St Marys and District Historical Society and the Penrith City Library in putting this project together and assisting in this research must also be recognised. I am informed that the names of the service men and women provided to the students came from the archives of the St Marys and District Historical Society. A big thankyou goes to St Marys legend Norma Thorburn and her team for their help. I again thank everyone who participated in this year's Anzac Day Services at St Marys. I also thank our men and women who are currently serving in the Armed Forces. Finally, to those who have paid the ultimate sacrifice I say we will remember you. Lest we forget.

LOCAL SPORT GRANT PROGRAM

Ms JILLIAN SKINNER (North Shore—Minister for Health) (12:55): Today I draw the attention of the House to the Local Sport Grant Program, which is run by Sport and Recreation, within the Office of Sport, and assists the people in this State to participate in sport and active recreation. As members well know, sport and active recreation deliver many personal and community benefits. I am interested in the impact this has on the fitness and health of our population, particularly that of children. Indeed, one of this Government's priorities is to tackle childhood obesity. I am pleased to support this Local Sport Grant Program, which aims to increase regular and ongoing participation in sport or structured physical activity, to address barriers to participation in sport or structured physical activity, and to assist sport clubs to provide quality service to their members. There are four

project types within the program: sport club development, community sport events, sport access, and facility development and capital equipment.

It was with great pleasure that I recently contacted the successful grant recipients in my electorate. The Sydney Emeralds Synchronised Swimming Club was awarded \$2,000 for its coach accreditation and training program. The Middle Harbour Yacht Club was awarded \$2,000 to purchase kayaks for expansion of its water sports programs and \$16,000 to upgrade timber decking adjoining a new rigging deck. I have long supported this club with community grants. This club is well patronised and plays a very important role in a community that is almost addicted to water activities, which is no surprise given its location. The Middle Harbour Amateur Sailing Club was awarded \$5,000 to upgrade its kitchen. Mosman Croquet Club was awarded \$25,000 for the development of amenities and facilities. I have also long supported this club with community grants. This club, which is situated high up on a cliff side looking over Balmoral Beach, has many older members but always plays a leading role in activities at State and national levels. It does a great job in keeping older people in the community active.

This is really what these grants are about: encouraging people to be actively involved and to discover and enjoy the many personal benefits that come from being involved in sporting activities. They can not only help with self-esteem and maintaining health and fitness but also in the case of many clubs go on to nurture and help young people establish themselves as athletes and contribute to major sporting prowess later in life. Many of these sporting clubs—not these in particular but others in the electorate; I am thinking particularly of the rowers club—have gone on to train and develop people who have represented Australia at the Olympics and other international championships. I am very pleased that this grants program provides support for so many people at different levels—people involved in programs that will lead to elite athletic engagement and people who are there purely for their enjoyment. I thank the Department of Sport and Recreation and the Office of Sport for their wisdom in providing these grants to assist local communities.

Ms KATRINA HODGKINSON (Cootamundra) (13:00): I commend the Minister for Health, the member for North Shore, for her contribution this afternoon. Sports grants are very important. The Minister has obviously worked very hard to be successful in this latest round for clubs involved in activities such as synchronised swimming, which must be very beautiful; kayaking, which sounds very adventurous; rigging for a local club; the Middle Harbour Amateur Sailing Club's kitchen facilities; and the Mosman Croquet Club. As she rightly says, these are a variety of different sporting activities but they are suitable for all ages. That is very important if we are to maintain our health and fitness—something I know the Minister for Health takes very seriously, given her portfolio. These sports grants play a great role within the community. I certainly encourage their continuation and I thank the sports Minister for allocating all members of the lower House grants so that we can have better sporting facilities for our electorates.

CAMDEN HAVEN CYCLEWAY/PATHWAY PROJECTS

Ms LESLIE WILLIAMS (Port Macquarie—Minister for Early Childhood Education, Minister for Aboriginal Affairs, and Assistant Minister for Education) (13:01): I take this opportunity to update the House on two local community projects in the Camden Haven that are progressing very well thanks to some amazing volunteers. I first brought these projects to the attention of the House some 18 months ago when the Beach to Beach and Schools to Schools ventures were just ideas on a page. Today both shared cycleway/pathway projects are making real headway. To recap, Beach to Beach is working to establish a pathway from Pilot Beach at Dunbogan to North Haven Beach, which is a distance of around 11 kilometres. Likewise, Schools to Schools aims to link a pathway from Kendall Public School to Laurieton Public School, which is a distance of 13 kilometres. I am pleased to report that each of these projects has received State Government funding but there is still a long way to go until completion of the pathways.

The Schools to Schools project has to date completed 1.2 kilometres of pathway linking the Kendall Public School to the Kendall township, the Kew Country Club to the Kew township, and around one kilometre along Ocean Drive linking the Camden Haven High School to bus stops at Glen Haven and Brother Glen estates. This has been a significant achievement for the committees, which have worked extremely hard to greatly improve the safety of students who have to walk to and from school. I am pleased to say they are not resting on their laurels, with planning also approved for a further 3.5 kilometres connecting Kew and the Lakewood Village shopping centre. I am pleased that the Baird-Grant Government has approved a further \$180,000 funding for works along this route as part of some \$577,500 for pathways in the Port Macquarie electorate.

Similarly, the dedicated committee members and volunteers on the Beach to Beach project have worked tirelessly to complete around 1.5 kilometres of pathway along The Boulevard at Dunbogan, which follows the beautiful Camden Haven River. This pathway is used every day by local residents and tourists alike in what is one of the most picturesque locations on the Mid North Coast. On Mother's Day I took the opportunity to take a walk

along the pathway and inspect progress. I also stopped at the local boatshed for a coffee. I have nothing but admiration for the work that has been done in this area.

The Beach to Beach committee has identified four more pathway locations that it has prioritised as the next sections it will work on. They are: the boardwalk between Camden Haven Landscape Centre and the Dunbogan Boatshed, the path from the tip road to the landscaping supplies, from Dunbogan Reserve east towards Bell Street and from the Dunbogan Bridge to The Boulevard. These four critical sections will cost approximately \$713,000. In February roads Minister Duncan Gay from the other place again visited the Camden Haven specifically to meet with these two committees and inspect the progress of works that have been undertaken. To say that Minister Gay was impressed with what has been achieved to date is an understatement. He has been a great supporter of these projects and I look forward to continuing to report to him on the ongoing progress.

Whilst we are doing everything we can to help fund further works for both these committees, they are busy undertaking local fundraising efforts themselves. I commend all the committee members and the community at large for their support as they fundraise to continue the projects. The next major fundraising effort is the Beach to Beach Ball on 6 August at the Laurieton United Services Club. My staff and I will be attending the ball. We are putting a table together to make sure we can provide as much support as possible. Judging from the dedication of this committee, I have no doubt that it will be a huge success.

I congratulate both committees on the hard work they have done so far and on their initiative. I will continue to support them in whatever way I can, and I encourage the local community to do so as well. I also encourage funding support from the local council, the State Government and the Federal Government. These projects do not benefit just a small group of people; they benefit the whole community as well as visitors to the Camden Haven. As the local member I am enormously proud of everybody who has been involved for their dedication, their commitment, their perseverance and their initiative. I wish them all the very best as they progress both these projects in the months and years ahead.

Ms KATRINA HODGKINSON (Cootamundra) (13:06): I commend the member for Port Macquarie on her private member's statement this afternoon about two very interesting projects: the Beach to Beach pathway project from Dunbogan to Pilot Beach and the Schools to Schools pathway from Kendall to Laurieton. They sound like excellent community initiatives that will be very popular in what is a true tourist destination. I look forward to having a good excuse to visit Port Macquarie in the near future and personally inspect those projects. I thank the member for Port Macquarie for raising this important issue this afternoon.

HUNTER SCHOOL OF PERFORMING ARTS

Ms KATE WASHINGTON (Port Stephens) (13:06): I would like to share with the House the details of a remarkable scene that I was privileged to witness recently. The setting was a school in Beijing, China, called Beijing Wangjing Experimental School. We were in the playground surrounded by looming sky rise apartment buildings. In the playground were two marching bands, complete with their instruments, including bass drums, glockenspiels, sousaphones and saxophones. One of the bands performed its routine complete with a wonderful drum line and a colour guard bearing flags and metallic pompoms—the Beijing Wangjing Experimental School's marching band.

The second marching band then formed up alongside the first school's marching band. The leader or drum major of each band stood at the front. Together, both bands began to play the Chinese national anthem. What is so remarkable about this scene is that the second band was from Australia—80 school students from the Hunter School of Performing Arts in Newcastle. Onlookers were silenced, the school students were thrilled and security guards stood filming the moment on their phones. The students in the bands had never laid eyes on each other before and yet they performed in extraordinary unison. This was one of many amazing moments of cultural exchange that occurred during the Hunter School of Performing Arts [HSPA] marching show band's tour of Hong Kong and China, which took place over the recent school holidays.

I was privileged to be part of the tour in my personal capacity as a parent of one of the band members and as a chaperone for a group of wonderful year 9 girls. It was an unforgettable experience for everyone involved. Throughout the tour, the students represented their school and their country with professionalism, dignity and a lot of talent. Their performances at Hong Kong Disneyland, the ancient wall at Xi'an, the Pinggu peach blossom festival and the Great Wall of China were amazing spectacles. It was immensely moving to hear the Australian national anthem and *Waltzing Matilda* played by Hunter students at the foot of the Great Wall of China, but it was the performances at schools and the friendships formed that stole the show. The HSPA marching band visited four schools: the Qidi Middle School attached to Northwestern Polytechnic University [NPU], Xianyang in Xi'an; the middle school attached to Beijing Youth Politics College in Beijing; Beijing Wangjing Experimental School; and No. 54 High School in Shanghai.

At each school we were honoured with a gift of a musical or cultural performance from the school's students, the gift of music was then returned by a performance of the HSPA show band and the occasion was formalised with "friendship school" agreements. For me, the experience was a powerful demonstration of the amazing things that happen in public schools and the dedication of teaching staff, whose commitment, hard work and good humour allowed students to have this amazing experience. Special mention must be made of the driving forces behind the band, Mrs Kylie Gardner and Mr Doug Lambert, both dedicated and passionate teachers whose enormous efforts made the tour possible.

I also thank Mrs Michelle Maher and Mr Bruce Rowlett, also teachers from HSPA, who were willing to spend their school holiday looking after 80 students. The tour was generously supported by major sponsors the University of Newcastle and the Port of Newcastle. I thank them for their support—without it the tour would not have been possible. I congratulate each and every one of the students whose resilience and courage impressed me each and every day. With very little sleep and after lengthy travel, they would roll off a bus, gear up, warm up and pull off complex marching routines whilst playing their amazing repertoire, all in settings they could never have imagined.

I will end with another scene. The students tumbled out of the buses at the front gates of the QiDi Middle School in Xi'an. Instruments were hauled out from under the buses, the kids geared up and off they went, marching into the school playground, to find 2,000 students patiently seated on stools lining the performance area. Our students were guided to seating next to the stage, where they watched wonderful dancing and musical acts performed by the host school's students. Then it was our band's turn. They marched, danced, drummed and blew. The onlookers oohed and aahed, delighting in the flag- and ribbon-bearing colour guard, rapturously applauding at the end.

Then a good old Aussie bushfire was lit. One of our year 12 girls ran along the front of each block of seated students, high-fiving them all the way. Then the whole band followed and the Chinese students responded. All 2,000 students were out of their seats, wanting a high-five, a selfie, or a smile. Squeals of delight and laughter were shared across cultures and countries. I thank the Hunter School of Performing Arts, its teachers and staff, sponsors, my fellow chaperones, supporters and students for not only making this tour possible but also making memories that will never be forgotten. Education could bear no better fruit than the experiences, perspectives and cultural understanding gained by the students on the HSPA Marching Band Panda Parade tour.

NEPEAN HOSPITAL NEONATAL INTENSIVE CARE UNIT

Mr STUART AYRES (Penrith—Minister for Trade, Tourism and Major Events, and Minister for Sport) (13:11):

In our job and having the privilege of representing our constituents across the State, we come across many fantastic groups and organisations, and wonderful people. Today I highlight one of those groups from my electorate, the Nepean Hospital Neonatal Intensive Care Unit [NICU], and congratulate the unit on reaching its twenty-fifth anniversary this year. Nepean Hospital's NICU is one of the most active units in Australia, and the staff do outstanding work for young families in our community and far beyond. Approximately 10 per cent of admissions to the NICU are babies born at fewer than 30 weeks gestation, some being born as early as 24 weeks. Thankfully, in the past 25 years neonatal medicine has improved significantly, and mortality rates and health outcomes for premature babies have improved as a result.

Since opening with one intensive care cot in 1991, the Nepean Hospital NICU has cared for more than 10,000 babies, some weighing as little as 400 grams. When one of those little hands wraps around your finger you truly know how special this unit is. In the past five years the unit has averaged more than 1,000 admissions each year. In fact, in 2015 the NICU had 1,085 admissions—a 5.8 per cent increase in service provision from 2014. I was delighted to join my colleague the member for Mulgoa recently at the unveiling of a twelfth cot—a new \$1.36 million intensive care cot—adding to this wonderful unit. I thank and acknowledge health Minister Jillian Skinner for her ongoing support and commitment to the NICU, and particularly for the allocation of funding for this twelfth cot. There are now 37 cots in total across the NICU, 12 of them specialising in intensive care for the sickest and earliest of our newborns. The new cot will allow more babies to receive the highest-quality, life-saving care in the challenging first weeks and months of life.

This state-of-the-art technology, coupled with the highly skilled and compassionate staff who work in the Nepean Hospital NICU, allows families to feel supported at a time of enormous stress. I was also able to meet Rebecca Ellen, the first baby born at the Nepean Hospital's NICU in 1991. Rebecca spent five months in the NICU after being born at 28 weeks gestation. She is a genuine fighter. Only last year she underwent a double lung transplant, but she is an amazing woman and a testament to the quality of care that exists across our health system. The staff and families of the Nepean Hospital NICU know only too well the difference that these cots can make to the life of our sickest full-term and pre-term babies.

I also recognise the work done by the Nepean Neonatal Intensive Care Unit Parents Support Group—often referred to as NNICUPS—and its president, Deana Gibbons. NNICUPS was formed in 1992 as an initiative of Julie Clarke, the mother of a 27-week premature baby who was born in England. Julie had formed a similar group there and upon moving to Australia decided to establish the concept here. The group is based at the hospital and its members are parents of babies who have been cared for in Nepean Hospital's NICU. The group's aim is to support parents before and after the birth of their baby and assist in providing emotional support during their baby's stay in the NICU. The Nepean Neonatal Intensive Care Unit Parents Support Group is an outstanding example of the selfless spirit that binds the Penrith community together.

The Nepean Hospital NICU is an organisation—if I can call it that—displaying dedication, professionalism and an unwavering spirit that makes everyone in Penrith incredibly proud. I also recognise Lyn Downe, current Director of Children's Health at Nepean Hospital, for her long-term commitment to the NICU. She has been there from the very first day. She was the first doctor on the ward in 1991; she was there when Rebecca was born and she is still working at Nepean Hospital to make sure that young children across our community—not only in Penrith but also as far west as Dubbo and as far south as Griffith—get an opportunity to have a great start to life. I know that Lyn would want this private member's statement to be not about her but about the dedication of the countless nursing and support staff and other doctors who have worked in this amazing unit over the past 25 years. They have helped to bring 10,000 babies into the world and made the start to life a successful one for so many babies. May the next 25 years be as successful as the past 25 years.

Ms KATRINA HODGKINSON (Cootamundra) (13:16): I too congratulate the Nepean Hospital Neonatal Intensive Care facility on all the amazing work it does with so many babies every year. I commend the member for Penrith for raising this vital issue. It is important that we continue to remember those who are struggling every day: the parents, families and friends of those who have tiny little babies and who go through so much heartache in those very early days and months. We cannot thank the nurses and all the staff at Nepean Hospital enough for the valuable work they do.

EAST CESSNOCK FLYING FOX COLONY

Mr CLAYTON BARR (Cessnock) (13:17): East Cessnock appears to be just one of many areas across the State where people are currently suffering from having a flying fox colony near their homes. Whether they are known as flying foxes or fruit bats, these animals have been destroying the habitats in which they reside and generally making life uncomfortable for nearby residents. Currently, east Cessnock has a colony that is very conservatively estimated at 30,000. The colony consists of both grey-headed flying foxes and little red flying foxes. I keep getting told that the little reds will move on as they follow the eucalyptus flowering; the only problem is that, with the continuing hot weather, the flowering keeps happening so the little red ones are still there.

The colony has been at east Cessnock for about four to five years. I know this is far less than Singleton's colony, which racks up 16 years this year, but they have been in both areas for far too long. The trees are being stripped and destroyed. Yet nothing can be done because we have what is considered by many to be a catch 22 situation as both the flying foxes and the trees in which they currently reside are protected species. So which species wins out? Currently, in Cessnock at least the needs of the flying foxes are overriding the needs of the trees because, quite frankly, the bats are destroying the protected tree species in a way that if the destruction were caused by the act of a human it would see Joe Citizen either heavily fined or possibly even imprisoned.

The stench coming from the colony can only be described as nauseating and toxic. Imagine 30,000 animals defecating in, on and around people's home and surrounds, including in the marshy and wet swamp-like ground of the Crown land on which they are residing? No matter how hard you try and no matter how vivid your imagination, you simply cannot get a true sense of the appalling conditions that surround the colony unless you actually visit the site and you are brought to your knees by the stench, you hear the ear-piercing and relentless screech of the animals, and you see the stained and ruined property and assets of those existing in the nearby surrounds.

It is not just residents who are suffering. A local primary school immediately bordering Crown land houses the main colony—I say "main colony" because it has grown so much that it now has a satellite colony across Old Maitland Road to the north-west and Cessnock Road to the south-east. Students and staff of the primary school have to endure the stench, noise and excrement from flying foxes on a daily basis. Parts of the playground are directly under nesting areas. As such, those areas of the playground, including climbing equipment, are unusable. To date, I have sent more than 70 letters from residents who are directly affected to the Minister for Lands and Water, who passed them on to the Minister for the Environment. I sent the letters to the Minister for Lands and Water because the main colony is on Crown land. I thought it was a no-brainer because he looks after Crown land, but he appears unable to help my community. The Minister for the Environment has advised:

The Office of Environment and Heritage has offered to assist the Department of Primary Industries, which is the manager of affected Crown land, and Cessnock City Council to develop a flying fox camp management plan for the east Cessnock camp. I understand that DPI is in the process of securing funding to prepare the plan.

My office contacted the Minister for Primary Industries, and Minister for Lands and Water nearly three weeks ago to inquire about the funding, but I have had no response. To date, I have received two doctors' certificates from the medical practitioners of two residents, stating that the flying fox colony is having an adverse effect on their health. I have forwarded those letters to the Minister for Health together with a health warning notice that outlines what the risks are. I have also written to the Minister for Education about the effect the flying fox colony is having on the school and its students.

Residents living near the colony can no longer eat the vegetables from their gardens and the fruit from their trees or spend time in their gardens and backyards because of flying fox defecation. Pools can no longer be used for swimming, bikes and toys can no longer be left outside, cars are having their duco stripped from them, and Colorbond fences are having paint stripped from them because of the defecation of the flying foxes. The noise at times is unbearable. The screeching from so many animals continues to have a detrimental effect on everyone, particularly shift workers from coalmines and other industries who cannot sleep during the day or night. Residents have to stay in their homes with the doors and windows shut to keep out the noise and smell coming from the colony, but this only works some of the time.

I ask anyone to take a drive to east Cessnock with their car windows down. A global positioning system will not be needed because the location of the flying foxes will be known before they are seen hanging from the trees. The Government is investing plenty of money in response to the activity of sharks, which are acting naturally in their own habitat. Little action in the same vein is being taken regarding the flying fox colonies that are terrorising communities across New South Wales. I ask the Government to turn its attention to this issue just as it has the shark phenomenon.

REELISE FILM FESTIVAL

Ms GABRIELLE UPTON (Vaucluse—Attorney General) (13:22): On Saturday 9 April I attended the annual REELise Film Festival at Event Cinemas Bondi Junction. Festival director and local resident Karen Hamilton started the community event to empower young people to take action against cyberbullying. Karen established the festival after being deeply affected by a youth suicide that occurred near her home. What began as an outdoor festival supported by the Rose Bay community in 2014, attracting primarily local school entries, has blossomed. With the generous support of Event Cinemas Bondi Junction, it is now growing into a movement, reaching young people in more than 3,000 homes across the eastern suburbs as well as attracting entries from around the country and overseas.

The festival is an initiative aimed at creating a better online environment for young people and promoting positive mental health by turning an instrument of bullying—namely, the mobile phone—into a positive filmmaking tool, exploring the perspectives of young people about the real impacts of their online world. The REELise Management Committee guided the festival operation, led by Karen Hamilton, Senior Constable and Youth Liaison Officer at Rose Bay Local Area Command Yasmin London, Woollahra Councillor Luise Esling, and Holdsworth community volunteer and youth engagement coordinator Benko Ure. This year the festival showcased youth perspectives about TITF, otherwise known as "took it too far". This theme was chosen by the youth council, which is a group of young people aged 12 to 25 years led by director Emma Hamilton and deputy director Ruby Mann.

Films this year shared important messages about cyberbullying, discrimination, online obsession, environmental awareness, peer pressure, and social media fuelled teen angst. I was delighted to see Waverley for Action Youth Services [WAYS] students in my electorate represented in the senior division with their short documentary entitled *Connection to Country*. WAYS is a community organisation providing education and support services to young people and their families. The students' short documentary looked at what it means to be connected to your country as an Indigenous Australian through the eyes of Danny Teece-Johnson, an award-winning filmmaker whose short film entitled *Mah* focused on domestic violence.

Also represented in the senior division was Aliette Kiss from Ascham School in my electorate with her short film entitled *Karma Is*, in which a couple get what they deserve after taking it too far with their friends. Ascham School was also represented by Angela Chen in her short film entitled *Sticks and Stones*, which portrayed the effects of physical and verbal abuse on a young person when things are taken too far. Reddam House was represented in the senior division by student Roderick Gadaev with his film entitled *Red Age*, which explored the role of peer pressure and its ability to steer us all in the wrong direction. The film was about the importance of being true to yourself.

The REELise Film Festival runs primarily on in-kind support. Since its launch in 2013, a diverse range of established filmmakers, small businesses, business professionals, community workers, entertainers, teachers, parents and students have freely volunteered their time and resources to create a vibrant festival platform. I acknowledge and thank the many local schools across Sydney who support the REELise Film Festival, especially those in my electorate—Ascham School, Cranbrook School, Kambala, Kincoppal-Rose Bay, Reddam House, Rose Bay Secondary College, The Scots College and Woollahra Public School. I also take this opportunity to congratulate festival director Karen Hamilton on winning the Most Innovative Community Project award at the Woollahra Council Citizenship awards in March this year.

I am thrilled that Karen's immensely powerful efforts as director of the REELise Film Festival have been recognised in our local community. She has given a strong voice to our local youth through her wonderful filmmaking initiative. Cyberbullying touches us all. It is a growing problem, with more young people having access to an online world. The REELise Film Festival is leading the way and continues to empower young people. I am proud that this local event is strong and growing. I look forward to next year's festival and whatever theme the REELise Youth Council has in store for our budding young pocket filmmakers. I commend my statement to the House.

ZACHARY REDWOOD, CUB SCOUT

Mr DAVID ELLIOTT (Baulkham Hills—Minister for Corrections, Minister for Emergency Services, and Minister for Veterans Affairs) (13:27): It says in the Bible, in the book of Proverbs, a book I am well acquainted with and a fan of, chapter 17 verse 17 that "A friend loves at all times, and a brother is born for adversity". I speak today about a time of adversity for a young boy and how his brother saved his life. I have spoken in this Chamber before about the young people in Baulkham Hills who have recently received the Queen's Scout award, which is the highest honour available to young people in this worthy movement.

A narrowly avoided tragedy has caused me, and the young Redwood family, to further ponder the importance of Scouts and all the skills and mentoring Scouts offers young people in Baulkham Hills. These skills are developed from a very young age by the Cub Scouts. First aid is one of the most important skills imparted to Cub Scouts. Jennie Page and Taylor Page are both Cub Scout Leaders and St John Ambulance officers in my electorate. As part of the cubs' badge work they enlist the aid of a couple of the other members of their division and ex scouts to provide the cubs with first aid training each year. Ben Irvine was a scout at the 2nd Baulkham Hills troop and Gavin Purse was a scout at the 2nd Castle Hill troop.

Jennie and Taylor introduced further skills into the cubs' training, including EpiPen and defibrillator use and cardiopulmonary resuscitation [CPR]. Even though the children are often very small and unable to conduct the exercise themselves, the knowledge was imparted and, thankfully, retained. One of their cubs, Zachary Redwood, aged nine, was recently in a situation where he was able to call upon the skills taught to him to the extent that he saved the life of his younger brother, Benjamin, aged three. The incident unfolded as follows in an email from Zach's father:

Ben is intolerant to peanuts. Despite his parents' best efforts, he accidentally ate a small-sized Snickers bar whilst at a birthday party. About half an hour later Ben started having trouble breathing. His parents thought he may have been having an asthma attack but he did not respond to treatment with Ventolin. At this point they realised this was an emergency situation.

The family rushed to hospital. During the trip Ben stopped breathing, his lips turned blue, his eyes rolled into the back of his head and he lost consciousness. His parents were distraught.

Ben's big brother Zach remained calm and applied the skills he had learnt. This brother was born for a time of adversity and the Scouts gave Zach the skills he needed to face it.

Zachary Redwood, who had been provided with first aid instruction at Cub Scouts by his leaders, who are both St John Ambulance officers, started performing CPR on his little brother Ben. After a few minutes some colour returned to Ben's face and lips and he regained consciousness.

The family continued to the Children's Hospital at Westmead and Ben was fixed with a breathing assistance mask and given adrenaline. The doctors advised Ben's parents that he had suffered an anaphylactic shock. They indicated that the family were very lucky that Zach had been able to perform CPR and that Ben did not lose consciousness for any longer. This was the difference between life and death for Zach's little brother Ben.

I commend Zachary Redwood for his heroism, and his parents for their sound judgement in enrolling him in Cub Scouts.

TEMPORARY SPEAKER (Mr Bruce Notley-Smith): Private members' statements having concluded, I shall now leave the chair and the House will resume at 2.15 p.m.

*Announcements***MCGRATH FOUNDATION**

The SPEAKER: The House acknowledges the important work of the McGrath Foundation in fighting breast cancer. The McGrath Foundation raises money to place McGrath breastcare nurses in communities across Australia, providing invaluable physical, psychological and emotional support for families experiencing breast cancer. There are 36 McGrath breastcare nurses located across New South Wales. This vital service is provided free of charge and can be accessed through self-referral.

The McGrath Foundation's major fundraising campaign "Pull On Your Socks" encourages people from the sports field to the boardroom and everywhere in between to pull on a pair of pink socks to help raise money to support families experiencing breast cancer. This year the McGrath Foundation has created a brand new range of stylish pink socks to suit every type of personality. Pull On Your Socks Day will be held on 20 May this year but you will notice a splash of pink in the House today as our members unite in support of this important annual campaign. I would like to extend a very warm welcome to McGrath Foundation, Chief Executive Officer Petra Buchanan, as well as Sue Martin and Grace Keeping, also from the McGrath Foundation.

*Visitors***VISITORS**

The SPEAKER: I welcome Kevin and Maureen Carson of Chain Valley Bay in the Chamber today, guests of the member for Swansea. I also acknowledge the members of the Springwood Rotary Club in the gallery, guests of the member for Blue Mountains. I also welcome the Marrickville Council 2016 Young Citizens of the Year Tamra Palmer and Xanthe Sini, Jo Wallace of the Humans of Newtown blog and Chris Pycroft from the Gay and Lesbian Rights Lobby, all guests of the member for Newtown. I welcome Elaria Baysari, a work experience student at the Granville electorate office and guest of the member for Granville.

*Announcements***CENTENARY OF FIRST WORLD WAR**

The SPEAKER (14:18): The truly global nature of the Great War was evident on 10 May 1916—Prime Minister Hughes had travelled from Australia to make major speeches in London; our Russian allies occupied the town of Kasr-i-Shiri on the road to Baghdad, and in German East Africa our South African allies led by Jan Smuts overran German forces at Kondoa Irangi. Fighting on the Western Front intensified. It was there that Charles Fern, Labor member for Cobar, became a casualty.

Fern was born in 1884, educated in North Sydney but then worked as a miner and union official out west and in his early twenties was elected to represent the seat of Cobar. He was a young man of great principle and in 1915 defied his own party whip to vote against increasing the powers of the Aborigines Protection Board to remove Aboriginal children from their families. He opposed the proposals to allow the board to remove so-called "half-caste" children without inquiry arguing that the bill "ought to be more humane." What a salutary reminder that this terrible stain on our national history reaches so far back and involved this Parliament in terrible acts of complicity.

Fern enlisted in 1915 and was soon in action. Whilst taking part in a "gallant charge" on 19 May 1916, he was shelled but rescued, hospitalised and returned to Australia in August 1916. Despite being in serious ill health, under the agreement that the seats of serving members would not be contested, he served the Cobar electorate until his death in April 1918. Moving tributes paid to him by Speaker Cohen and Premier Holman remarked on his strength of character, his devotion to the interests of the working classes and the extent to which his early death was hastened by the experience of active service and hardship on the Western Front. In that he was not alone. It is impossible to say how many lives were cut short by the experiences of the war—the gas, the shelling, the mud and the trenches, the wretched food and the endless nightmare of kill or be killed. Such is the legacy of war. Lest we forget.

CATHERINE WATSON, CLERK ASSISTANT

The SPEAKER: I advise the House that following recruitment action Ms Catherine Watson has been appointed as Clerk Assistant, Committees and Corporate. I am sure the House will join me in congratulating Catherine on her appointment.

*Members***ELECTORAL DISTRICT OF CANTERBURY****Resignation**

The SPEAKER (14:22): I advise the House that on 6 May 2016 I received a letter from Linda Jean Burney resigning her seat as the member for the electoral district of Canterbury.

Vacant Seat

Mr ANTHONY ROBERTS (Lane Cove—Minister for Industry, Resources and Energy) (14:22): I move:

That in accordance with section 70 of the Parliamentary Electorates and Elections Act 1912 the seat of the member for Canterbury be declared vacant by reason of the resignation of Linda Jean Burney.

Motion agreed to.

*Question Time***OPAL CARD FARES**

Mr LUKE FOLEY (Auburn) (14:24): My question is directed to the Minister for Transport and Infrastructure. Will the Government make a rail commuter who travels between Penrith and the city each weekday pay \$1,000 a year more by 2018 than they pay today?

Mr ANDREW CONSTANCE (Bega—Minister for Transport and Infrastructure) (14:25): I was not ready for that question; it causes me to contemplate what Labor did with fares when it was in office.

Dr Geoff Lee: Tell us.

Mr ANDREW CONSTANCE: Labor increased fares by 87 per cent, customer satisfaction was around 70 per cent and they cut services. They now have the hide to ask about an Independent Pricing and Regulatory Tribunal [IPART] report—

Ms Jodi McKay: It is question time.

Mr ANDREW CONSTANCE: And it is also answer time.

The SPEAKER: Order! The member for Strathfield will come to order. The Minister is answering the question.

Mr ANDREW CONSTANCE: The Government is yet to consider the IPART report that came out today. We are not going to rule anything in or out. I find it intriguing that those opposite now are shedding crocodile tears over fares yet they increased them by 87 percent when they were in office.

CONTAINER DEPOSIT SCHEME

Mr BRUCE NOTLEY-SMITH (Coogee) (14:26): My question is addressed to the Premier. How is the Government fighting for the environment and reducing litter across the State?

Mr MIKE BAIRD (Manly—Premier, and Minister for Western Sydney) (14:26): I thank the member for his question, and I congratulate him and many others on this side of the House who have fought very hard for a container deposit scheme. This has been spoken about for a long time and this Government is finally producing what is required. We looked at what differences could be made in key policy areas if we were given the privilege of being returned to office. One of the 12 key policy areas identified was that it was time we had a cleaner New South Wales—cleaner waterways, cleaner oceans and cleaner parks—and this Government has signed up to reducing litter by 40 per cent by 2020.

The Minister for the Environment is an absolute bottler. Proudly, the Minister for the Environment, along with the Minister for Planning and the Government, has determined to undertake what we believe is the largest attack on litter in the history of this State. From 1 July 2017 there will be a 10¢ refund when most empty containers between 150 millilitres and 3 litres are returned. The statistics on this are compelling—namely, every year 160 million drink containers are littered across New South Wales. South Australia has a container deposit scheme and the statistics show that 15 per cent of drink containers are littered in South Australia; in New South Wales it is 45 per cent. This Government is determined to do everything it can to reduce litter.

I do not often congratulate The Greens but I take this opportunity to thank them for their support of this scheme. The Greens have consistently fought for it. In fact, the leader of The Greens in the Australian Capital Territory said that the Australian Capital Territory would be mad not to move with New South Wales on a

container deposit scheme. The Greens have fought for it but the good news is that it is this Government that has actually delivered it. Whether it be the members for the electorates of Drummoyne, Oatley, Kiama or wherever one turns, every single member of this Government has fought for it. But I do wonder because I have heard a few words from the Australian Labor Party about this.

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

Mr MIKE BAIRD: I have heard a few mumblings. Something like, "Maybe we should do it a little quicker or something." They had 16 years to do it; they did nothing. I congratulate Jeff Angel for his leadership on this and also Ian Kiernan. They have been fighting for a long time. I note the comments of Jeff Angel who said, "This is an historic day for New South Wales and for Australia. I have got no doubt that the leadership we see today will see other States looking very closely at what New South Wales is doing and we look forward to an entire coverage of Australia with container deposit schemes. There is no doubt this is great for jobs, it is great for charities, it is great for recyclers, it is great for the environment and it is great for the community." He also said, "It is an absolutely important revolution as to how we treat litter" and that this Government has shown "absolute environmental leadership." I also pay tribute to my colleagues in The Nationals.

The SPEAKER: Order! I would have thought there would be no interjections during an answer on this subject. The Premier has the call.

Mr MIKE BAIRD: For many years The Nationals have been supportive of this scheme. They have fought hard at their conferences for it, as have members of the Liberal Party. We understand the significant benefits that will come with this scheme; that is why we are so proud to be delivering it. [*Extension of time*]

This is such good news for the people of New South Wales, but the importance of this to community and sporting groups and charities is often lost. In the South Australian experience, each year \$60 million is raised from recycling litter and that money is put towards charities, community and sporting groups. That is a great thing. Every way one turns this is a win—it is a win for the environment, a win for the community, a win for charities and a win for employment. This container deposit scheme is a win for the people of New South Wales and this Government is proud to be delivering it. It will make a great difference. The Minister for the Environment will oversee the implementation group to ensure that from 1 July 2017 this scheme is operational in New South Wales.

OPAL CARD FARES

Ms JODI McKAY (Strathfield) (14:32): My question is directed to the Minister for Transport and Infrastructure. Will the Government make a rail commuter who travels between Holsworthy or Sutherland to the city each weekday pay \$750 a year more by 2018 than they pay today?

Mr ANDREW CONSTANCE (Bega—Minister for Transport and Infrastructure) (14:32): I refer the shadow Minister for Transport to my previous answer. However, I make the point that when Labor was last in office it slashed 1,500 bus services and hundreds of train and ferry services, it increased fares by 87 per cent and did not build a train line anywhere. Over the next few days Labor members will no doubt be running little scare campaigns right across Sydney and telling everyone their fares will be going up by \$1,000. The Government is yet to make a final ruling in relation to this. So I happily point out the failed transport record of those opposite, which has led to enormous congestion across this State and costs the State economy \$9 billion per annum. Those opposite are nit-picking over an IPART report yet this Government is yet to make a final decision.

The SPEAKER: Order! Members will cease interjecting and shouting at the Minister. Members will come to order.

SOCIAL SERVICES

Mr MATT KEAN (Hornsby) (14:34): My question is addressed to the Treasurer. How is the Government using innovative funding approaches to deliver better outcomes for the most vulnerable in our community?

Ms GLADYS BEREJIKLIAN (Willoughby—Treasurer, and Minister for Industrial Relations) (14:34): I thank the member for Hornsby for his question and I also acknowledge his role as a Parliamentary Secretary to the Treasurer. We appreciate the great work he does in that regard. We are very pleased to be a government that is in the position of having a strong budget and believes very strongly in innovative approaches. We have been able to make a real and lasting difference to those most vulnerable in the community. I am very pleased to provide an update to the House on some key areas of reform that are assisting those most vulnerable.

For decades governments have faced the same challenges and have not made real progress in supporting those people who need our help the most. As a strong government we appreciate that collaboration with the community sector, the private sector and the government sector is how we can achieve real and lasting results.

That is why we have been able to offer these innovative solutions and receive these innovative suggestions from the non-government sector and the private sector in addition to having some of our own ideas about how we can address these challenges. Two areas I want to update the House on in particular are the areas of social impact investment and the provision of special purpose funds from which we can leverage returns to assist those most vulnerable. In relation to social impact investment, I am pleased to say that we are the first government in Australia to implement social benefit bonds, and many other States are looking at what we are doing here in New South Wales.

This investment seeks to support those most vulnerable by supporting those who need the help but also to provide a financial return to private investors. In addition, those who are best placed to deliver those on the ground, the non-government sector, are able to be part of this collaborative approach. We have already successfully delivered two social benefit bonds, the Newpin bond and the Benevolent Society bond. These bonds are helping, for instance, to reunite vulnerable families and give them the support they need to stay together. This has been a win-win, most importantly, in being able to reunite a higher number of families than the Government would have been able to do on its own, but also in being a better outcome for taxpayers and giving a return for private investors. The Minister for Family and Community Services, and Minister for Social Housing, and I were very pleased to see the impact of this in a positive way recently when we went to Western Sydney.

To build on this success, last month the New South Wales Government released its 2016 Statement of Opportunities in relation to social impact investment. This statement headlines three policy priority areas where we see strong potential for social impact investment in the future. I particularly acknowledge the Minister for Early Childhood Education, Minister for Aboriginal Services, and Assistant Minister for Education, and also the Minister for Family and Community Services, and Minister for Social Housing because the first of these three policy areas is to establish an Aboriginal centre of excellence. This will be co-designed in partnership with the community to deliver programs and services that support young Aboriginal people making the transition from school into further education and employment. The centre will use innovative approaches which have not been done by government before—this is a first for government—and use stakeholders who are expert in this area from the non-government, community and private sectors as well as the government sector.

Whilst the New South Wales Government is already implementing new initiatives to achieve universal access to early childhood education, we know that due to remoteness or social disadvantage, receiving a quality pre-school education for 600 hours a year is out of reach for some families, especially those families facing social disadvantage. We therefore want to explore how social impact investment could be used to further boost the number of hours that four- and five-year-olds who may live in families that are isolated or are socially disadvantaged can access this important part of their education.

Another principle that we outlined recently was to increase the permanency for children in out-of-home care. It is not only important to reunite children with their families but also to keep them together for longer and, if possible, for ever. This is, again, a chance to build on the success of the bonds that I mentioned earlier and also to provide permanency and security for these vulnerable children. At the end of the day, we have seen some really positive results from the work we have done so far. We believe this is a really exciting way for the future in relation to developing and delivering positive social outcomes. I also briefly mention the work we have done in relation to our Social and Affordable Housing Fund. This is, again, an innovative solution to deliver services and infrastructure to those most vulnerable. The Minister for Family and Community Services, and Minister for Social Housing was recently able to announce that we have received 24 expressions of interest, from which nine parties have been shortlisted to develop proposals. [*Extension of time*]

This process will deliver 3,000 additional social and affordable homes. In conclusion, this Government is committed not only to a strong budget but to strong communities and we will always support those most vulnerable in new and innovative ways.

The SPEAKER: Order! Members will be called to order if they interject whilst the member is asking a question. I call the Minister for Family and Community Services to order for the first time.

OPAL CARD FARES

Ms JODI McKAY (Strathfield) (14:40): My question is directed to the Minister for Transport and Infrastructure. Given that inflation is low, how will the Government justify increasing annual train fares for regular commuters from stations like Parramatta and East Hills—

The SPEAKER: Order! The member is entitled to ask a question, but the member for Kiama is not entitled to answer it.

Ms JODI McKAY: I will start again. My question is directed to the Minister for Transport and Infrastructure. Given that inflation is low, how will the Government justify increasing annual train fares for regular commuters from stations like Parramatta and East Hills to the city by 20 per cent from 1 July?

Mr ANDREW CONSTANCE (Bega—Minister for Transport and Infrastructure) (14:41): Oh dear, oh dear, oh dear.

Ms Jodi McKay: I am not your dear.

Mr ANDREW CONSTANCE: Lights, camera, no action. Oh dear, oh dear. The reason I say that is I am going to read part of the Independent Pricing and Regulatory Tribunal's report onto the record and I want the House to marry up what the report says to that incredible question. On page four the report states:

Our final decision is that on average Adult Opal fares can increase by a maximum of 13% (including inflation) over the 2016 determination period. This means that fares can increase by an average of 4.2 per cent a year.

So I do not know where 20 per cent comes from. The Independent Pricing and Regulatory Tribunal [IPART] has made it clear that that is the determination, yet here this afternoon the Opposition says that we are going to increase fares by 20 per cent. We cannot because of the IPART determination. Those opposite need to go back and write some more sensible questions instead of asking such a silly question in the House. It is quite clear what those opposite are up to. They are going to run around Western Sydney making all these claims when the IPART report is crystal clear. I suggest those opposite read this very serious report.

WORKERS COMPENSATION SCHEME

Mr GREG APLIN (Albury) (14:43): My question is addressed to the Minister for Finance, Services and Property. How are the Government's reforms to the Workers Compensation Scheme putting people first in insurance and care services?

Mr DOMINIC PERROTTET (Hawkesbury—Minister for Finance, Services and Property) (14:14): I thank the member for his question, support and advocacy for injured workers across New South Wales. Unlike those opposite, the Baird-Grant Government represents all people. This side of the House is committed to putting people first. Nowhere else is it more evident than in our ground-breaking insurance reforms. Recently the head of our insurance company, icare, received a letter from a citizen about his experience in the dust diseases scheme. He wrote that he was expecting a lengthy process of delays, bureaucratic indecision, confusing forms and complex phone calls, but this was not what he found. He wrote:

To my surprise I was instead confronted by personnel who demonstrated knowledge, assistance, cooperation and efficiency. I was astonished that my circumstance could be resolved within the brief period of six weeks—with no inconvenience to me.

This is just one example of the sea change in government insurance that icare represents, where we have put people first. Under the old system, victims of dust diseases had to wait up to one month to have their claims approved even though some of them had only months to live. I am pleased to advise the House that since our reforms 100 per cent of compensation applications have been approved within two days—one month under Labor, two days under the Baird-Grant Government. The time taken to determine claims has also fallen significantly. We have more than halved the waiting time for the determination of claims for injured workers and for their dependents.

This is what happens when one enacts meaningful reforms that put people first. I regret to point out that these reforms were shamefully opposed by those opposite because instead of putting people first Labor put politics first. Thanks to the Baird-Grant Government New South Wales is once again the economic powerhouse of Australia. But we can never forget that most of that prosperity is built off the back of the nearly five million workers in this State. That is why it is important to have a workers compensation insurance scheme that protects the dignity of workers, a scheme that is not a significant burden on the business community and a scheme that is managed in a financially sustainable way to the benefit of taxpayers.

Last year I attended a forum of injured workers who were relating their experience of what it was like to be injured at work and the subsequent challenges that come with that. The number one complaint, echoed by nearly all present, was not that benefits were too low or that they were not being helped enough; the number one complaint was that their experience of going through the system was unnecessarily difficult and adversarial. They felt like they were just a number. They felt that they had to fight their way through and they felt that no-one cared. In other words, process was first and people were last.

It was hearing experiences like these that inspired us to set up icare, our insurance business that aims to build processes around people and not the other way around. With its dual mandate of a social heart and a commercial mind, icare is committed to achieving better outcomes for all its stakeholders—workers, businesses that pay premiums and the taxpayers of New South Wales. The Government has listened to the experiences of

injured workers. We have heard their frustrations and we have taken action already. We have mapped out the workers compensation journey using a human-centred design approach.

We have commenced a new insights program that surveys all the stakeholders and we will use this feedback to drive meaningful reforms. Whilst those opposite claim to be the party of compassion, they presided over a scheme that treated injured workers like second-class citizens whilst at the same time they plundered and pillaged the business community. They left behind a scheme that was structurally deficient and billions of dollars in deficit. As one of the Labor's great luminaries, Bob Carr, said way back in 2001:

Unless this scheme is reformed to ensure it pays its way ... New South Wales itself will become the biggest compo case of all.

After 10 more years of Labor that is exactly what Labor achieved. [*Extension of time*]

Mr ANDREW CONSTANCE: In contrast, we have delivered an insurance scheme that works for everyone. It provides support for those who need it. It puts people back to work faster. It respects the needs of business. It rewards those with great safety records and for the first time it is run in a financially responsible way. Let the record show that the Baird-Grant Government has delivered an insurance scheme that puts people first.

OPAL CARD FARES

Mr DAVID MEHAN (The Entrance) (14:49): My question is directed to the Minister for Transport. Will he end the \$2.50 pensioner fare?

Mr ANDREW CONSTANCE (Bega—Minister for Transport and Infrastructure) (14:50): I responded to that question in my first answer today where I made it clear that the Government will look—

The SPEAKER: Order! Members do not need to reiterate the question; it has been asked. The member for Shellharbour will allow the Minister to answer the question and cease arguing.

Mr ANDREW CONSTANCE: I made it clear that the Government will consider carefully the Independent Pricing and Regulatory Tribunal [IPART] report and in due course make a ruling. I would say, though, that it is a good day for the Labor Party because Noreen is no longer a suspect and she is back! One step to go until she is back on the front bench and away we go. Same old Labor, same danger—

Mr Michael Daley: Point of order: My point of order is relevance.

The SPEAKER: Order! The Minister had strayed slightly from the question. I will continue to listen to what the Minister has to say to make sure the he returns to the leave of the question. I uphold the point of order.

Mr Michael Daley: The member for The Entrance wants the transport Minister to rule out abolishing the \$2.50 pensioner scheme.

The SPEAKER: Order! The member for Maroubra will resume his seat; he does need to reiterate the question. The transport Minister is highly intelligent. He heard the question and he remains relevant. The member for Maroubra is also highly intelligent, as are most members in this place.

Mr ANDREW CONSTANCE: In response to the question, I say to all those seniors across the State: We will give careful consideration to the IPART report. They are enjoying an enormous benefit with the Gold Opal.

The SPEAKER: Order! The Minister is answering the question. The member for Maroubra will cease interjecting.

Mr ANDREW CONSTANCE: In the past 12 months some 950,000 seniors have signed up to the Gold Opal and this Government, better than anyone, knows about the importance of supporting our seniors community. We have seen cuts from Canberra previously to the seniors community. We have stepped up to the mark, finding hundreds of millions of dollars to support our seniors community with the cost of living.

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

Mr ANDREW CONSTANCE: As the former ageing Minister, I am very aware of the challenges that beset the seniors community. I make this point: What we saw for many years in this State in relation to transport under those opposite was a lack of investment in infrastructure and increased fares at around 87 per cent. This Government is building a metro line and three light rail projects, and has delivered 14,300 new transport services since coming to office. At the same time it has ensured that fares have remained affordable for families across this State. For those opposite to run their silly scare campaigns across the community is absolutely ridiculous. It is just straight out of the handbook of the union movement in this State.

Mr Jihad Dib: Point of order: My point of order is relevance under Standing Order 129.

The SPEAKER: Order! The Minister has been entirely relevant to the question. The Minister has the call.

Mr ANDREW CONSTANCE: The point remains that we will continue to invest in the network. The Treasurer reminded me of the policy of the member for Maroubra, which was to stop the seniors of this State from travelling around during peak hour, so it is a bit rich for Labor to question the Government about the Gold Opal when those opposite have a secret policy to stop seniors from travelling during peak hour.

Ms Jodi McKay: Point of order—

The SPEAKER: The Minister remains relevant.

Ms Jodi McKay: Point of order: My point of order goes to Standing Order 129 on relevance. This is about today's IPART report.

The SPEAKER: As I just said, the Minister remains relevant. There is no point of order. The member for Strathfield will resume her seat. There is no need for her to be aggressive.

Mr ANDREW CONSTANCE: Labor has been exposed. It has no credibility in relation to this. If those opposite want to continue with this silly line of questioning then I will continue to answer their questions.

PLANNING SYSTEM

Mr ALISTER HENSKENS (Ku-ring-gai) (14:54): My question is addressed to the very affable Minister for Planning—

The SPEAKER: Order! The House will come to order. The member for Liverpool will come to order. The Leader of the Opposition will come to order.

Mr ALISTER HENSKENS: What is the role of the planning system in the delivery of good government?

The SPEAKER: Order! There is too much audible conversation in the Chamber. I remind members who are on three calls to order that if they are removed from the Chamber then they will be out of the Chamber for the rest of the day.

Mr ROB STOKES (Pittwater—Minister for Planning) (14:55): Ladies and gentlemen, boys and girls, I thank the member for Ku-ring-gai for his question and for his passionate and learned advocacy on behalf of the good burghers of the green and pleasant land of Ku-ring-gai. They are burghers who, as I have learnt in the past year as Minister for Planning, have a keen interest in matters of planning. I certainly thank him for the work he is doing in that community. To paraphrase someone who, as I understand it, is something of a mentor to the member for Liverpool—that is, former Secretary for Defence Donald Rumsfeld—

Mr Paul Lynch: I ask the Minister to repeat that outside this Chamber so that I can sue him!

The SPEAKER: The member for Liverpool could ask him to withdraw it.

Mr ROB STOKES: —to apply his well-known quote to matters of planning. There are known knowns in planning, that is, there are things we know we know; there are known unknowns, that is, there are things we know we do not know; and there are unknown unknowns, and I will explain what that is.

The SPEAKER: Order! Members should listen intently to the Minister's answer. The member for Keira will come to order.

Mr ROB STOKES: That is to say, there are things that we do not know we do not know. The reason I use that quote as a metaphor is that in the same way that quotation is somewhat difficult to understand so is our planning system. That is the point I am getting at.

The SPEAKER: Order! Opposition members will cease being unruly and disorderly.

Mr ROB STOKES: Our planning system, through incremental and reactive change over time, has become increasing incomprehensible and difficult to understand. We need a planning system that is simple, that is elegant and that provides a good framework and architecture for making good decisions.

The SPEAKER: Order! I call the member for Maroubra to order for the first time. He will cease interjecting. The member for Maitland will come to order.

Mr ROB STOKES: The architecture for the way in which decisions are made is absolutely imperative. We must ensure that the system is simple, it is clear and it is understandable. For us to have just laws, those laws must be intelligible to the people who are affected by them on a day-to-day basis. When we have a planning

system that runs into hundred of pages of legislation then we have a problem. Yet when we look at the original Act as it was written in 1979 we see that it was a simple and elegant system of devolved decision-making where State significant decisions were made at a State level, there was provision for regional strategies and there was provision for local plans. There was a clear hierarchy in terms of plan making, which is something we have sought to reinforce.

I acknowledge the bipartisan nature of the debate in relation to the reform last year in the introduction of the Greater Sydney Commission, because it is a matter in matters of planning architecture that the system is robust enough to withstand all of the various opinions and ideas that will change incrementally over time. Technology changes. The way in which people choose to work and the way in which people choose to live change over time. We need a system that is agile, resilient and robust to accommodate those changes over time. That is why a simple, clear and effective planning system is really important to each of the communities we represent.

That is why we introduced the Greater Sydney Commission to make it clear that whilst the views of local communities across the city are of vital importance, we must recognise that we have a collective interest, wherever we come from in this great State, in having a thriving and prosperous Sydney, supported by great transport infrastructure. That is what the transport Minister and the infrastructure Minister are getting on with delivering. It must be supported by great social infrastructure—such as great schools and great hospitals. We must have a coherent plan, right across Sydney, for how all of that will be delivered. I am pleased to note that, with the selection of former Premier Morris Iemma as the last of the Greater Sydney Commissioners, we now have district commissioners in place to deliver district plans by the end of this year. *[Extension of time]*

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

Mr ROB STOKES: The next step beyond delivering these draft plans is to update the legislation that guides planning in New South Wales—that is, the Environmental Planning and Assessment Act. Starting this week the Department of Planning and Environment is meeting with stakeholders across the State to discuss ideas about how the legislative framework can be improved. The Act, as I noted, was a really innovative and inspirational piece of legislation when it was introduced in 1979. It has been tested and it has been interpreted over time. Developers and communities are generally familiar with many of its basic provisions.

Upon reflection we have looked carefully at the feedback received through the various efforts towards reform over the past few years and we have noted that the original Act is a sound piece of legislation. However, it needs to be streamlined and it needs to be re-looked at to rediscover the original elegance of that legislation and to ensure that it is a robust piece of architecture to support good decision-making. The starting point of our consultation is those concepts that were generally agreed in discussions on the planning bill in 2013. This included things like community engagement—that is, recognising that community engagement stands at the heart of good decision-making.

We will not pursue ideas that were not generally supported in 2013, including introducing a code-based assessment track and removing the concept of ecologically sustainable development as an object of the Act. We also want to discuss a range of other ideas with people, including the idea of strengthening the focus on good design as part of decision-making so that our buildings and communities respond to their locality, and introducing predevelopment application consultation between neighbours to put the conversation back into planning.

PRISON TEACHERS

Ms PRUE CAR (Londonderry) (15:02): My question is directed the Minister for Corrective Services. Why is the Minister laying off 73 highly skilled specialist teachers from the State's prisons when the work they do demonstrably reduces rates of reoffending and reimprisonment?

The SPEAKER: Order! The Minister has the call. Members will cease shouting and interjecting. I call the member for Maroubra to order for the second time.

Mr DAVID ELLIOTT (Baulkham Hills—Minister for Corrections, Minister for Emergency Services, and Minister for Veterans Affairs) (15:03): I thank the member for Londonderry for her question and her interest in this particular policy. She has it all wrong, as usual. We need to reform prisons in New South Wales. It is no secret—

The SPEAKER: Order! Members will refrain from interjecting.

Mr DAVID ELLIOTT: It is a miracle: The member for Port Stephens said something without swearing. The age of miracles is upon us!

The SPEAKER: Order! The member for Maitland and the member for Londonderry will cease shouting.

Mr Michael Daley: Point of order: That was a cowardly slur on this side and I ask the Minister to withdraw it.

The SPEAKER: Order! The member for Maroubra is guilty of the very thing he is accusing the Minister of. The member for Maroubra will resume his seat. There is no point of order.

Mr DAVID ELLIOTT: The profanities are in *Hansard*. For the first time in 150 years profanities were used.

The SPEAKER: Order! The member for Port Stephens will come to order. The Minister will continue his answer.

Mr DAVID ELLIOTT: I am still having to apologise to her constituents for the language that she has used. I cannot let my children read *Hansard*. I am getting on with the question: It is not about the member for Port Stephens.

Ms Kate Washington: Point of order: You were making it about me. My point of order is taken under Standing Order 129.

The SPEAKER: Order! As he indicated, the Minister is about to return to the answer, as I have directed him to do.

Ms Kate Washington: If they read *Hansard* they will see it is your mayor that I was quoting.

The SPEAKER: Order! The member for Port Stephens is not advancing her cause. I call the member for Port Stephens to order for the first time.

Mr DAVID ELLIOTT: I notice that all those opposite are wearing badges except for the member for Prospect, but I will continue. The Better Prisons policy is very important.

Ms Jenny Aitchison: Point of order: My point of order is taken under Standing Order 73. This Minister should be sat down because he cannot answer the question. He is maligning individual members of this Chamber. He is a disgrace.

The SPEAKER: Order! The member for Maitland just did a bit of that herself. Unless we are all innocent of maligning others in this Chamber we should not take a point of order accusing others of doing so. The Minister will return to the leave of the question. I warn the member for Port Stephens of the consequences if she continues to interject.

Mr DAVID ELLIOTT: I welcome the question because we do have an issue with the New South Wales prisons and we have near capacity. That is no secret. It is something that I have put on the record since day one. The policy to which the member for Londonderry referred is one that we are introducing because I believe the most important part of rehabilitation is literacy. Literacy has to be the cornerstone of a return to normal life for somebody after incarceration. That is the basis for our Better Prisons policy. It is not only to make sure that the 48 per cent of people who reoffend after two years do not come back into the prison system but it is also about making sure the taxpayers of New South Wales get value for money. That is why I have introduced the Better Prisons policy. It will give inmates more opportunity to learn and develop skills that will make them life ready, employable—

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

Mr DAVID ELLIOTT: One of the most important parts of Better Prisons is to make sure that the skills they learn as part of their rehabilitation are practical. We do not want the sort of policies that we saw under Labor when part of the rehabilitation had nothing to do with returning to normal life. That is why we have more than doubled the number of inmates completing literacy and numeracy courses to 1,840.

The SPEAKER: Order! I ask the member for Londonderry to refrain from interjecting, which she has been doing all question time. I call the member for Londonderry to order for the second time.

Mr Jihad Dib: Point of order: My point of order is relevance. Why will that teach us—

The SPEAKER: Order! The Minister remains relevant to the question. The member for Lakemba should be grateful for small mercies.

Mr DAVID ELLIOTT: If I had not been interrupted I would have been able to give the entire answer. Hopefully the member for Port Stephens will ask me again tomorrow. [*Time expired.*]

SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS TEACHING

Mr ANDREW FRASER (Coffs Harbour) (15:08): My question is addressed to the Minister for Education. What is the New South Wales Government doing to enhance the teaching of science, technology, engineering and mathematics [STEM] in our primary schools?

The SPEAKER: Order! I warn members that if they do not refrain from interjecting they will be removed from the Chamber for the day.

Mr ADRIAN PICCOLI (Murray—Minister for Education) (15:08): The short answer to that question is a lot, but we have a few minutes to kill. I acknowledge Cindy Berwick, President of the Aboriginal Education Consultative Group [AECG], who is in the gallery. She is doing a great job supporting all students, in particular Aboriginal students, right across New South Wales. Cindy reminded me of a number of things we are doing in STEM. Late last year a number of senior high school students from Walgett were in Dubbo at a STEM workshop put together by AECG, in connection with Connected Communities and the Department of Education. In a two-day workshop students explored innovation with science, technology, engineering and maths through robotics and astronomy. They looked at farming and all of those things that I know interest students, particularly when they are taught in a relevant and effective way. I thank Cindy for her work and that of the AECG. Yesterday I was in the electorate of Wakehurst, which is represented by the Minister for Family and Community Services, with the Premier—

Mr Brad Hazzard: At Brookvale Public School.

Mr ADRIAN PICCOLI: Most importantly with Janet Nguyen, a third year student at the University of Sydney, who came to university with an Australian Tertiary Admission Rank [ATAR] of more than 98—exactly the kind of students we want in teaching. She is absolutely across her subject matter and loves mathematics. She said her two great passions in life are mathematics and teaching. A great way for those two things to come together is for her to do primary teaching at university. She will benefit from the maths specialisation that the University of Sydney will offer as of next year. She will come into primary school teaching as a specialist maths teacher.

The University of Sydney, Macquarie University and the University of Technology, Sydney, will offer science and maths specialisations in primary school. We know usually primary school teachers start as generalists, able to teach across a number of subject areas. We also know from research and the evidence we have seen in Australia over recent years that the interest in maths and science has declined. Part of the remedy for that is to get students much more interested in science and maths in their early years. We also know that some primary school teachers obviously have an understanding of science and maths, but perhaps are not so confident in some of the content.

We will get primary school specialist teachers not only for the students but also for other teachers in the staff room to provide support and assistance for them so that they can become more confident in the way that they teach science and maths. New South Wales is the first State to have specialist science and maths teachers, but that is not the only thing we are doing in STEM. Part of the reforms we introduced a couple of years ago is that students need three band fives in their Higher School Certificate, including one in English, to get into teacher training. New South Wales is the first State to set a minimum entry standard into university. Students will need to pass a literacy and numeracy test before they can graduate as a teacher in New South Wales.

This will ensure that the teachers who go into our schools have the literacy and numeracy minimum requirements they need to be effective teachers. We are retraining 320 existing teachers to teach science, maths, technology and engineering. We know that in some cases schools cannot, for whatever reason, particularly in high school, have a specialist maths and science teacher and sometimes other teachers are asked to teach those subjects. We know we have an oversupply of physical education teachers and this will be an opportunity for some of them to be retrained into those areas where we have subject matter shortages.

The Board of Studies has provided additional resources to support some of those STEM subjects, particularly around coding. There are eight new science and technology activities for K-6. We are also in the process of upgrading 50 science laboratories across New South Wales, including at Woolgoolga, in the electorate of Coffs Harbour, Northern Beaches Secondary College in the very important electorate of Manly for all of us on this side of the House, Ardlethan Central School in the electorate of Cootamundra, Balranald Central School in my own electorate and Randwick Girls High School, a project that has been asked for for many years. This Government is delivering on STEM and on education right across New South Wales, something we are all very proud of.

The SPEAKER: The time for questions has expired.

*Announcements***AUSTRALIA'S BIGGEST MORNING TEA**

The SPEAKER: I remind all members that tomorrow I will be hosting Australia's Biggest Morning Tea to support the work of the Cancer Council. I encourage all members and staff to attend the event, which will be in the Speaker's Garden from 10.30 a.m. to 1130 a.m. Attendees are asked to provide a donation at the door. There are some fantastic raffle prizes, one of which was donated by the staff in the electorate office of the member for Prospect. I thank them for that.

*Committees***SELECT COMMITTEE ON THE REGULATION OF BROTHELS****Response**

The CLERK: I announce receipt of the Government's response to report No. 1/56 entitled "Inquiry into the Regulation of Brothels", received 9 May 2016.

LEGISLATION REVIEW COMMITTEE**Reports**

Mr MICHAEL JOHNSEN (Upper Hunter) (15:15): I table report No. 18 entitled "Legislation Review Digest No. 18/56", dated 10 May 2016. I move:

That the report be printed.

Motion agreed to.

Mr MICHAEL JOHNSEN: I also table the minutes of the committee meeting regarding Legislation Review Digest No. 17/56.

*Business of the House***MEMBER FOR ORANGE VALEDICTORY SPEECH****Order of Business**

Mr ANTHONY ROBERTS (Lane Cove—Minister for Industry, Resources and Energy) (15:15): I move:

That the business of the House be interrupted at 6.00 p.m. on Wednesday 11 May 2016 to permit the presentation of a valedictory speech by the member for Orange.

Motion agreed to.*Petitions***PETITIONS**

The CLERK: I announce that the following petitions signed by fewer than 500 persons have been lodged for presentation:

Powerhouse Museum Ultimo

Petition requesting the retention of the Powerhouse Museum in Ultimo and the expansion of museum services to other parts of New South Wales, received from **Mr Alex Greenwich**.

Safe Schools Coalition

Petition requesting that the Government prevent the use of the Safe Schools Coalition program in government schools and support for holistic anti-bullying approaches, received from **Mr Kevin Conolly**.

Sydney Cruise Ship Terminals

Petition requesting the implementation of shore power at Sydney cruise ship terminals and that cruise ships be required to use shore power whilst berthed, received from **Mr Jamie Parker**.

South Coast Rail Services

Petition requesting an hourly service from Kiama to Bomaderry station connecting with trains to Sydney, received from **Mr Gareth Ward**.

Inner-city Social Housing

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

Social Housing

Petition requesting that the Sirius building be retained and its social housing function be continued, received from **Mr Alex Greenwich**.

Same-sex Marriage

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

Local Government Amalgamations

Petition opposing the forced amalgamation of the Kiama local government area with any other local government area, received from **Mr Gareth Ward**.

Pet Shops

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

Duck Hunting

Petition requesting retention of the longstanding ban on duck hunting, received from **Mr Alex Greenwich**.

The CLERK: I announce that the following petition signed by more than 500 persons has been lodged for presentation:

Local Government Amalgamations

Petition opposing any proposed amalgamation involving the Shellharbour local government area, received from **Ms Anna Watson**.

The CLERK: I announce that the following Minister has lodged a response to a petition signed by more than 500 persons:

The Hon. Mark Speakman—Wild Horse Cull—lodged 17 March 2016 (Mr John Barilaro)

Motions Accorded Priority

CONTAINER DEPOSIT SCHEME

Consideration

Mr MARK COURE (Oatley) (15:16): My motion should be accorded priority because members on this side of the House support the introduction of a container deposit scheme, which will significantly reduce litter across this State. Those on this side of the House are committed to caring for, protecting and cleaning-up our environment and this scheme is a fantastic first step. Indeed, it is the most significant litter scheme ever to be introduced in this State. Previous governments, including many members who sit opposite, did not have the bottle to do it. In the 16 years those opposite were in government they failed to implement a practical scheme to motivate people to collect and return used drink containers.

My motion should be accorded priority because this week the Premier announced that New South Wales will introduce a 10¢ refund container deposit scheme next year. Unlike those opposite, we on this side of the Chamber understand the importance of the environment to the people of New South Wales. Fortunately for the good people of New South Wales, members on this side of the Chamber recognise and understand the importance of reducing drink container litter. Community groups will play an important role in delivering the container deposit scheme and will gain a financial benefit in doing so. Community groups such as the Scouts, the Lions Club, Rotary and school groups will be provided with the opportunity to run collection points and raise funds for their organisations. This is a bold and ambitious plan but the New South Wales Government will be delivering on its commitment.

Those opposite might like to pay attention to how to deliver good policies, support innovation, reward hard work and motivation and implement strategies to benefit the New South Wales environment. Drink containers comprise about 45 per cent of the volume of litter in this State—160 million drink containers are littered every year. Indeed, the container deposit scheme will play a big part in helping New South Wales to achieve its goal of reducing litter by 40 per cent by 2020. My motion should be accorded priority because every year its costs more than \$160 million to clean up litter in this State. This money could be spent on infrastructure, resources and, importantly, implementing sustainable and achievable environmental policies. My motion should be accorded

priority because members on this side of the House support the introduction of a container deposit scheme, which will significantly reduce litter across our great State. I ask members to support the motion.

OPAL CARD FARE INCREASES

Consideration

Ms JODI McKAY (Strathfield) (15:19): My motion should be accorded priority because on 1 July 2016 new Opal fares will be introduced. Earlier today the Independent Pricing and Regulatory Tribunal [IPART] released its final report and the Minister for Transport and Infrastructure has refused to respond to it. In fact, in the only statement that has been released so far the Minister said, "We will respond in due course." It is only six weeks until 1 July 2016 and we have no idea about what is to happen to Opal fares in this State.

The Opposition has many issues with this report and the direction in which this Government is heading. Although the Minister for Transport and Infrastructure said earlier this afternoon that he has not made up his mind, Labor contends that he has. The IPART report proposes an increase in Opal fares three times the rate of inflation. This will have an enormous impact, particularly on people in Western Sydney. I note that the member for Parramatta is seated in the Chamber. For example, people in his electorate will be looking at an increase of about 38 per cent, which means in 2018 they will be paying \$756 for their Opal fares. There will be an increase of up to 40 per cent in fares for commuters who live at Penrith, Richmond, Liverpool, Toongabbie, Parramatta and East Hills—that equates to about a \$1,000 increase for people in Penrith and Richmond. This Government is also targeting pensioners. It is well-known that the \$2.50 cap for pensioners, which has existed for the past 11 years, will be abolished.

Mr Mark Coure: Do you have an Opal card?

Ms JODI McKAY: Who is going to stand up for pensioners? Not the member for Oatley. There will be a 60 per cent increase within three years for users of the gold Opal card—this Government is waging a war against pensioners. Those on this side of the House will stand up for pensioners; we will not tolerate an increase in the \$2.50 cap for pensioners. I call on the Government to leave the cap as it is. This increase above the consumer price index [CPI] also coincides with the Government's proposal to increase toll charges above the CPI. Never before have we seen that in this State but that is exactly what will happen with the WestConnex. No matter whether commuters travel by rail or by road they will be slogged by this Government. [*Time expired.*]

The DEPUTY SPEAKER: The question is that the motion moved by the member for Oatley be accorded priority.

The House divided.

Ayes50

Noes36

Majority.....14

AYES

Dr Lee
Mr Ayres
Mr Bromhead (teller)
Mr Coure
Mr Elliott
Mr Gee
Mr Henskens
Mr Kean
Mr Notley-Smith
Mr Perrottet
Mr Roberts
Mr Speakman
Mr Toole
Mr Williams
Ms Gibbons
Ms Pavey
Ms Upton

Mr Anderson
Mr Baird
Mr Connolly
Mr Crouch
Mr Evans
Mr Gulaptis
Mr Humphries
Mr Maguire
Mr O'Dea
Mr Piccoli
Mr Rowell
Mr Stokes
Mr Tudehope
Ms Berejikian
Ms Goward
Ms Petinos
Ms Williams

Mr Aplin
Mr Barilaro
Mr Constance
Mr Dominello
Mr Fraser
Mr Hazzard
Mr Johnsen
Mr Marshall
Mr Patterson (teller)
Mr Provest
Mr Sidoti
Mr Taylor
Mr Ward
Ms Davies
Ms Hodgkinson
Ms Skinner

NOES

| | | |
|--------------------|----------------|--------------|
| Dr McDermott | Mr Atalla | Mr Barr |
| Mr Chanthivong | Mr Crakanthorp | Mr Daley |
| Mr Dib | Mr Foley | Mr Greenwich |
| Mr Harris | Mr Hoenig | Mr Kamper |
| Mr Lulich (teller) | Mr Lynch | Mr Mehan |
| Mr Minns | Mr Park | Mr Parker |
| Mr Piper | Mr Warren | Mr Zangari |
| Ms Aitchison | Ms Car | Ms Catley |
| Ms Doyle | Ms Finn | Ms Harrison |
| Ms Hay (teller) | Ms Haylen | Ms Hornery |
| Ms Leong | Ms McKay | Ms Mihailuk |
| Ms T. F. Smith | Ms Washington | Ms Watson |

PAIRS

Mr Grant Ms K. Smith

Motion agreed to.

CONTAINER DEPOSIT SCHEME

Priority

Mr ANTHONY ROBERTS: I seek the leave of the House to permit an additional four speakers to the motion accorded priority.

Leave granted.

Mr MARK COURE (Oatley) (15:32): I move:

That this House supports the introduction of a container deposit scheme that will significantly reduce litter across the State.

I am shocked that those opposite, including The Greens and some of the crossbench members, opposed this motion. Shame on them! Last year the Premier announced that by 1 July 2017 a container deposit scheme would be in place in New South Wales. I am proud that this Government is taking steps and implementing measures that will reduce the volume of litter by 40 per cent by 2020. Each and every year in New South Wales 160 million beverage containers are littered across our community. This equates to 44 per cent of total litter volume. It is by far the largest proportion of litter in New South Wales. New South Wales is the best and most beautiful place to live, work and play. We are fortunate to have some of the best beaches in the world, stunning national parks and a harbour that is second to none.

The people of New South Wales expect and want us to act to ensure that our State and our local communities remain free of litter and waste. Our communities also want us to take responsible steps to limit the damage that excessive waste causes to natural environments, including impacts to marine life, birds and other species. That is why this Government is introducing a container deposit scheme that will be cost-effective, that gives people an incentive to return their drink containers, targets drink containers used away from home, promotes existing kerbside services and adopts modern technologies such as reverse vending machines.

The Government established an advisory committee to assist the environment Minister with the design and scope of implementing a container deposit scheme. The advisory committee released a discussion paper, which proposed two different models for consideration and I am encouraged by the input and representation from the community across New South Wales, including people from my own electorate, from businesses, local government and all those who seek to reduce drink container litter.

I am advised that significant and thoughtful feedback was provided to the committee regarding the proposals. This was given careful consideration by the Minister and his department. A container deposit scheme encourages and motivates people to return their drink containers to an allocated collection point. It rewards environmentally responsible behaviour and promotes recycling. Importantly, it provides an opportunity for people consuming drinks to hold on to the empty container for later redemption. The container deposit scheme also provides an incentive for motivated people to collect other people's littered containers and be rewarded for their hard work.

The New South Wales Government is committed to implementing the strategies and policies that support best environmental practice. Container deposit schemes have been successfully implemented in a number of States and Territories across Australia, including South Australia and the Northern Territory, as well as overseas in Canada, Croatia and Denmark. Litter is unfortunately presented in many parts of the State and I, for one, know that it is a problem and concern for residents in my electorate. Litter attracts more litter; it is unsightly and it makes places look uncared for. It harms the natural environment. Evidence suggests that the presence of litter promotes antisocial behaviour. The New South Wales Government's container deposit scheme is part of a plan to reduce litter generally in our local communities and across our beautiful State. I ask the House to support the motion.

Mr MICHAEL DALEY (Maroubra) (15:37): The Opposition supports the motion and gives credit where it is due. We will support the Government in its introduction of this important measure. It is a measure for which we have been calling for many years. It is self-evident why these sorts of measures are needed. The CSIRO predicts that plastic ingestion by seabirds, for example, may reach 95 per cent of all species by 2050. In addition, we know that plastic kills up to one million seabirds, 100,000 sea mammals and countless fish each year. These are important environmental measures. That is why we call on the Government to go further and support Labor's proposed ban on single-use plastic bags.

In fact, there is a private member's bill before this place in the name of the shadow environment Minister, Penny Sharpe. We note that last year a petition of more than 12,000 people was presented to the Parliament seeking a ban on plastic bags. Labor supports this motion but calls on the Government to widen its environmental credentials because in the past five years they have been very scant. What is so amusing about this debate today is that any Liberal Premier or any Coalition Minister or backbencher who follows their Premier into this place and calls for a debate with the Labor Party on matters environmental is like bringing a knife to a gunfight. I had to laugh today when the Premier in answer to a question about this very subject wanted to quote Jeff Angel. I have known Jeff Angel for many years and one cannot buy Jeff Angel. He does not care about a person's political persuasion and he always maintains a true course. He said on 20 January in the *Sydney Morning Herald* in relation to this Government's environmental credentials:

Over the past year, there's been a war on trees and there's no sign that it will stop.

Mr Gareth Ward: Point of order—

The DEPUTY SPEAKER: Order! The member for Oatley has made his contribution.

Mr Gareth Ward: My point of order is relevance under Standing Order 76. Whilst I am loath to interrupt my friend the member for Maroubra, who speaks so eloquently, on this particular point he is detracting from the motion by now talking about comments relating to other matters, not the motion before the House. I ask you to bring him back to the leave of the motion.

Mr MICHAEL DALEY: To the point of order: I am quite entitled to speak in reply and to rebut anything that has been raised by speakers before me. The member for Oatley opened this debate into one about environmental credentials and indeed criticised the Labor Party for its environmental inaction. I am entitled to reply to those sorts of remarks.

The DEPUTY SPEAKER: Order! Debate on matters accorded priority usually become very wide ranging. I will listen further to the member for Maroubra.

Mr MICHAEL DALEY: In fact, Jeff Angel went on to say:

These magnificent living organisms are becoming a pile of woodchips. This episode is the latest in a war on trees. ... Eighteen months ago the Baird government introduced the 10/50 rule to allow greater flexibility in removing trees that could be a bushfire risk. Despite clear warnings there were too many loopholes and it would be abused, the government pushed ahead. ... Another major development is the WestConnex roadway. The recent environmental impact statement admits threatened vegetation communities in the Wolli Creek area will be destroyed ... an inner Sydney suburb will see some of the rarest vegetation and native habitat disappear forever.

Mr Gareth Ward: Point of order: These issues are hardly contemporaneous. We are talking about a container deposit scheme versus WestConnex and other infrastructure projects. Clearly, this is not relevant to the debate before the House.

The DEPUTY SPEAKER: Order! I uphold the point of order. I ask the member for Maroubra to return to the motion.

Mr MICHAEL DALEY: The Opposition supports the motion but what is true in respect of this Government is that whenever there is a competition between the environment department and the Treasury, it is Treasury that always wins.

Mr BRUCE NOTLEY-SMITH (Coogee) (15:42): I congratulate the Minister for the Environment, the Hon. Mark Speakman, and the former Minister for the Environment, the Hon. Rob Stokes. In particular I congratulate the Premier of New South Wales, Mike Baird, on the leadership he has shown in delivering on the election commitment he made in my electorate of Coogee in 2015 that we would introduce a container deposit scheme. This Government keeps its promises; it walks the walk, sets goals and achieves them. One of the goals that will be achieved from introducing a container deposit scheme will be a 40 per cent reduction in litter in this State by 2020.

More than 160 million beverage containers are littered throughout New South Wales every year. What an absolute waste. Putting a monetary value on those containers gives users the incentive to take them back, and if they do not want to do so it gives somebody else the incentive to collect them and return them for recycling. This is about people taking responsibility for their actions. We heard from the member for Maroubra about the environment credentials of the Labor Party. In 2004 Bob Carr said that he would ban lightweight plastic bags within two months. It never happened. Those opposite had another six or seven years in government to do it but they did not act. They talked about introducing a container deposit scheme but they never did it.

In 2007 Peter Garrett and Kevin Rudd made an election commitment that they would ban lightweight plastic bags, but they did not do it. They had until 2013 to do it and they did nothing. That is what we see repeatedly from those on the Labor side of politics: They are all talk and no action. They make promises but never deliver on them. The scheme that will be introduced in New South Wales is ground breaking. It will be one of the biggest pieces of environmental legislation that this State has seen. I remember the container deposit scheme that operated when I was a kid. We would collect bottles and then buy lollies with the money raised. I commend the Government for this initiative. [*Time expired.*]

Mr TIM CRAKANTHROP (Newcastle) (15:46): I welcome the recent announcement that the Government is to come on board with Labor's call to establish a New South Wales container deposit scheme; however, I cannot understand the Government's decision to delay the start of this important scheme. The Government wants to set up a committee to implement the scheme in 2017. We will see how long the committee takes to bring this idea to fruition. By then there may be another 160 million plastic containers floating around New South Wales. The Throsby Creek mangroves are in my electorate of Newcastle. That wetland is also known as the "Hunter River filtration system". I have seen where plastic pollution ends up. I am very enthusiastic about the container deposit scheme, which I have been campaigning for this year. I have spent many hours cleaning up the Hunter River filtration system in support of this scheme. I have been showing voters what could be avoided if we had some important environmentally forward-thinking plans in place.

In January the shadow Minister for the Environment and Heritage, the Hon. Penny Sharpe, joined me in cleaning up the mangroves. Just yesterday I worked with Merewether High School to clean out the mangroves at Carrington. Every year a significant amount of plastic is removed from those wetlands. It comprises mostly plastic bags and plastic drinking containers. As the mangroves form part of the harbour, there is also a real risk to wildlife in the area. Once in the ocean, plastic begins to break down. It is estimated that more than 100,000 pieces of plastic are floating in every square kilometre of ocean. Each year plastic kills up to one million seabirds, 100,000 sea mammals and countless fish. This issue is very real and very important to my coastal city, and I was happy to help kick off the Ocean Action Pod launch in April. In the past few months I have used the trial reverse vending machines, and this trial is strongly supported.

Why delay this scheme when there is community and bilateral support for legislation? Let us implement the container deposit scheme. While we are at it, we need to support Labor's bill to ban single-use plastic bags. If we introduced a ban on single-use plastic bags in conjunction with the container deposit scheme, we would reduce waste and landfill and help to minimise other environmental impacts of plastic bags, including the threat they pose to marine life. It would also bring New South Wales into line with other States and Territories in playing a leading conservation role, particularly along the east coast of Australia. In many cases plastic bags enter the environment through stormwater run-off. Following two extreme weather events in the past nine months, and given the array of wetland, beach and river environments in Newcastle, we desperately need to ban plastic bags. I support an expedited rollout of the container deposit scheme this year. I also urge the Government to support a ban on single-use bags in a separate bill.

Mr CHRISTOPHER GULAPTIS (Clarence) (15:49): It is a pleasure to speak in debate on this motion. This week the New South Wales Liberal-Nationals Government announced a scheme that not only is the most significant litter reduction project in this State's history but also will have significant environmental outcomes. This scheme will mean that consumers, community groups and charities that return empty bottles are eligible to receive a 10¢ refund for each of those items. As the Parliamentary Secretary for the North Coast, I can say that the North Coast is very proud of its clean, green image. This scheme will enhance our reputation for being clean and green.

The scheme has been long awaited by communities across the North Coast, and indeed across all of regional New South Wales. I applaud the Liberal-Nationals Government for introducing this scheme. The impact on our environment of litter that can be recycled is immeasurable. This scheme will go a long way towards improving our waterways, roads, parks and beaches. It will also offer charities and community groups a wonderful fundraising opportunity. We know that a similar scheme has been very successful in South Australia. Communities there raised something like \$60 million last year through bottle and can collection. Regional New South Wales has some of the highest rates of volunteering in this State, and I am sure that our charities and community groups will benefit greatly from participating in the scheme. During National Volunteer Week, I recognise the wonderful work of volunteers in our communities.

The New South Wales Government is working hard to protect, preserve and enhance our natural environment. From mid next year, people in New South Wales will be able to return their eligible drink containers to a collection point for a 10¢ refund per item. The collection network will include depots, reverse vending machines, mobile pop-up sites and the like. The member for Newcastle wondered when the scheme will commence; it will commence next year. A cost-effective container deposit scheme will help reduce litter, make it easier for our communities to recycle and improve our neighbourhoods for everyone to enjoy.

Liberal-Nationals Government members are the doers not the talkers in this place. We make things happen. We are making a difference to our environment with sound policies that are in line with community expectations. This is something that the North Coast and regional communities have wanted for years. It is a longstanding policy of The Nationals. I am proud that this Government has listened and delivered for the people of the North Coast and regional New South Wales. This scheme has been developed with input from industry, environment experts and waste experts. It is a best-practice, cost-efficient model that builds on the successes and lessons learnt from more than 40 jurisdictions around the world that have such schemes in place. [*Time expired.*]

Ms JO HAYLEN (Summer Hill) (15:53): The Government's announcement this week that New South Wales will adopt the cash-for-containers scheme advocated by the Boomerang Alliance is definitely welcome. Labor members have called for this scheme because we know it is the best way to stop 160 million drink containers ending up on our beaches and in our streets, parks and waterways, such as the Cooks River in my electorate. This will be not just a huge win for our environment, cleaning up the places we love, but also a boon for countless community groups across the State, who will benefit by earning 10¢ for every bottle returned. In my electorate I look forward to working with the local scouts, the Mudcrabs, the Cooks River Valley Association, the Red Devils Football Club, the Marrickville Cricket Club and many others to clean up the Cooks River. Like many residents, I walk along the banks of the Cooks River every day with my labrador, Lucy. She likes it down there.

Mr Gareth Ward: I take it she is not a sniffer dog!

Ms JO HAYLEN: No. She likes it down there. It is a beautiful environmental resource that has been left to languish for generations, clogged with industrial waste and litter. But it is not just bottles floating along at low tide; it is hundreds of plastic bags. A cash-for-containers deposit scheme will make a difference to the river, but it must just be the beginning. We need to legislate now to ban single-use plastic bags. Australians use up to five billion plastic bags each year, littering more than 180 million of them over New South Wales. Let us adopt Labor's plan to ban single-use plastic bags. We have a bill but the Government wants to send it to a committee. Meanwhile, in the next year 61 million more plastic bags will work their way into our State's environment, and into rivers like the Cooks River. Another million seabirds will die from plastic that they ingest, as will 100,000 sea mammals and countless fish. It is time to act: Let us ban single-use plastic bags.

We should also act in a meaningful way to ban the importation and production of goods containing micro beads—tiny particles of plastic causing untold damage to our oceans, lakes and rivers. I welcome the motion moved by the member for Oatley because we cannot wait another year for the cash-for-containers scheme. Let us legislate now to prevent another 160 million plastic bottles being littered into our precious environment. After 13 long years of campaigning, the community knows what it wants and that is not another committee. It wants action now. It is clear that we cannot continue to sacrifice our ecology for a culture of convenience. Let us move and legislate now on commonsense measures to eliminate plastic pollution whether it be in the Cooks River, where I walk every day with my dog, throughout our community or on our beaches and all the other places we love. We do not need another committee; we need to act to protect our environment for future generations.

Mr JOHN SIDOTI (Drummoyne) (15:56): By leave: I have been advocating for a container deposit scheme in my electorate for a long time. I will not make fun or try to score political points. I am just glad that this Government has taken the lead on this policy. Labor was in government for 16 years and what did it do? When I walk along the banks of the beautiful Parramatta River in my electorate, which adjoins the electorate of the member for Balmain, I see rubbish and plastic bottles littering our foreshores. This is an absolutely great initiative for the environment, and I am glad that the Liberal-Nationals Government has taken the lead and delivered one of the most powerful policies for the environment that we have seen in a long time.

I thank all those responsible for their efforts leading to this great day. It is not about keeping Australia beautiful one day of the year; it is about keeping Australia beautiful every day of the year. I look forward to this initiative being implemented. A container deposit scheme is a great initiative because by collecting bottles and cans people will learn very early in life the value of money. I am happy with this initiative, which I will commend to my electorate. Many of my constituents of all political persuasions have been looking to government for leadership in delivering a sustainable environmental policy that will have lasting benefits for future generations.

Mr JAMIE PARKER (Balmain) (15:58): By leave: I welcome the motion moved by the member for Oatley. For the past five years crossbench members have voted to allow Opposition members to make a contribution to the debate on priority motions but of course we support this motion. I acknowledge the member for Oatley, the Minister for the Environment, the former Minister for Planning and the Premier for their input in this decision. Credit is not often given to the Government and, while some of its decisions should be criticised, in this case it has made a positive environmental contribution. I also acknowledge members of The Nationals who have also made a very strong contribution to this issue over many years. I am sure that their advocacy has helped to progress this issue.

It is important to recognise the Government's positive decision to include three-litre bottles in the scheme. The Government has not buckled under the pressure from the beverage industry, which embarked on a blackmail campaign to run advertisements against the scheme. Its ridiculously inadequate Thirst for Good campaign was an embarrassment. Only a refund model will reduce litter and increase recycling. While The Greens thank the beverage industry for its input, we are glad that the Government has not buckled under that pressure.

When I was first elected to Leichhardt council in 1999 the then Labor Government said that it would conduct an independent inquiry and commission the Institute for Sustainable Futures at the University of Technology Sydney to produce a report in 2001. That report, which was released in 2002, said that a scheme should go ahead. But before the report was even produced Premier Carr said, "We oppose it; we are against it. We are backing the beverage industry and we are not going to support it." This issue has had a problematic history but I welcome the current position of the Labor Party on this matter as an important step forward.

I also recognise the efforts of Clover Moore, a former Independent member of the lower House, and Cate Faehrmann, a former member of the upper House, who moved a motion to introduce container deposit legislation. We must extend producer responsibility. I acknowledge the bill of the member for Ballina to ban plastic bags below 30 microns. That is an important step forward and we need to adopt such a ban. I give my strong support to members on all sides of the House who support that initiative. Finally, I acknowledge John Williams, the former member for Murray-Darling, whose electorate spanned western New South Wales and who was always a great advocate for this scheme.

Mr MARK COURE (Oatley) (16:01): In reply: I thank members on both sides of the Chamber who have spoken in debate on this motion.

Mr John Barilaro: Name them.

Mr MARK COURE: I will do that. In particular, I refer to the outstanding members representing the electorates of Coogee, Drummoyne and Clarence—and to the interjections of the member for Kiama. It is always good to have him in the Chamber. I also thank former members who I am sure are watching this debate on the worldwide web, such as John Williams and other Coalition members who have supported this initiative over the years. I also thank members representing the electorates of Balmain, Summer Hill, Maroubra and Newcastle. This is an important and historic time for New South Wales. A container deposit scheme is a step in the right direction, following in the footsteps of other States such as the Northern Territory more recently and South Australia, which implemented its scheme a long time ago.

Many community groups such as Scouts, Lions clubs and schools will play an important role in delivering the container deposit scheme, and will gain financial benefit from doing so. They will be given the opportunity to run collection points in our communities and raise much-needed funds for their organisations. I noticed comments on Facebook from community groups such as the Autism Community Network. Warren Thompson added a post on my Facebook page saying, "This will benefit community groups to raise much-needed funding". The group operates locally in the St George and Sutherland shire. This is a bold and ambitious plan that will be delivered by the New South Wales Government.

As I said before, drink containers make up 45 per cent of the volume of litter in New South Wales—160 million are littered every year. The container deposit scheme will play a big part in helping New South Wales achieve our goal of reducing litter by more than 40 per cent by 2020. The proposed container deposit scheme sets out ambitious targets for New South Wales but we are obligated to act in order to protect our waterways, streams, parks, beaches and streets. It is difficult to put a figure on the amount of money spent by local governments, State

agencies, community groups, organisations and private landowners when it comes to cleaning up and disposing of litter, but it is more than \$162 million a year. This is a bold step forward and will make New South Wales the clean State again.

The DEPUTY SPEAKER (Mr Thomas George): The question is that the motion accorded priority, as moved by the member for Oatley, be agreed to.

Motion agreed to.

The DEPUTY SPEAKER: Debate on the motion accorded priority having concluded, the House will now consider Government business.

Bills

PUBLIC LOTTERIES AMENDMENT (KENO LICENSING) BILL 2016

Returned

The DEPUTY SPEAKER (Mr Thomas George): I report the receipt of a message from the Legislative Council returning the abovementioned bill without amendment.

TERRORISM (POLICE POWERS) AMENDMENT (INVESTIGATIVE DETENTION) BILL 2016

Second Reading

Debate resumed from 4 May 2016.

Mr PAUL LYNCH (Liverpool) (16:06): I lead for the Opposition in debate on the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016. The Opposition does not oppose the bill. The object of the bill is to amend the Terrorism (Police Powers) Act. The amendment to the principal Act is to authorise the arrest, detention and questioning of a person suspected of being involved in a recent or imminent terrorist act for the purposes of assisting in responding to or preventing the terrorist act. Additionally, the bill also extends by three years the sunset date until which membership of a terrorist organisation is a State criminal offence. New South Wales already has a regime of detention without charge; it is set out in the principal Act and has existed for more than a decade.

It has been used very sparingly, and indeed the Ombudsman suggested not long ago that the provisions be rescinded as they had never been used. More recent events have meant that those suggestions have not been explored further. The bill proposes two major differences to the current regime. One is to extend the scheme to those aged 14 years and over—that is, not to restrict it to those aged 16 years and over. That proposal for extension has been supported by Bret Walker, the former independent national security legislation monitor and someone whose views on these issues I take very seriously. The second major change is to allow suspects to be questioned while being detained. I note that this has been supported by Professor George Williams, and his views carry great weight for people like me. The bill does not simply amend the principal Act by altering the current regime; instead, it inserts a wholly new part 2AA into the principal Act, entitled "Investigative detention powers". New section 25A declares:

The object of this part is to authorise the arrest, detention and questioning of a person who is suspected of being involved in a recent or imminent terrorist act for the purposes of assisting in responding to or preventing the terrorist act.

The powers are directed against a terrorism suspect. A terrorism suspect is defined widely and extends to a person who possesses a thing that is connected with the commission of or the preparation or planning for a terrorist act. It extends to a future terrorist act even if the identity of the person committing the terrorist act, the kind of act or the timing or location of the act has not been established. New section 25C defines investigative detention as:

Detention of a terrorism suspect for investigation into a past or future terrorist act for the purposes of assisting or responding to or preventing the terrorist act.

New section 25E deals specifically with the power to arrest. Arrest without warrant for investigative detention may occur if the relevant terrorist act has occurred within the past 28 days, or if the police have reasonable grounds to suspect that the terrorist act could occur at sometime within the next 14 days. The suspect must be advised at the time of the arrest that he or she is arrested for the purpose of investigative detention. A senior police officer must review every 12 hours whether the detention should be continued. New section 25F provides that a person under 14 years of age cannot be arrested or kept under investigative detention. This, as I indicated, is a departure. I note that people under the age of 16 years can already be charged with terrorism offences and detained if bail is refused. It is a matter of notoriety that terrorism offences are drafted in extraordinarily broad terms.

The evidence that might lead to preventative detention may well be enough to ground charges. There is then a sense in which the investigative detention for under 16-year-olds allowed by this bill is not such a

dramatically different path, granted the capacity for them to be charged already. In any event, I note the comments of Bret Walker in support of this position, to which I have already referred. The other departure is new section 25C, which allows suspects to be questioned while detained. That is not allowed in the current regime. New section 25G (4) provides that questioning may occur only if the suspect is given the opportunity to rest for a continuous period of at least eight hours in any period of 24 hours of detention. The suspect must also have reasonable breaks during any period of questioning. However, I note the caveat in new section 25G (4) that:

This subsection does not prevent questioning that a senior police officer determines is necessary and reasonable because of the exceptional circumstances of the case.

The maximum period of detention without warrant is four days, with a warrant the maximum is 14 days. Warrants are obtained by application to an eligible judge in the capacity of persona designata—that is, someone who is part of the executive and not acting as part of the judiciary. A detention warrant may extend the maximum period of investigative detention by a period not exceeding seven days. This may be extended by a detention warrant on more than one occasion, providing the total period does not exceed 14 days. The eligible judge must be satisfied that the investigation is being conducted diligently and without unnecessary delay, that there are reasonable grounds for suspecting that the person continues to be a terrorism suspect, that there are reasonable grounds for suspecting that any future terrorist act concerned should occur in the next 14 days or occur if the suspect is released, and that the extension will substantially assist in responding to or preventing the terrorist act concerned.

An application for a detention warrant can be made in person or by phone. The application by phone is only if the warrant is required urgently and it is not practicable to do it in person. An affidavit must follow within one day. The judge must cause a record to be made if an application for a warrant is refused. The police may request that the judge determine some material criminal intelligence, which means it can be withheld from the suspect. The police can monitor all contact between the suspect and his or her family and others, but not including legal practitioners. Contact can be in a language other than English but only if the police can monitor it effectively. The police can request a prohibited contact direction in the warrant. That may include a prohibition on contacting a particular legal representative.

The provisions come from a Council of Australian Governments [COAG] process, with agreement finally being reached in April. It seems to me that they represent a significant backdown by the Premier, who last year talked of detention for up to 28 days. That has not emerged in this bill—the maximum period remains 14 days. At the time Labor expressed its scepticism about the necessity of that change; that scepticism appears to have been borne out. The final provision in this bill is to extend the sunset clause for the offence of section 310J of the Crimes Act—being a member of a terrorist organisation. This is done by amending section 310L of the Crimes Act so that the sunset clause is extended by three more years—from 13 September 2016 to 13 September 2019. In his second reading speech the Premier said:

This amendment will ensure that suspects may continue to be arrested for the New South Wales version of the offence until the extended sunset date.

That seems to imply that people have in fact already been arrested and charged under section 310J. I ask that the Premier clarify in reply how many people have actually ever been charged with this offence. As at September 2015, there had been no convictions in New South Wales for offences under section 310J. I advised the House of that in the second reading debate on the Terrorism (Police Powers) Amendment Bill 2015. Likewise, there have been no convictions in New South Wales under the counterpart Commonwealth legislation. I would appreciate the Premier's clarification on that point in reply. Today I received a copy of a letter from the Law Society of New South Wales dated 10 May. I reiterate that the Opposition does not oppose the bill but the Law Society has raised some issues that the Premier ought to address in reply. The opening paragraph of that letter reads:

The Law Society of NSW writes to you to raise serious concerns in respect of the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016 ... While some safeguards have been built into the Bill, the Law Society does not consider them to provide a sufficient safeguard of individual rights and freedoms.

The society also says:

The Law Society notes that the legal profession has not been consulted on this Bill prior to its introduction.

I regard that as unfortunate; it is beginning to be a bit of a pattern for this Government's legislation. The Law Society has raised a number of concerns. Some of them are as a matter of principle opposing preventative detention but it has some other specific concerns that it would seem to me to be appropriate to address. One is the concern that the preventative detention framework has no exemption in this bill for persons with cognitive impairments. It also notes that the powers of arrest under new section 25E are extraordinary "in that they may be exercised by any police officer (rather than those defined as 'senior police officers') and they do not require the approval of a judicial officer unless the police seek to detain the person for more than four days. I would be interested in the Premier's explanation as to why the power rests with ordinary police officers rather than with senior police

officers. That seems to me a reasonable point to deal with. I also note that the Law Society is concerned about the provision relating to lawyers. In part the letter states:

In relation to lawyers, it is very concerning that the framework does not provide for alternative arrangements to be made to enable the terrorism suspect to access legal representation.

I would be interested in the Government's response to that point. The final point from the Law Society on which I would seek a response relates to this portion of its letter:

Clause 25P provides for the Commissioner of Police to provide annual reports on the exercise of power by police officers. Clause 25P(4) outlines the matters that should be included in these reports. The Law Society considers that additional matters should be included in this list, including:

The age of the individuals detained under these provisions;

The number of no contact orders made under the provisions, and whether or not they were applied to minors; and

The number of times a terrorism suspect was denied access to his or her lawyer under the provisions.

It seems to me clarification of those points might be of assistance. Having said that, as I have said a number of times, Labor does not oppose the bill.

Mr TROY GRANT (Dubbo—Deputy Premier, Minister for Justice and Police, Minister for the Arts, and Minister for Racing) (16:15): I support the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016 introduced by the Premier. As I have said publicly, I wish we did not need this bill. But it is the sad reality that we do. The threat of terrorism is rapidly changing and evolving. We have seen acts of terror in this State by children as young as 15. We face a clear and present danger, and New South Wales must adapt. This bill will strengthen the ability of our law enforcement agencies to combat and interrupt terrorism threats.

In recent times we have seen the actions of Man Monis result in the tragic deaths of Tori Johnson and Katrina Dawson during the Martin Place siege. More recently, in October 2015, a NSW Police Force employee, senior accountant and father of two, Curtis Cheng, was killed at the hands of Farhad Jabar, a 15-year-old boy—a boy whose entire life was not as long as Mr Cheng's career of faithful service to his community as part of the NSW Police Force family. It is a chilling example of the fact that more individuals are becoming radicalised at a younger age, in part due to the increased use of social media. These young people are being targeted and recruited in their own homes, in their own bedrooms, to carry out acts that we as a nation previously believed we were immune from. They are being radicalised at a faster pace to commit acts that are simpler and involve fewer people but are just as deadly.

New South Wales police have been working hard to combat this threat, especially the NSW Joint Counter Terrorism Team. I proudly wear its pin on my suit jacket today as this bill is debated in this place. On 25 April 2016 officers from that team charged a 16-year-old male with preparing or planning a terrorist act that police will allege was linked to Anzac commemorations. On 27 April 2016 officers charged four men with plotting to carry out the terror attack that claimed the life of Curtis Cheng. This follows arrests and charges in October 2015, November 2015 and January 2016.

It is a sad fact that our frontline police are now targets themselves because of their efforts to keep our communities safe in times of danger. The men and women of the NSW Police Force face an extraordinary risk of harm every day. We must equip and arm them with the powers they need to keep themselves and our communities safe. That is what this bill is about, and that is why we must support it. The New South Wales Government has undertaken a number of initiatives designed to protect the New South Wales public from the threat of terrorism. Following the Martin Place siege, the Government further tightened the bail laws and strengthened offences in relation to illegal firearms. The New South Wales Government is working to support and provide referrals to individuals, families and community members to intervene before situations escalate to violence.

In March 2016, the Minister for Multiculturalism, the Hon. John Ajaka, MLC, announced the successful recipients of the first New South Wales Government COMPACT Grants Program, which is designed to better engage young people and safeguard our community. The COMPACT program is about using experienced community organisations to help youth stay on the right track and to divert them from wrong influences and ideas. Despite the ever-changing nature of terrorist acts, the current preventative detention laws in New South Wales have not been substantially amended since they were introduced in 2005. The current preventative regime, found in part 2A of the Terrorism (Police Powers) Act 2002, provides for an initial period of detention under a preventative detention order of two days, with the potential for an extension of up to 14 days.

The experience of New South Wales police during Operation Appleby demonstrates that, because of their complexity, our current laws do not support their ability to investigate and respond to emerging threats. The current preventative detention orders do not allow for questioning of suspects and do not facilitate the use of information that is volunteered by a terrorism suspect. The initial period of two days is not sufficient time to

investigate, or to apply for an extended detention order. In addition, there is no ability to require the protection of criminal intelligence. This bill has been modelled on similar laws in the United Kingdom; they will address these deficiencies and enable law enforcement to operate without one arm tied behind its back.

Under the proposed reforms our law enforcement agencies will be able to detain a person where there are reasonable grounds for suspecting that they committed a terrorist act in the past 28 days, or they are involved in planning to commit a terrorist act in the next 14 days. Police will be able to detain a person for an initial four days, which will be reviewed by a separate, senior police officer every 12 hours. Following this initial period, an eligible judge will consider extending the detention in increments of seven days, up to a maximum of 14 days. A maximum detention period of 14 days is broadly supported across the nation and is consistent with the detention periods utilised for the similar scheme operating in the United Kingdom.

The bill includes protections to ensure that the detention period of a terrorism suspect is not extended unless an eligible judge is satisfied that the investigation is being conducted diligently and without unnecessary delay; there are reasonable grounds for suspecting that the person continues to be a terrorism suspect; there are reasonable grounds for suspecting that any future terrorist act could occur, or so occur where the suspect is released, in the next 14 days; and the extension will substantially assist in responding to or preventing the terrorist act concerned. It is important that sensitive criminal intelligence relied on by police to inform a detention application is protected.

The bill allows an eligible judge the discretion to determine that certain information is criminal intelligence. This includes information, the disclosure of which would prejudice investigations, reveal a confidential information source, reveal confidential police investigative techniques, or endanger a person's life or physical capacity. If the eligible judge declines to determine that information is criminal intelligence, police are entitled to withdraw the information as grounds for issuing the warrant, rather than risk having the information disclosed to the suspect. All appropriate safeguards for detained persons are included in the bill.

Existing safeguards regarding police powers and detention will apply, such as rights concerning access to a lawyer, access to medical attention, appropriate rest periods and interpreters. Additional safeguards will apply for children under 18 years of age and a person under 14 years old cannot be arrested or detained under the bill. Applying the provisions in the bill to individuals aged 14 to 17 years of age aligns with proposed changes to Federal counterterrorism control orders. Under those proposals, a person can be subject to a control order if it substantially assists in preventing a terrorist attack or if the person has trained with a listed terrorist organisation.

The bill provides for the application of the special safeguard provisions contained in division 3 of part 3 of the Law Enforcement (Powers and Responsibilities) Regulation 2005 to young persons aged 14 to 17 years of age and other vulnerable persons who may be detained under the bill. These special safeguard provisions include the entitlement to have a support person present during questioning or any other investigative procedure. The bill requires that a suspect be given the opportunity to rest for a continuous period of eight hours in any 24 hours of detention, and to have reasonable breaks during any period of questioning. Police are also required to arrange for interpreter services if a terrorism suspect wishes to communicate in a language other than English.

The information given in connection with an application for a detention warrant must be verified by affidavit and a copy of the redacted affidavit will be given to the terrorism suspect. It is a criminal offence for a person to give false information in connection with an application for a detention warrant. The Commissioner of Police must report annually on the exercise of powers under the bill and promptly advise the Minister for Justice and Police and the Attorney General whenever a terrorism suspect is arrested.

The police commissioner's report is to be tabled in Parliament. The Attorney General will review the operation of the bill as soon as possible after the period of three years from its commencement. A report on the outcomes of the review will be tabled in Parliament. This bill proposes a number of important improvements that provide our police with the tools they need to protect themselves and protect us. While we cannot ever guarantee that a further act of terrorism will not occur, we must take this strong action to extend all safety possible to police and our community.

Mr ALEX GREENWICH (Sydney) (16:25): Terrorism is a serious global issue: Instability in faraway nations has been connected with horror, injury and death—sometimes on a large scale—in otherwise peaceful places, including here in Sydney. I agree that governments cannot be complacent and must address terrorism as a priority, and I acknowledge the community work the Government is doing to fight extremism, but I do not believe that boosting police powers to the point where 14-year-olds can be arrested, detained and questioned for up to 14 days without charge will help reduce terror and extremism.

The Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016 will allow police to detain and question someone as young as 14 if they suspect on reasonable grounds that the person has committed,

is preparing to commit or possesses an item that could be used in a terrorist act. Initial detention can last for four days without any oversight and, with the approval of an eligible judge, for up to 14 days. I oppose inclusion of children in this framework. The law has always upheld a protective attitude towards children. While rare, children's involvement in atrocities is not a new thing and the law has always treated them in a way that recognises the long-term psychological impact the criminal justice system could have on children and the different vulnerability and motives of children from adults. There are similar arguments for people who suffer from cognitive impairment, and no provisions have been made to protect them.

I do not support preventative detention without charge—healthy democracies allow for arrest based on evidence that could stand up in court, with accused persons being brought before the courts as quickly as possible. This bill goes beyond detention based on prevention to also include detention for the purpose of police investigation. Arrest and detention without charge, particularly for a period of up to 14 days, likely constitutes arbitrary detention. I am not satisfied that the proposed safeguards and oversight are adequate to prevent misuse. The scope of who could be detained is wide. Police need only suspect that a terrorist act could occur, based on reasonable grounds to suspect. Satisfying reasonable grounds to suspect that something could occur is a very low threshold to achieve. It would be more appropriate if the bill required reasonable grounds to believe that a terrorism act would likely occur.

Furthermore, for a suspected imminent terrorist act, police do not even have to know the identity of the person who will commit the act, or the place or time of the act. Even possessing an item in connection with a potential future or past act could make someone a terrorism suspect for the purpose of this bill, which means someone could be arrested and subjected to prolonged questioning because of ownership of a computer or mobile phone used, or to be used, in connection with a terrorism act by another person such as a family member. Any police officer can use these new powers, not just a senior police officer.

There is no genuine judicial oversight because an eligible judge, who will be able to approve detention beyond four days or prevent contact between a suspect and a support person or their lawyer, would not be acting as an independent arbitrator of the law but as an arm of government. I am very concerned that police will be able to monitor contact between a suspect and their family or support persons without a warrant. Police surveillance should only be permitted with the court oversight of a warrant. Alarming, it is unclear whether suspects will be notified. An eligible judge will also be able to prevent a suspect from using a particular lawyer and deny contact between a suspect and their family or support persons. The potential adverse impact on children, who I remind the House could be subject to imprisonment and prolonged questioning, is especially concerning.

The bill provides for breaks during questioning with at least eight hours of continuous rest in any 24-hour period. This allows for 16 hours of interrogation a day for up to 14 days without charge, which could result in significant distress of a suspect and could be seen as coercion to respond in a certain way. Furthermore, a senior police officer will have the authority to allow whatever questioning he or she determines as necessary and reasonable because of the exceptional circumstances of the case. This could mean the loss of breaks and rest. How reliable will responses be under such conditions? An eligible judge will be able to approve withholding the information that forms the basis of detention from a suspect, hindering the suspect's ability to challenge their detention. We have not been told why our existing laws do not suffice other than that police see gaps.

Police can charge someone if they have evidence that the person has committed a terrorist act or is plotting one. When will it stop? I note the Federal Justice Minister, Michael Keenan, has said that the Australian Government is open to extending control orders to children as young as 12. While this bill responds to last year's terrorist attack in which a 15-year-old boy shot and killed a police force employee, New South Wales Commissioner of Police Andrew Scipione has said that police had no prior information that the boy posed "this type of threat". Had these powers been in place, it is unlikely that they would have prevented that attack.

Terrorism is challenging, but our response should not reduce the very civil liberties that distinguish our society from the places in the world that are breeding global terrorism. I do not believe this bill will make us any safer, and I am concerned that it risks creating fear, resentment and alienation within a cohort of people who may already not trust authority at a time when we should be promoting social cohesion. The Government did not consult with legal professionals or civil rights advocates on this legislation, and it should have left it on the table longer than the minimum five days because it is a complex bill with major implications for our justice system. Members should have been given the opportunity to conduct useful assessment and consultation. The bill is reactive and dangerous and I cannot support it.

Ms GABRIELLE UPTON (Vaucluse—Attorney General) (16:31): I support the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016. The bill strikes a balance between protecting our way of life from terrorism, which is an ever-present threat, and protecting our cherished rights and our freedoms to live in our community. We should make no mistake: The threats to our day-to-day safety are real; some of them are not even visible. The types of threats are different from those that we faced as a community five years ago.

Police tell us they have less time to respond and in some cases, as we all know, children are used to commit unspeakable acts.

Our deeply held freedoms and rights make us a target for supporters of another type of society—an alien one that is propagated by terrorist organisations like ISIS. We are living in extraordinary times where this threat is real and those who wish to harm us and our way of life are sometimes preying on innocent children to throw that attack back upon us as a community. That is why this response, which has been supported by the Opposition in the House this afternoon, is so strong. It is what is needed in this time to protect our civil society. The Baird Government is committed to protecting the citizens of New South Wales—their safety—and sometimes this means strong and effective police powers. However, these strong powers must always be accompanied by safeguards to ensure that the proper balance is maintained.

I note that the Council of Australian Governments [COAG] agreed in principle with the Australian Capital Territory reserving its decision on the New South Wales pre-charge detention model as the basis of a strengthened nationally consistent pre-charge detention scheme for terrorism suspects. We are together on this initiative. The object of this bill is to amend the Terrorism (Police Powers) Act 2002 to authorise the arrest, detention and questioning of a person who is suspected of being involved in a recent or imminent terrorist act. The new investigative detention powers are in part 2AA of the Act. Section 25A contains the object of the Act, which is to:

... authorise the arrest, detention and questioning of a person who is suspected of being involved in a recent or imminent terrorist act for the purposes of assisting in responding to or preventing the terrorist act.

The bill makes it clear that the power is available in relation to future possible terrorist acts where there is some uncertainty as to the exact details of those plans. New section 25C alters the common law as reflected in the Law Enforcement (Powers and Responsibilities) Act 2002, which would ordinarily require an arrested person to be brought before a court as soon as reasonably practicable. New section 25E is the arrest power at the centre of this bill. It will be available where either, first of all, a terrorist act concerned has occurred in the past 28 days, or where the police officer has reasonable grounds to suspect that the terrorist act concerned could occur at some time in the next 14 days; and the police officer is satisfied that the investigative detention will substantially assist in responding to or preventing the terrorist act.

These are strong powers, as I have said, but the bill contains some important safeguards. Detention can be discontinued by police at any time. A senior police officer must review the detention as soon as practicable after arrest and then every 12 hours after that, and the person must be released where they cease to be a terrorism suspect. The power cannot be used on juveniles below the age of 14 years. Questioning is limited to the offences connected to the terrorist act unless there are reasonable grounds for suspecting that postponing the investigation of the non-terrorist offence may be jeopardised. Questioning cannot be continuous, and the bill provides generally for rest periods of eight hours in any given 24-hour period and reasonable breaks within that time regardless.

The initial detention period is four days, which is regularly reviewed by a senior police officer. After the initial four days of detention, an extension of detention must be approved by a Supreme Court judge in seven-day increments, up to a maximum of 14 days. Applications for an extension to the detention warrant will be at a contested hearing, where the suspect or his or her legal representative will be able to appear and make submissions. The judge will not extend the warrant if the investigation is not being conducted diligently and without delay. Although the bill provides for monitoring of contact between the detained person and their family, legal visits will not be monitored.

Other safeguards relating to detained persons found in the Law Enforcement (Powers and Responsibilities) Act [LEPRA] are imported into this scheme. Annual reports on the use of this power must be provided to the Attorney General and the Minister for Justice and Police, and the Attorney General will review the scheme after a period of three years of operation. The fight against terrorism requires us all to always be vigilant. Since 2002, successive New South Wales Governments have supported special powers to deal with the developing threat of terrorism. As time has gone on, events have occurred and terrorism has evolved, and each of these developments has been accompanied by appropriate checks and balances. History has also demonstrated that the NSW Police Force has been measured in the use of these extraordinary powers.

Put simply, these powers are necessary; these powers are limited and have judicial oversight. These powers will make a real difference in protecting our State from the real and ever-present threat of terrorism. These powers are a timely response to the new isolated terrorism threats that now present themselves in our community. These threats may not even be visible to us because they are averted just in time. The Baird Government will always be responsive to the need to protect the safety and security of the citizens of New South Wales. I commend the bill to the House.

Mr GUY ZANGARI (Fairfield) (16:39): The aim of the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016 is to authorise the arrest, detention and questioning of someone who is suspected of being involved in a recent or imminent terrorist act. Further, this bill extends by three years the sunset date until which membership of a terrorist organisation is also a State offence under the Crimes Act 1900. It is our duty as parliamentarians to ensure there are appropriate laws and that preventative measures are put in place to ensure the safety and wellbeing of our State and to protect our communities. The proposed legislation is an extension of the current regime of detention without charge, which is also known as internment in some other jurisdictions. We in this Chamber are not oblivious to the impact that terrorism organisations have had on our society and the world in which we live today.

We must continue to adapt to the ever-shifting landscape and provide the appropriate laws and measures as they are necessary. The proposed legislation has a rather broad definition of who a terrorism suspect may be. The definition includes cases where the place, time, type of act or person committing the act has not actually been identified. New section 25B provides that a person is a terrorism suspect and liable to investigative detention if there are reasonable grounds to suspect that the person has committed or will commit a terrorist act; that the person is or has been involved in preparing or planning for a terrorist act; or that the person possesses a thing that is connected with the commission of, or the preparation or planning for, a terrorist act. It does not matter if the identity of any person who is subject to investigative detention is known or not.

Further, there is no requirement for any person detained under this to present before the court. Investigative detention is justified if a terrorist attack has occurred within the past 28 days or if there are reasonable grounds to believe that it would occur within the next 14 days. The maximum period of investigative detention without a warrant is currently capped at four days. However, this is able to be extended to a period of seven days by order of an eligible judge. This extension may be eligible for further extension. However, the absolute maximum period of detention cannot exceed 14 days.

Applications for a detention warrant may be made via phone. Throughout this process, a judge may prevent criminal intelligence from being released to the person detained or their legal representative. Further, any contact between the suspect and his or her family throughout this time may be monitored by the police and can only be in a language other than English if it is a language the police can monitor. If necessary, a judge may also order that a suspect not have contact with any particular person. This can include family members and also their specific legal practitioner.

Throughout the process of the investigation, a senior police officer must review the continuation of any investigative detention every 12 hours. Any person detained under this legislation must also be allowed a period of continuous rest for at least eight hours in any 24-hour detention period. This legislation can apply to any person who is aged 14 years or over. Preventative detention already exists in New South Wales, with the two main differences between the present provisions and what this legislation proposes being essentially that, first, young people aged between 14 and 16 years are now included, and, secondly, suspects may be questioned while detained.

Nobody in this House can deny that we are responsible for ensuring that the appropriate safeguards are in place to protect our communities from harm and that we must do our best to prevent any potential harm that could befall our State as a result of heinous organisations and the threat they may pose to our nation. I note that this Government has placed before this House another piece of legislation for which no consultation with the relevant bodies has been carried out prior to its introduction. I do not oppose this bill.

Mr JAMIE PARKER (Balmain) (16:44): On behalf of The Greens I contribute to debate on the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016 and oppose this imposition on the civil liberties of the people of New South Wales. Terrorism is an enormously important issue for the people of this State and we believe it should be a priority for all governments. We acknowledge in particular the work of this Government through its investment of approximately \$47 million in community programs. We also acknowledge the work being done at both the State and the Federal level relating to de-radicalisation—the taking on of radical and extreme ideas, not religions, and imposing violent and murderous views on other people.

Over time extraordinary controls have been imposed on the people of New South Wales—controls on the right to protest, the right to freedom of movement and association, and a range of other constraints—using police powers conferred by serious crime prevention orders and public safety orders. As if that was not enough for the Government we now have the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016, which will enable the detention and interrogation of persons, including children, for up to 14 days.

As I said earlier, this legislation comes hot on the heels of the equally unwarranted and extreme Inclosed Lands, Crimes and Law Enforcement Legislation Amendment (Interference) Bill 2016, which was enacted in March to prevent attacks on the rights of people in the coal seam gas industry who peacefully protest. Four initiatives have been proposed by this Government—a disturbing trend to introduce serious controls, including

detention for those who have not been found guilty of any crime. In relation to serious crime prevention orders, those who have been found not guilty will have controls placed upon them. If serious crime prevention orders are breached those persons will be found guilty of a criminal offence which will incur a penalty of up to five years imprisonment.

The Greens believe that terrorism should be a major priority for all governments but we do not believe that long-held principles and the rule of law should be jettisoned to give the Government and police significant new powers. This new scheme of investigative detention will enable police to detain people suspected of terrorism offences for up to 14 days and to question them in that time. The bill will amend the Terrorism (Police Powers) Act 2002 to insert a new part 2AA relating to investigative detention. The object of this part is to authorise the arrest, detention and questioning of a person who is suspected of being involved in a recent or imminent terrorist act for the purposes of assisting in responding to or preventing that terrorist act. The member for Sydney outlined the loose nature of these definitions and the concerns that will arise from them.

A person is a terrorism suspect under that part if there are reasonable grounds for suspecting that he or she is involved in a terrorist act or will be, or if the person possesses a thing connected with the commission of or planning for a terrorist act. All future acts are included even if the identity of those involved, the kind of act or the location or time of the terrorist act has not been identified. The legislation will operate retrospectively—something that this Government likes to do. Police officers do not need to take terrorism suspects under investigative detention before a court or an authorised officer as soon as practicable.

To arrest a person to be held under investigative detention the police officer simply needs reasonable grounds to suspect the terrorist act concerned could occur at some time in the next 14 days and the detention will substantially assist in responding to or preventing the act. One officer can also direct another officer to effect such an arrest. A senior officer should review whether the detention should be continued as soon as practicable after the arrest and every 12 hours thereafter. This officer cannot be in charge of or involved in the conduct of the investigation. Persons under 14 are not to be held under investigative detention. If someone is satisfied that a person is under the age of 14, he or she must discontinue the arrest as soon as practicable.

When under investigative detention people can be questioned only if they are given the opportunity to rest for a continuous period of eight hours in any 24-hour period, which is incredibly generous. They are also to have reasonable breaks during any period of questioning unless a senior officer determines otherwise. The initial arrest allows detention for four days and this can be extended to 14 days if a detention warrant is obtained. As the Premier indicated in his second reading speech, there are a number of other measures. However, because of the limited time that we have available I will highlight only some of my concerns. Whenever a bill concerning police powers is introduced in this place we can be assured that the Government is once more expanding police discretion and removing accountability, with little consideration for the impact that this will have on civil liberties.

The Greens do not apologise for standing strongly in support of civil liberties. The latest expansion of police powers in the name of terrorism means that police can now imprison and interrogate people for up to 14 days—the most serious breach of human rights yet proposed by this Government. The laws will extend to children over the age of 14 years who will be stripped of their legal rights under a new regime of investigative detention. The legal rights of children and citizens in this State are being systematically dismantled—whether it be the right to protest, freedom of assembly or, in this case, detention powers—which in the cold light of day is remarkable.

These laws go far beyond existing laws where a terrorism suspect can be detained to prevent an immediate threat to the public. These laws will see people imprisoned and interrogated based on what? Why are people imprisoned and interrogated based on hearsay evidence and unverified police reports in an unprecedented expansion of police powers? It is remarkable that 14-year-old or 15-year-old children who have not been charged with any offence could be subject to two weeks of intensive police questioning without contact with their families or lawyers.

Schemes such as this have created significant human rights violations overseas, with no substantial impact on preventing or uncovering terrorism. The New South Wales Government seems determined to lead the way in the race to strip human rights and civil liberties from the people of New South Wales and to expand punitive police powers. We should be protecting basic freedoms in a liberal democracy, not surrendering them every time we feel threatened. We are not made safer by surrendering our freedom in the name of anti-terrorism. The Greens stand strongly in support of the freedom that a liberal democracy has delivered to our State—freedom of association, and freedom and liberty in this State.

People should not be detained on an arbitrary basis or based on hearsay evidence. They should be detained if there is a significant amount of evidence that their actions will impact on the liberty of people in this State. The Greens do not support this legislation. We believe that civil liberties and human rights should come

first. The Greens take the threat of terrorism seriously and we believe a range of effective measures can be taken to address terrorism without stripping the people of New South Wales of basic civil liberties and rights that should be conferred on them—rights that every citizen expects—and without surrendering basic principles and the rule of law in this State.

Mr JIHAD DIB (Lakemba) (16:53): I speak in debate on the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016, register my concern and ask that extraordinary care be exercised in its application. I state at the outset that I am grateful for the Opposition's foreshadowed amendments. As members would be aware, I have often said, having worked in a different field, that we must be careful in the things that we do. I understand that this legislation, like the serious crime prevention orders legislation we passed last week, is yet another bill that comes within the portfolio of the Attorney General but was not introduced by her.

As I noted last week, this of itself is a serious concern. It is a sad state of affairs, and an awful reality, that terrorism affects people throughout the world. I acknowledge the work that is currently taking place, and is being supported by the financial contribution of this Government, to which the member for Balmain referred. We hear a lot about protecting our community and our way of life. I agree that we should fight for that and be vigilant in its protection. However, we must be careful not to overdo it and we must not inadvertently create new issues such as a broadened approach to laws that are designed to be the pinnacle and core of our democratic nation.

It is another week and we have yet another piece of legislation that will provide New South Wales police—for whom I have enormous respect and I congratulate them on their work—with extended powers. I acknowledge that this bill aims to authorise the arrest, detention and questioning of someone suspected of being involved in a recent or imminent terrorist act but for me its extension to apply to youth aged 14 years and over is significant. Let us be clear: a 14-year-old is a child. Children as young as 14 suspected of terrorism offences in New South Wales could be detained and questioned, without charge, for up to a fortnight under this proposed legislation. I acknowledge that some safeguards are in place but more needs to be done to ensure that they are not open to abuse.

Last week in debate on the serious crime prevention orders legislation my colleagues and I expressed concern that it would enable the bypassing of well-established mechanisms of the criminal justice system. I noted at that time that the traditional protocols associated with the rule of law existed for good reason and that creating ways to bypass them came with its own risks. I note today that the same civil liberties and legal fraternities, critical of the legislation passed last week, are also concerned about many elements of this legislation. When I saw the headline in the *Australian* of 4 May 2016, "NSW Terror laws 'recipe for police abuse'" I started to worry, and an article by Michael Safie in the *Guardian* quoted Keiran Hardy, a lecturer in criminology at Griffith University, as saying:

[There is] quite a significant bypassing of the traditional arrest and questioning model.

I understand that these proposed new police powers are in response to the tragic and unfathomable Curtis Cheng incident, which occurred at Parramatta last year. That was a tragedy and an outrage close to home; it came on the back of other tragedies in places such as Turkey, Iraq, Lebanon and Paris. Last November when I spoke about the murder of Curtis Cheng in this Chamber I commented that it was difficult to reconcile that someone so young could act so violently. People across our community are concerned that other young people, some in their early teens, are at risk of being "radicalised". I get that, and I support measures to engage with those young people and bring them into the fold. As a teacher and principal I have contributed to a number of public forums and media on the topic of radicalisation and engagement.

I have never claimed that I understand the full psychology of what prompts people to commit horrific crimes, including acts of terrorism, but I do have some insight into the way in which we should support people, especially young people from disadvantaged and/or multicultural communities as they find their way in this nation. A focus on building supportive, cohesive and inclusive communities will always pay off. I acknowledge the funding under the COMPACT program—which stands for Community, in Partnership, taking Action to safeguard Australia's peaceful and harmonious way of life. It is my sincere hope that it will be successful. The accepted rhetoric surrounding this bill is that these powers are required to "protect our community from terrorist threats." But it should not be forgotten that there are people in our community—the same community the Premier and the Minister for Justice and Police speak of—who are afraid of what this legalisation might mean for them and their children.

This bill, like the prevention orders legislation that was passed last week, is supposed to prevent crime. It is always better to prevent crime rather than wait until it happens, but I challenge this Government to think about the true causes of alienation and to seek to prevent them. This bill is likely to be passed but we should not kid ourselves that it will not carry a very real risk in its application—especially as it applies to children—and that it may produce serious negative and unintended consequences. Those familiar with a broad range of children and

youth worry that any involvement by those children in the juvenile justice system can sometimes set young persons off on a life in and out of the system. I worry that a young person unnecessarily detained and questioned under these terrorism laws may become more hardened and seriously alienated. I ask the Premier and Minister for Justice and Police to dedicate their efforts to ensuring that we do not come to regret extending these police powers. I also ask them to seek to ensure that the protective measures contained in this legislation are adhered to and that its safeguards are at the fore of our measured response to these new laws.

Dr GEOFF LEE (Parramatta) (17:00): I support the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016 which seeks to amend the Terrorism (Police Powers) Act 2002 by authorising the arrest, detention and questioning of a person suspected of being involved in a recent or imminent terrorist act for the purposes of assisting in responding to or preventing the terrorist act. It also seeks to extend by three years the sunset date until which membership of a terrorist organisation is also a State offence under the Crimes Act 1900. These important changes need to be made. I state from the outset that we live in the best place in the world.

We live in a harmonious and peaceful nation where close to 42 per cent of those born overseas now call Sydney home. Sydney and my electorate of Parramatta are exemplars of a harmonious and peaceful society. For the past 200 years people from all parts of the world have come to New South Wales to make their homes and to forge a new life. Generations of migrants have assimilated into the great Australian way of life and are making an invaluable contribution to our society. But the world has changed, and those changes are affecting us. I understand that the changes proposed in this bill are controversial, even concerning, to some. Indeed, they are not to be taken lightly, and I do not, but they are necessary.

These changes are being made as we respond to the unfortunate reality of terrorism. A new response to that threat is required if we are to make our communities safe. We must give the NSW Police Force the power to investigate terrorist incidents and to prevent imminent attacks. Last October Parramatta was the site of a terrorist attack. A 15-year-old was radicalised, handed a gun and then he murdered Curtis Cheng in cold blood in front of the police headquarters at Parramatta. Over the past six months a joint counterterrorism team has investigated and now charged four men with plotting to carry out the terror attack that claimed the life of police employee Curtis Cheng. As new threats of terrorism emerge from within our community, we must face a new reality—namely, police need adequate powers to deal with this evolving threat. Enforcement and legislation alone cannot achieve our goals; we must take a multipronged approach to fighting homegrown terrorism.

We must build strong communities through mutual respect and work with police, schools and our community leaders to prevent radicalisation and support those at risk. We must also keep a balance between freedom and security, and between rights and responsibilities. As new threats emerge we must quickly counter them with determination. We must also ensure the freedom of our society from those who seek to cause us harm. The NSW Police Force has made it clear that there is an operational gap that needs to be addressed to ensure they have sufficient powers to keep our community safe from the threat of terrorist attack. As I have said, this bill gives police the power to arrest and detain a person if there are reasonable grounds for suspecting that the person has committed or will commit a terrorist act, or is involved in planning a terrorist act, or possesses materials related to a terrorist act.

These terrorist attacks must have occurred within the past 28 days or the police must have reasonable grounds to believe that they will occur in the next 14 days. A terrorist attack is defined in the existing Terrorism (Police Powers) Act and does not include advocacy, protest, dissent or industrial action. This bill provides power to detain suspects for up to four days, with review by a senior independent police officer every 12 hours. A judge may issue a warrant to extend this detention period up to a total of 14 days. This reflects the often complex and time-consuming investigations that take place surrounding terrorist attacks

This legislation aims to strike a balance between police investigative powers and the rights of the individual. Suspects have the right to reasonable breaks whilst in detention. Suspects have the right to a continuous eight-hour rest period per 24 hours in custody. Suspects retain the right to legal representation or support; however, we also include provisions to prevent contact with specific persons or certain legal representatives. Many authorities have legitimate concerns that if a terror suspect is arrested and can contact other members of his or her terror cell via a predetermined sympathetic contact person, this can be a trigger to set off an attack. As such, family member contact may be monitored; however, authorised legal representative contact cannot be monitored.

The bill also amends the Crimes Act 1900 to allow arrest for membership of a terrorist group up until September 2019. The bill provides specific safeguards for those aged 14 to 17 who are detained under the Act, and includes the entitlement to have a support person present during any investigation. Those persons under the age of 14 also cannot be detained under the Act. This is controversial legislation in many ways; the power to detain a 14-year-old is not something the police or the Government takes lightly. Our priority is to keep the community safe and to respond to the changing face of terrorism. Social media is being used increasingly to

radicalise our youth. We must adapt our legislation and give police the powers to combat terrorism threats on our streets.

Last October, a 15-year-old took a gun onto the streets of Parramatta and murdered a member of the public—an innocent employee of the NSW Police Force. We must do everything possible to prevent the repeat of such an act. Good government is about giving the police sufficient powers to stop imminent threats and to keep our communities safe whilst balancing the needs of individual freedoms. The New South Wales Government takes security seriously. This is about placing the safety of our communities first. The New South Wales Government recognises this bill will make our community a safer one. I commend the bill to the House.

Mr RON HOENIG (Heffron) (17:07): I make a brief contribution to debate on the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016 and note that the Opposition does not oppose it. I support the Opposition's position. The main purpose of the bill is to amend legislation to authorise investigative detention and to extend by three years the sunset date for section 310J of the Crimes Act. It is a tragedy that this sovereign Parliament needs to authorise and extend the provision for detention without trial. At the heart of democracy of this State we are being compelled to do something that is anathema to most members of this House. The fight that the people of this State had from the time the colony was first established was to bring to fruition the freedoms and principles that long existed in England since the signing of the Magna Carta in 1215 and to develop law so that nobody can be arbitrarily imprisoned and detained without just cause or judicial fiat.

As I see it, to have to extend the provision for detention without trial, or to be compelled to do so, is anathema to us all. Being compelled to do so by the act of terrorism is, in itself, anathema because by changing our way of life to impinge upon our freedoms we are effectively giving terrorists a victory. But there are some occasions when society needs to be protected. I know this bill arises from an agreement from both the Commonwealth and all the States of Australia by virtue of an agreement entered into by the Council of Australian Governments [COAG] in April this year. I note that the bill is somewhat moderated from the statements made by the Premier several months ago. However, what probably had the greatest impact upon me were the public statements made by the former independent National Security Legislation Monitor Brett Walker, who indicated that in his view the legislation, even impacting upon 14-year-olds, was appropriate.

I am aware that the intelligence services of this country and no doubt the intelligence part of the New South Wales police are far more aware than any members of this House of terrorism activities. I have confidence in the ability of the security services of this nation, with all the electronic capabilities available to them, to monitor the activities of a number of people. But they cannot monitor every person 24 hours a day. It is a tragedy when we reach a stage where we have to empower our law enforcement officials to be able to detain people arbitrarily without trial for 14 days. However, in the circumstances, I note that the legislation provides that investigative detention is justified if a terrorist attack has occurred in the past 28 days or there are reasonable grounds to believe it would occur within 14 days. At least the bill is restricted to specific acts.

I am somewhat concerned that there is no mechanism to ensure that the provision is not open to abuse. In addition, I am concerned that the legislation is not used for the purposes of racial profiling. However, I accept, because this comes not only from this Government but also from all State governments and the Commonwealth, that there is, on the basis of some material that is not available to us, some emergency for us to act in this way. The bill is subject to a sunset clause, as it should be. These are extraordinary powers given to an investigative agency and for that reason the Opposition does not oppose the bill. However, it is philosophically of great concern to us all that terrorists seem to be winning if we have to give these extraordinary powers to our own law enforcement officers, and give up our freedoms because of their conduct.

Mr MIKE BAIRD (Manly—Premier, and Minister for Western Sydney) (17:12): In reply: I thank all members for their contributions to debate on the Terrorism (Police Powers) Amendment (Investigative Detention) Bill 2016. I acknowledge and appreciate the support of the Opposition and I will make specific references to some of the concerns and questions that were raised. This is an important piece of legislation and I appreciate the considered way in which it has been debated in this House. I strongly believe that the Government has significant responsibility to take effective measures to counter terrorism, and the community expects it to do so. It is a responsibility that I take seriously.

The bill reflects a necessary and proportionate response to the threat of terrorism, particularly in the context of recent events in Australia and in other parts of the world. This bill will help to ensure that New South Wales police have the powers they need to respond to and prevent terrorist acts, while at the same time ensuring that appropriate safeguards are in place. These powers complement the efforts being made in communities to prevent engagement in all forms of violent extremism—an issue the member for Lakemba raised and on which I will speak in a moment.

A specific concern raised, particularly by the shadow Attorney General and shadow police Minister, was: Does the bill exempt persons with physical or intellectual impairment? The bill does not do so specifically, but additional safeguards apply to such persons. The police custody manager must give vulnerable persons special assistance, including helping them make a phone call to arrange a lawyer or support person. In addition, the police custody manager must also identify and contact those persons responsible for the welfare of the impaired person. Therefore, the bill contains additional safeguards and protections. I understand the concern, but it has been addressed.

Another question was: Can any police officer exercise the arrest powers? The answer is yes. With the very specific threats we are talking about, when there is an opportunity to make an arrest clearly that should be done. That decision must be reviewed as soon as practicable after the arrest by a senior police officer who is independent of the investigation. So there are safeguards in place; there is a capacity to review the decision. The question was raised about medical and legal assistance. All detained persons will have access to all medical and legal support that is required. A question was asked about the offence of being a member of a terrorist organisation. I am advised that those provisions have been used—although the matter has not been finalised.

The member for Sydney raised a couple of points. He said that the initial four days were without oversight. That is not the case; there is significant oversight. Within the first four days any detention must be overseen by an independent police officer—indeed, it is reviewed eight times within the first four days. We understand the responsibilities regarding these powers, but protection is provided. Importantly, the investigation must be discontinued by the officer in charge if he or she is not satisfied that the person is a terrorism suspect or if continuing the detention will not assist in responding to or preventing a terrorist act. These provisions are dynamic. It is not simply a matter of enforcing detention; the detention is reviewed according to the appropriate provisions on an ongoing basis and the police officers must be satisfied that the person should be detained under those provisions.

Ultimately, where the detention is extended beyond four days a Supreme Court judge must make a decision—and obviously important conditions are attached to that decision. I strongly refute the argument that there is no oversight. It has been considered carefully every step of the way; indeed, almost every hour of detention has been considered in the protections that I have outlined. The member for Sydney argued that this measure goes beyond prevention to investigation. Yes, it does and it is partly what the bill was designed to do. Under the previous provision a suspect could be detained but there was no capacity to question or access any information that the suspect may want to offer about a terrorism event that had happened or a potential terrorist threat that is in the planning stage. I do not think it is sensible to detain someone on the basis of reasonable evidence suggesting that they are involved or could be involved in a terrorism event and not include investigation. That power has been sought on a regular basis, and this bill goes some way to delivering it.

Another argument is that the threshold for detention is low. I disagree with that. Police can act—and this is important in understanding the definition—only when a person is suspected of being involved in a terrorist act in the past 28 days or involved in planning an imminent attack in the next 14 days. I do not think that is a low threshold. If we have reasonable evidence to suggest that is the case, I think it is a reasonable threshold. We have used the definitions of a "terrorist act" that are contained in existing legislation. Again, the police officer must be satisfied that detaining the suspect will substantially assist in responding to or preventing the terrorist act. The member for Sydney raised questions about any police officer using the powers, and the answer is yes—subject to the conditions I have outlined already.

The member for Balmain referred to a range of conditions that were similar to those mentioned in debate. It is important to note that this change has not been undertaken without significant thought not only by me but also every relevant part of government. Some of the best legal minds have considered this issue; it has been considered at the Council of Australian Governments [COAG] and by key stakeholders. I think we have reached a position that is balanced. The bill contains important safeguards and appropriate thresholds, and the Government, which is responsible for public safety, has balanced the issues and provided our law enforcement officers with the tools they need to keep the community safe.

I agree wholeheartedly with the contribution of the member for Lakemba. He spoke about the need to ensure that we have Community, in Partnership, taking Action [COMPACT] programs; community cohesion is at the forefront. Anything we can do on a preventative basis is of the highest importance. We absolutely agree with that. We have rolled out a number of programs with that aim, and anything that any member of this House can do to ensure community cohesion by working with multicultural communities to protect our youth, through mentors or preventive action, is critical. As to age, none of us wants to see youths as young as 14 and 15 involved in terrorist acts. I do not think any of us can quite believe it but the truth is that they are. It is a very small number, but we must do everything we can to protect our youth.

I agree with the member for Lakemba. I think we have done everything we possibly can to balance both the tools and the security provisions. The legislation gives our police officers and security agencies what they need, together with what the Government is doing collectively—the Government and community organisations—to protect our youth. I agree wholeheartedly with that approach, and I think we have got the balance right. I make a couple of points about the maximum period of detention. The Government has considered this matter in detail. We have listened to feedback from a range of stakeholders, including governments from other jurisdictions. The agreement in terms of a maximum period of detention of 14 days provides a significant increase on the current maximum detention periods, but it has received our broad support and provides significant increased capacity. The legislation in the United Kingdom provides up to 28 days, but the evidence to date shows that it has not been necessary to go from 14 to 28 days. I think the 14 day period strikes an appropriate balance, following discussions with stakeholders.

I do not want to underestimate the protections in the bill, which are significant. The need to respond to prevent terrorist acts does justify some restrictions on suspects' rights, provided that those safeguards are in place. The bill contains appropriate protections to guard against the risk of arbitrary or oppressive conditions of detention to protect the health and welfare of persons detained in custody. There are independent review mechanisms in place, judicial oversight of detention periods and a requirement to ensure that police give a detained person reasonable breaks, refreshments and facilities, access to lawyers and family, and, if required, interpreter services and medical attention.

There are additional safeguards for young persons, which I have detailed, including to ensure the presence of a support person during interviews. No child under 14 will be detained under the bill. Applying the provisions in the bill to individuals aged 14 to 17 years aligns with proposed changes to Federal counterterrorism control orders. A person can be subject to a control order if it substantially assists in preventing a terrorist attack or if the person has trained with a listed terrorist organisation.

The Commonwealth Government has introduced legislation to allow a control order to be imposed on persons aged 14 years or older, and this aligns with that legislation. The Government is pleased with the support of members for the proposals in the bill. It is a very considered piece of legislation. It responds to a very real risk in our community. We want to do everything we possibly can to keep the community safe. I believe this is an important tool in our police efforts to do exactly that. As the member for Lakemba said, we also need to complement these actions with everything we can in terms of supporting the community and promoting community cohesion. The Government is committed to taking strong action to do everything it can along those lines to keep the community safe. I commend the bill to the House.

Motion agreed to.

Third Reading

Mr MIKE BAIRD (Manly—Premier, and Minister for Western Sydney) (17:25): I move:

That this bill be now read a third time.

Motion agreed to.

The DEPUTY SPEAKER: I welcome visitors to the Chamber who are here tonight for "A little night sitting", a program conducted by the Parliamentary Education Office. I compliment Jeannie Douglass and Daniela Giorgi on the great job they do.

SUPERANNUATION ADMINISTRATION CORPORATION (PILLAR) (AUTHORISED TRANSACTION) BILL 2016

Second Reading

Debate resumed from 3 May 2016.

Mr RYAN PARK (Keira) (17:26): I lead for the Opposition on the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016. The Opposition will be moving some amendments to this bill, in particular around increasing the regional commitment and providing greater protection to employees from the region. I will provide a copy of those so that members can have a look at them. Pillar Administration is a New South Wales state-owned superannuation member administrator. Most importantly, it is a Wollongong-based company with about 700 employees. It has two main clients: First State Super, which most people would be very familiar with, and State Super. Approximately 1.5 million people have their superannuation funds administered by Pillar.

Pillar has a chequered history in that governments, including the previous Labor Government, considered offloading it at one time or another. It was found at that stage that it was not going to return a significant amount,

and I will talk more about that in a moment. In November, Deutsche Bank was asked by the Premier to complete a scoping study into the potential sale of Pillar after the company put up its hand for a \$30 million cash injection to fund a technology upgrade. The scoping study was completed in 2013. As at December 2015, the State provided \$12 million to improve this platform, and that scaled-back program is now half complete.

There was no mention of the privatisation of Pillar prior to the last election, but it is now up for sale to the private sector. The NSW Treasurer has said that a condition of the sale will be that Pillar will stay in the Illawarra for at least another 10 years no matter who buys the business. Some of the provisions of the bill include that the legislation gives an employment guarantee of two years for staff. Through this bill the Treasurer is proposing that member services will be retained in the Illawarra for 10 years.

Labor will be moving a number of amendments given the unique situation that we have in this region. First of all, we want to ensure that the private sector entity that becomes the owner of Pillar pursuant to the authorised transaction provides a guarantee to the effect that Pillar's existing operations immediately before completion of the authorised transaction will continue to be conducted in the Illawarra for at least 20 years after completion of the authorised transaction. In addition to this regional commitment, we also seek an amendment providing that the Treasurer of the day submit a report to Parliament each year updating the House on the status of these operations in the Illawarra.

The reason Labor is pushing for these amendments in relation to regional commitments is that a number of specific and unique factors are occurring in the local economy at the moment. I note at this stage that the member for Kiama is chirping up in the background. He should know better than anyone the significant issues we are facing at the moment in the economy down there with the loss of hundreds of jobs over the past few years in key industries—namely, manufacturing, heavy industry and of course the mining sector. What we are seeking here is to reinforce the relocation by the Labor Government of Pillar to the Illawarra. We want to make sure that it remains a permanent part of our economic prosperity. We want to make sure, given the uncertainty around jobs and the big transition that we are experiencing at the moment, that there is greater certainty around the longevity of this organisation.

It was a Labor Government that relocated Pillar to this region. The member for Wollongong, who has joined me here in the Chamber, fought very hard on behalf of those workers to make sure that Pillar remained a strong presence in the region. All Labor is doing is moving an amendment to extend from 10 years to 20 years the guarantee that Pillar will remain in the Illawarra. Labor is also seeking to introduce a monitoring system, whereby the Treasurer of the day, whether they are Liberal or Labor—and I would not dare to say The Greens—will have to report back to this place about the status of Pillar and its regional commitment. We are a bit suspicious about this Government because some years ago it promised that we would receive \$100 million from the selloff of Port Kembla and we are still waiting on those projects. We have not seen them. We are still waiting to see projects come out of the ground that were promised all those years ago. So of course we are suspicious—

The DEPUTY SPEAKER: Order! The member for Kiama will come to order. The member for Kiama is on the Speaker's list and he will have an opportunity to respond to the contribution of the member for Keira at the appropriate time. The member for Keira will be heard in silence.

Mr RYAN PARK: Of course we are suspicious when years later we are still waiting for important projects that were funded as part of that infrastructure fund to actually commence. One of those in the electorate of Keira that the member for Heathcote would be very familiar with is Bulli Hospital. That project has yet to commence, and it was funded under the Illawarra Infrastructure Fund—funding which started as a result of the lease of the port at Port Kembla. So there are two components to our regional commitment amendments: an extension to 20 years of the regional commitment, and a reporting mechanism back to both Houses of Parliament by the Treasurer of the day.

In addition, we will also move some amendments to clause 17 regarding the transfer of staff to the private sector. Under our proposed amendment a transfer of employment under this section would require a transfer of 30 weeks. It would not require the consent of the Pillar employee. The employment of a transferred employee with the new employer is to be on the same terms and conditions as applied under the relevant award, enterprise agreement or contract of employment a Pillar employee had immediately before the transfer of employment.

In addition, under part 4, clause 17 (6) (a) we propose for permanent employees that the employment guarantee period be shifted from the current two years to five years—I will talk about that in a moment—and, under subclause 6 (b), for temporary employees that employment be guaranteed for the remainder of the employee's current terms of employment, as specified in the arrangements under which the employee was engaged as a temporary employee immediately before the transfer date for a period of five years after the transfer date, whichever ends first.

At the moment in the Illawarra—through no fault of our own; we are a strong community—we are going through an economic transition not dissimilar to what occurred in Newcastle about 12 or 13 years ago. We are shifting from a manufacturing and heavy industrial base to more of a services, health and education base. During that transition we are trying to retain people in employment so that the regional economy does not feel the shock of many job losses. We do not want to lose a large number of workers—I remind members that we fought for the future of BlueScope. On behalf of Labor, I simply propose that we increase certainty and fairness for workers by ensuring that Pillar remains a strong presence in our regional community in the short to medium term. We want to make sure that workers, for whom members on this side of the House have advocated and fought very hard, get the protections they deserve.

The people of the Illawarra do not live in a global economy. They live in a strong and vibrant regional economy that is going through a period of transition. That means jobs are being shed and there will be a natural lag time until new jobs are found. As the shadow Minister representing the region, I appeal to the Treasurer and the Government to increase some certainty for workers that Pillar will remain a strong part of our regional economy in the short and medium term, and that we will continue to have strong protections and provisions for those workers. I want to make sure that workers have the protections they need. There is no doubt that some of them will move on—I am not arguing about that. However, we want to ensure people can continue to work, participate in and contribute to our economy.

We have lost faith in this Government. It leased the port of Port Kembla and we are still waiting for the proceeds of that selloff to translate into projects on the ground. Of course Opposition members are sceptical when it has been years and we have not yet seen that money. The Hon. John Ajaka in the other place said at the time, "I need to get this money out quickly; I want these projects out of the ground because I want the stimulus to occur in the Illawarra." Of course we are sceptical that that will not happen. Of course we are worried about the workers and their entitlements. Of course we are worried that as soon as the private sector gets hold of Pillar it will leave the region in two, five or eight years. As the party that established Pillar in the Illawarra, we are simply trying to provide certainty for our region and our workers and, just as importantly, fairness and certainty for our local economy.

Mr JONATHAN O'DEA (Davidson) (17:38): The Government is focused on reducing waste, streamlining services and making government more efficient while improving outcomes for New South Wales taxpayers. The Superannuation Administration Corporation (Pillar) (Authorised Transactions) Bill 2016 authorises the divesting of Pillar to the private sector to help achieve those objectives. The Government is continuing to concentrate on improving core businesses, including frontline services and much-needed infrastructure for the people of New South Wales. The private sector often manages more effectively and efficiently commercial businesses that were previously managed by State governments. It can be in the public interest to privatise such non-core businesses.

The Superannuation Administration Corporation, trading as Pillar, is such a case. It needs enormous injections of capital by the Government to keep it competitive and viable within the current superannuation marketplace. Maintaining such an economically burdensome entity places an unfair burden on New South Wales taxpayers and ties up money better spent on core New South Wales government services or productive infrastructure. There are other financial services organisations competing with Pillar for business that perform more effectively. They also deliver a wider range of financial services, allowing them to remain economically viable, and potentially offer better outcomes for stakeholders, including expanded job opportunities for employees.

I will examine the history of Pillar because we heard a selective version from the shadow Treasurer in this place. The Superannuation Administration Corporation, or Pillar, has a long history. It has been managing superannuation for more than 100 years, primarily for public sector employees, though in recent times it has also begun servicing customers from the private sector. Pillar was originally called the State Superannuation Fund, part of State Super. Pillar's contact centre was moved to Wollongong early this century. I have no qualms in acknowledging the role of the member for Wollongong and former Premier Bob Carr, who made that change. Its charter was also changed at this time, from being a monopoly supplier of superannuation services to the Government to being able to tender for business from the private sector. It was a good example of decentralising government functions.

By 2007 Pillar was providing administration services to 16 superannuation funds and had 1.6 billion members with assets of \$55 billion. It was also providing much-needed jobs in the region. Its clients included the Australian Government Employees Superannuation Trust and non-government funds such as Australian Ethical Investment, Media Super and Prime Super. Pillar has a decade-long history of being targeted for privatisation. In 2006 the NSW Treasury, again under Labor, recommended that it be privatised, expecting between \$55 million and \$70 million from its sale. In 2008 the then Labor Government finally decided to sell Pillar and raise

\$70 million to help avoid a downgrade of its credit rating. Then Treasurer the Hon. Eric Roozendaal stated in his mini budget speech of 11 November 2008 that targeted asset sales had "the potential to unlock billions in capital for reinvestment in frontline services" and that "given the current economic climate, the Government will be patient where necessary and wait for the right circumstances to prevail to ensure the best value."

I will put that in context, in September 2008 Lehman Brothers went into bankruptcy and global markets, out of fear, came to a near halt. As a result of global policy responses, the financial markets improved in 2009. During this time unemployment in Australia rose by nearly two percentage points. By November 2009, the stock market had recovered half of its decline but the global and Australian economies remained cautious. In February 2009 Roozendaal announced the appointment of specialist advisers for the proposed sale of Pillar Administration—

Mr Gareth Ward: Who did that?

Mr JONATHAN O'DEA: The Hon. Eric Roozendaal. At the same time, he also announced the sale of WSN Environmental Solutions and NSW Lotteries.

Mr Gareth Ward: Sell, sell, sell under Labor.

Mr JONATHAN O'DEA: Indeed, sell, sell, sell under Labor. Two of those three assets have been sold. This is the third of those assets that is now being divested. We were told that these sales were necessary at the time to provide the best possible return for taxpayers. In October 2009 Treasurer Roozendaal was asked about the proposed sale of Pillar by the Hon. Greg Pearce in the upper House. The Parliament was advised that investigations were complete and a number of business opportunities had been identified. At that time Treasurer Roozendaal concluded:

The transfer of Pillar will proceed when management has further progressed these business improvement initiatives.

In 2010 the Superannuation Administration Authority Corporatisation Amendment Bill 2010 was introduced, again by the Labor Government, to enable Pillar to provide administration and related services to financial service providers, in addition to the existing function of providing these services to superannuation schemes. However, despite the promise that it would be sold, the sale of Pillar never proceeded under the Labor Government. In March 2013 the poor economic performance of Pillar was again highlighted in the upper House by the Hon. Greg Pearce following a \$2.2 million loss in 2011-12, and another loss of \$2.239 million in the six months to the end of 2012. This poor performance was attributed to the previous Labor Government concentrating on the potential sale without success and spending a lot of money on information technology to boost its sale attraction. Its high cost structure compared to competitors, especially in the area of employment expenses, was also a problem.

This Government has always been keen for Pillar to remain a viable and significant employer in the Illawarra region. Employees at Pillar were originally sourced from professional workers living in the Illawarra who had previously commuted to Sydney for work. Given that Pillar is currently a New South Wales Government enterprise, some employees believed that their employment was safe. The Government recognises the importance of Pillar to employment and investment in the Illawarra region and, as part of the Government's proposed sale of Pillar, it intends to obtain commitments from bidders to maintain Pillars' operation in the Illawarra region for 10 years. On my understanding that is an unprecedented commitment, and it is unreasonable for the shadow Treasurer to call for 20 years.

Maintaining employment and investment in the Illawarra region is a key objective. Happily, despite what the shadow Treasurer has said, there has been strong employment growth in the Illawarra region. In the year to March 2016 the rate of employment growth in the Illawarra has been 6.2 per cent, which is even stronger than the rate of employment growth in Sydney and New South Wales generally. On top of this, the bill provides employees with employment guarantees. Permanent employees will receive a two-year employment guarantee period after transferring to the new owners. For temporary employees the guarantee is for the remainder of their current term of employment immediately before the transaction date, up to a period of two years. [*Extension of time*]

Now is the right time to sell Pillar to the private sector. Its sale has been assessed and discussed for 10 years, but it has not transpired. During this time the Government has spent millions of dollars ensuring its future viability. In 2007 Pillar had 1.6 million members and \$55 billion in assets; it currently has 1.1 million superannuation members and \$100 billion in funds. Pillar faces a highly competitive marketplace where margins are low and large institutions compete. Just to survive, Pillar requires large injections of taxpayer money. Ongoing private sector investment should allow Pillar to thrive and prosper, providing a better outcome for members and increased job opportunities for employees. The Government believes the time has come to deliver this key reform, which is in the interests of all stakeholders.

In selling Pillar, the Government remains focused on core activities rather than owning businesses that are best managed by others. Mr Peter Brook, the Chief Executive of Pillar, supports the sale. He said recently that

while the Government has been attentive to its requirements, "private owners would be better placed to help Pillar deliver the products and services it needs to ensure its long-term viability." He also said private ownership will "provide a level of capital investment that is not reasonable for us to expect the Government to make in what is, ultimately, not core government business."

Over the past 18 months the Government has invested \$12 million into Pillar to improve its information technology platform, and this scaled-back project is apparently only half complete. In an industry experiencing enormous technological changes there will be a need for ongoing capital commitments. Once the sale proceeds the Government will no longer be liable for those ongoing costs, allowing us to invest at least equal amounts into core activities of frontline essential services and productive infrastructure initiatives. New South Wales taxpayers should be released from propping up this currently unprofitable government enterprise. While the New South Wales economy is strong, it makes sense to sell such a valuable but capital-devouring asset to maximise the sale price in the public interest.

There will always be ideologues on the left of the political spectrum who will oppose any sale of public assets, regardless of their burden on the taxpayers of New South Wales. Some people have an inflexible standard and a total objection to any sale—what I call a "not-for-sale" approach. There may also be people on the other side of this Chamber, recipients of union donations, who favour their benefactors over the public benefits from specific asset sales. I would love to see the disclosure of interest of any member who speaks to the bill who has received union donations.

Ms Noreen Hay: Point of order: The member for Davidson has wandered from the leave of the bill.

The ASSISTANT SPEAKER: There is no point of order. The member for Davidson has the call.

Mr JONATHAN O'DEA: Certainly the shadow Treasurer, while an admirable advocate for his region, proposed on the floor of this Chamber today what were clearly extreme amendments or unreasonable proposals not in the broader public interest. The Treasurer provided the opportunity for a briefing and asked for an indication of the Opposition's approach to this bill; nothing was forthcoming. If the shadow Treasurer was genuine in his desire to act in the public interest he would have at least engaged; he did not. He decided to grandstand and play to a union benefactor. In the interests of the broader public, I commend the bill to the House and congratulate the Treasurer on her initiative.

The ASSISTANT SPEAKER: Before I call the member for Wollongong I would ask members to allow other members with different points of view to make them, and if they wish to contradict anything that is said during debate they will have an opportunity to do so when they are speaking. I draw the attention of members on both sides of the Chamber to Standing Order 52, which allows a member to be heard without interruption. I do not appreciate the process of taking spurious points of order and I will place any member who does so on a call to order. I remind members that a number of them are already on calls to order.

Ms NOREEN HAY (Wollongong) (17:54): I make a contribution in debate on the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016. I support the position put to the House by the shadow Treasurer, the member for Keira. I found some of the comments raised by the member for Davidson to be quite intriguing: He quoted statistics that suited his argument, but he very conveniently missed statistics relating to the years when Pillar delivered revenue to government. The member for Davidson sought to criticise the shadow Treasurer for not attending a briefing that he was invited to attend about two hours ago in what is obviously a very busy Parliament. We debate and put our positions forward and, as was said earlier, the member for Keira put his position very eloquently. Clearly, members of this Government cannot be trusted. There are umpteen examples in the Illawarra of this Government breaching the trust of the local people. It borders on some kind of warped punishment of the people in the Illawarra.

Mr Chris Minns: Tell them about the lifts.

Ms NOREEN HAY: I am coming to the Unanderra lifts.

Mr John Sidoti: We're not talking about that; we're talking about Pillar.

Ms NOREEN HAY: I will talk about what I want to talk about, thank you.

Mr Christopher Gulaptis: No you won't.

Ms NOREEN HAY: It seems that there are members on the Government side who think they are the Speaker; they are giving me instructions, which they ought not be doing.

The ASSISTANT SPEAKER: Order! I suggest to the member for Wollongong that members on her side of the House are making more noise than those on the other side at the moment. I suggest that they let the member for Wollongong be heard in silence. I remind the member for Drummoyne of my earlier request.

Ms NOREEN HAY: Thank you for your advice, Mr Assistant Speaker. I was referring to the member for Clarence. This Government simply cannot be trusted. The people of the Illawarra know it. We have umpteen examples, including prior the 2011 election, of the Government giving a commitment to the public that it would not privatise the port of Port Kembla. I opposed, right up until the privatisation and sale—

Mr Gareth Ward: You changed your mind.

Ms NOREEN HAY: I have never changed my mind and the member for Kiama knows that. However, the Government sold the port of Port Kembla regardless of what the people wanted. The Government offered \$100 million to the Illawarra—having taken \$600 million back to Sydney because it is a Sydney-centric government—which suddenly included Wollondilly, and none of that money appears to have been spent as yet. Those of us on this side of the Chamber are living proof that just because members are in government does not mean they have to go along with their own leadership. Yes, Eric Roozendaal wanted to privatise Pillar, but guess what? The local Illawarra members of Parliament lobbied their own Government so hard that it withdrew from that position.

Mr Jonathan O'Dea: You have cost the State tens of millions of dollars.

Ms NOREEN HAY: No, we have not. Pillar has grown, and is a shining light and success in business. The member for Davidson has not got a clue. I suggest he keep his opinions to himself. The facts of life are that the local Labor members of Parliament secured Pillar for the Illawarra when the Labor Party was in government and we ensured that Pillar was allowed to compete. In November 2010 the former New South Wales Labor Government introduced into this Parliament amendments to the Superannuation Administration Authority Corporatisation Act 1999 to allow Pillar to expand its financial services, adding value to the business, making it more competitive, and allowing it to offer a greater range of products to both the public and the private sector. In short, Pillar ceased to be just a government monopoly and competed with the private sector, which it has done very successfully.

Mr Jonathan O'Dea: No, it hasn't.

Ms NOREEN HAY: Do not sit there and besmirch Pillar and the workers in my area. I do not know what is happening in Davidson; obviously it is being neglected. The facts of life are that Pillar went from employing more than 300 people to employing 700 people. How does a company do that if it is failing and does not have any money? How does a company return revenue to government if it is not making any money? Clearly, since Pillar has been allowed to compete it has been a success story second to none. In February 2012 the New South Wales Government said that speculation that it was about to sell its Wollongong-based superannuation administration company was "unsubstantiated". What a surprise—another change of heart by this Government! The Government breaks promise after promise that it has given to the people of the Illawarra.

What is worse, Government members troop in here, present some dodgy, rubbery figures and try to argue that the Government is doing the best thing in the best interests of the people of the Illawarra. Before the election the Government announced it was not selling any of it. However, if Government members really want to do what is in the best interests of the people of New South Wales and the Illawarra they should all resign. That lot cannot lie straight in bed. The Government has privatised the port of Port Kembla, which it promised it would not do. It is not simply that it did not announce it, it said it would not do it. The Government promised to deliver the lifts at Unanderra, but it did not deliver them. Then the Government had the cheek to say in this place that the project has gone back into the pool and asked why we did not deliver the lifts. Why did the Government say it would deliver the lifts in the first place? Why tell people before the election, "If we get in you will get the easy access lifts", but after the election say they are back in the pool?

Mr John Sidoti: Who said that?

Ms NOREEN HAY: I am sorry, I forgot that the member for Drummoyne has not been around long. The member for Clarence has not been around long either. I forgot that they are new boys—and the way they are going they will not be here much longer. The reality is that the Labor Government gave an absolute commitment and it looked after the people of the Illawarra. It put the car transport into the Illawarra through the port of Port Kembla, it brought Pillar to Wollongong, it brought a whole host of investment—

Mr Ryan Park: SES.

Ms NOREEN HAY: SES and a whole host of investment. When in government we delivered time after time for the people of the Illawarra region as a whole, and that includes Kiama. If members want to know what the Labor Government did for the Illawarra that that lot on the other side has not done, if they give me a week I will tell them about it. The facts of life are that those opposite are rorters, they deceive the community and they claim that they did not make a promise when they did. I would not want to be in any arrangement or a backroom

deal with that lot. It is a good job the member for Keira did not go to a briefing because they would have told him lies anyway. My area, the Illawarra as a whole but predominantly my electorate of Wollongong, has suffered the sale of the port, we have suffered now the reneging on—

Mr John Sidoti: Um.

Ms NOREEN HAY: I am going to lodge a formal complaint against the member for Drummoyne if he does not stop interrupting me. I am entitled to say "um" as many times as I please. The member for Drummoyne should grow up and go and read a book. [*Extension of time*]

The people of the Illawarra are hurting. We need job-creating investment. We have the highest youth unemployment in the State and that is not because the local members of Parliament, the local community and the business community do not work together, because we do. There comes a time when positive investment is needed to provide people with opportunities rather than having a backlog of school repairs or turning away an 82-year-old man who suffered a stroke from Wollongong Hospital because a high dependency unit [HDU] bed was not available, which resulted in him having to wait three weeks for his surgery. Instead selling off what is turning a profit, the Government should invest in those areas and employ more nurses. I do not want to hear the Minister for Health give her rubbery figures again.

Mr John Sidoti: Point of order: My point of order is relevance under Standing Order 76.

TEMPORARY SPEAKER (Mr Adam Marshall): Order! The member for Drummoyne will resume his seat. Standing Order 76 relates to relevance. The member for Wollongong has the call.

Ms NOREEN HAY: The people of the Illawarra are suffering from job losses after job losses. Hardly a day goes by when some companies, smaller than others, are not closing due to the pressure they are under. We must start serious investment and, as I have suggested in the past, relocate a government department to Wollongong, provide job creation opportunities, boost investment and improve opportunities for young people to enter TAFE. I mention this in relation to Pillar because the Government is proposing to put more people out of work. The member for Keira suggested an extension from 10 to 20 years. I do not know why the Government would wish to be involved, but my position would be to leave them there for 30 years.

Mr John Sidoti: Make it 40.

Ms NOREEN HAY: I know the member for Drummoyne and the member for Davidson do not like the idea of workers having any certainty about their futures, but that is because they are privileged. They do not care what people have to go through. They need certainty of future employment for themselves and their children. What is wrong with that? People want security and they want to work for a living. They do not want to be forced into unemployment. It has been suggested that the Government should be given some sort of credit for proposing two years guaranteed employment. The people are out there working in our community, paying their taxes and, some of them probably voted for the Government—shame on them! This is a very serious issue. It is another smack in the face for the people of Wollongong and the Illawarra by this Sydney-centric Government.

Government members must get serious. The Government should govern for everybody. The Government should start looking after the people of my region and stop removing funds and opportunities from them. It should start to look seriously at how it can help them. The Government cannot just keep ripping out and throwing away opportunities for the people of the Illawarra and their children. Government members cannot just sell off everything possible and wander around getting their faces in the paper. They should come to Wollongong Hospital, have a stroke and then see how quickly they get surgery. Perhaps they should try to get some education in the local school that is free of demountables and has its maintenance up to date. I support the position as put by the member for Keira. I call on the Government to do the right thing.

Mr GARETH WARD (Kiama) (18:09): I support the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016, which will authorise the New South Wales Government to divest the entity known as Pillar to the private sector. Pillar is currently one of the largest superannuation administration businesses in Australia. It administers approximately \$100 billion in funds for around 1.1 million superannuation members. The business client base largely consists of public sector superannuation funds. Starting with a 2009 report by Goldman Sachs for the Labor Government, numerous reviews have been undertaken to consider the best option for Pillar and its members.

The overwhelming consensus from these reviews was that Pillar should not remain in government ownership over the long term. Indeed, this was the conclusion that was reached by the Hon. Eric Roozendaal, the former Labor Treasurer of New South Wales. Pillar faces a highly competitive marketplace where margins are low and scale is critical. Many of Pillar's competitors operate diversified business models beyond superannuation administration services, something the member for Wollongong and the shadow Treasurer neglected to touch on.

Unfortunately, some of Pillar's clients have ended arrangements with the firm in recent years. Just to survive in its current form, Pillar requires significant levels of ongoing capital investment. It exposes taxpayers to commercial risks in what is fundamentally a non-core government business.

A private owner can provide a level of industry and market expertise that the public sector simply does not have. A private owner would have the scale and expertise to grow the business and provide to greater opportunities for both its clients and its staff. Ongoing private sector investment will put Pillar in a stronger position to pursue growth opportunities and to improve the business's long-term viability. Indeed, keeping Pillar in public ownership would see the taxpayers continue to spend around \$20 million a year on maintaining its information technology system. It is not reasonable to expect the Government to continue to underwrite this level of capital investment in what is fundamentally a business that would be better off run in the private sector. Further, a responsible program of transacting non-core assets strengthens the State's financial position. It also reduces taxpayers' exposure to commercial risks.

This is especially so when considering how Pillar's financial returns have been made. Simply put, no state-owned corporation is immune from commercial realities. A private owner would also have the scale and expertise to grow the business and to provide greater opportunities for both its clients and its staff. Private owners can provide a level of industry and market expertise, as I said earlier, that simply does not exist inside government. Ongoing private sector involvement will put Pillar in a more flexible and robust position to pursue growth opportunities and to improve the long-term financial viability of the business.

In turn, the transaction allows the Government to focus on putting its resources into the core business of government—roads, schools, hospitals and other vital infrastructure projects that the people of New South Wales expect from the Government. It is also worth noting that Pillar has been on a dividend holiday for some time. This is not a business that is providing a return to the New South Wales Government. It is operating at a cost to the taxpayers of New South Wales when its operations could be far stronger in the commercial sector. Now in opposition Labor says that it opposes privatisation. The rhetoric is there for all to see when it comes to Labor's record on privatisation.

It was Labor in government that privatised NSW Lotteries. It was Labor in government that privatised electricity generators and electricity retailers. It was Labor in government that started the conversation about the privatisation of Pillar, and now Labor wants us to believe that its record in opposition would be different if it were in government. It was Labor that said it would oppose the long-term lease of Port Kembla, and it did so in this Chamber, but then in the run-up to the election it sought to use the proceeds of the lease of the port to fund election commitments that it made in the Illawarra that were unfunded and uncoded. It was Labor that opposed the long-term lease of poles and wires, but it now tries to take credit for calling for major infrastructure projects in the region, infrastructure projects like the Albion Park rail bypass that simply would not have been funded if it were not for that action.

Port Kembla has been discussed today. There are now more jobs and more businesses at Port Kembla than there were under the public sector model pursued by the Labor Party. The people who are the jailers of freedom and the restrictors of economic growth in the Illawarra are those who sit opposite. For 16 years in government they catered to the interests of the union movement and nobody else. Today we see those opposite lining up in this Chamber, the oldest Parliament in the country, to look after one set of interests. That is not the future of Pillar, that is not the future of its business, and that is not the future of its employees. A private sector model will allow for greater flexibility and a more dynamic business model.

Peter Brook is the Chief Executive Officer of Pillar. He has not met with the member for Wollongong or any other Labor member to discuss this sale. So concerned are they about the future of Pillar that they did not even go to see the chief executive officer to discuss it. So concerned are Opposition members about this legislation that, when offered a briefing by the Treasurer, they did not take it up. So concerned is the shadow Treasurer about his amendments that he did not bother to follow normal practice—that is, to meet with the Government to discuss them. I am sure that if the Treasurer had proposed a five-year job guarantee those opposite would have asked for 10 years. Simply putting forward these amendments in the manner that the Opposition has is unusual. I would say that it does not stand the rigor and the scrutiny that would otherwise have been afforded through this process.

Labor simply cannot be trusted to run a business unit that will be profitable and thrive in a private market that has been restricted in the public sector. We know that Labor wants to run everything via the public sector and it has no faith or confidence in the market. We on this side of the House have confidence that this business will take off and continue to be successful, and even more successful under a privatised model. Those opposite, just as they did with ports, want to see jobs continue to be restricted, to the detriment of the Illawarra.

As Parliamentary Secretary for the Illawarra and the South Coast, I know and understand the significance of Pillar's operations in the Illawarra region. I am pleased to be able to report to the House that, as a result of my

advocacy as the Parliamentary Secretary, maintaining employment and investment in the Illawarra region is one of the Government's key objectives in this transaction. Indeed, the Government will seek commitments from bidders to maintain Pillar's operations in the Illawarra region for at least 10 years. My hope is that potential bidders will see this as an opportunity to invest in the business in the Illawarra—an opportunity ignored by Labor during its disastrous 16 years in office.

The bill also provides permanent and temporary employees with employment and entitlement guarantees. Permanent employees will receive a two-year employment guarantee after transferring to the new owners. For temporary employees the guarantee is for the remainder of their current term of employment immediately before the transaction date up to a period of two years. The regional and employee jobs commitments ensure that the transaction will deliver the best outcomes for Pillar's clients, staff, the Illawarra community and of course New South Wales taxpayers.

Employment in the great Illawarra has been trending up for approximately the past 1½ years, with strong growth of 6.2 per cent through the year to March 2016. In comparison, while greater Sydney and New South Wales have also seen strong growth in the same time they have not matched that of the greater Illawarra. There has been some discussion about jobs and growth in this debate and it is important to advise the House what we are seeing. Of course in greater New South Wales, as I mentioned earlier, we saw growth of 3.5 per cent for the same period.

Similar to employment growth, the participation rate in the greater Illawarra has improved significantly and has been trending upwards over the past 10 months. As at March 2016 the participation rate in 12-month average terms was 59.3 per cent, which of course is 3.2 percentage points higher than that of a year earlier and above the decade average for the region of 56.6 per cent. So we are seeing people coming into the employment market and seeking jobs because confidence is improving. I am proud that we are driving an agenda that is stimulating economic activity in the region.

The rest of the bill is similar to other transaction bills that have been passed through this Parliament. It includes provisions to allow the Treasurer to take the necessary steps to facilitate the transaction, including arrangements for the transfer of assets and functions. This transaction is in the best interests of all concerned, whether it be Pillar's clients, who deserve the best service they can get; the staff, who deserve to have a positive work environment; or the Illawarra, which receives a 10 year guarantee for the continued existence of member service operations in the region.

As Parliamentary Secretary for the Illawarra and the South Coast, I will always fight for jobs and growth, and I am pleased to have helped to secure a viable economic future for Pillar in our region. I thank members for their consideration of this bill. I am not surprised by the rhetoric I hear from those opposite, fuelled by the donations that flow into their coffers at election time. Whoever pays the piper calls the tune, and every day of the week those opposite come in and support a minority of the workforce. They toe the union line. This Government is interested in driving economic reform. Those in opposition are doomed to remain on the opposition benches for a long time.

Ms ANNA WATSON (Shellharbour) (18:19): I am a proud union member and unionist. Labor and the union movement are the only ones in this place supporting the working class. Labor is the only party in this place that cares about workers. Let us take a look at what those opposite have done in government. First, they destroyed the New South Wales industrial relations system. They took away the independent umpire because they did not want to support the workers. The only people that those opposite support are those from the big end of town. They are the puppets of the banks and the multinational corporations. The only tune to which those opposite can dance is that of the big end of town. If those opposite really cared about workers they would support the amendments foreshadowed by the member for Keira and shadow Treasurer. For those opposite to sit in this Chamber and say that they support workers is a joke.

Mr John Sidoti: And you are proud to support union corruption.

Ms ANNA WATSON: I am a proud union member. Along with my Labor Party friends, I am more than proud to support workers in New South Wales, unlike those opposite.

TEMPORARY SPEAKER (Mr Adam Marshall): Order! The member for Drummoyne will cease interjecting. The member for Shellharbour will address her remarks through the Chair and ignore the interjections.

Ms ANNA WATSON: The bill making amendments to workers compensation legislation that went through this place in 2012 was the most draconian bill we have ever seen. For those opposite to sit in this Chamber and say that they support workers is a slap in the face for the people of New South Wales. The purpose of the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016 is to authorise and facilitate the transfer of Pillar to the private sector. As we have heard, Pillar has been based in the Illawarra since

the Carr Labor Government made a decision to headquarter the superannuation company there. It employs some 700 employees and is responsible for administering the superannuation funds of 1.15 million superannuation fund members.

As the Treasurer noted in her second reading speech last week, Pillar is one of the largest superannuation businesses in the country. It administers around \$100 billion in funds, which comprises those held by public sector superannuation funds. I note in passing that, while the Labor Government relocated public sector jobs to the Illawarra spearheaded by the decision to locate Pillar in the region, this Government's record in that regard is pathetic—and it is a shame that the member for Kiama is not in the Chamber to hear me say this. Along with the relocation of the Department of Local Government to Nowra, Labor relocated 900 public sector jobs to the Illawarra during its period in office.

This Government, however, six years into its so-called "decade of decentralisation", has managed to relocate only 38 public sector jobs to the region. The Government's stated objective is to relocate 1,500 public sector jobs to the regions, including the Illawarra, over a decade. Its record after six years has been to provide only 2.5 per cent of its targeted public sector job relocations to the Illawarra. I would call that pathetic. On any objective analysis, that is a truly miserable effort.

As my colleague the shadow Treasurer foreshadowed, the Opposition will be moving a series of amendments to the bill. The first relates to the regional commitment in clause 6. The Government sought to enshrine in the legislation a guaranteed period of only 10 years for Pillar to remain headquartered in the region if it is transferred to the private sector. The shadow Treasurer's amendment seeks a further, longer-term regional commitment from 10 years to 20 years in clause 6 of the bill, which is a reasonable amendment. In a further amendment, the Opposition seeks to ensure that the Treasurer reports to Parliament annually on the status of the regional commitment. Again, it is a fair and reasonable amendment. The Opposition's amendments to clause 6 are just as important as Pillar. It must remain a major employer in the Illawarra. It already has 700 employees.

I remain hopeful that the Government will in good faith adopt the amendments to clause 6 foreshadowed by the shadow Treasurer. The Opposition also seeks additional amendments relating to clause 17 of the bill with the transfer of staff to private sector employment. The Opposition seeks a five-year employment guarantee period for all permanent and temporary employees, which again is reasonable and fair. The Government's bill only provides an employment guarantee for permanent and temporary employees for a two-year period from the date of the transfer of Pillar to the new owner, which is pathetic.

The Government should have no difficulty adopting the Opposition's amendments in good faith as similar arrangements are included, for instance, in the legislation privatising the electricity network. If it is good for the electricity network it should be good for the employees of Pillar. This is Labor doing its job looking after the working class and the workers of New South Wales. The Government needs to take a leaf out of Labor's book. Instead of dancing to the tune of big business and being the puppet of major banks and the big end of town, it should come back to grassroots and help those who really need assistance.

If the Government opposes the Opposition's foreshadowed amendments, it can only be concluded that it has no interest in the long-term prospects of Pillar employees, and its objective to see it continue to be headquartered in the region is hollow and meaningless. However, the amendments proposed by the shadow Treasurer offer the Government constructive proposals on the future of Pillar in the Illawarra. I sincerely hope that the Government adopts each of the proposed amendments. I hope that the member for Kiama does the right thing and votes with Labor on these amendments.

Mr JOHN SIDOTI (Drummoyne) (18:26): The Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016 will authorise the vesting of Pillar assets to the private sector. As the member for Kiama said, Pillar is one of the largest superannuation administration businesses in Australia and administers approximately \$100 billion in funds for 1.1 million superannuation members. Pillar assets will be transferred to the private sector because Pillar faces a highly competitive marketplace where margins are low and scale is critical. Many of Pillar's competitors operate diversified business models beyond just superannuation administration services. Unfortunately, some of Pillar's clients have ended arrangements with the firm in recent years, and to survive in its current form Pillar requires significant levels of funding.

I listened intently to the interesting speeches of Opposition members in debate on this bill. Every time something is proposed for the Illawarra region they are quick to oppose it. Any savings measures designed to fund critical projects and infrastructure are opposed by Opposition members. It is a bit rich for them to propose amendments to this bill and then to criticise this Government. It does not stack up. Employment in the greater Illawarra region has been trending upwards for the past 1½ years, with strong growth of 6.2 per cent non-seasonally adjusted through the year to March 2016. In comparison, while greater Sydney and New South

Wales have been growing strongly in the same time they have not matched the greater Illawarra region, with growth of 2.7 per cent and 3.5 per cent respectively in the same period.

Similar to employment growth, the greater Illawarra's participation rate has improved significantly and has been trending upward over the past 10 months. As at March 2016 the participation rate was 59.3 per cent, 3.2 percentage points higher than a year earlier and above the decade average for the region of 56.6 per cent. The Government recognises the significance of Pillar's operations in the Illawarra region. Given that, it will seek commitments from bidders to maintain Pillar's existing operations in the Illawarra region for at least 10 years.

The bill also provides permanent and temporary employees with employment guarantees. Permanent employees will receive up to a two-year employment guarantee period after transferring to the new owners. For temporary employees the guarantee is for the remainder of their current term of employment immediately before the transaction date, up to a period of two years. With such an extended regional commitment it would be in the interests of a future buyer to look at expanding its business in the Illawarra, contrary to what members of the Opposition have said. A new owner may view it as more economical to expand Pillar's operations functions in the Illawarra to service both non-Pillar and Pillar clients.

A private owner would have the scale and expertise to grow the business and to provide greater opportunities for both its clients and its staff. Private owners can provide a level of industry and market expertise which the public sector does not have. The private sector also has a greater capacity to invest in the future of Pillar. Ongoing private sector investment will put Pillar in a stronger position to pursue growth opportunities and to improve the long-term financial viability of the business. This transaction, like everything this Government does, is the best outcome for all concerned; that is, for Pillar's clients and its staff and for the Illawarra region and ultimately every New South Wales taxpayer. I commend the bill to the House.

Ms YASMIN CATLEY (Swansea) (18:30): The purpose of the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016 is to authorise and facilitate the transfer to the private sector the assets, rights and liabilities of the Superannuation Administration Corporation, trading as Pillar based in Wollongong. Pillar, as we know, is a state-owned superannuation member administrator based in Wollongong and provides services, such as member administration, website services and technology support to clients such as the New South Wales government schemes, State Super, First State Super, plus the Commonwealth Superannuation Corporation. It currently has approximately 700 employees and a client base of more than one million people, administers more than \$100 billion worth of members accounts—a significant state-owned authority.

The shadow Treasurer foreshadowed that the Opposition would move a number of sensible amendments to extend the guarantee protections for existing employees, which is fairer than the proposal put on the table by the Government. Nowhere in the lead-up to the last election was there any mention of privatising Pillar. And with Pillar now up for sale to the private sector, this is just another example of this Government's blind ideological attack on state-owned services in New South Wales. We now understand that the sale of Pillar is to occur in the second half of this year. The Opposition's concern about this sale to the private sector is simple: We are concerned that privatisation will mean job cuts and erosion of workers hard fought for workplace entitlements.

In December 2015 the *Illawarra Mercury* reported on Public Service Association discontent with job cuts at Pillar, which it indicated were linked to the Government's planned sell-off. The union described the move as a major blow for workers and the Illawarra, and I agree. It comes amid Pillar offering voluntary redundancies to employees as part of overarching changes. Public Service Association south-east regional organiser Tony Heathwood said reducing costs was one way to make the sale "look more attractive to potential buyers". He said:

Even though the government says it's a separate process, and it was started before they made the announcement, we're very suspicious that the two are absolutely linked ...

I am suspicious, given the way that the Government has gone about this privatisation. It appears as though it is fattening the pig for market, and it is doing so by slashing jobs to reduce operational costs. We have seen this before with the electricity privatisation. Privatising a state-owned administrator will affect not only the workers who rely on Pillar for their livelihoods but also superannuation fund members who face their retirement savings being hit by increased administration charges. There will also be less competition amongst providers of fund administration and inferior service. If local jobs are cut there will be fewer people on the telephones, less expertise in the field and more stress for those employees who are left to pick up increased workloads.

Importantly, as those on this side of the House have pointed out, privatisation will be bad for the workers of the Illawarra region whose employment and job security relies on maintaining current Pillar jobs and conditions in its current location. Regardless of any temporary commitments that are put in place, local jobs will be on the line. I am interested in what the member for Kiama and the member for South Coast, who unfortunately are not

in the Chamber, have to say about this bill. What do they say about the impact privatisation will have on local jobs? This Government has skin in the game when it comes to privatisation.

With yet another state-owned entity to be privatised, I take this opportunity to highlight this Government's obsession with privatisation. Since 2011 under the Liberal-Nationals Government we have had the sale or privatisation of the Sydney Desalination Plant, Sydney Ferries, Port Botany, Port Kembla, the port of Newcastle, buildings in Sydney—including Bligh House, the McKell and the Maritime buildings—and government office blocks at Penrith, Wollongong, Queanbeyan and Newcastle. The ground lease for Sir Stamford Hotel has been provided. The Government has sold off the Queen Mary Building and the campus at Royal Prince Alfred Hospital. In October 2013 the Government flogged off more than 500 government-owned properties. It sold off the Eraring Power Station and the Shoalhaven hydro power station. It has sold the Ausgrid building in Sydney, Green State Power and Macquarie Generation.

Who knows how many properties have been flogged off at Millers Point. The Government has sold off 13.5 hectares of vacant land in the Caddens Release Area. It has privatised the Parramatta Justice Precinct, and Hunter Water Australia Pty Limited. It has also sold the Newcastle waterfront offices and Delta Coast, better known as Colongra Power Station, is gone too. ServiceFirst NSW has been privatised, as has the New South Wales home care service—those opposite should be ashamed of themselves. Where were The Nationals when the Coffs Harbour courthouse and police station in Moonee Street were sold off? They were missing in action. In November 2015 the Liberal-Nationals Government sold off the Australian Technology Park and Vales Point power station in my electorate, and it has flagged that it will privatise the entire Hunter Transport network, including our buses and ferry.

Mr Stephen Bromhead: Point of order: My point of order relates to relevance under Standing Order 76. The member should return to the leave of the bill, which is about Pillar in Wollongong.

TEMPORARY SPEAKER (Mr Adam Marshall): Order! While the second reading debate gives to members reasonable latitude, this bill is about making changes to the ownership of the Superannuation Administration Corporation. I have been listening to the remarks of the member for Swansea, and whilst she is being generally relevant I encourage her to remain within the scope of the short title and the leave of the bill. The member for Swansea has the call.

Mr Geoff Provest: Good call.

Ms Noreen Hay: Mind your own business.

Mr Geoff Provest: It is good to see you are back.

TEMPORARY SPEAKER (Mr Adam Marshall): Order! I have listened to the interjections of the Opposition Whip and, whilst often entertaining, they do become tiring. I urge the Opposition Whip to refrain from making remarks. Her colleague is entitled to be heard with the due courtesy of this House.

Ms YASMIN CATLEY: Labor is the party of superannuation. In 1973 the Whitlam Labor Government established the National Superannuation Committee of Inquiry, which would eventually lay out a roadmap for establishing a fair superannuation system in this nation. It was found that there should be a non-contributory flat rate universal pension in retirement. Unfortunately, a means-tested supplement was eventually rejected by the Fraser Liberal-Nationals Government. It took the trade union movement, working in cooperation with the Hawke and Keating governments in the Accord process, to finally establish the parameters for our modern superannuation system, of which we are so proud. In the 1991 budget, delivered by Treasurer John Kerin, it was announced that from 1 July 1992, under a new system to be known as the Superannuation Guarantee, employers would be required to make superannuation contributions on behalf of their employees.

The Australian Taxation Office has indicated that the first year of that new Act boosted coverage from around 64 per cent to 80 per cent. Today Labor continues to fight for a fair superannuation system, one which guarantees dignity and a high quality of life to all Australian workers in their retirement. Treasurer Gladys Berejiklian said that a condition of the sale will be that Pillar will stay in the Illawarra for at least 10 years no matter who buys the business. The legislation also gives an employment guarantee of two years for staff. However, members on this side of the House would like stronger protections for the workers who will be affected by this privatisation. [*Extension of time*]

We would like to see the private entity that becomes the owner of Pillar commit to remaining in the Illawarra for at least 20 years after completion of the authorised transaction. Twenty years will give these affected workers much more certainty than 10 years. To keep on top of this commitment, we ask that the Treasurer submit a report to Parliament each year updating the House on the status of these operations in the Illawarra. For permanent employees we want to see the employment guarantee period lifted to five years, as opposed to two

years after the transfer date. These amendments are fair and, importantly, they provide for more robust protections for local workers in the Illawarra region. I am always happy to lend my full support to strengthening workplace protections, and I hope members opposite will join the Opposition in doing so. I would especially love to see the members representing the electorates of Kiama and South Coast jump on board and stand up for local workers in their electorates. I do not support this bill in its current form.

Mr RON HOENIG (Heffron) (18:42): I support the Opposition's position on the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016 and state at the outset that I am a contributor to the funds owned by Pillar. I have been moved by the contributions of the members representing the electorates of Keira, Wollongong and Shellharbour who passionately support the people and the economy of the Illawarra region. Job growth is occurring at more than 6 per cent in this area because those effective members of Parliament, and their predecessors, have fought tooth and nail to rescue the local Illawarra economy.

I support the amendments foreshadowed by the member for Keira not only because I am bound to do so but also because they have considerable substance. I have listened carefully to the contributions of members on the other side of the House as they have blindly sought to support the Treasurer's position. Even my good friend the member for Kiama was not his normal blustery self in his contribution to this debate. Interestingly, in his attack on the Labor Party he was required to inform this House that he and the Government had confidence in the financial sector market.

I nearly rolled on the floor laughing. One of the major debates that is occurring during this Federal election campaign—and one of the most significant things that could happen—is whether the people of Australia should accept Labor's policy of holding a royal commission into the financial sector or whether they should believe the claim made by the Prime Minister, the Federal member for Wentworth, that somehow or other the Australian Competition and Consumer Commission [ACCC] is the appropriate vehicle to control it—a sector that neither the ACCC nor the national Government can control. Those opposite will tell us that somehow or other the market is going to control superannuation.

It is a matter of great concern to me that the Government continues to sell off its revenue-generating assets. We cannot look at a government-owned superannuation fund and at its returns—it made \$4.4 million in 2015, \$2.7 million in 2014 and \$1.6 million in 2013—and say that that determines the value of the business. Regardless of whether the fund is performing well, that is a reflection of the benefit to members—and according to most ratings Pillar does not do too badly at all. I cannot understand why, if the Government owns a particular superannuation fund that has some \$100 million to invest, it does not utilise that ownership to ensure the community gets some benefit from an investment of funds? Surely the trustees have an obligation to ensure that they maximise the return. But there are plenty of occasions when there are competitive choices regarding the estimated return. Would people like the Government's superannuation scheme to secure a return by investing in other States or in other countries if there is a competitive return to be gained within Australia?

I refer also to the passionate defence of the Illawarra region made by the member for Keira and other members representing the Illawarra. There is no point telling me what the Hon. Eric Roozendaal's view was when he was Treasurer; I did not agree with him then and I do not agree with him now. The people of New South Wales did not agree with him either because they threw him out on his backside in March 2011. So I shoulder no blame for any position that he might have taken. However, economic rationalists never seem to understand, as they go about announcing in this House the sale of assets or the sale or closure of government-owned facilities, that in regional New South Wales the return on the asset is not the only relevant consideration. Regional government facilities and services are vital to regional economies. Rather than Treasury simply looking at the bottom line, why does it not do a cost-benefit analysis before closing down services or selling assets in regional New South Wales?

Many members of The Nationals in this House know exactly what I am talking about. They see businesses in towns in their electorates go broke when governments start closing local facilities or selling off assets. There is a lack of economic investment in regional businesses. The courthouse may close. Government services are removed and assets are sold to the private sector, which closes them and people lose their jobs. There is a greater cost to regional communities than simply the Treasury bean-counter cost; government services and assets are essential to the social infrastructure of regional New South Wales. That is why Labor members representing the Illawarra fight so hard to retain jobs, services and investment in their local area. Labor members are enlightened about how much return they deliver to the region.

When the member for Wollongong talks about cars being imported through Port Kembla—which was not an economic decision made to advantage New South Wales or car consumers—she can tell the House of the transformation that occurred in her electorate within a short period as the industry began to develop. The Illawarra was on its backside when the steel industry closed and its entire economy was destroyed. The member for Wollongong can tell the House how the area started to change immediately. That is why there is more than

6 per cent growth in employment. I pay tribute to the member for Keira, the member for Shellharbour and the member for Wollongong for their passionate defence of the Illawarra. It is about time we heard from some of The Nationals members in this House whose electorates are being raped and pillaged by the bean counters in the Treasury.

Mr DAVID MEHAN (The Entrance) (18:50:3): I make a brief contribution debate on the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016. The object of the bill is the privatisation of Pillar, the administrator of, amongst other superannuation funds, the First State Superannuation Fund and the State Authorities Super Scheme [SASS]—the superannuation fund used by most State Government employees. I also note that Pillar administers superannuation on behalf of Commonwealth employees; Aon, a private sector for-profit superannuation fund; and Virgin Money, another for-profit superannuation fund; as well as the Parliamentary Contributory Superannuation Fund. I am concerned about the bill on a number of levels.

In relation to jobs, 700 well-paying jobs in the Illawarra regional area are under pressure and manufacturing jobs continue to be lost. We need to maintain those 700 well-paid jobs in the region. This bill puts those jobs under threat. I am also concerned about what this means for the superannuation arrangements of the hundreds of State Government employees who currently enjoy the benefits of an industry super fund administered by Pillar on their behalf. It guarantees them low fees compared with the for-profit sector that those opposite champion, suggesting that privatising the administrator of our State Government superannuation fund will somehow produce a better outcome for State Government employees. As has been proven time and again, the reality is that when the for-profit superannuation market is compared with the not-for-profit industry fund market, the for-profit providers can never match the not-for-profit providers—industry funds such as First State Super—and the administration benefits provided by the low-fee environment operated by Pillar Administration.

For example, the administration fee for First State Super, provided on page 6 of its product disclosure statement, is \$52 a year plus 0.15 per cent of assets under management. That means a State Government employee with \$50,000 in superannuation pays \$127.00 a year in administration fees. That is what Pillar gets for administering and operating that State Government employee's superannuation account. Those opposite want to open it up to the private sector. No better example of what the private sector provides in the superannuation market is MLC. MLC is one of the largest for-profit superannuation providers in this country. Its biggest for-profit employer superannuation plan is MLC Masterkey Business Super. The administration fee, provided on page 5 of MLC Masterkey's product disclosure statement, reveals that a member who has their superannuation administered by MLC—the for-profit provider as opposed to the not-for-profit industry fund provider—pays \$1.50 a week plus 1.05 per cent of assets under management.

Again, comparing apples with apples, an employee with \$50,000 in superannuation administered by MLC would pay \$278 a year. That is the comparison. Currently, on \$50,000 Pillar charges an administration fee of \$127 a year, but the best MLC can do before profit is \$278 a year. People will lose twofold: Jobs in the Illawarra will go over time—two years is no guarantee—and, in the longer term, the fees of those State Government employees whose super funds are now administered in the not-for-profit environment will be pushed to a level that is endured by those whose superannuation is administered by the for-profit sector. It is an appalling outcome, and it is driven by ideology. It is not driven with the best interests of the Illawarra or the administration of State Government employees' superannuation at heart. It is a dog bill and we should oppose it.

Mr CLAYTON BARR (Cessnock) (18:55): I speak in debate on the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016. I support the shadow Treasurer and member for Keira, Ryan Park, who tabled some very sensible amendments to the bill that seek to look after the Illawarra region and workers currently employed by Pillar. Most of the pertinent points have already been made, but it is important to reiterate them for the sake of all our fans and supporters who read the *Hansard*—hi Mum. Pillar is a superannuation body that essentially manages about \$100 billion worth of assets on behalf of about 1.1 million mainly public sector employees. To be upfront, Pillar manages my superannuation fund and, as a former schoolteacher, I am one of those who will be exposed to this change, as will other schoolteachers, nurses, police officers and others who work in the public sector.

There is something fundamental that we must understand about transactions where we essentially outsource, hand over or sell to the private sector any body, interest, commodity or asset that once belonged to the public sector. The truth is this: Any person, industry or group that seeks to purchase an asset such as that—in this case it is the Pillar Superannuation Administration Corporation—will pay a fee for it and, as sure as the sun rises in the morning, they will want to recoup their money. They are certainly not simply donating their money to the good burghers of New South Wales; they are making an investment and they will want not only to recoup the money they put upfront but also to make some money on top of that. One is left to wonder where and how they will recoup their money. I am a member of one such superannuation fund and I am pretty certain, as one of those

1.13 million people who are also affected, that the new purchaser will dig into my superannuation fund and charge a fee to recoup their money.

Mr Damien Tudehope: They'll be prudent investors.

Mr CLAYTON BARR: While those opposite might want to put the position that they will be prudent investors and/or that they will be more efficient and do things smarter or simpler—

Mr Damien Tudehope: All that.

Mr CLAYTON BARR: I The good member opposite was not here during the previous Parliament so will not have heard my speech on the Port of Newcastle. I refer him to my speeches about the Port of Newcastle. At the time Labor members said, "If you privatise the port, the new owners will just increase the fees and charges; they will just pass them on." Again, as sure as the sun sets in the west in the evening, that is exactly what happened at the Port of Newcastle. It is what happens with all privatisation models. Whatever the purchasers pay upfront they ultimately seek to recoup plus more, and often it is the taxpayer—or in this case the public servant member of the superannuation fund—who ends up paying back the money, and then some.

In essence, this is nothing more than an invisible tax. The Government talks about not wanting to increase taxes or about driving down taxes, but it is happy to pass on all these shadow taxes—the taxes that sit in behind—in the form of fees or charges. Let us think about the \$10 billion that was paid for TransGrid. Does anyone believe those companies just donated that money to New South Wales? Undoubtedly they will want to recoup their \$10 billion plus more. Who will pay for that? It will be the customers. Who are the customers? The customers are the people of New South Wales. So who is paying that \$10 billion? It is the people of New South Wales. One does not want to call it a tax but it is a taxing methodology. That is exactly what is happening.

Mr Damien Tudehope: The same people who get the benefit of the north-west rail link. The same people who get NorthConnex.

Mr CLAYTON BARR: That is an important part of this debate that we need to understand. The member for Epping mentions NorthConnex and WestConnex. We could talk also about the rail line to the airport, which has been such a success. I think it was built under the Greiner Government and became something of a white elephant. People would not use it because of the high fee that was charged. Ultimately who was going to pay for it? Of course it was the people of New South Wales who wanted to travel to the airport by train. It is a tax by another name. We already know that this Government is the highest-taxing government in the history of New South Wales, and that is only with regard to the declared taxes that are imposed in this State. It does not include the shadow taxes, the invisible taxes, the hidden taxes in the form of fees and charges that this Government has forced on the people of New South Wales. Today we are talking about 1.13 million public servants in New South Wales who will have this fee, this tax, imposed upon them under this legislation.

TEMPORARY SPEAKER (Ms Anna Watson): Order! The member for Epping will cease interjecting.

Mr CLAYTON BARR: There is more in the wings from this Government. It is New South Wales for sale and the people of New South Wales, through hidden taxes, shadow taxes, unnamed taxes, fees and charges will pay for this massive \$50 billion privatisation process that the Government is initiating. At the end of this term of government the people of New South Wales will have contributed an additional \$50 billion in taxes to the State's bottom line because the Government wanted to find every dollar it could to spend and damn the future of New South Wales and its people, who picked up the pieces when it had finished.

That is exactly what this bill does. The amendments foreshadowed by the member for Keira are extremely modest; they simply seek protections for workers. When we vote on the bill, the Opposition will vote to protect workers and the Government will vote not to protect workers. It is as simple as that. Opposition members will vote to protect the entitlements of workers for more than two years; we are looking to protect them for five years. It does not matter what Government members say about workers, their careers or the careers of others, the reality is that getting educated and transitioning to a new career or workplace takes longer than two years. Someone currently employed by Pillar and about to be transitioned to the new private entity might think, "I don't have security going forward so I might start preparing myself to get out of here. I will start part-time study to prepare for my exit." But that will probably take longer than two years. It will probably take four or five years, and that is why we are looking for certainty for these workers for five years.

The other thing that we are looking for in order to protect workers and the region and its people is for this business to maintain its base in the Illawarra region for more than just 10 years. People have made significant lifestyle decisions about investing in property, starting their children in schools and securing a place to live, work and play in the Illawarra based on the fact that they thought they had good, reliable, long-term jobs in the

Illawarra. Now all of that has been called into question and is in jeopardy. The reality is that the business most likely to purchase Pillar Administration will most likely be based in a central business district [CBD] on the eastern seaboard. It will most likely want to centralise and streamline its business. That means it will most likely want to transfer workers as quickly as possible to an Australian eastern seaboard capital city. [*Extension of time*]

That is the reality we are facing. Through the foreshadowed amendments we are trying, quite modestly, to protect those families, workers and communities and this region. We want at least to say to people that, if this legislation is passed, at some point in the next 20 years there is every likelihood that the new owner will simply shut the offices in the Illawarra, scrap the entire workforce and take the business to a new site in a capital city's CBD somewhere. Then the people of the Illawarra can start preparing for that. They can be mindful and aware of that. They can start transitioning out of their roles and start looking for other jobs in a timely manner and as opportunities present themselves. I also draw members' attention to the nature of the Pillar workforce. Some 69 per cent of people employed at Pillar are female.

So if we jeopardise this workforce then we are jeopardising primarily a female workforce. According to those opposite, the money gained from this sale that will jeopardise female workers will be invested in some sort of infrastructure. They are going to build a tunnel, a train or something somewhere, which will involve a primarily male workforce. About 15,000 people have been sacked from the public sector, and let us not forget that 64 per cent of the public sector workforce are female. So we sacked 15,000 people, 64 per cent of whom are female, in order to build trains, tunnels and infrastructure such as that, and now we are doing the same thing with Pillar. Some 69 per cent of the company's workforce are female and we are jeopardising their jobs into the future.

Two out of every three of jobs at Pillar are filled by female employees. Government members pretend to care about women in the workforce, equality and equal opportunity. Yet in every decision it makes—it does not announce, talk about or enunciate this clearly—the Government attacks women in the workforce. This is another example of that. Finally, there is something to be said for a superannuation organisation that is guided by its investment principles. Of course it has an obligation to deliver the best possible returns. But a company can have a charter, a vision or a mission statement that determines what it most wants to achieve via its investments. I will read onto the record part of the charter of Pillar as it currently stands. At page A7 of its annual report 2014-15 it says:

- To be a successful superannuation administration business by:
 - operating as efficiently as comparable businesses; and
 - maximising the net worth of the State's investment.

Every superannuation fund would have that goal. It goes on to say:

- To exhibit a sense of social responsibility by having regard to the interests of the community in which it operates.

I guarantee that not every superannuation body has that goal. But this one does, and the community in which it operates and where it demonstrates its social responsibility is the Illawarra in regional New South Wales. It makes me wonder how The Nationals members can support this legislation and where the member for Kiama gets off voting against the sensible amendments foreshadowed by Labor. The third point states:

- Where its activities affect the environment, to conduct its operations in compliance with principles of ecologically sustainable development.

Again, that may or may not be found in the goals of other superannuation funds but we certainly find it in those of Pillar. It is important to note that point, given that today we were discussing container deposit legislation, which is about the environment. Finally, it states:

- To exhibit a sense of responsibility towards regional development and decentralisation in the way in which it operates.

That is a charter point of this corporation as it stands today. It may not be a charter point of a future private owner. That regional decentralisation responsibility is exhibited, demonstrated and sustained by the current Superannuation Administration Corporation prior to this sale. It will not happen in the future.

Mr JAMIE PARKER (Balmain) (19:10): On behalf of The Greens I address the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016. Frankly, The Greens have not been convinced of the merits of this legislation. I will take a few moments to address the bill. It makes provision for the regulated sale of Pillar Administration, which is a government-owned superannuation management corporation, to the private sector. The bill covers the corporation-related entities and has a range of specific provisions regulating current employment conditions and future conditions, along with regulations regarding ongoing employment, maintaining its location in the Illawarra and so on. We have several concerns about the bill. It is interesting to note that Pillar holds superannuation assets of more than \$100 billion as of 2015. It primarily manages the super funds of public servants and employees of public corporations. Interestingly, I have received

email correspondence and two letters from residents in my electorate who are very concerned about this privatisation. I have indicated to them that The Greens will not support this legislation. I will take members through some of the reasons for that.

The member for Shellharbour outlined clearly why this privatisation is of great concern to people in the Illawarra—not only the 700 people employed at Pillar but also the entire area. It is one of the largest employers in the area. This region is dealing with significant economic instability and relatively high levels of unemployment. Frankly, it is an area that the Government should be supporting and nourishing a lot more rather than challenging and making more unstable through this bill. In 2015 Pillar returned a before-tax profit of about \$3½ million to New South Wales. It is correct to say that it requires major upgrades to its information technology system and I understand that it has called for about \$30 million in capital to support those upgrades. The New South Wales Government has contributed around \$12 million. The Government says that this shows the level of potential liability of the corporation and that it should be borne by the private sector as a private sector entity can access funds for capital upgrades more easily. Thus the Government says that this privatisation should go ahead.

We have heard clearly from members of The Greens in the Illawarra, some of whom have worked at Pillar, that it generally functions well, it is an organisation that has a lot of respect and it provides a lot of stability in the area. I also note that the Public Service Association has made several representations to The Greens regarding Pillar. In particular, I note the receipt of correspondence from the general secretary asking us to commit to opposing this privatisation. In its letters, which I will not read in detail as it is late in the day, it cites the impact of inevitable job losses, the loss of profit to the Government and the tenuous guarantee to retain business in the Illawarra.

In relation to the level of persuasion about the privatisation of Pillar, this argument about access to capital required for upgrade seems a little thin. It seems to us that the State Government should be able to access funds to wear that short-term liability. Transfer to the private sector in our view will inevitably lead in the long term to job losses as the new owner seeks to cut costs, and the external costs of cuts to Pillar would be substantial in the community of Illawarra. I do not propose to go over the arguments that have been put forward by other members, but I think people in Sydney do not understand the true impact. A new facility is being built in my electorate that will employ about 300 people, but it is not the kind of thing that gets people excited because of the number of jobs and it being right next to the central business district, but in places like the Illawarra 300 jobs is huge and is really significant.

I believe there is a lack of understanding about what this bill will do to the heart of the Illawarra community and the vulnerability the people feel. The Greens cannot support this bill. The bill provides that when the transaction goes ahead the current business must be maintained in the Illawarra. But if new divisions are developed or new areas are opened up by this business, the question is whether they also have to be maintained in the Illawarra. Can new operations in the business be moved out of the area and sent offshore? Does that provision in the bill mean that new business units of the organisation must be maintained in the Illawarra? I wonder whether the Minister will address that interesting question in her reply. All in all this bill has raised a lot of concern. I draw to the attention of the House unsolicited correspondence I have received from a resident of Leichhardt, who stated:

In regard to management of First State Super I have personal experience of both this industry super fund and also Commonwealth Super Select.

I should mention that, according to the Australian Bureau of Statistics data, the largest employment category in the electorate of Balmain is in the finance, insurance and investment areas. So a lot of people in my electorate have a lot of expertise in this area and have contacted me about it. The same resident continued:

For several years I had superannuation invested in both funds but First State Super consistently outperformed the bank's super fund and also charged considerably lower fees. I have now moved all my super into First State Super.

That is a ringing endorsement—

I hope I have not moved it into a fund that is going to be taken over by the retail super sector with their underperformance and excessive fees.

Could you please advise if the Government is seriously considering this move—

The answer is yes—

and what is the likelihood of this occurring?

It is highly likely, considering the legislation that is before us. This gentleman really highlighted to me the experience that the people in my electorate have with this fund—public servants—and their concern. Obviously, as politicians we are also investing in this fund. The Greens are not convinced that this is the right way to go. We

feel that it will be necessary to rationalise the services that will inevitably impact on the provisions. There has been some talk about former Treasurer Roozendaal who followed this path, but failed to find a bidder who was prepared to pay \$200 million for it. Obviously that is in the past and we know that Labor has a strong position now. I point out that the impact on an area like the Illawarra is something that needs care and careful nurturing. I fear that the destabilisation that may well come from this legislation would not be the type of message we want to send to the Illawarra. We want to send the message that it is strongly supported; that the Government is committed to the Illawarra and that there is a long-term plan for it. The Greens are concerned that this bill will not deliver that message.

Mr GREG PIPER (Lake Macquarie) (19:18): I refer to the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016. I note that the Treasurer is in the Chamber as we draw to the conclusion of this debate. I was moved to speak on this bill because the member for Cessnock spoke to me about the proposed Opposition amendments. I have listened carefully to the debate and I note the passion of members representing areas around the Illawarra, including obviously the member for Keira who led for the Opposition, and members representing the electorates of Kiama, Shellharbour, Wollongong and others who very proudly fight for their areas. I note that not long ago we had lots of debate in this Chamber and action was taken by the Government of the day to assist BlueScope Steel to retain its workforce within the Illawarra.

We are now talking about one more part of the privatisation agenda of this Government. The member for Swansea did a good job listing the extensive transactions. This one was not one that would have been on the radar of most people. However, we have had the ghost of Eric Roozendaal thrust upon us again by the member for Heffron, and if we had looked at that perhaps it would have been more obvious. I would imagine that Pillar in the Illawarra would be in the top five employers with its 700 employees. I would imagine Illawarra Health would possibly be the largest employer followed by BlueScope Steel, but 700 employees is large and would result in 3,000 directly affected people if we take into account, husbands, wives and children, and other dependents.

The debate from the Opposition was largely loaded as if it were an argument against the bill in its entirety and it was opposing the intention to allow for the transfer of Pillar to the private sector, yet the Opposition accepts that this will be passed and it is foreshadowing a number of amendments. I generally agree that the Opposition amendments have merit, particularly in relation to employment guarantees. One amendment proposes to omit "two years" and insert "five years" instead. When we are talking about the superannuation of people, their sick leave, annual leave, long service leave and position in the community with a job, that employment guarantee going to five years would be greatly welcomed. That is not inconsistent with what the Government has done in the past in relation to other transactions, and I believe that should be supported.

Proposed Opposition amendment No. 2 refers to transfer payments and states that the Treasurer cannot transfer the employment of a Pillar employee under this section unless at the time of transfer the transferred employee is paid a transfer payment equivalent to 30 weeks of pay at the rate of the employee's base salary, which I believe is also supportable. I have a serious concern with proposed Opposition amendment No. 1, which seeks to change the requirement for Pillar to remain within the Illawarra for 20 years, which is an extraordinary period of time if one accepts that this will be a privatised model. In my view, that can only be seen as trying to frustrate the process, and it is a crude way of doing so.

In relation to the actions of the Government we have often used the term "over-reach", but while I understand the intentions generally of the amendments, proposed Opposition amendment No. 1 is clearly an over-reach and will not be able to be sustained by any private investor in this enterprise. I generally support the Opposition in the other areas that are not only modest but are also sensible amendments that will improve the legislation and the way in which the Government would be viewed when implementing it. I ask the Government to consider that as it progresses this legislation through this Chamber and into the Legislative Council. At this stage I will just grin at the 20 years.

Ms GLADYS BEREJIKLIAN (Willoughby—Treasurer, and Minister for Industrial Relations) (19:25): In reply: I thank all members who have contributed to this debate, including the shadow Treasurer, the member for Keira, the member for Davidson, the member for Wollongong, the member for Kiama, the member for Shellharbour, the member for Drummoyne, the member for Swansea, the member for Heffron, the member for The Entrance, the member for Cessnock, the member for Balmain and the member for Lake Macquarie. I will start by addressing an issue of process. Prior to introducing the Superannuation Administration Corporation (Pillar) (Authorised Transaction) Bill 2016 into this place I contacted the office of the shadow Treasurer to offer him a briefing and to let him know that this bill was to be introduced. That was more than a week ago now. I personally offered him a briefing, which he declined to accept.

I raise this matter because the Government was not made aware of the Opposition's intention to move amendments until this debate started this evening. If the shadow Treasurer did have a number of concerns about this bill then why did he not give the Government time to consider the amendments that have been put before the

House this evening? Since the shadow Treasurer has taken on this role he has shown a lack of ability to appreciate some of the detail that is required in his position. Indeed, some comments have been made publicly about his lack of detail across some matters, but we will not go there now. I stress that if the shadow Minister is pleading that the Government needs to adopt these very serious amendments, then he should have had the courtesy of raising them with us before the commencement of this debate.

I was also concerned about the shadow Treasurer's approach to this legislation in that he started to speak about the various scoping studies that have been undertaken in relation to this business. He started off by talking about a scoping study that commenced in 2013 and I believe intentionally omitted the fact that the Labor Government commenced this process in 2008-09. Ordinarily I would accept that was an oversight, but I feel it was an intention on his part to distance himself from what the Labor Government had previously proposed. I place on record what the then Treasurer said in the 2008-09 mini budget. What he said at that time not only still stands in terms of the risk to the State but those risks have been exacerbated because the environment in which Pillar operates today is far more competitive and information technology [IT]intensive than what it was seven or eight years ago. Then Treasurer Roozendaal said:

Any transfer of Pillar to the private sector would remove New South Wales taxpayers from exposure to commercial risks. This would provide an avenue for the business to diversify—

I stress—

to diversify and undertake additional investment in information technology. Any transaction strategy will include mechanisms to safeguard the employment of staff and retain its location in Wollongong.

That is what the Labor Treasurer said seven to eight years ago. As I said, those risks not only still exist today, but they are exacerbated. The environment in which Pillar operates is far more competitive than what existed then. I appreciate that not all members opposite would have been apprised of the facts, but a number of them spoke about clients that unfortunately are no longer on Pillar's books. In fact, in December 2014 a number of unions proactively choose to take their superannuation administration services to a private organisation. Link, which is a private superannuation administration, has a lot of union clients. Those opposite are able to express their views, but they should make sure those views are based on fact and not the long-held rhetoric that some have demonstrated.

It is my belief that a number of those opposite are out of step and out of touch with what is happening in their own electorates. We have heard about the strong jobs growth numbers in the Illawarra, but I draw the attention of the House to the response of the local paper when the Government announced its intention. The front page of the *Illawarra Mercury* said "It's Super: Hundreds of Pillar jobs are set to stay in the Illawarra region." So the local paper, which represents the views of the local community, not only gave a positive response to the Government's intentions but also acknowledged—and this important acknowledgment goes to the heart of the Opposition's amendments—that the regional operations guarantee for Pillar is unprecedented.

Those opposite pretend that they never chose to transfer assets to the private sector; that is a fallacy. Never in the history of this State has a government said, "We appreciate the importance of these operations to the Illawarra." It is for that reason we will impose on any purchaser the condition that they retain certain operations in the Illawarra for 10 years. The Government has that as a standard policy for any transaction—the employment guarantees in this legislation are standard policy for any transaction—but what makes this legislation unique is that we need to see those guarantees in the context of a 10-year regional operations guarantee. That is unprecedented.

TEMPORARY SPEAKER (Ms Melanie Gibbons): Order! Opposition members will come to order. The Treasurer has the call.

Ms GLADYS BEREJIKLIAN: I am not sure when those opposite last visited the University of Wollongong's innovation centre, but I recently had the privilege of doing so with the Parliamentary Secretary for the Illawarra and South Coast. That university has a phenomenal and positive vision about information technology and innovation in the local area. What better opportunity for any prospective business to look at Pillar and say, "This is a great way for us to have an anchor in the Illawarra where we can actually relocate other services and other operations from elsewhere into the Illawarra." Not only is this Government committing to this unprecedented opportunity for ongoing operations, but it is also putting the challenge to the private sector to say, "This is a great opportunity for you not only to take over the business but also to grow it." That is a capacity that government does not have.

We are not experts in administering superannuation funds. We are not experts in running best practice information technology systems that support the administration of superannuation funds; the private sector is. This is a very competitive market. Every month the State Government pours millions of dollars into this business that currently is on a dividend holiday—that is, we get no return—and those millions of dollars could be spent on

local schools, hospitals and roads. The risk of not pursuing this transaction is greater than what the Opposition contends. In fact, the risk of not pursuing this transaction is extremely high because the Government cannot guarantee that in a competitive environment the trustees of those superannuation funds may, tomorrow or the day after, choose to take out their members funds and put them elsewhere. That is what has happened over the past few years. The Government cannot control that risk and, frankly, I do not believe that the taxpayers would expect us to dedicate millions and millions of dollars to what is non-core business for government.

But what is core business for government? Health, education, transport, family and community services—things that matter to the community—that is core business for the Government and that is the proposition I ask those opposite to consider. Again I mention that the context of this regional operations guarantee is unprecedented and the Government has approached this in good faith, not only because we appreciate the longstanding history of this asset but because we also appreciate the opportunities this poses for the future of the Illawarra, especially when, in a very positive sense, the whole region is gearing up for a positive structural change to becoming an IT and technology and innovation hub for our State. I urge any member who has not been down to the region lately to talk to local businesses, as I had the chance to do, and to talk to leading institutions that are champing at the bit to continue to grow those businesses.

Unfortunately, the Opposition's position this evening in some of the statements Opposition members have made flies in the face of what the Leader of the Opposition said in his reply speech to the budget last year. He said he was part of a new Labor that would do what is in the best interests of the community and taxpayers, and would not have any hang-ups dealing with the private sector when that was appropriate. But, unfortunately, the response and the reaction of those opposite does not match what their leader said. I ask the shadow Treasurer if he has consulted his leader in relation to some of the arguments he has put tonight and if his leader has the same views that a number of his colleagues have expressed this evening. It is an important question because in his reply speech to the budget last year the Leader of the Opposition made a number of comments about working more closely with the private sector when it was in the best interests of the community and the taxpayers, and I regret that a number of members of his team seem to be letting him down in that admirable aspiration.

I turn to the interests of staff. I appreciate that a number of staff of the organisation have been wondering about the future of the organisation for seven or eight years now. The feedback I have had directly from management is that there is a sense of relief that the Government has made a decision, a sense of relief that the Government has a plan for the organisation during transition and beyond and a sense of relief that the operations managed in the Illawarra today will continue to be managed in the Illawarra. What the Government has put forward is a very considered approach to a transaction that should have happened some time ago, because not only is it better for the people employed in Pillar, not only is it better for people whose funds are administered by Pillar, not only is it better for the taxpayer, but it is the right thing to do for the people of New South Wales.

We considered the options. We looked at what opportunities the Government had in proceeding with this transaction to send a strong message to the private sector that this Government believes in the Illawarra and that the Government believes in the opportunities that the private sector has to grow this business and increase employment by getting more clients by using the scale and those benefits—something that is out of reach for the Government; we simply cannot afford to continue to make those contributions. In conclusion, I stress that the conditions we have put forward to support Pillar during the transition are unprecedented. This is good policy for all concerned; it provides certainty but, most importantly, it provides a positive future for people who work in Pillar and who are associated with Pillar, because if the Government did not take this step forward I cannot guarantee that those clients will continue to stay with Pillar; I cannot guarantee that the operations will continue. Ironically, workers will have a more determined and positive future under private ownership than under government administration. For those reasons I commend this very important bill to the House.

TEMPORARY SPEAKER (Ms Melanie Gibbons): The question is that this bill be now read a second time.

The House divided.

Ayes45
Noes34
Majority.....11

AYES

Dr Lee
Mr Ayres
Mr Bromhead (teller)
Mr Coure
Mr Evans

Mr Anderson
Mr Baird
Mr Connolly
Mr Crouch
Mr Fraser

Mr Aplin
Mr Barilaro
Mr Constance
Mr Elliott
Mr Gee

AYES

Mr Gulaptis
Mr Kean
Mr Notley-Smith
Mr Perrottet
Mr Roberts
Mr Speakman
Mr Tudehope
Ms Berejiklian
Ms Hodgkinson
Ms Skinner

Mr Humphries
Mr Maguire
Mr O'Dea
Mr Piccoli
Mr Rowell
Mr Taylor
Mr Ward
Ms Davies
Ms Pavey
Ms Upton

Mr Johnsen
Mr Marshall
Mr Patterson (teller)
Mr Provest
Mr Sidoti
Mr Toole
Mr Williams
Ms Goward
Ms Petinos
Ms Williams

NOES

Dr McDermott
Mr Chanthivong
Mr Greenwich
Mr Kamper
Mr Mehan
Mr Parker
Mr Zangari
Ms Catley
Ms Harrison
Ms Hornery
Ms Mihailuk
Ms Watson

Mr Atalla
Mr Crakanthorp
Mr Harris
Mr Lalich (teller)
Mr Minns
Mr Piper
Ms Aitchison
Ms Doyle
Ms Hay (teller)
Ms Leong
Ms T. F. Smith

Mr Barr
Mr Dib
Mr Hoenig
Mr Lynch
Mr Park
Mr Warren
Ms Car
Ms Finn
Ms Haylen
Ms McKay
Ms Washington

PAIRS

Mr Dominello
Ms K. Smith
Mr Stokes

Mr Robertson
Mr Hazzard
Mr Daley

Mr George
Mr Foley

Motion agreed to.

TEMPORARY SPEAKER (Ms Melanie Gibbons): I welcome the Hon. Philip Ruddock and his lovely wife, Heather, to the New South Wales Parliament. Thank you for joining us today.

Consideration in detail requested by Mr Ryan Park.**Consideration in Detail**

TEMPORARY SPEAKER (Ms Melanie Gibbons): By leave: I shall propose the bill in groups of clauses and schedules.

Mr RYAN PARK (Keira) (19:48): By leave: I move Opposition amendments Nos 1 to 5 on sheet C2016-045A in globo:

No. 1 **Regional commitment**

Page 3, clause 6, line38. Omit "10 years". Insert instead "20 years".

No. 2 **Transfer payments**

Page 9, clause 17. Insert after line 25:

- (3) The Treasurer cannot transfer the employment of a Pillar employee under this section unless at the time of transfer the transferred employee is paid a transfer payment equivalent to 30 weeks of pay at the rate of the employee's base salary (this is, salary less any allowances).

No. 3 **Employment guarantee period**

Page 9, clause 17, line 41. Omit "2 years". Insert instead "5 years".

No. 4 **Employment guarantee period**

Page 9, clause 17, line 41. Omit "2 years". Insert instead "5 years".

No. 5 **Other entitlements of transferred employees**

Page 11, clause 19, lines 15-20. Omit all words on those lines.

I have already spoken in detail about these amendments. Essentially, the Opposition is trying to get stronger guarantees for the Illawarra regional economy as well as employees of Pillar. I note that the Treasurer said she offered me a briefing and that is true. I did not need that briefing.

TEMPORARY SPEAKER (Ms Melanie Gibbons): Order! The member for Keira has the call.

Mr RYAN PARK: I did not need the briefing. I do not think the amendments are overly complicated for an entire Treasury department and Treasurer's office to have a look at and form an opinion. But if they want more time to have a look at these complex, difficult and detailed amendments, I am happy for them to have longer—if they need more than an entire Treasury department and Treasurer's office to do it. We were able to do it with few resources but if Government members need more time, they can tell me and I am happy to give them longer to do that. The bottom line for Labor is that we want to try to get a stronger commitment for the Illawarra region, a stronger commitment for the Illawarra economy and a stronger commitment for the workers of Pillar.

Ms GLADYS BEREJIKLIAN (Willoughby—Treasurer, and Minister for Industrial Relations) (19:50): The Government will not be supporting these amendments because, as we foreshadowed in the second reading debate, providing a regional operations guarantee of a decade—10 years—is unprecedented. It is interesting to note that when the Labor Party was in government and transferred assets to the private sector it never in the history of this State had either the foresight or the vision to ensure a 10-year regional guarantee. We are pleased to make this guarantee. In relation to the other employment-related amendments put forward by those opposite, the Government's position in support of workers is standard for any transaction. What is unique about this bill is that these guarantees for workers—

TEMPORARY SPEAKER (Ms Melanie Gibbons): Order! I am having difficulty hearing the Treasurer. Members will come to order. The member for Heffron will come to order. The Treasurer has the call.

Ms GLADYS BEREJIKLIAN: —should be seen in the context of the regional operations guarantees. I say to those opposite: If they care about the Illawarra, if they care about the future of workers, if they care about the future of staff, they will support this bill as is. I extend to those opposite the following and I hope that even if these amendments are not successful, those opposite will support this bill because—

TEMPORARY SPEAKER (Ms Melanie Gibbons): Order! The member for Prospect will come to order. I will start calling members to order if they continue to interject. It is far too noisy in the Chamber. I need to be able to hear the Treasurer.

Ms GLADYS BEREJIKLIAN: — the risk of not proceeding with this transaction is far greater than what the Government is proposing. I say finally as a bit of advice to the shadow Treasurer: If he was serious about moving amendments—given that I gave him the courtesy of letting him know before the bill came to Parliament and offered him briefings over the past week, and it is his prerogative to decline—he should have given the Government the courtesy before this debate started tonight that he would be moving these amendments.

TEMPORARY SPEAKER (Ms Melanie Gibbons): Order! The member for Keira will come to order. I call the member for Keira to order for the first time. Members will come to order. The Treasurer has the call.

Ms GLADYS BEREJIKLIAN: I finish this argument on two points: First, it is interesting that a number of trade unions have moved the administration of their superannuation to private funds and, secondly, if one approached any persons living and working in the Illawarra and asked them whether they thought it was fair to have a 10-year regional operations guarantee, their answer—

TEMPORARY SPEAKER (Ms Melanie Gibbons): Order! The member for Swansea will come to order. The member for The Entrance will come to order. I call the member for The Entrance to order for the first time. I call the member for Swansea to order for the first time.

Ms GLADYS BEREJIKLIAN: I am sure that if we asked any person living and working in the Illawarra whether they thought a 10-year guarantee was fair, the answer would be a resounding "yes".

Mr Andrew Fraser: Point of order: Madam Temporary Speaker, I draw your attention to Standing Order 52 and ask that the rabble opposite be kept under control.

TEMPORARY SPEAKER (Ms Melanie Gibbons): I agree that the Chamber is too noisy. Opposition member will come to order. The next member who interjects will be removed from the Chamber.

Ms GLADYS BEREJIKLIAN: In conclusion, the Government will not be supporting these amendments.

Mr RYAN PARK (Keira) (19:56): Those opposite have glass jaws. Believe it or not, the Opposition does not have to follow the instructions of the Government. What a surprise! Believe it or not, we can read our own legislation. How unusual. Believe it or not we do not need days and days to consider amendments.

TEMPORARY SPEAKER (Ms Melanie Gibbons): Order! I remind the member for Keira to address his remarks through the Chair.

Mr RYAN PARK: I say again to the Treasurer, as I did just a couple of minutes ago: Did she offer me a briefing? Yes, wholeheartedly she did. But did I need it? No, funnily enough I did not.

TEMPORARY SPEAKER (Ms Melanie Gibbons): Government members will come to order.

Mr RYAN PARK: It is a fairly simple piece of legislation.

Mr Johnathan O'Dea: Point of order: Unfortunately the member for Keira is showing the chair the same discourtesy that he showed the Treasurer. He is repeatedly turning his back on the Chair, and it is unacceptable.

TEMPORARY SPEAKER (Ms Melanie Gibbons): Order! I remind the member for Keira, as I have done already, that he should direct his comments through the Chair. I also remind members of the Government and Opposition that there are too many interjections. I ask that the member for Keira be heard in silence.

Mr RYAN PARK: Let us all hold hands and sing *Kumbaya* just for the member for Davidson. Let us be clear about this: Illawarra Labor members do not need a lecture about Pillar from those opposite. We will never take a lecture from those opposite about Pillar.

Mr Johnathan O'Dea: Point of order: Madam Temporary Speaker has ruled that the member for Keira was out of order. He is flouting the ruling. If he cannot show basic courtesies he should simply sit down.

TEMPORARY SPEAKER (Ms Melanie Gibbons): Order! I remind the member for Keira to direct his comments through the Chair. There are still far too many interjections.

Mr RYAN PARK: We on this side do not need a lecture about Pillar because it was a Labor government that relocated Pillar and hundreds of jobs to the regional community, which the member for Wollongong, the member for Shellharbour and I are proud to represent. That is my first point. Secondly, I have acknowledged multiple times that I was offered a briefing, but for the third and final time I say that I did not need it. Thirdly, the amendments that we are proposing are fairly simple. They go to the heart of making sure that the Illawarra regional economy is strengthened, that workers protections are strengthened and that Pillar remains a driving force in our local economy. If those opposite need an entire Treasury department, the Treasurer's office and more to understand that, it says a lot about those opposite and not a lot about us.

TEMPORARY SPEAKER (Ms Melanie Gibbons): The question is that Opposition amendments Nos 1 to 5 on sheet C2016-045A be agreed to.

The House divided.

Ayes33
Noes48
Majority.....15

AYES

Dr McDermott
Mr Chanthivong
Mr Greenwich
Mr Kamper
Mr Mehan
Mr Parker
Ms Aitchison
Ms Doyle
Ms Hay (teller)
Ms Leong
Ms T. F. Smith

Mr Atalla
Mr Crakanthorp
Mr Harris
Mr Lalich (teller)
Mr Minns
Mr Warren
Ms Car
Ms Finn
Ms Haylen
Ms McKay
Ms Washington

Mr Barr
Mr Dib
Mr Hoenig
Mr Lynch
Mr Park
Mr Zangari
Ms Catley
Ms Harrison
Ms Hornery
Ms Mihailuk
Ms Watson

NOES

| | | |
|-----------------------|-----------------|--------------|
| Dr Lee | Mr Anderson | Mr Aplin |
| Mr Ayres | Mr Baird | Mr Barilaro |
| Mr Bromhead (teller) | Mr Connolly | Mr Constance |
| Mr Coure | Mr Crouch | Mr Elliott |
| Mr Evans | Mr Fraser | Mr Gee |
| Mr Gulaptis | Mr Henskens | Mr Humphries |
| Mr Johnsen | Mr Kean | Mr Maguire |
| Mr Marshall | Mr Notley-Smith | Mr O'Dea |
| Mr Patterson (teller) | Mr Perrottet | Mr Piccoli |
| Mr Piper | Mr Provest | Mr Roberts |
| Mr Rowell | Mr Sidoti | Mr Speakman |
| Mr Stokes | Mr Taylor | Mr Toole |
| Mr Tudehope | Mr Ward | Mr Williams |
| Ms Berejiklian | Ms Davies | Ms Goward |
| Ms Hodgkinson | Ms Pavey | Ms Petinos |
| Ms Skinner | Ms Upton | Ms Williams |

PAIRS

| | | |
|--------------|--------------|------------|
| Mr Daley | Mr George | Mr Foley |
| Mr Dominello | Mr Robertson | Mr Hazzard |
| Ms K. Smith | Mr Grant | |

Amendments negatived.

TEMPORARY SPEAKER (Ms Melanie Gibbons): The question is that clauses 1 to 37 be agreed to.

Clauses 1 to 37 agreed to.

TEMPORARY SPEAKER (Ms Melanie Gibbons): The question is that schedules 1 to 7 be agreed to.

Schedules 1 to 7 agreed to.

Third Reading

Ms GLADYS BEREJIKLIAN (Willoughby—Treasurer, and Minister for Industrial Relations) (20:07): I move:

That this bill be now read a third time.

Motion agreed to.**WATER NSW AMENDMENT (STAFF TRANSFERS) BILL 2016**

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

TEMPORARY SPEAKER (Ms Melanie Gibbons): I set down the second reading of this bill as an order of the day for a later time.

Government business having concluded, private members' statements will now be proceeded with.

*Private Members' Statements***TRIBUTE TO THE HON. PHILIP RUDDOCK**

Mr MATT KEAN (Hornsby) (20:08): There are few constants in politics, but last week there was one fewer, with Philip Ruddock calling time on his distinguished career as a member of Parliament. Elected in 1973 to the marginal seat of Parramatta, Philip's biggest worry at the time was to make his career last longer than six months. Tonight, 42 years later, Philip retires as Australia's second longest serving member of the House of Representatives, second only to Billy Hughes. His journey began learning the trade at the feet of his father, Max. Max was an economist who worked in Canberra as the Deputy Prices Commissioner. He was on a track that could have led him to being a head of a department but he was forced to move from Canberra to Sydney because his mother-in-law developed cancer. Canberra's loss was certainly Sydney's gain.

The Ruddock family moved to Pennant Hills where Philip grew up attending school at Barker College. Soon after the Ruddock's Arrival, Max successfully stood for Hornsby Shire Council where he would later go on to serve as shire president. From an early age Philip was exposed to public life, whether it be helping on the campaign trail or eavesdropping on his father's weekend strategy meetings with local political powerbrokers. All of this seemed to rub off on Philip when, at the age of 16, after stumbling upon some maps in his father's basement, he uncovered a legal impediment to the then State Government's desire to make the suburb of Westleigh an industrial area. Westleigh is the beautiful suburban family suburb it is today because of Philip Ruddock.

Philip really was his father's right-hand man. Their formidable partnership would see Max realise his ambition to be elected to the State Parliament in 1962 as the member for The Hills where he would later go on to serve as the Minister for Transport in the Lewis Government. He was highly regarded as an incredibly hard worker; a characteristic his son would be known for many years later. At the same time Philip joined the Young Liberal Movement. One of his young Liberal contemporaries described him as enormously good fun. He was a regular participant in the annual revue, as well as an active participant on the campaign trail and in many policy debates.

It was during this time that Philip undertook his most important campaign: to win the heart of a beautiful, articulate and intelligent young lady from South Australia. They met at the second National Young Liberal convention in Perth. Three months later they were engaged and they were married not long after. Heather to this day remains his biggest fan, and as I just witnessed in my office, she is still his harshest critic. I am delighted that Heather is in the gallery. In 1971 Philip stood for the position as Young Liberal President. Philip's opponent was none other than Chris Puplick, who in time would become a close friend and Federal colleague. Those in the Chamber may be surprised to hear that Philip won the ballot on the basis that he was the more progressive candidate in the field.

As Young Liberal President, Philip would lead the charge for democratisation of the party by demanding that members of the State Executive participate in the election of members of the Legislative Council. Up until this time Liberal members of the Legislative Council were elected by their colleagues in the Legislative Assembly and the non-retiring members of the council. In 1974 the Federal seat of Parramatta became vacant with the departure of Nigel Bowen to the Federal Court of Australia. The ensuing preselection saw a formidable field of 30 candidates. Two of Philip's opponents on the day would go on to become judges and two others would go on to serve in Federal Parliament elsewhere.

But Philip's primary opponent was none other than Sir Nicholas Shehadie. Nick was a prominent businessman and former Wallaby captain. Not only that, he had the backing of the party's establishment including the President, Sir John Atwell, the Treasurer, Sir Daniel Arrons and the powerful General Secretary, Sir John Carrick. Nick had been well prepared for the selection with Bob Askin getting the member for Hornsby Neil Pickard to write the speech. However, the wheels fell off on the question and answer component where Philip shone because of his ability to think on his feet and articulate difficult arguments. The final ballot saw Philip declared the winner 25 to 24 with one informal vote. Rumour has it that the informal vote was from a young Peter Collins who would later go on to lead the New South Wales Liberal Party in opposition. I think we all owe Philip, and probably Peter Collins, a debt for allowing us to later have Marie Bashir as Governor of New South Wales.

Philip threw himself into the by-election with vigour and he set a cracking pace. He campaigned on two issues, namely, the cost of living pressures people were experiencing as a result of the Whitlam Government and the proposed airport at Galston—thankfully for me as the member for Hornsby he was successful on the Galston issue. Probably the most memorable story from that campaign is the one told by Chris Puplick. Ruddock, after a hard day on the hustings, wandered into a pub with then Leader of the Opposition Billy Snedden. A cocky young patron spotted Snedden and challenged him to a game of pool. Puplick recalls:

The kid broke and potted a couple of balls ... then Snedden moved in and just wiped the table, pocketed one ball after another until he'd cleaned the guy up. The kid's friends were all hooting and laughing and Snedden picked up the \$10 and said to the barman we will have 12 middies.

Then strike me lucky if Philip didn't pipe up, 'Make that 11 middies and one orange juice.'

I could have sworn Snedden was going to get that pool cue and insert it in him.

Philip held the seat of Parramatta in 1974 and 1975 before moving to the seat of Dundas in 1977 following a redistribution. In 1992 the commissioners thought they would again try to get Philip out of Parliament by abolishing the seat of Dundas. But again Philip outsmarted them and moved Berowra, where he has served as the member ever since.

Upon entering the Parliament, Philip quickly gained a reputation, like his father, for being smart, hardworking and principled. He was the standard bearer for progressive Liberals in the Parliament, championing human rights causes, Indigenous issues and founding the first parliamentary Amnesty group. His commitment to

liberalism sometimes put him at odds with the party's leadership. Most notably was in 1988 when Philip publically defied his leader, John Howard, for his support of a slow-down in Asian immigration. In response, the Hawke Government introduced a bill repudiating racial quotas in immigration. Four Liberal members of Parliament—Ruddock, Baume, Macphee and Steele Hall—defied Howard and crossed the floor of Parliament to support the Labor bill.

For years he was isolated and opposed at preselection, but he did what very few politicians would be willing to do—namely, he put his parliamentary career on the line on a matter of principle that Australia should have a non-discriminatory immigration policy. I am particularly proud to know Philip Ruddock because of that. That act more than any other in my view sums up the man—honest, principled and full of integrity. When the Coalition finally came to power after 13 years in the wilderness John Howard appointed Philip Ruddock as Minister for Immigration. It was a role that would make him one of the country's most popular yet controversial politicians.

In 1996 the entire political landscape had changed in relation to immigration. Community alarm about the influx of boat people was rising, and the Keating Government had already built a detention centre at Port Hedland as part of its mandatory detention policy. Ruddock's job was to engage in nation building whilst at the same time restore the public's confidence in our immigration system. As Prime Minister Turnbull said recently, in large part Philip has helped to shape the face of modern Australia. His time in the role was not without controversy. Indeed, in 2001 Philip backed a decision to deny entry to the asylum-laden ship *Tampa*. He was the author of the so-called "Pacific solution" that denied asylum seekers arriving on boats the opportunity to come to this country.

Philip's policies were vigorously opposed by the then Opposition, which has subsequently embraced them—the ultimate vindication. In 2003, following a Cabinet reshuffle, Philip was made Attorney-General. This role saw him lead the nation's response to terror attacks in Bali with the introduction of tough anti-terror legislation. He also oversaw the reform of the Family Law Act, including mediation arrangements over issues such as child custody, defamation law reform and a new property security regime. Just as Philip reshaped the nation's immigration policy, so too did his work on the Family Law Act reshape the way in which we think about domestic relations.

Whilst serving our country at the highest levels, Philip never once forgot where he came from. As a local member he was nothing short of outstanding. There was not an envelope opened without Philip turning up. He really set the standard when it came to community engagement. He was well known across the community but, more importantly, he was well liked and respected enormously. I first met Philip in 2000 when I joined the Northcott Young Liberals branch. My first meeting with him was quite daunting: Here was someone whom my family had admired throughout his career; someone who was a giant in Australian public life was making time for me. That was Philip; he always had time, a gentle smile, a kind word and that wicked sense of humour for which he is known. He was my number one supporter. In fact, Philip was the first person to encourage me to run in 2010 for Hornsby.

I recall a meeting with Michael Photios, whom Philip had signed up to the party many years before—Philip, you have a lot to answer for—and Trent Zimmerman. Photios and Zimmermann were sceptical about my candidacy. They thought I was too young. In trying to talk me out of it, they turned to Philip for backing and Photios said, "Don't you agree, Philip?" Philip, without any display of emotion, responded by saying, "The sooner we get Matt into Parliament the better." Such was Philip's stature in the party that even Photios shut up. It is fair to say I would not be here today without Philip.

Philip's contribution to our nation is too great to try to sum up in the short time available to me. He has influenced a generation of politicians and profoundly changed our political landscape. He will be remembered as one of the most consequential public figures of our time, particularly for his role in building the diverse, tolerant multicultural nation we know today. He has given a voice to those who had none, whether it be Indigenous Australians or those on death row. Philip has always been their champion. Our community, indeed our nation, is a better place because of Philip Ruddock. I have no doubt that he will have the same impact beyond our shores in his new role as Australia's first international representative for human rights.

Ms TANYA DAVIES (Mulgoa) (20:21): I commend the member for Hornsby for his excellent private member's statement and I pass on to Philip and Heather the very best wishes of the New South Wales Parliament. I have met Philip on a number of occasions, always at multicultural events. He is a stalwart supporter of so many ethnic and multicultural communities. They love him like he is their son. I also acknowledge and thank Philip's wife, Heather, for her extraordinary support. The love and commitment that they demonstrate as a couple is admirable. We stand here to applaud, acknowledge and thank them for their service and wish them all the very best for the future.

TEMPORARY SPEAKER (Ms Melanie Gibbons): I thank the House for its indulgence in the extension of time granted to the member for Hornsby. I also wish Phillip and Heather Ruddock all the best for the future.

HOME BUSH WEST PUBLIC SCHOOL

Ms JODI McKAY (Strathfield) (20:22): Tonight I bring to the attention of the House an issue that is important to the community of Homebush West and that goes to the heart of the way the Government is mismanaging education in this State. I will tell the House about Homebush West Public School. It is a beautiful school with extraordinary students who love going to school and learning. More than 25 different languages are spoken at Homebush West Public School and the school community reflects the people from my community whom I serve in this Parliament. Homebush West is a growing school. Currently 520 students attend the school, but that number is forecast to grow to more than 900. It is a situation exacerbated by the Government's plans to redevelop land along and near Parramatta Road.

Just today the Government released its outcomes document on Parramatta Road. We also discovered recently that Sydney Markets is considering its future at Homebush West. If a decision were made to relocate the markets then obviously the site would be appealing to developers and as a result more people would live in the Homebush West area. In the lead-up to the March 2011 State election, the Premier committed \$20 million to build 26 new classrooms at Homebush West Public School. This was a great announcement and it was certainly welcomed by the Homebush West school community. At the time it was well known that the Government had been negotiating for the past four years with St Anne's Anglican Church to buy land near the school. Fortuitously, the land was surplus to church needs. It is rare that land is available near growing schools.

The Homebush West parents and citizens association welcomed the negotiations, believing the Government was committed to achieving the best possible outcome for the community. However, just before Christmas the Department of Education stopped negotiating with the church to buy the land and instead decided that the 26 new classrooms would be built on the current site and a rooftop playground would compensate for the loss of playground. It is worth noting that many of the students who attend Homebush West Public School live in apartments; they deserve green space not the roof of a building as a playground. One reason that has been given for the Government abandoning its plans is Strathfield council's refusal to close Exeter Road, which was detailed in a letter from the Minister dated 7 March this year. That is simply not true, because in a letter dated 23 September 2015 the council indicates clearly that it will commence the statutory process associated with the closure of part of Exeter Road. Misinformation and contradictory advice have been provided by the department and the Minister throughout this process.

The decision to walk away from buying this land is short-sighted and reeks of mismanagement. The decision has been condemned by the Homebush West community and it has been used widely as an example of the failure of this Government to futureproof our schools, particularly in the inner west. I have implored the Minister to change his mind, but he remains unconcerned about the issue. While he has met briefly with representatives of the parents and citizens association and has organised for them to meet again with staff within the agency, the situation has not changed. It is also appalling that the Government has given the parents and citizens association an ultimatum that if it wants the Government to purchase the land then it will remove classrooms. Since when did public education become a bargaining chip?

I congratulate the Homebush West community, and in particular the parents and citizens association, which refuses to accept the short-sightedness of the Government's decision. These are parents who believe in public education. In a few weeks the land owned by the Anglican Church will be advertised on the open market and is likely to be bought by a developer keen to add even more high-rise development to Homebush West. We have been given an opportunity to futureproof this school and I again implore the Minister to do so. On Friday I will meet once again with parents and teachers, accompanied by the shadow Minister for Education, the member for Lakemba. The parents and citizens association will also seek to secure Federal Government support. It has met with the member for Reid, who has indicated that he has met with the Minister; however, as expected, to date there has been no progress.

I also draw to the attention of the House the impact of this process on St Anne's Anglican Church, which, in good faith, let go of its tenants believing the Government would buy the land. The church has lost more than \$50,000 in revenue. At Homebush West Public School the joy of learning is palpable. One sees it in the way the students approach their classes, the pride they take in their school and the manner in which they celebrate their multicultural school community. The teachers and parents at Homebush West deserve so much better than this Government is giving them.

BELMONT SERVICE NSW KIOSK

Ms YASMIN CATLEY (Swansea) (20:27): Today I draw the attention of the House to the treatment of my constituents, who now have no front-line New South Wales government services in the Swansea electorate. On 18 February this year I stood in this Chamber to lodge a petition containing more than 11,000 signatures on behalf of those in my electorate who said "Don't Close the Belmont Motor Registry". During the ensuing debate I pointed out that it is 17.4 kilometres from Swansea to the Warners Bay Service Centre. This means that those people on restricted licences cannot drive legally to Warners Bay to have their licences renewed at the centre as they cannot drive more than 10 kilometres during any single trip.

I also pointed out that, unfortunately, there is no direct public transport service between Swansea and Warners Bay. This means that the quickest round trip takes at least two hours and four minutes. Add an hour to an hour and a half between trips to walk from the bus stop, to transact business and to get back to catch the next bus in time and we are now talking about a minimum of three hours to complete a transaction at the Warners Bay Service Centre. I concluded that debate in February by appealing to the good nature of the Minister for Finance, Services and Property and asking him to consider what options may be available to my constituents who would like to transact, and in many cases are limited to transacting, their New South Wales Government business face to face?

I suggested that a Service NSW kiosk in Belmont would be a fantastic measure to alleviate the concern and anxiety of many older residents in the Swansea electorate who simply cannot get to Warners Bay. The Minister's response was to ignore my proposition for a solution to provide this face-to-face service delivery. In fact, he mocked the 11,000 people who signed my petition against the closure of Belmont Motor Registry for their efforts to retain this service by describing the registry as a "small-minded, backward service delivery model". How insulting to the many long-term workers and patrons of this facility. When the Minister announced the opening of the Toronto Service NSW kiosk, overlooking my repeated requests for a kiosk to be established in Belmont, I was rather bemused. Then I read the Minister's statement that was meant to justify this decision and I was again rather puzzled. The Minister's statement read:

Service NSW makes decisions on where to place centres based on demographics, traffic flows, population growth and site suitability.

"Demographics, traffic flows, population growth and site suitability" sounded very familiar to me. These were the arguments that I put forward to the Minister for not closing the Belmont Motor Registry in the first place. Belmont should and would be an absolute shoo-in under the model the Minister claims he uses. But apparently not. So I decided to ask the Minister for the evidence that he and his department used to establish the Service NSW kiosk at Toronto. I asked whether a traffic study was completed in Toronto leading to the decision to establish a Service NSW kiosk at the Toronto library. The answer was no. I asked whether a traffic study was completed in East Lake Macquarie. The Minister's reply again was no. So I asked what demographics were used to determine the allocation of Service NSW kiosks and whether the Minister had reviewed the demographics in East Lake Macquarie.

The Minister's answer began, "Digital store placements are based on a number of factors including demographics", but that was it. Nothing more was said about the demographics that contributed to the decision not to open a kiosk in Belmont. So apparently the Minister did not use any demographics in his non-existent demographic study. How insightful. Thanks Minister. I could go on and on about how insulting the Minister's justification was to deny my request for a kiosk at Belmont but, to put it simply, the Minister has been caught putting politics before the needs of people when refusing a Service NSW kiosk for East Lake Macquarie. The answers that the Minister provided to my questions in writing prove that the only factor that determines locations for front-line services provision in New South Wales is, in fact, politics—and for that the Minister should be ashamed.

AUSTRALIAN NATIVE LANDSCAPES, COORANBONG

Mr GREG PIPER (Lake Macquarie) (20:32): It is disappointing for me that once again I speak about an issue that was raised in this place some three years ago and have to report that the situation has not improved—and, indeed, in some ways is worse. I refer to the operations of Australian Native Landscapes [ANL] at Cooranbong in my electorate, which appears to be operating in breach of licensing conditions and court orders. In short, many of the residents living nearby are at their wit's end after suffering years of unreasonable impact on their amenity and their physical and mental states. Australian Native Landscapes has operated on a site in Crawford Road at Cooranbong since 2000.

It is a national supplier of horticultural products and a large-scale producer of organic composts. The site initially housed a small organic potting mix business but operations have grown significantly since the ANL purchase and use of inputs such as sewage sludge and agricultural by-products that perhaps exacerbate odour

problems from the operation. The operation has attracted a large amount of angst from neighbouring residents, Lake Macquarie City Council, the Environment Protection Authority [EPA] and me, but, regretfully, even after stringent conditions were imposed on the operation following successful legal challenges, ANL appears to be ignoring any judgement or authority and is carrying on unheeded.

Most of the concerns among residents relate to the offensive odours that emanate from the site. Arguably these are in clear breach of licence conditions and court orders. Other issues relate to noise, dust, air pollution, leaching from the site, and traffic impacts from trucks visiting the site. I have visited the site on numerous occasions over the years and can confirm that at times the odour from the operation can be overwhelming. It is an odour that has at times driven some people from their homes and caused medical conditions for others. Both the council and the EPA have been stymied in their efforts to get a satisfactory outcome for neighbouring residents. But they were successful in getting court orders in 2014, which placed what was thought to be further stringent controls on ANL's operations.

Around three years ago the company's managing director, Patrick Soars, visited my office and made various assurances. One of my staff members was present and we were assured by Mr Soars that he understood the concerns of neighbours and that he was looking at options that would see the malodorous operation moved to a location remote from adjoining neighbours. Unfortunately, it appears we were duped. Three years later there is no indication of any intended move. In fact, the opposite appears to be true because the company has expanded some of its controversial operations and located them even closer to the boundaries of long-suffering neighbours.

Again, it appears that these operations are being carried out contrary to court orders. I imagine that further legal action is not far away. There appears to be ample evidence of odour coming from the site that ANL is not licensed to allow. Neighbours also report that dams are well above limits set by the courts and truck movements continue outside allowable operating hours. There is also evidence that ANL is using land that the court ruled was off limits. The court orders also required an additional development consent be finalised by July, but it is now mid-May and the council has confirmed that a development application is yet to be lodged.

The neighbours are fed up in the extreme. Peter Clarke and Karen Buchanan have lived nearby for many years and fought ANL for almost 16 years. Karen suffers medical conditions that doctors have told her are exacerbated by the emissions from the ANL site. The couple's grandchildren do not visit anymore because when they do, they leave sick. Other neighbours have simply sold up and moved because they could not tolerate the odours any more. Neil and Rosalie McGlynn, who own a property adjoining the ANL site, choose to stay with family in Sydney on occasions when the odours become intolerable. They feel the proof is clear that ANL is operating unlawfully but are slowly losing faith in the capacity of authorities to do something about it.

Land and Environment Court orders state that if the company breaches its licence conditions and other orders, its operations should be shut down. Council and Environment Protection Authority [EPA] records, along with anecdotal evidence clearly on display at the location, show that orders are simply not being complied with. After all this time it is understandable that these residents have lost faith in the court system, their council and indeed the EPA. I once again bring this matter to the attention of the Minister for the Environment in the hope that something can be done, but the best outcome would be for ANL to recognise that this facility is incompatible with neighbour amenity and do what Mr Soars indicated some three years ago—that is, relocate.

TEMPORARY SPEAKER (Ms Melanie Gibbons): Private members' statements having concluded, and in accordance with standing and sessional orders, the House now stands adjourned until Wednesday 11 May 2016 at 10.00 a.m.

The House adjourned at 20:38.