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# LEGISLATIVE ASSEMBLY

Wednesday 22 May 2013

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

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

## BUSINESS OF THE HOUSE

### Notices of Motions

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

## VICTIMS RIGHTS AND SUPPORT BILL 2013

### Second Reading

**Debate resumed from 7 May 2013.**

**Mr ALEX GREENWICH** (Sydney) [10.09 a.m.]: I oppose the Victims Rights and Support Bill 2013 because it will mean that victims of violent crime will lose both rights and support. The bill has affected a large number of my constituents who have told me over recent days that they consider it to be both mean and unfair. Under the bill the cut to benefits for the most seriously injured victims will be devastating. I understand that maximum payments will drop from \$50,000 to \$15,000. Psychological abuse would not be recognised under the new scheme and domestic violence would not be a separate category of violence—denying the profound impact of psychological trauma and forcing victims to show evidence of assault. Cruelly, the bill is retrospective, which means that those victims who have submitted claims prior to this new legislation will be awarded significantly fewer benefits than expected when they first lodged their claim.

My office talked to representatives from the Inner City Legal Centre, which helps vulnerable victims of crime to access their benefits under the existing Victims Compensation Scheme. They reported that, due to a backlog, many victims have pending claims that were submitted up to two and a half years ago. While the backlog is not the victims' fault—in fact, it is the fault of the Government—they will be punished for it by receiving significantly reduced benefits. This is simply not good enough. The bill will only allow financial assistance or recognition payments to victims who make a claim within two years of an incident, or within two years after a child victim turns 18. In the case of domestic violence, child abuse and sexual assault, the bill will only allow recognition payments to victims who make a claim within 10 years of the incident or within 10 years after a child victim turns 18. These limits will deny thousands of victims any compensation for their pain and suffering and recognition of their traumatic experiences.

In the case of child abuse and sexual assault, it is unacceptable that the Government is limiting the period within which a victim can make a claim at a time when we are just coming to terms with discussing child sexual abuse. Decades of abuse that have shattered the lives of victims and their families have not been spoken about for far too long. It is well known that child sexual assault takes a long time to uncover because experiences are difficult to talk about and suppression is used as a mechanism to cope. A recent Queensland University of Technology study found that almost half the numbers of victims of sexual assault wait 20 years or more to tell their story and an additional decade to seek compensation.

We have all heard examples of people in positions of power being perpetrators of child sexual abuse and using their connections and influence to prevent reports of abuse being taken seriously. This delays the ability of victims to speak out about their experiences, and this bill would punish them further by denying them benefits. We are now in a place where victims are coming forward to tell their stories, particularly as part of the Royal Commission into Institutional Responses to Child Sexual Abuse, so that justice can be done, wounds can be healed and society can learn how to prevent future evils and how to better protect children. Having victims speak out is something we as a society should encourage.

As victims are now beginning to learn about their rights and what the State can offer in terms of the recognition of past wrongs, the Government is being opportunistic by cutting their rights. Jewel Jones, who was featured in a *Daily Telegraph* article on 17 May, contacted me directly. Her past experiences of being raped from the age of three into her teens are tragic. Her pain and suffering—physical, psychological and emotional—are unimaginable. It saddens me that she is one of many victims who will receive nothing if this bill passes. Limits on claims will also have a detrimental effect on people who suffer abuse and violence within an institution, particularly those with an intellectual disability or a mental illness. Their capacity to report abuse and violence is significantly reduced. Their release may be more than two years after the abuse occurred, precluding many from making a claim.

I put on the record three actual cases in which the Inner City Legal Centre is currently representing victims who will lose substantially if the proposed scheme is made law. A 35-year-old applicant at the age of nine suffered almost 30 incidents of sexual assault in a children's home by a house-parent but did not make a report to police or to the Department of Community Services. The victim suffered a psychological breakdown and under the existing system would be eligible for \$50,000 for category 3—sexual assault. However, under this bill the victim's maximum benefit would be \$10,000 if the violence was one of a series of related acts, or \$5,000 if it was not. But this victim would receive nothing because the crime was not reported and it occurred more than 10 years ago.

Another applicant, who is wheelchair-bound, was physically assaulted with a weapon on a public street. The applicant was badly injured both physically and psychologically and the applicant's wheelchair was damaged beyond repair. Under the existing system the applicant would get a \$6,000 interim payment to repair the wheelchair and a final award of \$37,000 for psychological and physical injury as a result of the assault. Under this bill the applicant would get only \$5,000. A domestic violence victim who was repeatedly physically assaulted and subjected to social and financial isolation and violent emotional taunts by their spouse of 10 years developed major depressive disorder, social anxiety disorder and post-traumatic disorder. That victim's compensation under the existing scheme would be \$38,000, but under the new scheme it would be a tragically low amount of \$1,500. These are all real cases that are pending determination. Each victim will have to be told that their expected entitlements will be significantly cut by this Government.

The Government claims its proposed exclusion of lawyers from the new system is about providing applicants access to benefits without expensive legal assistance, but that is an oversimplification. Vulnerable people such as those who are homeless, those who live in institutions, those who come from lower socio-economic backgrounds or those who are prisoners are often victims of violence and abuse. They need advocates to help them access their rights and benefits, and they do so with the help of community lawyers. Under the bill, benefits will only be accessible to victims who report the crime to police or to the Government, excluding the many victims who are fearful of police and prefer to report violence to support services.

We know the high cost to society of abuse and violence. There is an overrepresentation of victims of violence, particularly child abuse, in prisons and institutions and among the welfare dependent. Abuse has economic and social costs. The Victims Compensation Scheme currently provides victims with some form of redress to help them get back on their feet; it is a form of recognition for the wrong done to them and it addresses the practical disadvantages victims experience that counselling cannot fix. The importance of this role cannot be underestimated. I oppose the bill.

**Mr ANDREW ROHAN** (Smithfield) [10.16 a.m.]: I speak in support of an especially important piece of legislation, the Victims Rights and Support Bill 2013, that will have an immense impact not only on my electorate but upon the greater western Sydney area. The Victims Rights and Support Bill 2013 marks a significant wave: not only against the negative effects on society that crime instigates, but also for the positive effects in restoring the lives of victims and their families. These restorative currents will ripple far into the future for those who may have lost faith in the justice system because of delays in rehabilitation, not only physical and/or emotional, but also financial.

The western Sydney area presents many disturbing but unsurprising facts: It is a hotspot for a multitude of criminal activity including shootings, possession of illicit drugs and related crimes, murders, kidnappings and common assault, to name a few. These, of course, are not endemic to the area; they are problems that all of New South Wales has to deal with. I particularly refer to the Smithfield electorate, but reported data by various bodies such as the Australian Institute of Criminology, the New South Wales Bureau of Crime Statistics and Research and Lawlink NSW show that there are certain factors correlated to the incidence of crime in any area. Not surprisingly, as reported in the 2004 International Crime Victimization Survey, which was undertaken by

the Australian Institute of Criminology and formed part of its report on crime victimisation in Australia, income, marital status, education, employment, residential stability and night-time activities are heavily reported factors—each of those factors being a co-variant of the other.

The 2011 census carried out by the Australian Bureau of Statistics showed that Smithfield suffered from a higher than State-average figure for unemployment, a lower than State-average figure for education levels and a lower than State-median figure for personal and family income. However, other factors, of which I am proud, such as the ethnic diversity of the electorate, have historically presented challenges and difficulties in relation to crime rates and victims. This was primarily due to migrants, especially migrant youth, who found it hard to acclimatise into the Australian way of life, which was very much alien to that of their former home. In their hardship they resorted to various crimes, most of which arose from their unemployment or lack of education. However, this has improved, thanks to the increased effectiveness of the Police Force in crime hot spots as well as first generation individuals who have worked hard to obtain tertiary degrees and have moved into stable and fruitful occupations. But the local media coverage is evidence of the continuous stream of crime that still occurs and, more importantly, the victims who are left in the dark after crimes have been committed against them.

The bill firstly seeks to redress the large gap of time that a victim needs to wait before receiving rehabilitation and receipt of the funds under the victims compensation scheme by replacing the scheme with a new victims support scheme. This is in response to the inability of the old scheme to meet the ballooning growth in demand in victims' claims for compensation, which have doubled in the past five years. This led to a broken system and victims experiencing protracted delays of up to 30 months before receiving compensation, and that did nothing to help the public's confidence in the New South Wales Government to address issues of justice. The result is reflected in the 2009-2010 report of the chairperson of the Victims Compensation Tribunal of New South Wales, which showed an increase in outstanding compensation claims from 6,246 at the fiscal year ending 30 June 2006 to 18,030 at the fiscal year ending 30 June 2010.

The related issues of unrepresented applicants as well as victims who do not want to report a crime because of fear of the consequences exacerbate the problem. The latter issue is a widespread and complex problem. The internal and external barriers that prevent access to services by victims, especially marginalised people such as those who are unemployed or are single parents, is deeply concerning. This issue was thoroughly assessed by Angela Murphy and Alison Ollerenshaw from the University of Ballarat in their presentation to the Meeting the Needs of Victims of Crime Conference held last year by the Australian Institute of Criminology and the New South Wales Department of Attorney General and Justice. Their slideshow presentation, as well as a range of other presentations made by other well-respected individuals, can be accessed via the Australian Institute of Criminology website.

The essence of the scheme in rehabilitating victims of violent crime will be bolstered by providing faster and more effective support to victims of violent crime. This is achieved by assisting victims at the earliest point after the act of violence, providing continuous counselling services such as allowing deductions for travel time by counsellors in excess of two hours and making a lump sum payment in recognition of trauma. All of these areas are crucial to rehabilitation. Financial viability is the most direct way of achieving that and would include relocation assistance and medical and dental payments, as well as security upgrades. This involves prioritisation of funds to meet the immediate needs of victims of violent crimes and is consistent with the Declaration of Basic Principles of Justice for Victims of Crime and Abuse of Power.

Each crime is unique, despite its commonalities as recognised by law. There is a practical urgency in providing packages that are tailored to victim's individual needs and to provide those packages at the time they are needed. A specific change that is outlined by the bill is to amend the schedule of compensable injuries to a new scheme that involves payment based on the nature of the violent act. This brings New South Wales into line with the Australian Capital Territory, Queensland and Victoria. The Northern Territory still awards compensation based on a compensable injury. Specific financial amounts will be introduced that best reflect the reasonable levels of costs for support and assistance, but a level of flexibility will be maintained. For example, 22 hours of counselling will be provided but can be extended where appropriate, and an individually tailored package of up to \$5,000 financial assistance assessed by staff within Victims Services of the Department of Attorney General and Justice will be awarded to address the immediate needs of the victims.

The package may include emergency medical or dental treatment; the costs of cleaning up the crime scene and relocation expenses, as well as installation of safety measures around the home. Up to \$8,000 may be provided to cover funeral expenses for family members of homicide victims. Up to \$30,000 may be awarded for

assistance on an as-needs basis, including compensating economic loss that will also cover items such as ongoing medical or dental expenses. Up to \$5,000 may be awarded to cover expenses associated with court proceedings in the criminal or coroner's courts. Up to \$1,500 may be awarded for loss or damage to personal effects from the act of violence, and up to \$20,000 may be awarded to cover demonstrated loss of actual earnings or, if that cannot be demonstrated, up to \$5,000. This financial package is indeed comprehensive and flexible as would be the requirements of various victims because some may be more vulnerable than others. *[Extension of time agreed to.]*

The new scheme will make a lump sum payment in recognition of the trauma related to violent crimes, including referrals to local trauma agencies. The amount will correspond with the nature of the act and will include payment up to the value of \$15,000 to family dependents of a homicide victim; \$7,500 for a parent of a homicide victim who was not dependent; \$10,000 for a victim of the most serious kind of sexual assault; \$5,000 for less serious types of sexual assault; and \$1,500 for a victim of indecent assault. While these amounts are lower than the maximum amounts available under the current victims compensation scheme, they are additional to the immediate needs and long-term expenses, which will be provided first. Furthermore, there will be no need to wait up to 30 months to receive compensation with such payment being made up front.

This is a prime model for delivering justice to those who have been wronged by despicable acts of crime. Victims will be assisted by the Victims Services staff from the Department of Attorney General and Justice to understand what documentation is required to access all the relevant services. This will simplify the entire process without the need for legal representation. Previously legal representation was required when applying because the scheme was not easily accessible. The bill will address other important measures such as the time limit to lodge a claim in different circumstances and the abolition of the Victims Compensation Tribunal as a result of consolidating the justice system and tribunals. It will be replaced by adding a victims support division to the Administrative Decisions Tribunal to review decisions related to applications for recognition payments. That tribunal will further be replaced by the Civil and Administrative Tribunal of New South Wales in 2014.

Transitional provisions provide for the immediate closure of the Victims Compensation Scheme, with all claims outstanding to be transferred to the new scheme. This will enable victims with existing claims to receive immediate recognition payments and access counselling as well as a payment of \$5,000 rather than having to wait to receive a contingent payment—provided that they meet the lodgement requirements. It will also cut any red tape arising from the transitional period as well as overheads to administer separate schemes. The bill will retain the order for restitution from offenders responsible for the relevant acts, including restraining orders and orders to prevent the disposition of property by offenders who wish to avoid paying restitution. A victims support levy imposed on all convicted persons of particular crimes will help fund the new scheme.

This is crucial to justice being seen to be done and will act as a further deterrent to recidivistic crimes. Lastly, the Charter of Victims Rights, as overseen by the newly introduced Commissioner of Victims Rights, will assist in resolving complaints received. I commend the comprehensive recommendations set out in the review by PricewaterhouseCoopers and I commend the Government for adopting them. The bill will have a lasting and positive effect on the constituents of the Smithfield electorate who have suffered from a serious crime and been left in the dark. The measures contained in the bill are steps towards acknowledging the importance of helping victims as best we can. I commend the bill to the House.

**Mr GUY ZANGARI** (Fairfield) [10.30 a.m.]: Before I get into the meat of the Victims Rights and Support Bill 2013 I will focus on some comments made by the member for Smithfield. It troubles me that the member said that western Sydney is a hotspot for gun crime and drugs. As a member with an electorate in the Fairfield local government area my question to the member is: What is he, as the local member for Smithfield, doing with the Premier to address this so-called hotspot for gun crime and drugs? It is interesting that Government members have said in this place this year that many shootings have happened but, by the way, the number is lower than the number last year. Last year gun crime increased more than it had for more than a decade.

It baffles me how the member for Smithfield can talk about the Victims Rights Support Bill and then go off on a tangent about gun crime and drugs. Rather than deriding the area, why does the member for Smithfield not stand up for his constituents and oppose this legislation? The member for Smithfield also brought ethnicity and crime into the debate. He knows full well that the victims of crime in our area generally are the newly arrived people. They are the people who are most vulnerable to being picked on by criminals. The member for Smithfield should look at the legislation before he makes such outlandish comments.

The Victims Rights and Support Bill 2013 seeks to repeal the Victims Support and Rehabilitation Act 1996 and replace the current scheme with a new Victims Support Scheme. The bill also seeks to create a Commissioner of Victims Rights. The current Victims Compensation Scheme was set up in 1987 as a platform to provide relief to victims of violent crime by providing financial assistance, amongst other forms of assistance, to help meet the costs or, rather, the repercussions of violent crime suffered by victims of crime and their families. These include funds to help meet funeral costs, medical costs and the cost of relocating to a safer location.

In 1996 the Victims Support and Rehabilitation Act was amended; however, in 2013 the Government is pointing to the current issues relating to the implementation of the scheme and the long delay currently experienced in providing some relief to victims of crime. The Minister during his second reading speech highlighted figures that pointed to the current inefficiencies in the implementation of the current system. In particular he pointed to recent figures that show that victims of crime wait an average of 30 months before they are able to receive any financial assistance from the scheme. Minister Hazzard stated that such delay undermines the spirit of the scheme, which is to help victims of violent crime.

It was against this background that Attorney General Greg Smith decided to commission PricewaterhouseCoopers to review the Victims Compensation Scheme. PricewaterhouseCoopers, in consultation with relevant stakeholders, came up with two main issues. The first was the need for more concentrated counselling support and the second was the significance of lump sum payments to trauma sufferers to help with the rehabilitation process. In 2012 PricewaterhouseCoopers submitted its report to the O'Farrell Government. The report recommended the replacement of the Victims Compensation Scheme with a new scheme consistent with the following principles: financial viability so that victims receive prompt support; appropriate prioritisation of funds to meet the immediate needs of victims, provide financial assistance and rehabilitation and acknowledge the trauma that the victim has suffered; and consistency with the Declaration of Basic Principles of Justice for Victims of Crime and Abuse of Power.

I fear that the proposed Victims Support Scheme places too much emphasis on the first principle, which is financial viability. Under the current system victims of crime may be entitled to a maximum lump sum payment of \$50,000. Under this proposed legislation the term "compensation" is removed altogether. Victims will be entitled to specified amounts based on the criminal act concerned and not its actual impact on the victim. Victims of an indecent assault, a violent robbery, a violent attempted sexual assault or an assault not resulting in grievous bodily harm will be entitled to a lump sum payment of \$1,500. Victims of an attempted sexual assault involving serious injury or an assault amounting to grievous bodily harm, including the loss of a foetus, will receive \$5,000.

Parents of a homicide victim who is not a dependant will be provided with a lump sum support amount of \$7,500. Victims of the most serious kind of sexual assault will receive \$10,000. Finally, financially dependent family members of a victim of homicide will receive \$15,000. Whilst I do not discount the importance of the support and relief that such financial assistance will provide to the victims of crime and their families, it is arbitrary and I dare say insensitive to pigeonhole a victim of crime into a set number of specific payment categories. That method also undermines the spirit of the scheme—to help victims of violent crime.

The proposed new scheme also places a statute of limitations upon when victims of crime are able to apply for assistance under the scheme. Applications for financial support under the scheme must be made within two years of the act of violence. Applications for recognition payments must be made within two years of the act of violence. If the victim was under the age of 18 at the time they became a victim their applications must be made within two years after the victim reaches the age of 18. In cases involving domestic violence, child abuse or sexual assault, applications must be made within 10 years of the act of violence or within 10 years after the victim has reached the age of 18.

Placing a statute of limitations on victims of child abuse or sexual assault to make a claim under the proposed victims support regime within 10 years not only places financial imperatives above the suffering of victims; it is also cruel and heartless. Victims of sexual assault and child abuse are known to take years to come to terms with the abuse that they have suffered. Once again, the bill places the almighty dollar above the needs of the victim of crime. The retrospectivity of the proposed model is another bone of contention. It means that victims of crime whose claim has not already been completed will come under the ambit of the new scheme.

I will outline a case study provided by a community legal centre that highlights the impact and severe limitations of the new scheme. Anne was married to Ben for 10 years. Ben repeatedly physically assaulted Anne

during their relationship, often in company with his friends. However, the assault did not amount to grievous bodily injuries. Anne was subject to social and financial isolation and violent emotional taunts that resulted in Anne developing a major depressive disorder, social anxiety disorder and post-traumatic stress disorder.

When Anne has the courage to leave the abusive relationship and report the assault she will seek assistance from the Victims Support Scheme to help re-establish her life. Under the current system Anne would be entitled to \$38,000. Under the new scheme she will receive \$1,500 to start afresh. I ask the member for Smithfield what he says about this. What does he say about the fact that Anne will receive only \$1,500 to start a new life? Anne's scenario is enough justification for the Opposition opposing the bill.

**Ms MELANIE GIBBONS** (Menai) [10.40 a.m.]: I support the Victims Rights and Support Bill 2013 and better outcomes for victims of violent crime and their families. Victims of violent crime deserve a scheme that quickly provides them with necessary financial and other support mechanisms such as counselling and medical attention. The current Victims Compensation Scheme is not meeting those needs. That scheme was established in 1987 and, despite some attempts to revamp it over the years, it is now in dire need of a new direction.

The demand for compensation from the scheme has blown out—in fact, it has doubled over the past five years—and unfortunately it is no longer financially sustainable. That blowout has meant that victims of violent crime are waiting longer and longer—sometimes years—to receive much-needed compensation as a result of their misfortune. The last thing victims of violent crime need while trying to recover from a significant psychological, physical and emotional trauma is to negotiate a difficult and lengthy compensation scheme to secure financial assistance. This Government has decided that it is time to fix the broken system and to help it to deliver better outcomes for the very people for whom it was established.

Following an independent review conducted by PricewaterhouseCoopers it was agreed that a faster and more effective scheme was needed. It was also noted that to have the best impact the assistance needed to be delivered as soon as practicable following an act of violence. Additionally, counselling should continue to be offered to victims to aid in their recovery and should be followed by a final lump sum payment to acknowledge the trauma they have experienced. Those recommendations have since been embraced in the development of the Victims Support Scheme, which will replace the existing Victims Compensation Scheme. The old scheme will cease at the start of the new one, removing any possibility of duplication or needless delays in processing claims. It is important to note that all existing claims awaiting compensation will be transferred immediately to the new scheme, which will enable them to be progressed in a much more timely manner.

The structure of the new system will include an initial tailored package to meet the immediate needs of the victim. Previously amounts were decided based on injuries to specific parts of the body. Compensation will now be allocated to reflect the nature of the violent act. The first assistance offered will be 22 hours of counselling, with the option to extend that when necessary, and a payment of up to \$5,000 to meet up-front financial support for medical procedures or relocation to a safer location following an act of violence. Up to \$8,000 to meet funeral expenses will be provided to families that have lost a loved one because of a violent crime. Payments of up to \$5,000 for out-of-pocket expenses and to aid in recovery will also be provided to address demonstrated loss of earnings due to violent crime.

The review conducted by PricewaterhouseCoopers indicated that the lump sum payment is an important part of acknowledging the trauma a victim has experienced and that it equips them with the necessary means to recover and move on with their lives. Lump sums will vary according to the nature of the violent act. I believe that the new Victims Support Scheme will better support vulnerable victims of violent crime and do so in a more practical way. While the lump sums are less than the maximums currently provided by the Victims Compensation Scheme, they will now be in addition to the immediate compensation made available. The new structure will provide timely financial support while assisting victims in their recovery and later supporting them as they move on to the next stage.

I have had a long association with the Enough is Enough Anti Violence Movement Incorporated, led by Ken Marslew, AM. I have spoken previously about the amazing work the movement does and the changes it has made to lives of victims of violent crime and the perpetrators of those crimes. Ken's journey began after he lost his son Michael to a violent crime in 1994. After struggling to come to terms with his loss and anger following his son's senseless death Ken formed Enough is Enough to address an unmet need in the community. He and his wife, Lynette, have devoted their lives to working with victims of crime and those who commit crime to find ways to move beyond that violence and to regain their lives. The movement offers counselling, group therapy



and support groups. It also works with people in crisis to bring about healing, hope and growth for everyone in our community. I believe this legislation will help the movement and those it supports. I understand that the Attorney General has been liaising with Enough is Enough and others who deal with similar concerns. I thank the Attorney General for his efforts and I commend the bill to the House.

**Ms NOREEN HAY** (Wollongong) [10.44 a.m.]: I oppose the Victims Rights and Support Bill 2013. The bill repeals the Victims Support and Rehabilitation Act 1996 and consequently abolishes the Victims Compensation Scheme, which provides lump sum payments of up to \$50,000 to victims of crime. One of the most concerning aspects of this bill is that it is retrospective. Its provisions are also truly scandalous. It provides for payments of up to \$5,000 for immediate needs and up to \$8,000 for funeral expenses incurred by family members of a homicide victim. Contrary to the views of Government members, that is far from generous. We all know that funerals can cost much more than \$8,000. A family member of a homicide victim can receive up to \$30,000 for economic loss involving medical and dental expenses, up to \$20,000 for demonstrated loss of actual earnings, 22 hours of counselling, \$5,000 for expenses associated with related criminal or coronial proceedings, up to \$1,500 for loss of or damage to clothing and personal effects, and up to \$5,000 for out-of-pocket expenses when economic loss cannot be demonstrated.

It is obvious that this scheme was designed by an accountant who lacks any compassion. In fact, the common denominator in the contributions from Government members is a total lack of compassion. It is worth repeating the view of the shadow Attorney General that the Government knew exactly what it was doing it. It was told what caused the blowout in the claims and it is wiping out the opportunity for victims to claim compensation. In September last year, 70 organisations, including Mission Australia, wrote to the Government telling it not to cut the scheme, and the shadow Attorney General echoed their concerns in a speech he gave in this place on 5 September. Advocates and support services were horrified by the proposed changes. It is also worth repeating some of the comments made by those groups and referred to by the shadow Attorney General in his contribution to this debate. The chairperson of Community Legal Centres NSW stated:

Compensation payment for pain suffered is a symbolic recognition of a public wrong and an important part of addressing violent crime in our society. A reduction in payments for victims of violence has detrimental effects on a victim's ability to reclaim their life, but also sends a clear message that this is not important to us as a society.

The Women's Legal Services stated:

The new scheme ignores and undervalues trauma suffered by victims of domestic violence and child sexual abuse. For instance, there appears to be no recognition payment for psychological harm and financial assistance favour those employed.

We are also extremely concerned by the imposition of 10 year time limits for victims of domestic violence, child abuse and sexual assault which is half what the government's own agency recommended. Ten years is not long enough. It means that many victims appearing before the Royal Commission could be excluded from victims' compensation in New South Wales.

The timing of this legislation is a disgrace. We as a society are encouraging victims of child sex abuse to come forward, but at the same time this legislation provides that they can access compensation only within 10 years of the abuse. It might take longer than that for a child to build up the confidence necessary to come forward. As has been said, the O'Farrell Government has decided to pick on some of the weakest and most vulnerable members of our community to remedy its budgetary position. The bill reflects that policy decision. The Victims Support Scheme has a backlog of outstanding claims because this Government has refused to fund the scheme adequately.

That means that claimants who have been waiting three years will have their claims transferred to the new scheme without warning. Experienced legal practitioners estimate that many victims of crime who may have expected to receive \$30,000 will receive a paltry \$1,500 as a result of this legislation. Yet Government members promote that as some type of benefit. As Government members see it, the way forward is to reduce the claims backlog by rushing through decisions that reduce victims' compensation to almost nothing. The PricewaterhouseCoopers report states at page 65:

We recognise that any change in eligibility requirement would have a significant impact on victims. In particular, imposing stricter time limitations would have a significant impact on victims of violence which occurred many years ago—

That is apposite to the royal commission currently being conducted which is investigating crimes committed many years ago, yet the Government seeks to impose conditions that will in future deter people from coming forward—

... in particular those related to child sexual assault and domestic violence. We acknowledge that as the societal attitude to violence has changed and victims of historical claims have had time to reflect and come to terms with their past trauma, and feel more supported by changing cultural attitudes, they have started to come forward in increasing numbers and report these acts of violence.

This legislation will encourage victims to remain in the shadows rather than come forward if they have not gathered enough confidence to make a claim within the stipulated time frame. It is true to say that the Attorney General is bereft of sympathy in relation to any matter involving compensation. Recent legislation has all been about reducing compensation to those in our society who are most vulnerable. I endorse comments made earlier during this debate by my colleagues the member for Kogarah and the member for Fairfield. Talk about a Victims Rights and Support Bill. I state for the record my disgust at the Government's legislation.

I share concerns earlier expressed about the new scheme's requirement for victims to report the crime to police or a government agency to be eligible for compensation. That requirement is utterly despicable. Any Government member who chooses to support this legislation certainly is not supporting victims of child sexual assault, who are very unlikely to have reported the matter to the police or a government agency. The member for Kogarah stated during debate that she is appalled by the time limits that will apply to lodging claims in relation to abuse. She went on to state:

It is reprehensible and will only serve to protect paedophiles and further expose children to these predators. Given that there is a royal commission and a special commission of inquiry, this could not have come at a worse time. It is reprehensible and it is a shameful day for this Government.

I endorse those comments. The member for Kogarah also was appalled at changes to compensation for families of the victims of homicide. She stated:

This bill purports to slash victims compensation for a murdered family member from \$50,000 to a maximum of \$17,500. If a member of a family is murdered, victims will receive unlimited counselling, which is already available under the current Act. However, they will only be eligible for up to \$8,000 for funeral costs, whereas currently between \$10,000 and \$12,000 is available. I take this opportunity to point out that many families cannot afford to contribute to a full funeral, so they will be further traumatised by a system that is supposed to be helping their rehabilitation.

*[Extension of time agreed to.]*

The member for Kogarah went on to state:

Further, the bill talks about a \$7,500 recognition payment to parents whose children are murdered. The question is: What is this in recognition of? Surely it cannot be recognition of their loss and trauma. This now completely excludes siblings and working spouses who were not dependent on the person ...

As I stated earlier, I support the comments made by the member for Kogarah and the member for Fairfield. As a mother and a grandmother I can attest to the reality of psychological abuse. The fact that this legislation reduces to nothing support for that type of abuse is of grave concern to me. Furthermore, if an adult child is murdered and has no dependants the parents are eligible to claim only \$7,500. That is in recognition of their pain and suffering. I do not know where this Government is coming from. Perhaps the Minister during his reply will be able to tell me how \$7,500 is appropriate recognition of the pain and suffering experienced as a result of that type of loss.

The current scheme allows access to lump sum payments to victims of crime of up to \$50,000, and that payment exists for a very good reason—to provide support when a family member is murdered and the family's whole life is thrown into turmoil. It is well known that 60 per cent of homicides are domestically related. Often grandparents, siblings and extended family members have to look after the children who are left behind after a tragedy, yet under the new scheme grandparents, like siblings, are ineligible to claim any form of recognition through payment. That is an absolute disgrace. I support the concerns expressed by the Inner City Legal Centre to which other members who preceded me in this debate have referred.

In conclusion, I will focus on the issue of domestic violence. For years I have been working very closely with victims of domestic violence and lobbying all types of government for better funding and resources. Earlier in the debate the member for Fairfield cited the example of a victim who was married to a defendant for 10 years. The defendant repeatedly physically assaulted the applicant during their relationship. This legislation will result in an award for which the applicant is eligible being reduced from up to approximately \$38,000 to \$1,500 and reflects the most backward thinking and retrograde legislation I have even seen in all my years in politics, which is quite a significant period.

Members of Parliament are supposed to be moving forward with protecting and supporting victims of domestic violence as well as victims of homicide and violent crime, yet for the second sitting day in a row I am speaking about the most vulnerable people in our society being under attack and suffering from a lack of

recognition of their plight by Government members. How members of the current Government can defend this bill is beyond me, especially when the types of people who are victims of crime are taken into account. Often they are people from non-English speaking backgrounds and new to this country or they are people who are not fully aware of available services. Domestic violence often occurs in specific cultural backgrounds—including English and Irish cultural backgrounds—in which domestic violence is a factor.

Nonetheless, the Government should be educating people. But, most importantly, it should not be attacking those who already have been attacked. Victims deserve the support of parliamentarians. In our society today money is included as support. Unfortunately, victims need money to meet, for example, funeral expenses. Twenty years ago I had to pay for a funeral. I assure this House that at that stage \$8,000 would not have covered my outlays. I urge Government members to think again about this legislation. On behalf of victims I strongly oppose the bill. The Government is attacking the most vulnerable people in society. It should desist from losing billions of dollars in its budget and get its act together.

**Debate adjourned on motion by Ms Linda Burney and set down as an order of the day for a later hour.**

### **CASINO CONTROL AMENDMENT (SUPERVISORY LEVY) BILL 2013**

**Bill introduced on motion by Mr George Souris, read a first time and printed.**

#### **Second Reading**

**Mr GEORGE SOURIS** (Upper Hunter—Minister for Tourism, Major Events, Hospitality and Racing, and Minister for the Arts) [11.00 a.m.]: I move:

That this bill be now read a second time.

The Casino Control Amendment (Supervisory Levy) Bill 2013 amends the Casino Control Act 1992 to allow a casino supervisory levy to be imposed on the casino operator. Regulating the activities of the Sydney casino is one of the key responsibilities of the Independent Liquor and Gaming Authority. The authority's functions include the licensing of individuals performing sensitive functions at the casino, the approval of new games, auditing of casino revenue and, most importantly, the monitoring of casino operations on a 24-hour, seven-day per week basis through an on-site inspectorate. The authority also undertakes detailed licence investigations under section 31 of the Act every five years and inquiries into specific matters as required.

Under the existing arrangements much of the cost of maintaining the casino regulatory regime in New South Wales is borne by taxpayers. Regulatory systems are in place to protect industry integrity and ensure that the operation of the casino is free from criminal influence and exploitation. Regulation also promotes community confidence that the conduct of operations at the casino is fair and that the casino is operated in a responsible manner. The casino environment is a dynamic one and the regulator is required to regularly review and adjust its approach to protect against emerging risks and maintain public confidence. There is currently no ongoing levy imposed on the casino to assist in meeting the day-to-day public costs of maintaining this regulatory system.

The bill before the House provides for the introduction of a supervisory levy to assist in meeting these costs and ensuring a high degree of oversight and supervision of the casino is maintained. The amount of the levy will be prescribed via a regulation-making power in the Casino Control Act. The levy will be paid to the Independent Liquor and Gaming Authority. Providing for the levy in regulations will allow it to be adjusted periodically for inflation and to reflect adjustments to the regulatory activities as necessary. The Government's intention is to have regulations in place for the 2013-14 financial year. Consultation with the casino operator is underway to facilitate the commencement of the supervisory levy within that time frame.

A casino environment demands intensive oversight to ensure that the unique risks associated with such a venue are identified and managed within a strict regulatory framework. A robust system of casino monitoring and supervision ensures appropriate accountability and consequently promotes public confidence for the people of New South Wales. It is appropriate that costs associated with achieving these outcomes should be borne by the casino operator. The bill before the House will help to achieve that. I commend the bill to the House.

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

**VICTIMS RIGHTS AND SUPPORT BILL 2013****Second Reading****Debate resumed from an earlier hour.**

**Ms LINDA BURNEY** (Canterbury) [11.03 a.m.]: I will make a very brief contribution to the Victims Rights and Support Bill 2013. I join with my Labor colleagues in expressing strong opposition to the bill. The issues involved have been well canvassed by previous speakers and I do not intend to go over the same ground. However, the cynicism of this bill is astounding. The bill has been introduced at a time when a royal commission inquiry into sexual abuse is being conducted, as well as a special commission inquiry in the Hunter. The people who will speak at those inquiries about their experiences will be excluded from claiming any compensation because of the time limits imposed in this bill. I refer particularly to the time limits and victims of sexual assault, which relates to those inquiries. I hope that part of the motivation for this bill was not to prevent those people from claiming compensation.

In relation to the retrospective nature of this bill, compensation claims that have already been lodged will not be dealt with under the old scheme but under this new scheme, which means less compensation and shorter periods in which to claim. I cannot understand why the Government would make this legislation retrospective when it deals with such an important aspect of people's recovery from incidences that are beyond imagination. I simply wanted to address the retrospective nature of the bill. The bill has been introduced at a time when we will probably see an increase in claims by victims of sexual assault emanating from the royal commission and the special commission inquiries. This strikes me as a heartless and cynical approach by the Government. I do not understand how any government of any political persuasion would try to save money by introducing such a bill. The member for Menai said that the Government has introduced this legislation because the current scheme is financially unsustainable. I commend the shadow Attorney General, who is in the Chamber, for his analysis and understanding of the bill. As he has foreshadowed, the Opposition will be opposing this bill in the strongest possible terms.

**Mr JAMIE PARKER** (Balmain) [11.07 a.m.]: On behalf of The Greens I speak to the Victims Rights and Support Bill 2013. We debate a lot of legislation in this House. We speak against bills and outline various matters of concerns but, as members know, the Government has the numbers. However, this legislation is wrong. It is wrong because it denies the promise that we made to the people in our communities. We promised more than 20,000 victims of crime that if they went through the appropriate assessment process and told an assessor, whom they did not know, about being raped or assaulted or about the murder of a relative and then ask their loved ones or neighbours to write statements in support of their allegation that they could receive not a guaranteed sum but a certain amount of money. We are now saying to those 20,000 people to forget about that promise.

These people have gone through this traumatic process because the Victims Support Scheme promised that they could receive a certain amount of money. We are throwing that promise, along with their experiences, out with the garbage. We are now saying to the majority of them, "We will give you \$1,500". If those 20,000-plus people knew that \$1,500 was all they would receive they would not have gone through that process. In some cases, they have had to speak to an assessor more than once. Some of my constituents who have gone through this less-than-perfect victims compensation process have told me that if they had known they would be eligible to receive only \$1,500 or \$5,000 they would not have re-traumatised themselves by recounting their experiences. The retrospective aspect of this legislation needs to be addressed. The State Government made a promise to these victims of crime about what they could expect to receive through a supported process and we should be true to that promise. The Attorney General, a man whom I respect, has acted disgracefully. He should hang his head in shame for supporting this bill.

**Mr Greg Smith:** I do not hang my head in shame. I am proud of it.

**Mr JAMIE PARKER:** You should hang your head in shame because it is an absolute disgrace.

**ACTING-SPEAKER (Mr John Barilaro):** Order! The member for Balmain will direct his comments through the Chair.

**Mr JAMIE PARKER:** The Government claims it has no money to plug the gap, yet it can budget for \$300 million for the poker machine industry, \$19 million for hunting in national parks and \$40 million a year

for Regional Relocation Grants funding. What a joke. The former Government were no saints either because they did not properly fund the scheme. I am upset about this legislation and I expect that all members share my concern. I have talked with victims of crime who have been promised outcomes, and now those promises will be broken. Sadly, we will all be part of the decision-making process that will see people in our electorates who have suffered trauma no longer obtaining a promised outcome.

Members have spoken about the time limits for claims. In particular, when people reach the age of 18 they will have only 10 years to make a claim. Let us look at the evidence about time lines. In the report on child sexual abuse in the Anglican Church—a report that I encourage all members to read—it was found that it took on average 23 years for those courageous and honourable people to come forward. Is it any wonder that concerns have been raised about a time limit of 10 years? The results of that brave inquiry should send a message to Government members to fight for funding. Government members should take on the Treasurer and the Cabinet for more funding so that we will then be able to be true to our word.

Whilst there are some positive elements in the bill, such as the establishment of a Commissioner of Victims Rights—although I understand that will be a departmental bureaucrat rather than an independent officer—and a quicker processing of claims, people who have been waiting for years under a promise will now be shafted by this legislation. As I have said, the Minister for the Environment can pull \$19 million out of the air for hunting in national parks but the Government cannot find money to support at least the 20,000-odd people who have already entered the process. Victim support officers told those victims, "We want you to go through this process and this will be the likely outcome." The retrospective aspect of this legislation should be dumped. When this legislation is debated in the upper House I hope that Labor, The Greens and, if they have any compassion, the Shooters and Fishers Party and the Christian Democratic Party block it at least in respect to retrospectivity.

I accept that the existing scheme has significant problems. The Charter of Victims Right, while not enforceable, is a positive aspect of this bill. But under this bill, some people who have been waiting three years for compensation that was promised to them might now receive \$1,500. That is an unfair denial of the promise that was made to them. The prolonged domestic violence lump sum entitlements need to be at least equivalent to category C entitlements. This is a blind spot in the bill. For victims of crime, the category D entitlements are a joke. The documentary evidence requirements should include a broader class of reporting, that is, to providers of support services. This would reflect that many victims, particularly victims of childhood sexual abuse, seek out support services but, for various reasons, may not feel able to make a police report about their experience. I ask the Minister to consider the inclusion of "providers of support services".

The Government recognises that the scheme has a funding issue. Earlier I spoke about hundreds of millions of dollars being gifted to the big end of town. The payroll tax deduction is another example, although even the Sydney Business Chamber has said it does not work. The Government can budget for \$300 million for the poker machine industry and \$19 million for hunting in national parks, and the list goes on, but it cannot find money for the victims of crime. Those people will be told, "Previously you could have been entitled up to \$50,000 in compensation but now you are going to get a significantly reduced amount." I have great compassion for those 20,000-odd people who have been assaulted or raped or had family members murdered. They have to go through a very traumatic process to get compensation. They have to meet with an assessor, a person they do not know, and explain the crime committed against them. A huge amount of documentation and effort are involved in processing these claims.

People who have been waiting for years for payments of up to \$50,000 will be told that although they have gone through this incredibly traumatic experience they will now get \$1,500. They might also receive some counselling or perhaps upfront money to pay for a funeral. This legislation feels wrong to me. I accept that the process needs reform and I have outlined ways in which to fund it. I do not shoot all responsibility at the Government; the scheme has been underfunded for many years. The funding basis for victims compensation is weak. Treasury might tip some money in occasionally but generally it is poorly funded. The Government should be looking at the funding regime rather than chopping benefits. If the people in the public gallery were asked whether we should chop the payments for victims of crime or implement other strategies, the majority would say we should help victims of rape or domestic violence. They would want the brother, the mother or the aunty of a murdered person to be given financial help to pay for a funeral. In a civilised society, victims of crime deserve our support. I do not support the bill.

**Mrs BARBARA PERRY** (Auburn) [11.17 a.m.]: I do not support the Victims Rights and Support Bill 2013. This bill does not provide rights and support. The Victims Rights and Support Bill 2013 and the Motor

Accident Injuries Amendment Bill are similar in philosophy. Both bills limit support for people. In the 12 years I have been a legislator in this place I have never seen such impingement on the rights of and support for victims of crime, motor accidents and work accidents as we have seen under the O'Farrell Government. The community has not had a lot of time to consider this bill but from speaking to people in my electorate it is clear that they consider that this Government does not care about their rights or about supporting them.

That will define the O'Farrell Government; it should think about what these bills mean to the community. At the end of the day, government is about priorities and choices. The Attorney General has been put in a difficult situation. The member for Menai claimed that the compensation scheme was not sustainable. It is not sustainable because the Government chose not to properly fund it. The Government makes a choice whether it will support victims of crime as a matter of priority or whether it will give support elsewhere. Clearly we know where the interests of this Government lie and it is not in supporting victims of crime.

Many speakers have raised critical issues and their contributions were centred on two major issues. Before I turn to those issues, I note the headlines in newspapers in recent days which clearly say it all. The headline in yesterday's *Sydney Morning Herald* stated, "Arbitrary and brutal—NSW compensation changes spark UN complaint". That is unprecedented. This is a brutal war. The headline on ABC news was "Abuse victims concerned over compensation scheme changes". That says it all. Over the past few years and to this day royal commission inquiries have been held into child sexual abuse in this country. As a community we are now talking openly about child sexual abuse. We find child sexual abuse abhorrent, disgraceful and disgusting. As parliamentarians we have said so, yet we are not prepared to ensure that victims are compensated, other than with counselling or funeral expenses.

Today's editorial in the *Sydney Morning Herald* is worth noting. The Attorney General, in the media or in his second reading speech—the speech was read by Minister Hazzard because the Attorney General was having difficulties with his voice at the time—referred to Howard Brown. I know of Howard Brown; I dealt with him in some of my ministerial responsibilities, and I have a lot of time for him. He is a member of the Victims Advisory Board. The Minister has relied on Mr Brown's recommendations. The Minister also mentioned others, such as Martha Jabour of the Homicide Victims Support Group whom I know well. I wonder whether those people understood the changes and what they think about the changes today, given the debate they have sparked in the community. Today's editorial states:

He cites Mr Brown, a member of the NSW Victims Advisory Board which recommended the changes, that victims of sex abuse need counselling, not money. They need both.

The Minister has said that before. I agree with the editorial, and I am sure many members opposite would also agree. Victims need both; they need counselling and they need support through a financial payment. I am concerned that we as a community, as a society and as legislators on behalf of our community and society are saying that we are prepared not to provide money and that counselling is good enough. I do not think that is right, and I do not think anyone in the community thinks that is right. I note other comments from victims that have been reported in the past few days. The *Newcastle Herald* referred to Mr Rob Roseworke, who was abused more than 30 years ago by a teacher. He was at a forum in Newcastle recently. We all know, and I know as a lawyer, that it can take decades for victims to feel safe enough to come forward. At the royal commission inquiry I am sure we will see many victims come forward 30 years after the incidents. What was powerful for me were Mr Roseworke's words. The editorial states:

Even at age 40 when it was brought out I was still getting questions like why didn't you tell us back then why didn't you do this, why didn't you do that, it's not about people, family, the community, it's about the individual and how they feel and then they're safe ...

No Government can tell me when it's fine for me to speak, it's up to me to work that out.

I totally agree. We are joking if we think we can tell victims of crime such as domestic violence and sexual abuse when it is time for them to speak up. That shows no understanding of these people's needs or their emotional state. Clearly, this legislation will have an impact on legal aid services. On 20 May 2013 the *Newcastle Herald* ran a story by Michelle Harris which stated:

Legal Aid NSW has said it won't fund civil cases for abuse suffered within institutions, given budget restrictions and its expectation that a great many people would come forward in response to the national Royal Commission into Child Sexual Abuse.

But the response by someone in the Minister's office was:

Legal Aid is an independent agency which makes its own budget decisions, and seeks to focus its funding on its core work.

Who will represent these victims? Was the Attorney General not intending to support Legal Aid to represent these victims? That is clearly what the Attorney General was intending to do. As to the retrospectivity aspect, to think that we as legislators can seek, at any time, to retrospectively abolish rights of people currently in the system is an absolutely shameful act, and I will not be part of it. I do not know how the Attorney General of all people and as a lawyer can support that. That the Government seeks to take away rights and support and to retrospectively take them away is beyond belief. I am upset and concerned about this legislation on behalf of the many hundreds of people in this State who are already in the system. [*Time expired.*]

**Mr ROBERT FUROLO** (Lakemba) [11.27 a.m.]: I will make a brief contribution on the Victims Rights and Support Bill 2013, which will repeal the Victims Support and Rehabilitation Act 1996 and replace the statutory scheme for compensation for victims of crimes of violence and approved counselling under the Act with a new support scheme. I like to think that I am a practical, pragmatic person. I am not wedded to old-fashioned ideology and I recognise the need for change and reform. Programs and schemes, such as the Victims Compensation Scheme, that support people are obviously costly, and it is reasonable to monitor and review the operation of these programs to ensure that they continue to meet their objectives of providing assistance and support for those in need. That is the measure of a civilised society. It is how we measure ourselves to ensure that we are looking after those who are genuinely in need.

While I support the review of this scheme, I cannot and will not support this bill. This bill takes us from a society that recognises the pain and suffering of victims and supports them in their healing to one that says that it does not matter how long people have been suffering with their pain their support is finite. This bill says that their compensation is not based on the impact on their life but rather on pre-defined and substantially lower criteria. Like many of my colleagues on this side of the House, one feature of this bill that I have most difficulty with is the time limit that is being imposed on claims by victims of domestic violence and sexual assault. Frankly, those opposite should be hiding from shame for being associated with this feature.

As someone who knows the impact on a person's life from living with the shame and guilt of being sexually assaulted, it astounds me that the Coalition members of this House feel that it is acceptable to expect victims to come to terms with their shame, their guilt and the trauma of these events within 10 years and put themselves through a process of reliving that trauma to make a claim. On top of this, having gone through the difficult process of confronting your inner demons and reliving the horrors of your past, to have payments for suffering drastically cut is the final insult.

I am not prone to exaggeration or absolutism, but in my view this is one of the most pernicious and heartless bills I have encountered in my time in this place. It is mean, it is heartless, it is callous and it serves no benefit for the people whom we should support. This is not an ideological position; it is a question of basic compassion and humanity. Those opposite will have to live with their choice to support this bill. I suspect not too many Government members will be including the details of this bill in the next glossy newsletter that they send to their communities. There are currently two commissions into child sexual abuse perpetrated two or three decades ago. During the inquiries we will no doubt hear from a number of victims of abuse that occurred in the 1970s and 1980s who have not previously talked about what happened to them.

When they appear before the commission they will be speaking for the first time about their suffering and trauma. What a great tragedy it is for them, having gone through that process, to be denied the opportunity to claim for the past trauma of assault and for the indignity of being the victim of sexual abuse. Those people, as a result of this bill and the actions of members of this House, will be denied the opportunity to claim appropriate compensation as victims of sexual assault. I fail to understand how members in this House can support this bill. It defies logic, it defies humanity and it defies compassion. Victims today, children who are the targets of predators and rock spiders, will not be thanking those opposite when they are denied the basic rights of victims to claim compensation because they are not ready to make a claim for support.

**Mr GREG PIPER** (Lake Macquarie) [11.31 a.m.]: I speak against the Victims Rights and Support Bill 2013, a bill that I cannot help but view in a cynical light given its laudable title yet its disregard for victims' rights. This bill could not have come to the House at a worse time, with New South Wales just weeks into an historic special commission of inquiry investigating long-running allegations of sexual abuse of minors by church leaders in the Hunter and claims that the crimes of perpetrators were covered up. For what we suspect to be many hundreds and possibly even thousands of victims of child sexual abuse in the Hunter Region, this inquiry has brought relief, strength and vindication.

For those who for many years suppressed their horrific experiences at the hands of people who betrayed their trust or had their complaints fall on deaf ears, there is at last a sense that justice is being done. The

establishment of the inquiry was to the great credit of the Premier and the Government, but this bill greatly diminishes that achievement. At this critical time, the Government seeks to severely restrict the rights of people to pursue claims of mistreatment through the courts. Of the many flawed aspects of this bill, perhaps the most onerous is the proposed limitation on the time within which victims of sexual abuse can apply for compensation.

Under this legislation they must lodge their claim within 10 years of the offence, or from the time of the victim turning 18 years of age if they were a minor when the crime occurred. Superficially, this might seem like a reasonable limitation, but the experiences of victims of childhood sexual abuse suggest otherwise. At a forum held in Newcastle this week to discuss the issues, speakers attested that it can take decades for victims to come forward about crimes of this nature, due to the psychological damage it inflicts, the unwarranted shame they often feel and the understandable mistrust of people in authority. A gentleman who was abused 30 years ago by a teacher told the forum that it took him until the age of 40 to talk about his mistreatment. He said:

No Government can tell me when it's fine for me to speak ... It is up to me to work that out.

Jan McDonald from the women's and children's refuge, Carrie's Place, also spoke at the forum and said that the changes would affect just about everybody who walked through the doors of the refuge. The 10-year limitation on reporting applies to domestic violence, child abuse and sexual assault—offences that Ms McDonald pointed out are often carried out behind closed doors over protracted periods. She said:

The requirement to report the crime in a ten-year period and take action ignores the fact that these are hidden crimes—despite progress made in these last few years, there are still many, many social taboos around sexual assault and domestic violence.

The provision introducing a 10-year limit on making claims for sexual assault, domestic violence and child abuse has drawn the ire of more than 30 legal, health and women's organisations that have filed a joint complaint to the United Nations claiming that this violates human rights. Indeed that view is supported by a recent Queensland University of Technology study, which found that about only one-third of victims of sexual abuse in Christian institutions disclosed their experience within 10 years of it occurring. The Anglican Survey of Child Sexual Abuse by Clergy in Brisbane found that the average delay between first abuse and complaint was 19.5 years.

Another aspect of this legislation that is of concern is the reduction in lump-sum payments. While I applaud moves to provide victims with some financial and practical support, such as counselling up-front, the lump sum compensation available to victims of \$1,500 to \$15,000 seems hopelessly inadequate—a grotesque joke for people who have been unimaginably failed by a system we are seeking to repair. Solicitor and child abuse victim, Peter Kelso, told the forum that some child abuse victims would be \$100,000 worse off under this legislation. I do not know if that is right, but it is certainly close to the mark. It is true that no amount of money can adequately compensate people for the psychological and physical damage caused by violent crimes, but surely in providing people in these circumstances with reparation we seek to give them enough money to put their trauma behind them and start anew—to relocate, put a deposit on a home, study, retrain, travel or do whatever they need to do to rebuild their lives. A paltry \$1,500 will not do any of those things.

The bill provides for the legislation to come into effect immediately. It is a classic case of moving the goalposts for those who have lodged claims expecting them to be dealt with under the current scheme. People who were anticipating a payout of \$30,000 may well find that now they can claim less than 10 per cent of that. I cannot believe that Government members truly believe that this legislation delivers justice for victims of sexual abuse. What it does is close the books on the raft of cases that we can be sure are still to see the light of day. I note that very few Government members have spoken to this very significant bill, yet the Government has no shortage of members who speak on all manner of things that are of much less consequence to the people of New South Wales. I believe that the people of New South Wales want justice for victims of sexual assault.

I am surprised by the bill. I do not believe that the majority of Government members believe in the substance of this bill. I do not wish to believe that. I know that the Attorney General, who is at the table, is a good man and I have great faith in his good intention overall, but I do not see it being delivered by this bill, which I cannot support. Victims of sexual assault are seeking vindication and compensation; this bill has been a real blow to them. I imagine that there is an opportunity for the Government to redress what I see as a great failing for sexual assault victims in New South Wales. I hope this is addressed in some future tranche by revisiting the bill. No doubt the bill will pass through this House, but the issue will not leave us and I hope that this Government or a future government revisits fair compensation for victims of sexual abuse.

**Mr CLAYTON BARR** (Cessnock) [11.39 a.m.]: I speak to the Victims Rights and Support Bill 2013 and of course as a member of the Opposition I will be opposing it. I say "of course as a member of the



Opposition", but that is somewhat incorrect because I am opposed to this bill simply because it is a bad bill and the wrong thing to do for the people of New South Wales. I am quite certain that a large number of Government members feel the same way. I refer to the closing comments of the member for Lake Macquarie. More than 60 members of this Government have chosen not to come into the Chamber to speak to the bill. The Legislative Assembly has 69 Government members, more than 60 of whom have cowered shamelessly in their offices. I note the humour displayed by the Attorney General when I made that comment.

**Mr Greg Smith:** Point of order: I ask you to direct the member to return to the leave of the bill rather than to look at motives for people not speaking to the bill.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member for Cessnock is entitled to make some opening comments, but I ask him to return to the leave of the bill.

**Mr CLAYTON BARR:** In relation to the point of order taken by the Attorney General, I was referring to behaviour he displayed in this Chamber in the seconds following my comments. I am more than entitled to do that. The Attorney General laughed when I made comments about members of this House who had not spoken to the bill. I say to Government members if they are in their offices watching the debate or in the Chamber and want to speak to the bill that they should take the opportunity to do so. We know that when the Government brought in an amendment to the Library Act it trotted out 50 or 60 of its best members, all of whom spoke to the bill. Where are they on this bill? People who read *Hansard*, people who might be listening or watching, or people who might at some time want to reflect on the debate that led to this bill—

**Mr Greg Smith:** Point of order: The member is not speaking within the leave of the bill. This is a filibuster and an attempt at mock seriousness. The member should be brought back to the leave of the bill.

**ACTING-SPEAKER (Mr Lee Evans):** Order! I ask the member for Cessnock to return to the leave of the bill.

**Mr CLAYTON BARR:** I appreciate that the Attorney General has taken a point of order in relation to my contribution to the debate. That may be because he does not want to hear what I have to say, but one of the great things about this Chamber is that the Minister does have to listen to what I have to say.

**Mr Greg Smith:** You have to listen to the order of the Acting-Speaker.

**Mr CLAYTON BARR:** To that end I am going to make my contribution and the Attorney General can interrupt as many times as he likes. I do not have to reflect very deeply to understand the impacts of this bill. Just last week a woman came to my office with concerns about sexual abuse and violence perpetrated on her nephew and his son. The woman was in her fifties, the nephew was in his late twenties and the nephew's son was five. The woman was full of concern for her nephew and his son, but during the course of the conversation she broke down in tears and revealed to me that she also had been sexually abused by the same person. She revealed to me something she had not previously revealed to anyone—that she had been sexually abused as a child 45 years ago. If she chooses to go to the police, under this bill she would be entitled to no compensation payment. That is a real shame because, as a number of speakers have said today, it takes a long time for people to accept and deal with the issue.

The bill stems from a PricewaterhouseCoopers review. I draw to the attention of members that probably the last people you would engage to create a bill that deals with people's physical, psychological and social scarring would be a bunch of accountants and auditors. I do not think that it is their area of expertise. The Government went to PricewaterhouseCoopers to conduct a review so that it could prepare this bill, which shows very little understanding of the physical and psychological damage that a person can suffer. In particular, I draw attention to the fact that once a person turns 18 that person has just 10 years to lodge a claim. Those who understand human nature know that people in the 15- to 25-year-age group, forming their position in their community and in society, and developing their self-esteem, self-worth and self-confidence are probably in the most important stage of their lives. The bill will force people in that age group to speak out about something that they may have experienced.

We also should recognise that the bill is more likely to affect those who live in lower socioeconomic communities. To that end the bill could be labelled as some kind of class warfare. More often than not, victims of crime live in environments in which they are not empowered and do not have access to resources. They do not have the socioeconomic environment that enables them to amend or fix the situation in which they live. So we can talk about this bill as being potentially some sort of class warfare, just as we could make the same

assessment of the workers compensation legislation and the Motor Accident Injuries Amendment Bill 2013. Women and children are the ones who will be primarily affected by this bill because more often than not they are the victims that will be dealt with under the bill. That should come as no surprise to the people of New South Wales because the attack on women is consistent with what happens in this Chamber every day. I refer to the fact that of the insults traded across this Chamber during question time, 82 per cent of those by the Premier are directed at women. If members are wondering about my source—

**Mr Greg Smith:** Point of order: I ask you to direct the member for Cessnock to resume his seat so I can make the point of order. That is the appropriate conduct in this House. This debate has nothing to do with what happens during question time or anything else. It is supposed to be about the Victims Rights and Support Bill and the member is dragging down the importance of the bill by bringing in petty politics.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The second reading debate on a bill is wideranging. It is difficult to discriminate and bring the member for Cessnock back to the point. However, I ask the member for Cessnock to return to the leave of the bill.

**Mr CLAYTON BARR:** I will refer to the source for my comment, which is *Hansard*, the record of what is said in this Chamber. I will refer to the impact of this bill on people, particularly those who are involved in the royal commission investigating sexual abuse in the Catholic Church. The reality is that the term "hush money" has been used in relation to some of those victims in Victoria. They were paid \$75,000. Under the categories of recognition payment in this bill those victims might receive a payment of \$5,000. The reason I refer to that figure of \$5,000 is that under category B the recognition payment would relate to sexual assault involving violence. Category C relates to the physical assault of a child that is one of a series of related acts. Sexual assault is violent by nature, but what is violence, given that the children were so unequipped to deal with what was happening to them that they may have been led to believe they were consenting to it? That is one of the really shameful aspects that is emerging from the inquiry. I refer now to restitution by the offenders as set out in the bill. [*Extension of time agreed to.*]

I refer to the restitution to be paid by offenders, as outlined on page 36 under division 2. I wonder what that means, considering the parliamentary inquiry into child sexual abuse by Catholic priests. I will not dwell on Catholic priests—sexual abuse has also been committed by Anglican priests and Boy Scouts leaders. I make an inquiry of Minister Smith, who is at the table: How is this part of the bill to be interpreted when levied against the inquiries into the historical offences of sexual abuse of children committed by priests? I refer to the retrospective nature of this legislation and the fact that a number of cases are in a holding pattern and cannot be dealt with because of the backlog of cases. Victims have come forward and are seeking to have that recognised, but suddenly this Government is changing the rules. Division 4 "General" on page 54 deals with factors to be taken into consideration. It states:

- (a) any behaviour (including past criminal activity), condition, attitude or disposition of the aggrieved person which directly or indirectly contributed to the injury or loss sustained by the aggrieved person.

What does that mean with regard to this legislation? The community in which I live has a bikie element. There are people who have a history of being involved in all types of violence and crime as a result of being members of bikie groups. But when they seek to move away from that environment and start anew, they become victims of significant violence and crimes. When seeking to make their claim under this legislation, their criminal history will be taken into account without an understanding of what was happening in that person's life and the desire to move away from crime and start afresh. That is concerning. Government members have spoken about the need to speed things up. I agree. Government members have referred to a backlog that needs to be addressed. I agree. Government members have referred eloquently in this Chamber about the front-end of this bill, but I do not know that there has been too much debate about the front-end of this bill.

The debate is about the back-end of this bill. The debate is about the caps and the limitations. Not a single Government member has been able to come into this place and make a contribution about the back-end of this bill; there is no debate about the front-end. The back-end of this bill limits the amount of time people have to make a claim, which limits their opportunity to access what they need to restart their lives, and limits the opportunity for judgement on their case according to what happened in their life. Imagine for a second if the three women who have been found recently in America, who have been held in captivity and abused for 10 years, were told, "You fit into this category and will get up to \$30,000." Imagine if something like that happened in New South Wales and people were forced to have their compensation recognised under this bill. It comes down to clause 15, "Payments into Fund", which states:

- (d) all money advanced to the Fund by the Treasurer, or appropriated by Parliament, for the purposes of this Act,

The bill is about money. Victims must understand that the bill and the future of their lives come down to money.

**Mr RYAN PARK** (Keira) [11.53 a.m.]: I make a brief contribution to debate on the Victims Rights and Support Bill 2013. I share the concern of other members in this place that we have not seen a conga line of speakers from the Government. That is the typical behaviour when trivial bills go through this place. There are a couple of reasons for that. This bill deals with a difficult subject. It has not had a huge amount of party support and it required more consideration than was provided by the Minister's office. These three variables meant there were minimal speakers from the Government. I acknowledge the earlier contribution to this debate by my colleague the member for Liverpool. Very early on he brought retrospectivity to my attention, which is a concerning aspect of this legislation. I am fundamentally opposed to retrospectivity. Equally, I thought that a large number of people on the other side of the House would also be fundamentally opposed to retrospectivity in respect of the legislation. I am opposed to it because I believe that whether it is commercial arrangements, whether it is compensation issues, whether it is insurance, or whatnot, there is a sense of fair play in this country that is not served well by changing the goalposts in respect of a legal system going forward. I remain strongly opposed to that part of the bill. I share a quote from Hetty Johnston from Bravehearts on the topic of time limits. She stated:

There are really strong and powerful reasons why people won't disclose within that 10-year period.

There should be no statute of limitations at all on victims of crime. It is immoral and all that does is benefit the institutions who sat by and did nothing.

Hetty Johnston is essentially saying that time limits on victims serve no purpose other than to formally institutionalise the crime they have suffered. This is an issue that I hope none of us in this place has had a great deal of personal experience with, but no doubt some have. This is not a political issue. This is an issue of common decency. It is about the way we treat the most vulnerable in our community, the way we treat those who have suffered. While ever I am in this place I will never forget what a colleague said to me last night, "Bills like this are the reason we are on this side." We will lose this debate, but I will not stand here as a member elected by the community and let this go through without a fight. I will not support it. I do not think it is right. As the member for Canterbury said, and the last person said, we should not be looking at schemes. I have no problems with making them better or making them stronger, but to do this is immoral.

I know it is not right but, more importantly, the Government knows it is not right—and that is demonstrated by the lack of involvement of Government members in this debate. I am concerned about the 10-year time limit on claims for compensation. Interestingly, the Australian Lawyers Alliance said that it had no idea where the time limit came from, that it is arbitrary, that there is no evidence or science behind it and that it should be changed. We have plenty of disagreements in this place, and so we should. However, there must be some issues on which there is common ground, and one of them must be a desire to support those whose trust has been abused by people in whom they should be able to have confidence. A State government of any colour or persuasion should support those victims 120 per cent, but this bill does not do that.

Like my colleagues, I will not sit by idly and watch this take place. We owe it to every victim who tells his or her story to the royal commission and to the special commission of inquiry over the coming years, and perhaps decades, to oppose this legislation. We owe it to the little boy or the little girl who at the hands of a monster has had their childhood and innocence taken from them and who has buried that so deep that they cannot talk about it. I do not want to be a member of a society in which legislation such as this is passed unchallenged. This type of legislation should never have been introduced in a Parliament in this country. It fundamentally attacks human rights, the most vulnerable in our society and the role of law and justice as we know it. Justice should not have time limits; a victim should not have a gun held to their head and be told that they must report abuse within a certain time limit. We as lawmakers do not have the right to do that.

I have no problem with a review of the scheme and getting feedback about how it can be improved, but this is not the way to do it, because it is not fair. When something is not fair in this place the 20 members of the Opposition—hopefully joined by crossbench members—will say so. We are not doing so to make a political point but to support every victim who will tell his or her story over the coming years and decades. We are doing so to support the victims who are now sitting at home, at school, at a friend's place or somewhere else. Our message to them is that although they may not yet have told their story, when they do members on this side of politics will support them. I am very proud that we have a shadow Attorney General and a Leader of the Opposition who will stand firm in opposition to this type of legislation and who will stare it down. We will have to watch it become law, but we will do our best to minimise its impact on victims and will ensure that we do better when we are once again in government—hopefully, sooner rather than later.

**Mr GREG SMITH** (Epping—Attorney General, and Minister for Justice) [12.03 p.m.], in reply: I thank the members for Liverpool, Camden, Heffron, Drummoyne, Bankstown, Mulgoa, Kogarah, Sydney,

Smithfield, Fairfield, Menai, Wollongong, Canterbury, Balmain, Auburn, Lake Macquarie, Cessnock and Keira for their contributions to debate on the Victims Rights and Support Bill 2013. In my career as a Crown prosecutor and as the Deputy Director of Public Prosecutions I had to deal directly with hundreds of victims of crime and the families of homicide victims, who are also victims. That was very difficult to do, particularly because I still had to concentrate on running a trial, which could last three or four months. Sometimes the victims' families were opposed to things I was doing during cross-examination or in calling witnesses. It was very difficult, but I understood their position and their emotions.

I had to guide and comfort people whose child had been murdered in an ambush outside a hotel. Against my advice, the sister of the homicide victim insisted on looking at the post-mortem photos. She ran screaming out of my chambers and locked herself in a toilet. We had to coax her out, which took a long time. We had to comfort her and her family through a three-month trial, during which up to 16 members of the family appealed to me daily. I was decent and I tried to help them, but I had to focus on my primary job, which was to put the evidence before the court and to get the conviction—which, thankfully, we did. In another case a woman suffered the horror of seeing her only son stabbed to death and her husband seriously wounded. She had advertised a valuable item on a trading site but criminals came and stole the item and stabbed her son to death and seriously wounded her husband. I tried to comfort and help them by winning a Crown appeal against the sentence. It was a long sentence and the court refused to intervene. It is not as though I have not seen what victims and their families must endure.

What we have heard from members opposite is pure claptrap. The Labor Government established the Victims Compensation Scheme in 1996 and let it blow out so much that claimants are waiting almost three years to receive compensation, and many of them do not receive it at all. There seems to be a misapprehension or a misunderstanding—sometimes I wonder whether it is a deliberate misinterpretation—about a number of provisions in this bill. The most obvious relates to the assertion that the bill will reduce the compensation provided to victims. That is simply not true. The budget for the new scheme is unchanged from that provided to the Victims Compensation Scheme that it replaces. The new scheme simply rearranges the way in which money will be made available to victims. The new arrangement is based on the results of a survey of 1,430 victims, not accountants. The victims responded to the PricewaterhouseCoopers survey advising what their needs were at different points after the act of violence. It is those results that were used to inform the design of the scheme that will be established by this bill.

Numerous members of the Opposition have compared the recognition payment under the Victims Support Scheme with the maximum amount of compensation payable under the Victims Compensation Scheme. That is a false comparison. The Leader of the Opposition referred to savage cuts to benefits and other members of the Opposition claimed that compensation payable to sexual assault victims will be reduced from \$50,000 to \$10,000. That comparison is entirely inappropriate. The new scheme replaces the payment of compensation for specific injuries with a combination of reimbursement or direct payment of expenses and a recognition payment. Under the Victims Compensation Scheme the victim must meet all those expenses from the compensation awarded. I heard of a case recently in which a number of people were killed. The funeral expenses consumed the entire compensation payment.

So the maximum amount that a victim of the worst category of sexual assault can receive under the new scheme established by this bill would be a recognition payment of \$10,000 plus up to \$5,000 for urgent needs assistance, plus up to \$30,000 for longer term financial assistance—that is, \$45,000. And let us not forget that the current compensation payment of \$50,000 is the maximum amount payable—very few victims are awarded such a large amount. In fact, in each of the past two financial years the number of awards under the Victims Compensation Scheme as a whole, involving many thousands of people—not just for sexual assault—that received \$50,000 was four. Yes, four. The average award for sexual assault victims is approximately \$16,100.

Under the Victims Support Scheme the victim will receive the expenses up-front. They can even be paid directly to the service provider, instead of the victim having to wait, on average, for 31 months to receive a payment that may or may not be sufficient to cover the expenses they have already incurred. They will avoid the reminders that they have not paid a bill or debt collectors chasing after them. Another misrepresentation of the Victims Support Scheme concerns victims who have already lodged a claim. Yes, their claims will be transferred to the new system—and the main reason for that is so that we do not squander the funds for victims on administering two schemes concurrently. Any awards that were being appealed will continue to be appealed under the rules of the old scheme. But the time limitations that will apply to the new scheme will not be imposed on those existing claims.

Provided that the victim can establish that they received an injury, they will be entitled to the appropriate recognition payment. And if they applied within two years of the crime or of turning 18 they will be entitled to an additional \$5,000 in lieu of financial assistance. Another misconception is that there will be no payments under the Victims Support Scheme for psychological harm. That is simply not true. The only criterion for victims is that they have suffered an injury. Nowhere in the bill does it say that that injury must be physical. The member for Kogarah said that the Victims Support Scheme will slash compensation from \$50,000 to a maximum of \$17,500. I am not quite sure from where she got those figures, but let me explain something about the Victims Compensation Scheme that the member for Kogarah seems to have misunderstood.

The \$50,000 had to be shared between all family members. A woman with three dependent children whose husband was murdered could have received \$50,000 in compensation. But under the Victims Support Scheme each of those dependents would be entitled to \$15,000—or \$60,000 in total—just in recognition payments. In addition, the widow would be entitled to up to \$5,000 in urgent needs assistance, plus another \$5,000 to help her with court-related expenses. This is a far more generous payment than she would have received under the Victims Compensation Scheme. Remember, for the past two years only four victims have received \$50,000.

The Leader of the Opposition referred to the fact that the problem was that the Victims Compensation Scheme was underfunded. But this Government inherited that scheme from the now Opposition in 2011. The scheme now has a contingent liability of \$400 million, growing by an estimated \$38 million a year. This Government has done what the Opposition declined to do when it was in government: fix the scheme so it can be sustainable and help victims into the future. The Opposition has also expressed concerns about the limitation periods imposed under the new scheme. Claims for counselling can be lodged at any time, but victims who wish to access financial assistance for urgent needs or for longer term economic loss, or to be reimbursed for expenses they have already incurred, will need to lodge their applications within two years of the act of violence or, for child victims of sexual assault, within 10 years of turning 18.

Generally, victims who wish to apply for a recognition payment will also need to lodge an application within two years of the act of violence or, if the victim was a child, within 10 years of their turning 18. However, victims of sexual assault, domestic violence and child abuse will have up to 10 years or, for child victims, 10 years after turning 18, to lodge an application for a recognition payment. That exception is made because of the very real difficulties that such victims may experience in feeling able to come forward and tell anyone about what has happened to them.

The current scheme provides for a discretion to enable applications to be accepted that are lodged out of time. This discretion is not included in the new scheme. However, victims whose claims are lodged out of time will still be eligible for counselling. Although this might appear to disadvantage some victims, particularly children who were sexually assaulted many years ago, the Chairperson of the Victims Compensation Tribunal has referred to the difficulties of dealing with such claims, for both the victim and the assessor. The chairperson notes that approximately half of such claims are ultimately unsuccessful and considers that the "disappointment and anguish caused to unsuccessful applicants in these cases, is considerable and the harm may well outweigh the benefits they were after."

The Victims Support Scheme is not the only avenue available to victims of violence. Those victims who are time-barred from accessing the Victims Support Scheme will still be able to pursue a claim for compensation through the civil courts provided they get leave, which they generally do. Or, if the person responsible is convicted of a criminal offence, the victim can, as at present, seek an order from the court at the time of conviction, or at any time thereafter, for compensation up to \$50,000 from the offender. I reiterate that the purpose of the new scheme is to deliver a package of support to victims of crime. What was the previous Government doing when the Auditor-General noted concerns about the ballooning backlog of the current Victims Compensation Scheme years ago? It did very little, so the backlog continued to grow. Was this Government supposed to allow it to keep ballooning out in five or ten years when it blows out to \$1 billion? This Government had to do something, and what it has done is right.

Financial sustainability is only one aspect this Government took into account when considering reform to the new scheme. It is interesting that members of the Opposition harp on about meeting the needs of victims, and that this new scheme fails to deliver for victims of crime because the PricewaterhouseCoopers independent review noted the objectives of the existing compensation scheme were being undermined by the escalating waiting time between lodgement and determination of claims. It is clear to this Government; however, it appears that the Opposition has not caught on. Or is it just making the claims for its own electoral benefit so that local newspapers spread the fear and the horror? It is terrible to exploit victims of crime by causing them to be more upset, and I suggest that is being done today.

The message that should be spread is that the existing compensation scheme is unsustainable and is not meeting the needs of the victims it was designed to help. The former Government failed victims of crime by not

being proactive and by failing to act quickly to deal with the immense liability that was growing. The reforms outlined in this bill have nothing to do with the royal commission. I announced the independent review by PricewaterhouseCoopers in August 2011. There was no Commonwealth royal commission on the horizon then. The Government initiated the review and considered recommendations and is now acting on the report. It is doing what needs to be done. The royal commission is inquiring into institutions, which victims of crime who have been damaged can sue if they have a right to sue. Those victims will receive compensation through other schemes.

In conclusion I will summarise what the bill will do. The emotion expressed during this debate is understandable because we are dealing with victims of crime. But neither the Government nor the Opposition caused those crimes. It is poppycock for members of this place in the previous term of government, who failed miserably to deal with a scheme that should have been workable and who allowed it to run up such liabilities, to criticise a scheme involving the same amount of money being put in as they were prepared to put in, but which will spend the money in a much better way. The bill will establish a new Victim Support Scheme to replace the Victims Compensation Scheme. It will abolish the Victims Compensation Tribunal and establish a Victims Support Division of the Administrative Decisions Tribunal. It will incorporate related and appropriately amended provisions from the Victims Support and Rehabilitation Act 1996. It will re-enact, with minor modifications, the provisions of the Victims Rights Act, and it will provide for a Commissioner of Victims Rights—a very important innovation. It will also repeal the Victims Support and Rehabilitation Act 1996 and the Victims Rights Act 1996. I commend the bill to the House.

**Question—That this bill be now read a second time—put.**

**The House divided.**

**Ayes, 60**

Mr Anderson	Mr Fraser	Mr Rohan
Mr Annesley	Mr Gee	Mr Rowell
Mr Aplin	Ms Gibbons	Mrs Sage
Mr Ayres	Ms Goward	Mr Sidoti
Mr Baird	Mr Gulaptis	Mrs Skinner
Mr Barilaro	Mr Hartcher	Mr Smith
Mr Bassett	Mr Hazzard	Mr Souris
Mr Baumann	Ms Hodgkinson	Mr Speakman
Ms Berejiklian	Mr Holstein	Mr Spence
Mr Bromhead	Mr Humphries	Mr Stokes
Mr Casuscelli	Mr Kean	Mr Toole
Mr Conolly	Mr Notley-Smith	Ms Upton
Mr Constance	Mr O'Dea	Mr Ward
Mr Cornwell	Mr O'Farrell	Mr Webber
Mr Coure	Mr Page	Mr R. C. Williams
Mrs Davies	Ms Parker	Mrs Williams
Mr Dominello	Mr Patterson	
Mr Doyle	Mr Perrottet	
Mr Edwards	Mr Piccoli	<i>Tellers,</i>
Mr Elliott	Mr Provest	Mr Maguire
Mr Flowers	Mr Roberts	Mr J. D. Williams

**Noes, 22**

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

**Pair**

Mr Grant

Ms Hornery

**Question resolved in the affirmative.**

**Motion agreed to.**

**Bill read a second time.**

### **Third Reading**

**Motion by Mr Greg Smith agreed to:**

That this bill be now read a third time.

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

### **STATUTE LAW (MISCELLANEOUS PROVISIONS) BILL 2013**

**Bill introduced on motion by Mr Greg Smith, read a first time and printed.**

### **Second Reading**

**Mr GREG SMITH** (Epping—Attorney General, and Minister for Justice) [12.30 p.m.]: I move:

That this bill be now read a second time.

The Statute Law (Miscellaneous Provisions) Bill 2013 continues the longstanding statute law revision program. Bills of this kind have featured in most sessions of Parliament since 1984; they are recognised as an effective tool for making minor policy changes, repealing redundant legislation and maintaining the quality of the New South Wales statute book. Schedule 1 to the bill contains policy changes of a minor and non-controversial nature that are too inconsequential to warrant the introduction of a separate amending bill. Schedule 1 contains amendments to 41 Acts and one regulation. I will mention some of the amendments to give members an indication of the kinds of amendments that are included in the schedule.

Amendments made by schedule 1 to the Interpretation Act 1987 will authorise the New South Wales *Government Gazette* to be published on the New South Wales legislation website and give official status to the online version of the gazette. Publication on that website will enable searches across multiple gazettes. The amendments will also enable the remaining government subscription service for the printed gazette to be discontinued. Schedule 1 amends the Local Government Act 1993 to enable a council to hold money paid to it with respect to an environmental upgrade charge in its consolidated fund instead of in the council's trust fund, pending its payment to a financial provider.

Schedule 1 amends the Public Finance and Audit Act 1983 to extend from seven years to eight years the term of appointment of any prospective Auditor-General. This will make for a better fit with the conduct of reviews of the Audit Office by the Public Accounts Committee, which are now required to be conducted four yearly rather than three yearly. The amendment gives effect to the committee's recommendation, which will ensure that the Auditor-General will be subject to two reviews during his or her term in office, and the Parliament will have time to implement any recommendations from the review. Amendments are made by schedule 1 to various Acts in the portfolio of the Minister for Fair Trading. Amendments to the Residential Tenancies Act 2010 will allow former co-tenants to apply to the Consumer, Trader and Tenancy Tribunal for certain orders relating to the termination of residential tenancy agreements. Other amendments to that Act will enable former co-tenants to retrieve goods that they have left on residential premises which continue to be occupied by remaining co-tenants.

The Plumbing and Drainage Act 2011 is amended to extend certain functions, powers and exclusions that apply to local councils under that Act to apply also to county councils. Amendments to the Community Land Management Act 1989 and the Strata Schemes Management Act 1996 will remove the requirement for the Commissioner for Fair Trading to prepare annual reports of operations under those Acts, which will instead be included in the annual report of the Department of Finance and Services. An amendment is made by schedule 1 to a provision of the Aboriginal Land Rights Act 1983 that applies to the transfer of assets, rights and liabilities of local Aboriginal land councils endorsed as deductible gift recipients. The amendment will make the provision consistent with the requirements of the Commonwealth Income Tax Assessment Act 1997 for endorsement as a

deductible gift recipient. Schedule 1 makes a number of amendments to the Community Services (Complaints, Reviews and Monitoring) Act 1993. These include an amendment ensuring that persons who have been approved as service providers under the National Disability Insurance Scheme may be reviewed and monitored as service providers under the Act.

Schedule 1 also amends the Sydney Cricket and Sports Ground Act 1978. National Rugby League Limited constructed a new headquarters, New South Wales Rugby League Central, on land at Moore Park under the control of the Sydney Cricket Ground Trust, following ministerial approval granted in 2010 under section 16A of the Act. The amendments will enable the Sydney Cricket and Sports Ground Trust to lease the land on which the new headquarters stand to National Rugby League Limited for a total period not exceeding 80 years. An amendment to the Tattoo Parlours Act 2012 will enable the Commissioner of Fair Trading to issue certificates relating to licences, permits and interim closure orders that are admissible in any proceedings as evidence of the truth of the statements they contain. This is consistent with evidentiary provisions of other Acts that create a licensing or registration regime.

The final schedule 1 matter I mention is the amendments to the Real Property Act 1900. The amendments will modify a record-keeping requirement that applies to a mortgagee in line with requirements of the Commonwealth Anti-Money Laundering and Counter-terrorism Financing Act 2006. The amendments will make it clear that certain notices relating to foreclosure orders must be served on various parties in accordance with the Conveyancing Act 1919. Schedule 2 deals with matters of pure statute law revision consisting of minor technical changes to legislation that Parliamentary Counsel considers are appropriate for inclusion in the bill. Examples of amendments in schedule 2 are those arising out of the enactment of other legislation, those that correct numbering and typographical errors and those that update terminology. For example, the amendment to the Adoption Act 2000 relates to section 124A (3) and the definition of "guardian ad litem panel". It omits "Department of Justice and Attorney General" and inserts instead "Department of Attorney General and Justice".

Schedule 3 repeals Acts, instruments and provisions of instruments that are redundant. Schedule 4 contains general savings, transitional and other provisions. These include provisions dealing with the effect of amendments on amending provisions and savings clauses for the repealed Acts. The various amendments are explained in detail in explanatory notes set out beneath the amendments to each of the Acts and statutory instruments concerned, or at the end of the schedule. I am sure members will appreciate the straightforward and non-controversial nature of the provisions contained in the bill. However, if any amendment causes concern or requires clarification, it should be brought to my attention. If necessary, I will arrange for government officers to provide additional information on the matters raised. If any particular matter of concern cannot be resolved and is likely to delay the passage of the bill, the Government is prepared to consider withdrawing the matter from the bill. I commend the bill to the House.

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

### **CHILD PROTECTION LEGISLATION AMENDMENT (CHILDREN'S GUARDIAN) BILL 2013**

**Bill introduced on motion by Ms Pru Goward, read a first time and printed.**

#### **Second Reading**

**Ms PRU GOWARD** (Goulburn—Minister for Family and Community Services, and Minister for Women) [12.40 p.m.]: I move:

That this bill be now read a second time.

The Child Protection Legislation Amendment (Children's Guardian) Bill 2013 will improve child protection in New South Wales by integrating related child protection regulatory systems. The bill integrates the Working With Children Check within the newly established Office of the Children's Guardian, an independent division of the government service. The Office of the Children's Guardian is the specialist accreditation and licensing agency of the New South Wales child protection system. It regulates out-of-home care, adoption and prescribed children's employment. Integrating the check within the office will provide one single independent regulator for the child protection system. I commend the Minister for Citizenship and Communities, Mr Victor Dominello, and the staff of the Commission for Children and Young People for developing the new Working With Children Check, which will start on 15 June 2013.



The New South Wales Liberals and Nationals Government recognises that the improved check is a critical child protection safeguard, a strengthened safeguard that needs to be integrated with other child protection regulatory systems. That is what this bill does. The current Working With Children Check leaves the decision to employ a person in child-related employment to the employer, unless the person is a prohibited person as a result of a relevant conviction. That means that people who have been assessed as posing a serious risk to children by a screening agency can still work with children. That must change. The new check is no longer merely a risk assessment system but an accreditation-based licensing system for people who wish to work with children. The new check will either clear people to work with children or bar them, rather than leave it to an employer to make his or her own decision. This bill integrates child protection regulatory functions within a single agency.

Schedule 1 [4], as well as other provisions of schedule 1 and schedule 3.5 [1] transfer responsibility for administering the check from the Commission for Children and Young People to the Children's Guardian. Schedules 3.2 and 3.9 make consequential amendments, with the Children's Guardian to audit child-related conduct declarations under the Parliamentary Electorates and Elections Act 1912 and appear in relevant proceedings under the Child Protection (Offenders Registration) Act 2000. Schedule 3.2 also incorporates the Working with Children Act definitions of "employer" and "worker" into the Offenders Registration Act. This responds to the Director of Public Prosecution's concerns about a local court decision that participation in the Work for the Dole program was not employment that registered offenders needed to report to police. Schedule 3.2 will ensure that registered offenders must report work for the dole and other volunteering arrangements to police.

Schedule 1 [5] to [7] requires adults living with home-based child care providers, rather than those living with child care managers, to obtain working with children clearances. Schedule 1 [12] is a key provision. It transfers to the Guardian the Commission for Children and Young People function of encouraging organisations to develop their capacity to be safe for children. This function supports the check and can be integrated with the related out-of-home care and adoption accreditation and the children's employment licensing functions of the Children's Guardian. The existing staff of the Children's Guardian, who conduct more than 100 employer visits a year, will all provide education and compliance monitoring for the new check and the child safe organisation program. Schedule 1 [15] to the bill is an important new initiative and I thank the Catholic Commission for Employment Relations for its leading role in developing it.

**Mr Chris Hartcher:** Hear, hear. A great organisation.

**Ms PRU GOWARD:** Yes, it is an excellent one. The regulations exclude most parents who volunteer in activities that involve their own children from the check, although parent volunteers who provide mentoring services or intimate personal care services for children with disabilities must obtain clearances. This reflects the reality that parents have contact with their children's peers as part of normal life. It is neither practical nor appropriate for the State to impose checks on all parents who have contact with their children's peers. However, employers should be able to introduce their own risk management strategies as part of making their organisations safer for children.

The Catholic Commission for Employment Relations will require some categories of parent volunteers to sign statutory declarations that they have not been convicted of a barring offence under the Working with Children Act. Other employers may also choose to require statutory declarations targeted in accordance with their own workplace risk assessments. The penalty for swearing a false declaration is up to five years imprisonment. The proposed statutory declaration arrangements can be distinguished from the outgoing prohibited employment declarations, which are not targeted, have only a two-year penalty for breaches and are not understood or supported by many employers. Consequently, they are seen as ineffective. The prohibited employment declaration arrangements are so broad that they do not allow for effective risk-based auditing. That is why the Working with Children Act provides for the repeal of the prohibited employment regime on 15 June.

Schedule 1 [15] will enable the Children's Guardian or an approved person to conduct audits of a sample of employee-initiated statutory declarations. Schedule 2 [2] to the bill requires an authorised carer to notify their out-of-home care agency as soon as practicable after another adult starts living in their household. This improves the current three-month time frame, which is incompatible with check requirements. Schedule 2 [3] to the bill consolidates the principal functions of the Children's Guardian, reflecting the transfer of the Commission for Children and Young People's child-related work and voluntary accreditation functions. New section 181 (1) (d) of the Children and Young Persons (Care and Protection) Act 1998 requires the Children's Guardian to establish and maintain a register for the purpose of authorising persons as authorised carers. The

Carers Register will ensure all carers have undergone necessary probity and other assessments and it will support agencies in sharing information about prospective carers. The transfer of the Working With Children Check to the Children's Guardian will support the integration of the check and carers register systems.

New section 181 (1) (g) of the Children and Young Persons (Care and Protection) Act and schedule 2, items [1] and [6] to [12] of the bill also provide for the Children's Guardian administering the children's employment provisions of the Care Act, which the Children's Guardian has been doing under ministerial delegation since 2003. Schedule 2 [10] reduces the time frame for processing applications for a children's employment authority from 28 days to 14 days. Schedules 1 [16] and 2 [4] and [5] replicate provisions of the Commission for Children and Young People Act that are necessary to support the Children's Guardian's new functions. The other provisions, with the exception of schedule 3.5 [3] and [4], are consequential or address matters inadvertently omitted when the Working With Children Act was introduced.

Schedule 3.5 [3] and [4] contain critical provisions to ensure the Children's Guardian independently and transparently administers the child-related employment functions transferred from the Commission for Children and Young People. The member for Canterbury has suggested that the transfer diminishes the independent administration of the check. She is wrong. Section 36 (2) of the Commission for Children and Young People Act, introduced by the former Labor Government, provides that the Commission for Children and Young People must comply with the written directions of the Minister in administering the current check. That is the Labor way. It was this Government that made the new check at arm's length from government by not replicating that provision in the Working With Children Act. The former Labor Government removed the independence of the Commission for Children and Young People and the Children's Guardian. Labor shut them down as independent departments in 2006, incorporating them into the Office of Children within the Premier's Department and later the Department of Communities, now part of the Department of Education and Communities.

The Children's Guardian's budget and staffing have since been controlled by that department. This Government has restored the independence of the Children's Guardian by establishing the Office of the Children's Guardian as a standalone division of the government service, with the Children's Guardian remaining an independent statutory office—just like the Ombudsman's office, the Office of the Director of Public Prosecutions, and the Office of the New South Wales Electoral Commission. The Children's Guardian is completely independent of the Department of Family and Community Services. It has a separate budget. It will continue to report directly to me as the Minister, as it does now and as it did under the previous Government.

The Children's Guardian will continue to be appointed by the Governor, and may only be removed by the Governor for misbehaviour, incapacity or incompetence. The Children's Guardian will also continue to have the ability to report directly to Parliament. The bill provides for the Joint Parliamentary Committee on Children and Young People monitoring, reviewing and reporting on the exercise of the Children's Guardian's functions under the Working With Children Act. The functions of this bill are well supported by the sector. In addition, the Ombudsman, Bruce Barbour, has advised he supports a single independent body administering child protection probity systems and that integrating the Working with Children Check with the Children's Guardian's other regulatory systems will improve the coordination of child protection regulation and assist his office in its work with the community services sector.

The 2010 Review of the Commission for Children and Young People Act 1998 supported a move towards an accreditation-based check. A number of submissions to the review highlighted the tension between the Commission for Children and Young People's advocacy role and its administration of the check. The Benevolent Society recommended that the check be part of an integrated system of risk reduction for all organisations that provide services to children and young people and suggested the exploration of a link with out-of-home care accreditation. Save the Children recommended that the Commission for Children and Young People's responsibility for conducting checks be transferred to a separate regulatory agency, as did the National Children's and Youth Law Centre, which suggested that the check might be transferred to the Children's Guardian.

These comments reflected the 2004 submissions of the Council of Social Services of New South Wales [NCOSS], the Association of Children's Welfare Agencies [ACWA], and Ethnic Child Care that administering the check diminished the Commission for Children and Young People's advocacy, education and research functions. The Commission for Children and Young People's own submission to the special commission of inquiry stated that advocacy and regulatory functions do not appropriately sit in the same agency. The new check has a much stronger regulatory character than the outgoing one. This bill does not make any changes to

the Commission for Children and Young People's advocacy and policy functions and Minister Dominello has announced that the commission will be consulting with key stakeholders on how best to strengthen these important areas.

The regulatory and advocacy benefits of the bill are acknowledged by Louise Voight, the Chief Executive Officer of Barnardos, who has advised that situating the new check with the Children's Guardian cements the Children's Guardian's role as a strong regulator and enhances the status of this function. She states that the separation of regulation from advocacy will be beneficial for children's interests. Claire Robbs, the Chief Executive of Life Without Barriers, has welcomed the transfer of the check to the Children's Guardian as "a fantastic opportunity for regulatory streamlining." The Catholic Commission for Employment Relations believes the transfer will allow for the more efficient and responsive delivery of the check and aligned child protection services.

This bill provides for an independently administered Working With Children Check, subject to parliamentary oversight. It integrates that check with other child protection regulatory systems, improving child protection in New South Wales. It also allows for a renewed and reinvigorated focus on policy and advocacy work for children and young people. The New South Wales Liberals and Nationals Government came to government to improve services for and the lives of vulnerable children in New South Wales. That is what we are doing and what this bill will achieve. I commend the bill to the House.

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

### **PETROLEUM (ONSHORE) AMENDMENT BILL 2013**

**Bill introduced on motion by Mr Chris Hartcher, read a first time and printed.**

#### **Second Reading**

**Mr CHRIS HARTCHER** (Terrigal—Minister for Resources and Energy, Special Minister of State, and Minister for the Central Coast) [12.57 p.m.]: I move:

That this bill be now read a second time.

The Petroleum (Onshore) Amendment Bill 2013 strengthens and clarifies the compliance and enforcement framework of the Petroleum (Onshore) Act 1991. The bill also establishes a framework for the release of environmental information, and enables a code of practice for land access to be established by regulation. The Petroleum (Onshore) Act provides the regulatory framework for the responsible exploration and extraction of petroleum products in New South Wales. The Act provides for a system of titles for exploration, assessment and production activities. Before I turn to the amendments in the bill, it is important that we note the gas supply issues that New South Wales will soon face. Currently, New South Wales produces just 5 per cent of the gas it needs for energy purposes. This means New South Wales is dependent on other States for its gas supplies. New South Wales gas supply contracts are due to expire from 2014.

Many gas producers from other States are unlikely to renew their contracts with supply companies operating in New South Wales because they have contracted their gas to the export market. The gas contracts that are renewed will therefore come with much higher prices. Security of gas supply is essential for a vibrant economy and for maintaining the thousands of local businesses that rely upon gas in New South Wales, which currently produces only 5 per cent of its gas needs. With supply from other States heading overseas, it is important for New South Wales to source its gas, as far as possible, from domestic sources. We know that New South Wales has extensive reserves of gas from coal seams that have been estimated at 511 billion cubic metres, which is enough to provide over one million homes with energy for more than a century. At the same time, it is critical that exploration and production of all petroleum products is carried out in a way that ensures the health and safety of the community and protection of all aspects of the environment.

To ensure that community concerns are addressed, the Government has developed the most rigorous requirements in Australia for the petroleum industry. Today we are making sure that the petroleum industry will be held accountable if it does not meet its obligations, particularly its environmental obligations. The bill is one aspect of the work being done by this Government to build community confidence and provide certainty for industry. Not only do we expect industry to operate in accordance with best practice, but also we expect that the

industry is regulated in accordance with best practice. To this end, significant work is being undertaken by my department to build a cleaner and more robust compliance and enforcement practice to implement the framework in the bill. It involves the complete overhaul and modernisation of the department's compliance and enforcement policies, processes and procedures. Likewise, a training program has been implemented for the department's inspectors and other authorised officers. The program ensures that they are properly equipped to apply the expanded enforcement powers in this bill in a consistent manner.

I turn now to a more detailed consideration of the provisions in the bill: first, the bulk of the amendments that strengthen and extend the compliance and enforcement provisions in the Act. A key power for ensuring immediate compliance with the requirements of the Act is the ability to issue a direction. The Petroleum (Onshore) Act currently has limited powers for directions to be given. They cover only compliance with a condition of title and the removal of petroleum plants when a title has ended. The bill extends and considerably strengthens these direction powers in keeping with the greater powers in the Mining Act. It does this by expanding the range of issues for which directions can be given. The bill proposes that directions can be issued for any adverse impact or risk of one that petroleum industries may have on any aspect of the environment. Directions can also be issued to conserve the environment or to prevent, control or mitigate any harm to it. They can also be used to rehabilitate land that is, or could be, affected by activities under the title.

In bringing direction provisions across from the Mining Act, one change will be made to both Acts. Currently, before a direction can be given under the Mining Act, prior notice must be given of the proposed direction. However, under the Water Management Act 2000, the Mine Health and Safety Act 2004 and the Protection of the Environment Operations Act 1997, no such notice is required. The amendments therefore specify that prior notice of a direction is no longer required in the Mining Act or the Petroleum (Onshore) Act unless the direction relates to the suspension of operations. At the same time, titleholders are being given the right to challenge the merits of a direction in court under both Acts, except when the direction relates to the suspension of operations. Currently, under the Petroleum (Onshore) Act the Minister can suspend operations for certain contraventions after giving written notice and allowing the titleholder to make representations. This requirement for written notice in relation to suspension of operations will be maintained, making it unnecessary to give the titleholders a merits challenge.

Amendments will align the Mining Act and the Petroleum (Onshore) Act so that, in the case of suspensions, both Acts provide for written notice and titleholder representations. Together, the amendments on directions are a robust means of ensuring prompt industry compliance and protection of the environment while giving titleholders a fair process to seek review. In addition, the New South Wales Government announced an audit of all petroleum operations and records within the State. The purpose of an audit is to provide information on compliance with title obligations, such as conditions in legislation, or with codes of practice. The audits will also enable assessment of how activities on the title can be improved to protect the environment. The Act has therefore been amended to provide for audits by incorporating the voluntary and mandatory audit provisions of the Mining Act.

Amendments are also proposed to the powers of inspectors. The inspection provisions in the Petroleum (Onshore) Act are limited and are also not considered sufficiently robust to provide inspectors with the statutory backing required. Inspectors must have sufficient powers to carry out their work effectively and to ensure compliance. The proposed amendments will provide a sound basis for this to happen. The existing provisions will therefore be replaced with the far more extensive provisions in the Mining Act. Inspectors will have greater powers to obtain information and to gather a wider range of material for investigation. They will be able to enter premises where there is proposed or suspected exploration or production activities, or where documentation about these activities may be kept. However, where an inspector wishes to enter a residence, the permission of the occupier or a search warrant will be required. Inspectors will also be able to require answers from a person whom they reasonably suspect of knowing about an offence.

Further, a corporation can be required to nominate a representative to answer questions and these will bind the corporation. The legislation will provide for particular circumstances where not answering questions or furnishing records is not an offence. It will also include the circumstances where answers are not admissible in criminal proceedings. The legislation backs up the strong powers of inspectors with offences for failing to comply with requirements without a lawful excuse or a wilful delay or obstruction. The strongest penalties possible will be imposed in these circumstances. The penalty for corporations will be \$1.1 million and \$220,000 for individuals. Industry must know that compliance is not a choice.

More thorough investigations can be conducted as a result of amending the Act to provide for new powers for inspectors. This will help not only to build sound evidence around offences and to develop effective

cases where prosecution is appropriate, but also to ensure industry compliance. Currently, the Petroleum (Onshore) Act does not provide for offences for all acts of non-compliance. This issue has been rectified through amendments that bring the offence provisions of the Act into line with those of the Mining Act. New offences include failure to comply with requirements for royalty returns and failing to make a royalty payment. They will also include failure to comply with audit provisions. For the first time, strict liability offences will be introduced for providing false or misleading information or records. However, a person will have the defence of honest and reasonable mistake available to them. The bill also introduces continuing offences and penalties consistent with the Mining Act.

This means that each day a titleholder continues mining in breach of the Act, a further penalty amount is imposed. For the first time the bill includes in the Act a general regulation-making power to prescribe penalty notice offences and the penalty amounts. The bill goes further to introduce offence provisions. The Petroleum (Onshore) Act is limited in its offence provisions for corporations. New provisions are proposed, consistent with the Council of Australian Governments agreed principles for the assessment of directors' liabilities and the existing corporate offence provisions in the Mining Act. The corporation offence provisions include that directors or managers are no longer automatically criminally liable for an offence by a corporation, but a director or manager can be prosecuted as an accessory to an offence by a corporation, for example, by aiding the commission of an offence.

An executive liability offence will also be introduced. That relates to where a corporation contravenes a condition of title or fails to comply with a direction. Directors and managers may be liable for these offences and, in effect, may be taken to have committed the offence. However, the prosecution will have to prove the offence was committed by the director or manager. These extensive amendment proposals will ensure that the petroleum industry is a responsible corporate citizen in New South Wales. The amendments in this bill also increase penalties in line with those in the Mining Act. Some penalties were increased in the 2012 amendments to the Petroleum (Onshore) Act, and it is not proposed to change those provisions. Other penalties will be increased considerably.

Where a direction is not complied with, the bill provides for a maximum penalty of 10,000 penalty units, or \$1.1 million. This penalty will be a powerful deterrent to non-compliance for any member of the petroleum industry. Strong penalties will also be imposed for the offences of failing to comply with requirements without a lawful excuse or for wilful delay or obstruction of an inspector. For corporations, the penalty will be \$1.1 million and for individuals, \$220,000. The offence of a person with an official capacity under the Act having a beneficial interest in a petroleum title will be updated and mirrored in the Mining Act. The penalty for this offence will increase from the present 200 penalty units, or \$22,000, under the Petroleum (Onshore) Act to 2,000 units, or \$220,000, under both Acts.

In addition to increasing penalties for offences, the bill amends provisions for proceedings for an offence by extending the time within which they must commence. This will be three years from the date of the offence or the date on which evidence of the alleged offence first came to the attention of an authorised officer. The Mining Act will also be amended to provide for the same time limit. In the case of indictable offences under either Act, there will continue to be no time limit for the commencement of proceedings. In addition to the new offences, the amendments also expand the range of orders that a court can make where proceedings are on foot or an offence is proved. Further, they give the department the ability to provide certain evidence by way of a certificate. To allow time to deal with community and landholder access issues, the bill proposes that the Minister have the power to suspend a condition of title at the titleholder's request for longer than six months. Such flexibility would also allow time for companies to adapt to the changed regulatory and investment environment.

I now turn to the second set of amendments in the bill. These amendments ensure that landholders are not disadvantaged in making access arrangements with titleholders. Land access arrangements provide a framework through which titleholders can access land and undertake exploration. It sets conditions for how and when access is to occur and the types of activities and work that are to take place. The purpose of land access arrangements is to ensure that exploration can occur in an organised and systematic way. At the same time, they clearly recognise the rights of landholders to conduct their activities free from unreasonable interference or disturbance. The bill provides for a code of practice for land access to be made by regulation. New South Wales Farmers and the Australian Petroleum Production and Exploration Association are in agreement on how this can be done.

Mandatory requirements in a code will become mandatory clauses in an access agreement. To provide flexibility in what are essentially private arrangements, the amendments provide that, if both parties agree, they

can opt out of the mandatory requirements. These amendments will ensure appropriate minimum standards for access arrangements. They will also provide the necessary flexibility to tailor an arrangement to suit individual circumstances. Landholders will retain the ability to stop titleholders from entering their property where there is a proven breach of the requirements of an access arrangement. The provisions of this important code demonstrate clearly what can be achieved when parties with different interests are prepared to come to the table and reach workable agreements.

The Act already provides for reimbursement to a landholder seeking initial advice before negotiating an access arrangement. However, a landholder may need access to further legal advice in the course of making the arrangement. The amendments meet this need by providing for the titleholder to meet the landholder's reasonable legal costs in negotiating and making an access arrangement. This obligation will apply to a landholder's costs from the point at which negotiations are initiated up to the making of the arrangement, or when an arbitrator is appointed if agreement is not reached. The obligation will now be a statutory requirement and must be included in an access arrangement. Failure to pay the fees will be deemed a breach of an access arrangement, where one has been made, and landholders will be able to deny titleholders access to their land. These changes will provide reassurance to landholders when negotiating access arrangements. They will know that legal advice is available to help ensure an outcome that is in their best interests.

Members of the community have expressed a particular need for environmental information so that they can better understand the significance of any proposed or ongoing activity. I note that the Act already has a regime for the release of information generally. The amendments provide for a separate regime for environmental information. The amendments in the bill will enable the department, at its discretion, to make this information publicly available as soon as it is received. However, in practice, it is intended that the department will readily release it. A claim can be made not to release the information because it could cause substantial commercial disadvantage. However, the director general will have the power to override this if the information is considered to be in the public interest.

A final amendment, to both the Mining Act and the Petroleum (Onshore) Act will reduce unnecessary red tape for titleholders. Currently, the consent of adjacent landholders is required to carry out seismic surveys on public roads. The bill provides that if an access arrangement is made with the owner of the public road the titleholder may undertake a survey without the landholder's consent. This amendment makes good sense because the impact of the survey on the adjacent landholders is negligible. The amendments in the bill provide for a much stronger regulatory framework for the petroleum industry in New South Wales. They will contribute to sound environmental management and ensure that appropriate compliance and enforcement measures are available. They will help to balance the rights of landholders and titleholders. This bill ensures that New South Wales will have the most rigorous industry requirements in the country for petroleum activities. I commend the bill to the House.

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

## **COMMUNITY RECOGNITION STATEMENTS**

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### **BELMORE POLICE CITIZENS YOUTH CLUB**

**Mr ROBERT FUROLO** (Lakemba) [1.17 p.m.]: I congratulate the Belmore Police Citizens Youth Club, Director Demetra Proestos, staff, volunteers and users on their success in obtaining a grant under the Community Building Partnership program—a great initiative of the Labor Government. The grant will help the Belmore Police Citizens Youth Club to address a maintenance issue that has been an ongoing source of concern. The walls in the martial arts and training area of the gym will be waterproofed and the work will help to protect the equipment and soft flooring. I congratulate the club on its success in securing funding under the program and thank it for its decades of support and care for young people in my community.

### **NSW MIDWIFE OF THE YEAR NAMIRA WILLIAMS**

**Mr STEPHEN BROMHEAD** (Myall Lakes) [1.18 p.m.]: I draw the attention of the House to Namira Williams of Forster, who works at Manning Rural Referral Hospital and who has been named the NSW Midwife of the Year in recognition of her outstanding contribution to her profession and, in particular, of her work in establishing Myall Lakes' first antenatal clinic and young parents' clinic. The public antenatal clinic

was established in 2008 and supports pregnant women by providing pregnancy checks, education and counselling. The young parents' clinic was established in 2010 and provides support to parents under the age of 23. Namira is not satisfied with her achievements so far and is aiming to establish a community of care model in Manning hospital's maternity unit. Under this model, a mother-to-be would be allocated a midwife early in her pregnancy who would support her to delivery of the baby and beyond. Namira was honoured to receive the award and was quick to point out the achievements of the entire nursing unit team at the hospital.

### **FAIRFIELD PRINCIPALS FORUM**

**Mr GUY ZANGARI** (Fairfield) [1.19 p.m.]: On Thursday 4 April the Fairfield Principals Forum held its first meeting for the 2013 academic year at Fairvale High School. The Fairfield Principals Forum is strongly supported by the Fairfield and Cabramatta local area commands. The principals and partner community organisations work towards supporting students and their families in the Fairfield local government area. The Greater Western Sydney Giants representative outlined the club's commitment to working with communities across western and south western Sydney.

### **SALVATION ARMY RED SHIELD APPEAL**

**Mrs LESLIE WILLIAMS** (Port Macquarie) [1.20 p.m.]: I acknowledge the organisers of the Red Shield fundraising concert held in Port Macquarie on 19 May 2013. The Port Macquarie Hastings Municipal Senior Concert Band joined the Salvation Army Port Macquarie Brass Band to raise funds and awareness for the Salvation Army's annual Red Shield Appeal. I was honoured to attend the event, which showcased a variety of brass and concert band pieces as well as a number of combined performances. Special mention must be made of the two performances by The Timbrels. These young girls were so well coordinated with their tambourine routine that they were definitely crowd favourites.

I commend the efforts of the event coordinators and congratulate the committees representing both bands on a very impressive and professional production. The Red Shield appeal is a wonderful initiative that raises funds to support disadvantaged families across Australia. I urge everybody to dig deep to support the appeal when a volunteer knocks on their door this weekend. I have been part of the doorknock for many years in my local area, and it is most rewarding to give the Salvos a helping hand. I commend the tens of thousands of volunteers who will be out in neighbourhoods across Australia over the weekend and again urge people to give generously to the appeal.

### **WAYSIDE CHAPEL**

**Mr ALEX GREENWICH** (Sydney) [1.21 p.m.]: I acknowledge the fantastic work of not-for-profit organisation the Wayside Chapel, which was established in 1964 with the strong motto, "Making community with no 'Us and Them'". The Wayside Chapel provides practical and emotional support seven days a week for people who need help and who live in the Kings Cross area. With more than 48,000 visits last year, Wayside helps those in the community who experience crisis by providing practical help such as showering facilities, low-cost meals, clothing and support with finding accommodation, as well as providing a welcoming and non-judgemental environment in which to have just a coffee and a chat. Wayside Chapel also delivers services such as the Wayside Youth Program, which helps young people who may be at particular risk or who are in crisis, and the Aboriginal Project, which brings the Indigenous community together in a way that is respectful and appropriate. I commend the great work of all workers and volunteers involved in this much-needed community organisation.

### **SOUTHERN YOUTH AND FAMILY SERVICES**

**Mr MIKE BAIRD** (Manly—Treasurer, and Minister for Industrial Relations) [1.22 p.m.]: I recognise the incredible work of Southern Youth and Family Services based in Wollongong, which is an independent community-based organisation that delivers services in the southern part of New South Wales. I also recognise that Southern Youth and Family Services, under the direction of its amazing chief executive officer, Narelle Clay, supports and cares for many disadvantaged young people. I recognise that Southern Youth and Family Services passionately provides supported accommodation, community social housing, counselling, mediation, and support, and delivers a range of programs to improve the lives of young people and their families. I also commend a particular youth that the Southern Youth and Family Services has supported. She is Robyn Firmin, who, despite great adversity, completed her Higher School Certificate last year. Her resilience and achievement

is an inspiration to all. I also note that Selina, Taylor G., Rebecca, Jess, Taylor C., Hayley and Russell gave a wonderful presentation that proved that anything is possible in life. I am sure they will make an incredible difference in the days, months and years ahead. Well done.

#### **PREMIER'S COMMUNITY SERVICE AWARD RECIPIENT MARIE NEWHAM**

**Mr RICHARD AMERY** (Mount Druitt) [1.23 p.m.]: Last Friday, 20 May, in the company of Blacktown Councillor Edmond Atalla; Jenny Le Miere, Residential Care Manager of Our Lady of Consolation nursing home in Rooty Hill; Peter Squire, Quality Performance Manager of said home; and my wife, Marie, I presented to Mrs Marie Newham of Rooty Hill a Premiers Award for Community Service. The nursing home supported the nomination of Marie Newham for her outstanding efforts as a volunteer at Our Lady of Consolation nursing home. Marie can be seen every day supporting the home and giving comfort to elderly residents. A pioneer of Rooty Hill, along with her late husband, Brian, Marie Newham is universally liked and respected by those who see her dedication to St Aidans Church, Our Lady of Consolation nursing home and other community events. Congratulations to Marie Newham: You have done yourself, your family and the community proud.

#### **MIDWIFE OF THE YEAR FIONA BAIRD**

**Mr ANDREW GEE** (Orange) [1.24 p.m.]: Today I recognise Fiona Baird's 30 years of service to the Western NSW Local Health District as a midwife. Recently the Western NSW Local Health District recognised her hard work and dedication to midwifery when it presented her with the inaugural Midwife of the Year award. Fiona says she does not remember the first baby she helped to deliver, but adds that recently she was privileged to help deliver the 2,000th baby at the new Orange Health Service. Mrs Baird was chosen for the award because of her experience and the high level of support she gives mothers. She describes each delivery as special and says that her favourite part of being a midwife is seeing the faces of parents when they hold their baby for the first time. I congratulate Mrs Baird on her award and commend the Western NSW Local Health District for introducing the award. In the years ahead it deserves to become a prestigious award that recognises fine achievement.

#### **PORT KEMBLA LABOR LEAGUE CENTENARY**

**Ms NOREEN HAY** (Wollongong) [1.25 p.m.]: I place on record my congratulations to the Port Kembla Branch of the Australian Labor Party. The Port Kembla Labor League was founded in 1913 and will be celebrating its centenary this Saturday at the Port Kembla Leagues Club. One hundred years of standing for justice, equality and a fair go for all is certainly an achievement to be proud of. Over the years I have been proud to know many staunch Labor men and women who have been members of the Port Kembla Branch such as Ray Whetherall and Bill Harvey. Current members include Norma Wilson, Bob Turner, Tom Ward, Peter Bubev, Charlie and Maria Gibb—just to name a few. The Port Kembla Branch has a strong association with the Maritime Union of Australia and members have been involved in many picket lines, standing up for the rights of seamen. I look forward to attending this auspicious event and wish the branch well for the next 100 years.

#### **COMMUNITY SERVICE AWARD RECIPIENT WEE LIN HAN**

**Mr GRAHAM ANNESLEY** (Miranda—Minister for Sport and Recreation) [1.26 p.m.]: I congratulate Mrs Wee Lin Han on receiving a New South Wales Government Community Service Award for her work as a volunteer with GyMEA Community Aid and Information Service Inc. I thank Mrs Han for providing assistance and support each week to the clients of the Home and Community Care Program. I acknowledge Mrs Han's compassion for the frail and aged, her patience and commitment to her work that has never wavered in 10 years of service.

#### **HOLY KORAN PRESENTATION CEREMONY**

**Ms TANIA MIHAILUK** (Bankstown) [1.26 p.m.]: On Tuesday 21 May 2013 I had pleasure of attending the Holy Koran presentation ceremony by the Hon. Shaoquett Moselmane, MLC, and the Hon. Amanda Fazio, MLC, to the Hon. Don Harwin, President of the Legislative Council. I also acknowledge emcee Ms Rana Saab; Sheikh Yousef Elrich, who recited from the *Koran*; and Ms Maha Abdo, President of the United Muslim Women's Association, who helped to organise the event. I note that at an Eid ceremony at Parliament House on 6 September 2012 the Pakistan Business Council donated a copy of the *Koran* to the Hon. Shaoquett Moselmane and the Hon. Amanda Fazio. I commend Mr Kashif Amjad of the Pakistan Business



Council for that initiative. I commend also the many organisations that were represented at this important ceremony, including the Association of Islamic Charity Projects Australia, the Lebanese Muslim Association, the Affinity Intercultural Foundation, the Australian Federation of Islamic Councils, the Australian Multicultural Eid Festival and Fair Consortium, the Islamic Foundation for Education and Welfare, the Islamic Forum for Australian Muslims Inc, and Eastern Sydney Islamic Welfare Services Incorporated. [*Time expired.*]

#### **WOODFORD RURAL FIRE BRIGADE NINETIETH ANNIVERSARY**

**Mrs ROZA SAGE** (Blue Mountains) [1.27 p.m.]: I congratulate Woodford Rural Fire Brigade on its ninetieth anniversary, which was celebrated last weekend together with a medal presentation. As life member and former brigade captain Greg Frullani said, "Woodford is the first to arrive and the last to leave". I congratulate the 14 recipients of national and long-service medals and clasps—particularly, Ray Bent and Kevin Wright, who have served 49 years and 35 years respectively. Ray began at Woodford at the tender age of 12, and the medal winners had a combined total of 346 years' experience. Captain Wayne Ashcroft capped off a wonderful day by unveiling the new honour board for the anniversary—an accolade that was well overdue.

#### **AUSTRALIAN SMALL BUSINESS AWARDS**

**Ms LINDA BURNEY** (Canterbury) [1.28 p.m.]: I congratulate Christina's Community Pharmacy, Earlwood, on being named Champion Pharmacy, and Vee Love Couture, Earlwood, on receiving the Champion Fashion Business award at the Australian Small Business Champion Gala Dinner and Awards Ceremony held recently. I note that these awards were two of 39 announced on the night. I also acknowledge that the Australian Small Business Champion Awards, founded by Steve Loe, Managing Director of Precedent Productions, strives to encourage passion, innovation and entrepreneurial skills in small business.

#### **MOUNTAIN LAGOON BUSHFIRE HAZARD REDUCTION**

**Mr RAY WILLIAMS** (Hawkesbury—Parliamentary Secretary) [1.28 p.m.]: I advise the House of important hazard reduction procedures that took place just over a week ago at Sunny Dell and Cora Creek in the Mountain Lagoon area that are crucial to the safety of that community. Captain of the Mountain Lagoon Rural Fire Service, Tim Bourke, has advised me of the positive community feedback that he has received following these burns, which were undertaken by his brigade in conjunction with the National Parks and Wildlife Service. The community has been unanimous in its praise of these operations, which were conducted in a professional, effective and good-humoured manner, and with minimum disruption to residents. A low-intensity fuel reduction has been achieved that will protect the beautiful diversity of flora and fauna in this area should a wildfire happen in the future.

Particular thanks have been extended to Glenn Meade, the new National Parks and Wildlife Service area manager in the Hawkesbury, for his efficient management and consultation, and for acting with such decisiveness throughout the operation. The operation was carried out in a true spirit of cooperation and mutual interest. This is proof of the great partnership that now exists between the National Parks and Wildlife Service, the Rural Fire Service and the community. The protection that is now provided by appropriate hazard reduction operations is a wonderful outcome for all residents living in the rural areas of the Hawkesbury.

#### **FOODBANK NSW**

**Mr NICK LALICH** (Cabramatta) [1.29 p.m.]: I commend the men and women at Foodbank NSW for their outstanding work over the past 21 years. Foodbank Australia distributed 24,000 tonnes of goods to charities last year, 4,000 tonnes of which went to New South Wales. Foodbank NSW supports more than 53,000 families and individuals throughout the State every week and more than 100,000 meals are served. Foodbank operates solely on donations. I acknowledge all of the hardworking volunteers whom I have been fortunate enough to work alongside with the member for Fairfield and the Leader of the Opposition. I also congratulate Foodbank on its tireless efforts and ongoing support of those in need in New South Wales and throughout Australia.

#### **MIRACLE BABIES FOUNDATION**

**Mr ANDREW ROHAN** (Smithfield) [1.30 p.m.]: It gives me great pleasure to announce that businesses in my electorate and the Fairfield area have worked together to raise funds for the Miracle Babies Foundation, which is a charity that supports premature babies. During May McDonald's restaurants across

Fairfield and Wetherill Park are selling "Helping Hands" for a dollar each and giving all proceeds to the Miracle Babies Foundation. They hope to raise at least \$30,000 in 12 days. The money will go towards new facilities and equipment for medical staff. Each year approximately 44,000 babies are admitted to the neonatal intensive care unit or special care nursery. It is essential that they receive the care they need to grow into healthy babies. I thank the McDonalds restaurants in the Fairfield and Wetherill Park area for their contribution.

### ARMENIAN GENOCIDE NINETY-EIGHTH ANNIVERSARY

**Mr GUY ZANGARI** (Fairfield) [1.31 p.m.]: On 23 April 2013 at the Concourse in Chatswood the commemoration of the ninety-eighth anniversary of the Armenian Genocide was held. Local Armenian-Australian community organisations were present, as well as local, State and Federal representatives. The documentary *The Orphans of Genocide*, produced by Bared Maronian, was screened. The Hamazkaine Armenian Sydney Dance Ensemble performed *Dle Vaman*, which was choreographed by Angineh Karapetian. Charles Mahtesian, the national political editor of *POLITICO* in Washington D.C. gave the keynote address. His Grace Bishop Haigazon Najarian, Primate of the Armenian Apostolic Church of Australia and New Zealand, conducted the closing solemn prayer and blessing. I acknowledge Mr Vache Kahramanian and the Armenian National Committee of Australia for organising the annual commemoration ceremony.

### NURSE OF THE YEAR AWARD RECIPIENTS

**Mr STEPHEN BROMHEAD** (Myall Lakes) [1.32 p.m.]: I inform the House that Erin Hunt of Taree was named the Registered Nurse of the Year by Manning Rural Referral Hospital during its celebration of the 2013 International Nurses and Midwives Week. Erin has been a registered nurse at Manning hospital for seven years and is currently studying for a graduate certificate in health management at the University of New England. Carol Thomas of Forster was named the Enrolled Nurse of the Year by the Manning Rural Referral Hospital. Carol also received the Veronica Peters Perpetual Award and a special award for her contribution in saving the life of Mic Mullen, who suffered a cardiac arrest at the Taree Hockey Fields.

### INNER-CITY MENTAL HEALTH SYMPOSIUM

**Mr ALEX GREENWICH** (Sydney) [1.32 p.m.]: I recognise the work of St Vincent's Hospital, which, on 18 April presented a symposium on starting, operating and sustaining effective partnerships in inner-city urban mental health. Key stakeholders and service providers came together on the day to discuss ways in which strong formal and informal partnerships between Federal and State government departments and local community services could be developed to help deliver effective care to those in the community who are experiencing a mental illness. The many benefits of having strong partnerships was discussed, including shared resources and expertise, more holistic community engagement and providing more coordinated and streamlined services to those with a mental illness. I commend the great work of Way2Home, a partnership presented on the day between Neami and the St Vincent's homeless health service, which, in the last year, has found accommodation for more than 185 rough sleepers. This is an excellent example of how organisations working in collaborative partnerships can deliver great outcomes for the marginalised in our community.

### ORANGE APPRENTICE AND TRAINEE OF THE YEAR AWARDS

**Mr ANDREW GEE** (Orange) [1.33 p.m.]: The annual Skillset 2013 Orange Apprentice and Trainee of the Year Awards were announced last week. I recognise the winners of the awards in this House. Trainee of the Year was Thomas Moon, who completed a certificate II in information technology at TAFE Western Orange Campus. This one-year traineeship has already led Thomas to a role in information technology at the Kinross Wolaroi School in Orange. Apprentice of the Year was awarded to Cory Rosser, who works in hospitality. Indigenous Apprentice of the Year was Keegan Brooke, who is an engineering fabrication worker. The winners will go on to compete for regional titles later this year and I wish them well.

*[Acting-Speaker (Ms Melanie Gibbons) left the chair at 1.34 p.m. The House resumed at 2.15 p.m.]*

### REPRESENTATION OF MINISTERS ABSENT DURING QUESTIONS

**Mr BARRY O'FARRELL:** I advise members that during the absence from the Chamber today of the Deputy Premier, Minister for Trade and Investment, and Minister for Regional Infrastructure and Services, the Minister for Tourism, Major Events, Hospitality and Racing, and Minister for the Arts will answer questions relating to his portfolio; during the absence from the Chamber today of the Minister for Fair Trading, the

Treasurer, and Minister for Industrial Relations will answer questions relating to his portfolio; and during the absence from the Chamber today of the Minister for Citizenship and Communities, and Minister for Aboriginal Affairs, the Minister for Education will answer questions relating to his portfolio.

## BUSINESS OF THE HOUSE

### Notices of Motions

*[During the giving of notices of motions]*

**The SPEAKER:** Order! I call the member for Oatley to order. I call the member for Drummoyne to order. The member for Kogarah will be heard in silence.

*[Interruption]*

**The SPEAKER:** Order! There is far too much audible conversation in the Chamber. The behaviour of members yesterday was not acceptable. Indeed, I had some complaints from people in the gallery about the behaviour of members sitting at the back of the Chamber.

## QUESTION TIME

*[Question time commenced at 2.24 p.m.]*

### COMPULSORY THIRD PARTY INSURANCE SCHEME

**Mr JOHN ROBERTSON:** My question is addressed to the Premier. Why is the Government introducing changes to compulsory third party insurance that will cut benefits off after five years for treatment and medical care for many children who are injured in car accidents, despite the fact that many babies and children will have to wait until they reach adulthood for medical procedures to take place?

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

**Mr BARRY O'FARRELL:** As I said when Parliament sat about a week ago, we are simply seeking to bring the New South Wales scheme into line with schemes that exist in the rest of the country.

**Mr Michael Daley:** Not true.

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

**Mr BARRY O'FARRELL:** We are also seeking to ensure that the scheme is sustainable, because a scheme that delays the provision of compensation does not provide any real comfort.

**Mr Michael Daley:** Take it away completely.

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

**Mr BARRY O'FARRELL:** The reforms that have been outlined are fair and reasonable.

### PARTIAL DEFENCE OF PROVOCATION

**Mr BRYAN DOYLE:** My question is addressed to the Premier. What is the Government's response to the parliamentary committee's report on the partial defence of provocation?

**Mr BARRY O'FARRELL:** I thank the member for his question and, as a former serving police officer, his understanding of the complex issues that are involved in this matter. From the outset I thank the parliamentary committee of the other place that was established in June 2012—a select committee that comprised members of all parties, the Liberal Party, The Nationals, the Labor Party and The Greens, and which was chaired by a member of the Christian Democratic Party. That inquiry was established following the high-profile case of Chamanjot Singh, who killed his wife and later used the defence of partial provocation to

avoid prosecution for murder and instead to be charged with manslaughter. Mr Singh claimed that his wife had provoked him into losing his self-control by telling him that she was in love with someone else and threatened to have him deported.

The lesser charge of manslaughter meant that Singh was sentenced to a non-parole sentence of six years—a penalty that understandably attracted strong community concern. The case sparked a relevant and appropriate public debate about whether the use of the defence of provocation should be tightened or abolished altogether. The partial defence of provocation is not new; it dates back to Britain in the seventeenth and eighteenth centuries when a conviction for murder resulted in a mandatory death penalty. If a person was convicted of murder that person was mandatorily put to death. It was considered that the law should allow for a grant of mercy in some circumstances.

In this State in 1982 the law was amended in response to the NSW Task Force on Domestic Violence report, which noted a number of high-profile cases of women in long-term abusive relationships who had killed their partners and been convicted of murder. Victoria, Tasmania and Western Australia have abolished the partial defence so that any provocation that might reduce an offender's culpability may be considered only as a mitigating factor in sentencing. Other jurisdictions have sought to limit its use in various ways. As lawmakers, we face a delicate balance: How do we stop partial provocation from being misused while retaining protections for people who are forced into drastic action as a result of extraordinary circumstances, such as women in long-term abusive domestic relationships?

The committee made 11 recommendations for legislative and policy reform. Although the committee heard a series of arguments for abolishing the partial defence altogether, it felt that it remained necessary, particularly for female victims of long-term domestic violence. Some of the key recommendations included the introduction of the concept of "gross provocation" to ensure that the partial defence is only used in circumstances where the provocation has been sufficiently severe. It also included proposed amendments to the legislation so that the partial defence of provocation is not available when the provocation is a non-violent sexual advance or certain other situations together with further amendments so that the partial defence of provocation is not available except in the most extreme and exceptional circumstances if the provocation relates to relationship breakup and or infidelity.

The Government supports the committee's policy position and the intent behind its recommendations. We are working on a draft exposure bill that we expect to be available for public consultation in July. Those putting together the exposure bill include criminal law experts from the Public Defenders Office, the Office of the Director of Public Prosecutions and the Ministry for Police and Emergency Services. The exposure bill is important given the serious consequences that these amendments will have on future cases. It will take into account issues already raised in the course of the inquiry. The inquiry received a total of 52 submissions from a range of stakeholders, including legal groups, victims support and other advocacy organisations, academics and individuals as well as government agencies.

We thank those groups for contributing to this important area of policy debate. The working group has identified a number of significant issues with the committee's legislative recommendations. These will need to be resolved during the drafting of the proposed exposure bill. It may be that the specific wording of the committee's recommendation is not adopted if the working group identifies a better way of achieving the committee's policy intent. A final bill will be brought back to Cabinet prior to its introduction to Parliament in the spring session. I again thank members of all parties who served on that committee in this sensitive area for the recommendations that were put forward.

### **COMPULSORY THIRD PARTY GREEN SLIP INSURANCE SCHEME**

**Mr MICHAEL DALEY:** My question is to the Premier. The Premier's changes to the compulsory third party green slip scheme—

**Mr Chris Hartcher:** We have heard all of this before.

**Mr MICHAEL DALEY:** You are going to hear a lot more of it, my friend—a lot more of it.

**The SPEAKER:** Order! The member for Maroubra has the call.

**Mr MICHAEL DALEY:** The Premier's changes to the compulsory third party green slip scheme mean that children who are involved in car crashes and who suffer injuries such as a fused ankle or serious disc and spinal damage are cut off from medical treatment and care expenses after five years, even though they will suffer from those injuries for life. Will the Premier outline to the House how he thinks this is fair?

**Mr BARRY O'FARRELL:** What is not fair is presiding, as that member did, over a workers compensation scheme that had a cost blowout to the tune of more than \$4 billion. Why is that not fair? It is not fair because it meant that if you were an injured worker you had absolutely no certainty of getting the compensation to which workers compensation should properly entitle you.

**The SPEAKER:** Order! The member for Maroubra and the Leader of the Opposition will cease interjecting.

**Mr BARRY O'FARRELL:** If the money is not there, if the deficit is \$4 billion and growing, where is the money coming from?

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

**Mr BARRY O'FARRELL:** What is not fair is the Leader of the Opposition's approach to managing public finances, which sees a solar bonus—

**Mr Michael Daley:** Point of order: If the Premier does not know the answer, he should just say so.

**The SPEAKER:** Order! If the member for Maroubra does not have a point of order he should not seek the call.

**Mr Michael Daley:** I do have a point of order and it is under Standing Order 129. It is not about workers compensation; it is about green slips and it is about children.

**The SPEAKER:** Order! The Premier is being relevant to the question he was asked. There is no point of order. The member for Maroubra will resume his seat.

**Mr BARRY O'FARRELL:** What it is about is making sure that things are sustainable and what it is about is fairness. The point I was about to make in relation to electricity—

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

**Mr BARRY O'FARRELL:** The sourpuss is at it again.

**The SPEAKER:** Order! I remind the Premier to refer to members by their electorates and to use their correct titles.

**Mr BARRY O'FARRELL:** The member for Canterbury, the sourpuss, is at it again.

**Dr Andrew McDonald:** Point of order under: My point of order is under Standing Order 73. *Hansard* has only reported "sourpuss" four times, but we know it is much more common than that. I ask him to stop, Madam Speaker, or for you to stop him. It is unacceptable. It would not be acceptable in any workplace.

**The SPEAKER:** Order! I remind the Premier not to refer to the member for Canterbury as "sourpuss" but by her electorate. The Premier has the call.

**Mr BARRY O'FARRELL:** Madam Speaker, of course I accept your decision, but I also remind the member for Canterbury of the standing orders in this place that make interjections disorderly.

**The SPEAKER:** Order! The Premier is correct; interjections are disorderly at all times.

**Mr BARRY O'FARRELL:** The point I was making was whether it was workers compensation where they allowed the scheme to blow out, which provided injured workers with no certainty; whether it is the cost they loaded on all electricity consumers by a solar bonus scheme that was meant to cost \$400 million but will cost \$1.9 billion, thanks to the failure of the current Leader of the Opposition to pay attention—

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

**Mr BARRY O'FARRELL:** —or whether it was this scheme, a scheme that saw costs to motorists blow out, a scheme that saw 70 per cent of payments go not to those who were affected but to those who supported the scheme—

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

**Mr BARRY O'FARRELL:** We make no apology for putting in place a fairer and more affordable compulsory third party scheme. I understand their problem because for 16 years—

**The SPEAKER:** Order! The member for Shellharbour will come to order. The member for Mount Druitt will come to order. The member for Wollongong will come to order.

**Mr BARRY O'FARRELL:** For a long time those opposite failed to take the tough but necessary decisions to run this State well. For a long time they failed to take the tough but necessary decisions to ensure that the finances of this scheme were properly managed. As a result, costs went up and services generally went down. Anyone who has had to register a car in recent times knows that the cost of compulsory third party insurance has indeed gone through the roof. These reforms will reduce those premiums by up to 15 per cent for an average passenger vehicle once the scheme is fully implemented.

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

**Mr BARRY O'FARRELL:** The new scheme means more benefits delivered sooner to people injured in road accidents.

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

**Mr BARRY O'FARRELL:** Currently only half the premiums collected by insurers actually go to accident victims. So what those opposite are standing up for are the insurers and the lawyers—

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

**Mr BARRY O'FARRELL:** —which I have to say makes a pleasant change from the union bosses they normally stand up for. We will continue to focus our public resources on the needs of the people of this State. We will continue to ensure that we run our schemes so that they are viable and sustainable, and we will ensure that, unlike those opposite, we do not put off the tough decisions or hard decisions because doing that always guarantees there is a day of reckoning, and you can guarantee that day of reckoning will be worse than the original cure.

## STATE INFRASTRUCTURE

**Mr CHRIS PATTERSON:** My question is directed to the Treasurer, and Minister for Industrial Relations. How is the Government unlocking funds to build infrastructure across the State?

**The SPEAKER:** Order! The member for Canterbury will come to order. The member for Shellharbour will come to order. I have warned several Opposition members about their behaviour several times; if they continue with their disorderly conduct they will be called to order.

**Mr MIKE BAIRD:** I thank the member for his question and for the incredible work he does in his community in Camden. I also pay tribute to Southern Youth and Family Services. There is a fantastic group in the public gallery led by Narelle Clay, some fantastic kids—Robyn, Selina, Taylor G., Rebecca, Jess, Taylor C., Hayley and Russell. They are inspiring young Australians, and I think the whole House would acknowledge the incredible inspiration they are.

**The SPEAKER:** Hear, hear.

**Mr MIKE BAIRD:** It is also great that people across New South Wales are being inspired by the O'Farrell Government. Each day it is clear that confidence is pouring back into New South Wales—even into the electorate of Keira.

**The SPEAKER:** Order! There is too much audible conversation in the Chamber. The Leader of the Opposition will come to order.

**Mr MIKE BAIRD:** Business is now investing in New South Wales and jobs are coming back to New South Wales—even those opposite are excited about the 130,000 new jobs since the O'Farrell Government came

to power and we thank them for their support. Having said that, we are very worried about the jobs of those opposite. There is renewed confidence across the State as a result of some of the transactions that we have been undertaking. The ports transaction long-term lease is great news for the State, great news for the Illawarra, great news for employees and great news for infrastructure across the State. There was an expectation of 16 times earnings, but it was 25 times earnings. For the member for Wollongong, that means a lot of money, so that is good news. We also undertook the desalination transaction, and that has delivered money for infrastructure in the State. It seems quite clear to me that those opposite do not want to build any infrastructure in this State because they oppose it.

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

**Mr MIKE BAIRD:** Those opposite can certainly do a good brochure, but they cannot deliver infrastructure, and they continue to oppose transactions that will deliver infrastructure for this State. That is exactly what they are doing. They stand for nothing. On top of that, the Minister for Finance and Services announced today that the State has sold seven government buildings for more than \$400 million. That is a good result for the people of New South Wales, because we are taking that capital and putting it into the Housing Acceleration Fund to get housing going across this State. The properties sold include the McKell Building, Bligh House, 207 Kent Street and government office buildings in Newcastle, Wollongong, Penrith and Queanbeyan. That will put funds into housing acceleration across the State. That is what it is about. We make no apologies. The O'Farrell Government makes no apology for trying to get housing going in this State.

I welcome the support of members opposite. I certainly welcome Penny Sharpe's ongoing support of our housing strategy. She had this fantastic insight when she said, "There is only one solution to housing affordability—build more houses." That is Penny Sharpe at her greatest, and she is absolutely right. That is exactly what we are doing. The Housing Acceleration Fund is building and delivering infrastructure in many different places across the State. Some of the projects that these funds are going towards that come to mind include Camden Valley Way. The great member for Camden is seeing that road upgraded. Up to 41,500 properties are coming onto the market so people can move in. We are seeing development in the electorate of the great member for Epping, where up to 4,000 properties are coming on stream. In Kellyville wastewater solutions infrastructure is going in, and in the electorate of the great member for Wyong we are delivering up to 1,600 properties and upgrading the Sparks Road intersection.

That is exactly what a responsible government does: it takes decisions and builds the future. By taking funds from these assets we are building the economic future of this State. We are putting more housing on the ground across the State. I am pleased to say that approvals for construction and purchase of new dwellings are up 28 per cent during the year. That is what a responsible government does: it takes those assets and turns them into new assets, gets housing going and gets the economy going. New South Wales continues to be on the move under the O'Farrell Government.

### COMPULSORY THIRD PARTY INSURANCE SCHEME

**Mr RYAN PARK:** My question is to the Premier. This afternoon in this House the New South Wales Opposition will be moving amendments to the Government's compulsory third-party insurance changes to ensure that children injured in car accidents get the medical protections they deserve. Will the Premier and his caucus support putting these fair protections back in place?

**Mr BARRY O'FARRELL:** The long answer is no. The short answer is that I have already explained why the reforms are being undertaken. It is because we cannot continue to do what those opposite did for a very long time in government. We cannot simply allow this matter to fester and provide absolutely no certainty. I say to the member for Keira that, firstly, we do not have a caucus; we have a joint party meeting. We will continue to do what is in the best interests of this State. The way in which Parliament works is that oppositions put up amendments in this place, and in all the time that I have been here I do not think I have ever seen one succeed.

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

**Mr BARRY O'FARRELL:** In the other place, where the Government does not have a majority, as Mr Nicholls from the *Sydney Morning Herald* understands, these matters may well come into play. But we will continue to argue what is best for the people of this State.

## GAMBLING ADVERTISING

**Mr STEPHEN BROMHEAD:** My question is directed to the Minister for Sport and Recreation. How is the Government responding to community concerns about live odds gambling?

**Mr GRAHAM ANNESLEY:** I thank the member for Myall Lakes for his question. I am confident all members of the House share his concern about the recent dramatic increase in the advertising of gambling products during sporting broadcasts. As I have said on numerous occasions in this House, most recently in answer to a similar question from the member for Lake Macquarie only a few months ago, it is my firm view that the uncontrolled promotion of gambling on sport is an open invitation for the unsavoury and shady elements of society to manipulate, corrupt and attack the integrity of sport at all levels.

I remind members that in August last year the New South Wales Government introduced the toughest legislation in the country specifically aimed at protecting sport against the threat of match fixing. New South Wales became the first State to introduce legislation that provides penalties of up to 10 years imprisonment for any person found to have engaged in conduct that corrupts or attempts to corrupt the outcome of a sporting event. This is the first time that a specific offence to address cheating has been included in the Crimes Act. I thank the Attorney General and Minister Souris for their support in making New South Wales the leader in our fight to protect sport.

To further defend sport against attack by those motivated only by money the Government believes a much stronger approach should be taken to better regulate the promotion of odds and other gambling advertising during live sports broadcasts. Sport is big business and it would be naive of any government to think sport is immune from corrupt conduct, which is why both Minister Souris and I are very supportive of national action being taken through the Commonwealth Broadcasting Services Act to ensure appropriate constraints are in place rather than simply relying on a self-regulated regime under which betting agencies will continue to push the boundaries of public tolerance.

It is my understanding that at a meeting of the Council of Australian Governments Select Council on Gambling Reform in May 2011 the New South Wales Government demanded action to address the potential harmful effects of this form of advertising. Young children in particular look up to their modern-day sporting heroes, and the current media cocktail of mixing sport with gambling advertising is not a recipe anyone in this House should support. This applies equally to those with a background of problem gambling and other vulnerable segments of society.

I remind members of the House that after lobbying by New South Wales and other State and Territory governments the Commonwealth Government agreed to address this very issue, with a clear understanding that should satisfactory amendments not be in place by the end of June 2012 consideration would be given to introducing legislation. In June 2012 the Commonwealth announced that it had secured an agreement with commercial and subscription broadcasters to adopt a voluntary code of practice to reduce and control the promotion of live odds during sports broadcasts. However, sadly, by any measure, it is clear that self-regulation has not been successful. The announcement by the South Australian Government in recent days of its intention to pursue a legislative ban is completely in line with the calls by my colleague Minister Souris at the Council of Australian Governments meeting referred to earlier.

I understand and share South Australia's frustration with the Commonwealth's inability to achieve the desired outcome voluntarily, but it is the strong view of the O'Farrell Government that it is now time for an appropriate legislative approach to protect not only individuals who may be vulnerable to this form of advertising but also the very fabric of sport itself. The New South Wales Government fully endorses the need for the introduction of laws through the Federal Parliament to provide a uniform, comprehensive national response to a growing problem that is quickly getting out of hand. We must do everything possible to protect the integrity of sport and we must do everything possible to protect those who are most vulnerable from the negative influence this form of gambling brings with it.

I referred in my maiden speech to this House to my concerns about the impact that some of the more recent forms of gambling on sport may have on the integrity of sport. Unfortunately, what we are seeing at the moment through the electronic media makes the situation even more dangerous. I am certainly not against gambling per se but I am very strongly against the proliferation of this form of gambling in the electronic media that we have seen in recent times. Community expectations must be taken notice of and this Government will do everything it can to pursue that. [*Extension of time granted.*]



The community does have expectations about where the limits should lie with this form of advertising, particularly within sporting broadcasts. When people sit at home to watch a game on television of National Rugby League, Australian Football League, an A-League game or any other sport that we love to watch on a regular basis they do not expect to have gambling shoved down their throats during the commentary. I am sure I speak for most members of the House when I say that every support should be given to ensure that the Commonwealth laws are enacted as quickly as possible to protect the community from this form of advertising.

#### **DEPUTY PREMIER ABSENT DURING QUESTIONS**

**Mr MICHAEL DALEY:** My question is directed to the Minister for Tourism, Major Events, Hospitality and Racing, and the Minister for the Arts. Why is it that he is being asked to answer questions for the Deputy Premier, who is paid to be present during question time but instead is out campaigning in the Northern Tablelands?

**Mr GEORGE SOURIS:** I am honoured to have been asked to cover for the Deputy Premier in his capacity as Minister for Trade and Investment. The Deputy Premier is hard at work in a rural electorate.

**The SPEAKER:** Opposition members will come to order.

**Mr GEORGE SOURIS:** The Opposition will soon see an addition to this side of the House, and it will be a clear and stark reminder of what happened last time. What happened to the Opposition last time will happen again on Saturday.

**Mr Barry O'Farrell:** Point of order: As loath as I am to interrupt the Minister—

**Mr Clayton Barr:** What's your point of order?

**The SPEAKER:** That is a question for the Speaker to ask, not the member for Cessnock.

**Mr Barry O'Farrell:** My point of order is relevant to Standing Order 129. The fact that Luke Foley was given a pair to campaign in Armidale has nothing to do with this question.

**Mr Michael Daley:** Point of order: Luke Foley will be present in question time—

**The SPEAKER:** The member for Maroubra will resume his seat.

**Mr Michael Daley:** —unlike the Deputy Premier, who is racking up frequent flyer points.

**The SPEAKER:** The member for Maroubra will resume his seat. If I have to ask him one more time to do so he will be asked to leave the Chamber.

**Mr GEORGE SOURIS:** We can leave it to the people of the Northern Tablelands electorate to pass judgement on the Opposition. It will soon be coming their way. Good luck.

#### **FERRY SERVICES**

**Mr JOHN SIDOTI:** My question is directed to the hardworking Minister for Transport. What is the Government doing to improve ferry services in Sydney?

**Ms GLADYS BEREJIKLIAN:** I thank the hardworking member for Drummoyne for asking the question. I also commend him for his interest in all matters relating to public transport. Today I outlined a number of major initiatives to introduce more ferry services, to upgrade current wharves, to introduce brand new vessels, and to investigate options for future ferry hubs. We should never forget that one of the last things the Leader of the Opposition did as Minister for Transport was to axe hundreds of ferry services. We know that the Opposition commissioned a special inquiry by Bret Walker, an eminent senior counsel, to investigate ferry reform. Labor ignored all the recommendations. It was this side of the House that adopted 16 out of the 17 recommendations.

I am sure all members of the House will be interested to know that since the Coalition came to Government it has restored 140 services that were scrapped by the Opposition; introduced 25 new services on

the Parramatta River; introduced the Opal electronic ticketing system to ferries; delivered wharf upgrades at Neutral Bay, Rose Bay, Balmain, Thames Street and Huntleys Point; franchised Sydney Ferries; and brought in a new operator to improve customer service. Customers have told me that they have noticed a marked improvement. The previous Government spent \$6 million to franchise Sydney Ferries, but when it reached the last step it did not happen because there were nine unions to negotiate with and it did not want to interrupt its friends. As I stated, we are pleased with the progress achieved by the new operator of Sydney Ferries. It is performing well on all the benchmarks and patronage has increased on previous years.

Today's announcement builds on the achievements I have outlined. By October there will be 50 new weekly ferry services, which will include faster travel times in peak hours for many wharves west of Chiswick with express services from wharves including Rydalmere, Meadowbank and Sydney Olympic Park. There will be extra services stopping along the Parramatta River, with more services provided on Sundays when demand is at its highest, including from Parramatta to the city. A ferry shuttle service will operate between Parramatta and Rydalmere in peak hours on weekdays, with a connection to an express service to the city for wharves at the western end of the river.

There will be more frequent services to cater for demand in Abbotsford, Cabarita, Balmain, Darling Harbour, Cremorne Point, Mosman, Double Bay and Rose Bay. There will also be more frequent services to Cockatoo Island. This builds on the announcement I made with the Treasurer late last week that there will be 320 new bus services connecting passengers to ferry services at Manly Wharf. The New South Wales Government will invest in modern new vessels with six of those to commence operations in 2016. As part of the transport access program we will also upgrade more wharves, including Sydney Olympic Park, Drummoyne, Balmain East, Pyrmont Bay, Cremorne Point, McMahon's Point and Mosman Bay.

We will have a ferry hub at Barangaroo. I will have more to say about these wharves and time frames as each location is rolled out. I am also pleased to say that the Government will investigate establishing new wharves at Rhodes, Glebe Point, Johnstons Bay, Woolloomooloo, Elizabeth Bay, and a relocated wharf at Birchgrove to meet future demand. Catching a ferry in Sydney is a unique experience. We have the best harbour and waterway system in the world. This Government will also ensure that Sydney has the best ferry system, but it is interesting to note the Opposition's record. When I was the shadow Minister for Transport I came across a document called *Connecting the City of Sydney*. It talked about future patronage. [*Extension of time granted.*]

It was disappointing to note that the Opposition cancelled 233 weekly ferry services. I know the Leader of the Opposition is trying to ignore what I am saying, but he signed off on it in his last months as the Minister for Transport. There were about eight or nine or ten transport reports over a couple of years. Even though the population is increasing and demand for public transport is increasing, the Opposition projected a decrease in patronage for ferry services by 5 per cent over the next 10 years. It cut services and assumed that there would be fewer services as time went on. That is a sad indictment of how the Opposition regards public transport and the future of ferry services. Unlike the Leader of the Opposition, I will say that I am the Minister for Transport any day of the week. Unlike the Leader of the Opposition, I am proud of the work this Government has done in public transport. I am proud of the services being introduced on Sydney Ferries. I do not think there is anyone in the House—including those opposite—who cannot say that we have the best harbour in the world—

**Mr Nathan Rees:** You didn't build the harbour.

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

**Ms GLADYS BEREJIKLIAN:** The truth will set you free, Nathan. This is all about building for the future, providing extra services and extra wharves and ensuring that commuters can leave their cars at home and use public transport rather than travel on congested roads. I thank the hardworking member for his question.

#### ERARING POWER STATION BUFFER ZONE

**Mr GREG PIPER:** I direct my question to the Treasurer.

**The SPEAKER:** Order! The member for Wollongong will come to order. The member for Lake Macquarie is waiting to ask his question. I ask members to have respect for one another in this Chamber.

**Mr GREG PIPER:** Given that the Treasurer's office is progressing the sale of Eraring Power Station, will he undertake to retain the environmental buffer zone around the power station that was acquired to reduce visual and noise impacts on adjoining residents?

**Mr MIKE BAIRD:** I thank the member for his question. It is a sensible question asked by a good local member who is looking after his community. Members opposite should take a leaf out of his book. I note those inspiring young Australians in the gallery from Southern Youth and Family Services. I apologise for the behaviour of members opposite.

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

**Mr MIKE BAIRD:** As has been clearly outlined in this place, preparations are being made for the sale of Eraring Power Station. Obviously, community concerns have been raised about the buffer zone, and they will be considered. I look forward to engaging with the local member and the community about that issue. Two distinct approaches can be taken to the sale of these assets. We saw what members opposite did with the gentrader sale, but I do not think I need to refer to that case study again. The important point to understand is that we must deal with reality. This Government understands that if revenue is falling and we want to get on with providing infrastructure we must look at the balance sheet, release capital and start building. Of course, we must keep in mind the debt left behind by members opposite. The difference between members opposite and this Government is that we have the capacity to build the infrastructure and it is being built. A report card about infrastructure has been released, and it indicates that this Government has the capacity to deliver. The North West Rail Link—

**Mr John Robertson:** Point of order: My point of order relates to Standing Order 129, relevance. The question was about buffer zones around Eraring Power Station and whether the Government will maintain them, not some fairytale in the Treasurer's mind.

**The SPEAKER:** Order! The Treasurer will return to the leave of the question.

**Mr MIKE BAIRD:** Before the Leader of the Opposition became a Minister he opposed the privatisation of power assets, but after he was appointed to Cabinet he said nothing.

**Mr John Robertson:** Point of order: I again refer to Standing Order 129. Madam Speaker, the Treasurer immediately flouted your ruling.

**The SPEAKER:** Order! The Treasurer had uttered only six words. The Leader of the Opposition will resume his seat.

**Mr John Robertson:** The question was about the buffer zones around Eraring Power Station.

**The SPEAKER:** Order! Members will cease arguing across the Chamber. I have made my ruling. I have asked the Treasurer to return to the leave of the question and I am sure he will.

**Mr MIKE BAIRD:** This Government is getting on with the job. Once the sale is completed we can deliver infrastructure. The North West Rail Link—

**Mr John Robertson:** Point of order: Madam Speaker, the Treasurer is continuing to flout your ruling. Using the words "buffer zone" and then returning to the fairytale does not—

**The SPEAKER:** Order! I am listening to what the Treasurer is saying and at the moment he is being relevant.

**Mr John Robertson:** If he wants to read a Golden Book fairytale he should go back to his office—

**The SPEAKER:** Order! The Treasurer is being relevant. The Leader of the Opposition will resume his seat.

**Mr MIKE BAIRD:** The Leader of the Opposition is very sensitive. It is not my fault that he told everyone he was opposed to privatisation but when he got into Cabinet he did nothing about it. He should not lecture me. This Government is getting on with doing responsible things for this State. The North West Rail Link—

**Mr John Robertson:** Point of order—

**The SPEAKER:** Order! I have already ruled that the Treasurer is being relevant to the question he was asked.

**Mr MIKE BAIRD:** We know that members opposite oppose the construction of the North West Rail Link. They spoke about it, they started it, they stopped it, they thought about it and said they would try it, then they would not and so on and so on. It gives me a headache when I think about it. This Minister for Transport is delivering it. Members opposite should congratulate the Government because we finally have a Minister for Transport who will deliver infrastructure. As part of the strategy we look at the balance sheet, raise the capital and use it to build infrastructure to take the State forward. We will also consider the buffer zone. I thank the member for his question. We will continue to engage with him and his community on that issue. Without apology, we will continue to take this State forward by delivering the infrastructure that members opposite spoke about but never delivered.

### GONSKI EDUCATION REFORM

**Ms GABRIELLE UPTON:** I direct my question to the Minister for Education. What are the benefits of the Gonski reforms for New South Wales schools?

**The SPEAKER:** Order! Members will come to order. This is not the appropriate time for the Leader of the Opposition or the member for Cessnock to ask a question.

**Mr ADRIAN PICCOLI:** New South Wales was the first State to agree to the Gonski reforms. We are very proud of that, because those reforms will provide more resources and a fairer distribution of resources. The reforms aim to achieve higher standards and a better education for every child in New South Wales. I congratulate Callala Public School student Christian Schadel, who is in the public gallery and who won the Speaker of the New South Wales Legislative Assembly Award for Excellence in Public Speaking. I also acknowledge students from a number of Camden schools who are the guests of the member for Camden and whom I had the pleasure of meeting. They include students from Eagle Vale Public School, which suffered a fire a few months ago and which I had the pleasure of visiting recently.

We also have in the gallery representatives from St Gregory's College, Campbelltown, which I attended in years 11 and 12. Those students will benefit from the Gonski deal that this Government has signed. The objectives of the Gonski reforms align with those already being pursued in New South Wales. They include giving principals more autonomy through the Local Schools, Local Decisions strategy, a focus on literacy and numeracy, and the maintenance of high standards in teaching through the Government's great teaching-inspired learning reforms, which include incentives to ensure that we keep the best teachers in classrooms. The Government has always been clear that it supports the Gonski reforms in principle, and this deal ensures that we do that in practice. A terrific article in the *Australian* last week headed "Bush schools' boost a Coalition cross" stated:

BUSH schools will get increased funding at two to three times the rate of city schools across the next decade under the new model agreed to between the NSW and federal governments.

It continues:

The areas in NSW that benefit most from the funding reforms are in outer-western Sydney, in suburbs such as Penrith, Parramatta and Granville, and in regional NSW on the central and north coasts ...

That is as it should be, because it is a needs-based funding model. The agreement will secure New South Wales an additional \$5 billion across all schools. The State Government will contribute \$1.7 billion and the Commonwealth Government will contribute \$3.3 billion. That is being funded by savings measures that the Government has already outlined. It has taken money from the back office and put it on the front line, and that is precisely what the people of this State said in March 2011 they wanted us to do. I take this opportunity to clear up a misconception published today. I make it clear that the Gonski agreement makes no changes to the so-called capacity to pay arrangement in non-government schools. The principle that government funding for non-government schools should reflect the financial capacity of the school community was put in place by the Howard Government in 2001. That is supported by Gonski and it is reflected in the agreement that the New South Wales Government has signed with the Federal Government.

Let me be crystal clear, we do not and will not support fees paid by individual families being determined by their financial capacity. We will never support means testing for school fees, and to suggest otherwise is incorrect. The Gonski school reform is a win for school students and will ensure that our students are equipped in the best possible way for the future, whether they attend university, undertake an apprenticeship or head straight into the workforce. That is endorsed by the principal of Great Lakes College in the electorate of

Myall Lakes, whom I have met, the principal of Castle Hill High School, whom I have met with the member for Castle Hill, and the principal of the Nepean Creative and Performing Arts High School, whom I met on Saturday, together with the Premier and the member for Penrith, at the official opening of the Nepean Performing Arts Centre.

To highlight the difference between this Government and the former Government, the Nepean school was named a performing arts high school. The former Government did not support arts in the area, but we have built a multimillion-dollar performing arts centre to support the school. A performing arts school must have the necessary facilities to provide the appropriate education. This Government has provided those facilities, and nothing could more starkly highlight the difference between this Government and the former Government. [*Extension of time granted.*]

As much as I love presenting information to and answering questions in the Parliament, I do not need to say anything else about the failures of the previous Government. This Government signed up to the Gonski deal. In a recent press release the Leader of the Opposition took credit for the Gonski deal. Perhaps he Photoshopped himself into the photo with the Premier and the Prime Minister; it is probably hanging on his wall. It is amazing what can be done with technology these days. I can assure the House and everyone involved in education across the State that the Leader of the Opposition did not have a single thing to do with New South Wales signing up to Gonski reform.

In fact, the Leader of the Opposition opposed the savings measures that this Government has undertaken so that we could afford to sign up to the Gonski reform. The Leader of the Opposition, with the support of the member for Maroubra, wants to put back all the middle management that this Government took out of the Education portfolio. They want to take resources out of schools and put back middle managers. They want to increase consultancy and travel expenses, which this Government reduced. They want to reopen the schools that had no students in them, which we closed. They want to reverse all the good steps we have taken. This Government has an excellent education policy. The Government refused to do what they wanted, and there is no starker difference between the approach of this Government and that of the former Government to public management. I am proud to be part of this Government.

**Question time concluded at 3.11 p.m.**

## **BUSINESS OF THE HOUSE**

### **Suspension of Standing and Sessional Orders: Discussion on Petition Signed by 10,000 or More Persons**

**Mr BRAD HAZZARD** (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [3.12 p.m.]: I move:

That standing and sessional orders be suspended to postpone the consideration of the petition on the extraction of coal seam gas in the Northern Rivers region, presented by the member for Balmain, until Thursday 20 June 2013.

A petition relating to the extraction of coal seam gas in the Northern Rivers region, which was presented some time ago by the member for Balmain, is due for discussion tomorrow. By agreement with the member for Balmain and other members interested in this issue I move that the matter be postponed.

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

**Motion agreed to.**

## **PETITIONS**

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

### **Albion Park Aeromedical Services**

Petition requesting the retention of aeromedical services at Albion Park, received from **Mr Gareth Ward**.

### **Sydney Electorate Public High School**

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

**Rooty Hill Railway Station Access**

Petition requesting the installation of elevators at Rooty Hill railway station, received from **Mr Richard Amery**.

**Walsh Bay Precinct Public Transport**

Petition requesting improved bus services for the Walsh Bay precinct, and ferry services for the new wharf at pier 2/3, received from **Mr Alex Greenwich**.

**Inner-city Social Housing**

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

**Pet Shops**

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

**Slaughterhouse Monitoring**

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

**Duck Hunting**

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

**Beeby Park Car Park**

Petition opposing the construction of a car park in Beeby Park, Mona Vale, received from **Mr Rob Stokes**.

**Pet Bans in Accommodation By-laws and Tenancy Agreements**

Petition requesting the prohibition of blanket pet bans in accommodation by-laws and rules and tenancy agreements, received from **Mr Alex Greenwich**.

**Container Deposit Levy**

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

**BUSINESS OF THE HOUSE****Business Lapsed**

**General Business Notices of Motions (General Notices) Nos 2469 to 2472 lapsed pursuant to Standing Order 105 (3).**

**General Business Notices of Motions (General Notices) Nos 2473 to 2479 will lapse tomorrow pursuant to Standing Order 105 (3).**

**CONSIDERATION OF MOTIONS TO BE ACCORDED PRIORITY****Pacific Highway Upgrade Funding**

**Mr ANDREW FRASER** (Coffs Harbour—The Assistant-Speaker) [3.18 p.m.]: The motion I seek to be accorded priority states:

That this House notes:

- (1) the Federal Opposition has committed \$5.6 billion in funding for the Pacific Highway upgrade and to reinstating the traditional 80:20 split in funding between the Commonwealth and the New South Wales governments;

- (2) the Federal Government's refusal to honour the existing 80:20 funding split shows it is not serious about finishing the Pacific Highway upgrade;
- (3) the New South Wales Government has committed an additional \$2 billion in funding to the Pacific Highway upgrade since March 2011; and
- (4) the Liberal Party and The Nationals are the only ones who can get on with the job of completing the upgrade of the Pacific Highway.

I have been the member for Coffs Harbour now for almost 23 years and I do not believe that there is any more important road in this nation than the Pacific Highway. The Pacific Highway is the main transport route between Sydney and Brisbane. Trucks go up and down the highway carrying produce from Brisbane, in addition to the other deliveries. It is estimated that about 30,000 heavy vehicles move through Coffs Harbour every month. Since 1997—the year after the then roads Minister Carl Scully announced that the Pacific Highway upgrade would be completed by 2006—477 lives have been lost on the Pacific Highway.

*[Interruption]*

The member for Maroubra interjects. The Hon. Anthony Albanese wrote a letter to the Hon. Michael Daley and then Minister for Roads about funding arrangements. He said:

I am disappointed in your decision to limit your contributions to the Pacific Highway to \$500 million.

That is a clear demonstration that even at that time the former State Labor Government, and Labor generally, was not intent on completing the upgrade of this important traffic route. Mr Albanese continued:

There is an urgent need to invest in the upgrade and duplication of this important road. I am therefore pleased to note that you have indicated you will reconsider your contribution to the Pacific Highway, were your financial situation to change.

In the current economic climate we need to act decisively to create employment opportunities across the nation and improve the nation's productivity through infrastructure investment. As such, I have taken the decision to direct an additional \$48 million to provide for further duplication works on the Pacific Highway in 2009/10.

*[Time expired.]*

### **Kogarah Rail Services**

**Ms CHERIE BURTON** (Kogarah) [3.21 p.m.]: This is yet another attack on the people of St George. Not only does the Government not commit to the upgrade of St George Hospital or fix the route of the Kogarah shuttle bus, not to mention the litany of broken promises—

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Oatley will come to order.

**Ms CHERIE BURTON:** —in relation to Allawah Bridge, Rockdale police station, Oatley and Narwee station lifts and flashing lights outside schools, it is also coming after the services we have, namely, Kogarah rail services. The Government is hitting the commuters of Kogarah where it hurts. Kogarah has St George Hospital, a private hospital, St George TAFE, five high schools, a police station, a courthouse, churches and many community organisations. To cut public transport services to this major business, education and medical precinct will place greater pressure on already choked roads, significantly increase journey times and cause overcrowding for the thousands of train commuters who travel to and from Kogarah each day. Kogarah is one of the busiest stations on the Illawarra line and buses roll into and out of Kogarah station from all over the St George region. The Government wants to slash those services in half. That is right, in half.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Coffs Harbour will come to order.

**Ms CHERIE BURTON:** We all know about the Government's plans to privatise the Illawarra line. The community will not cop it. I have been inundated with letters and petitions with more than 1,000 signatures opposing the new rail timetable. That is not bad in just over 24 hours. The Government's response is that commuters can go to Hurstville. Let me inform the House what the people of Hurstville said in response to a survey conducted by the NRMA: They said that Hurstville is already overcrowded. Yet the Government is going to force more people to go to Hurstville.

Before the last election the shadow Minister for Transport was swanning around as if she had all the answers. She promised big, but she has delivered little. She has presided over the slowest on-running times in four years, graffiti vandalism is up by 13.6 per cent, and fare evasion is running rampant. Over the past

18 months there have been 12 serious incidents which have shut down the entire network. And now she is targeting train services. Not even their party members support it. Liberal councillors and other Liberal luminaries in the area are opposed to it. Of course, the local Liberal representatives who do not oppose it are the usual suspects: the member for Oatley and the member for Rockdale. They are the only local representatives in the St George region who have remained deathly silent and today they will vote against my motion. Old back-in-five-minutes Rockdale is missing in action on the issue and once again the member for Oatley is on the wrong track. He is more worried about his own ministerial ambitions than defending his electorate

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The Leader of the Opposition will come to order.

**Ms CHERIE BURTON:** The member for Oatley and the member for Rockdale should not worry because those on this side of the House will take up the fight. The draft timetable will be a devastating blow to the people of St George. The Minister must guarantee that the Kogarah rail services remain the same. The blame game is over. The decision lies wholly and solely with the Minister. [*Time expired.*]

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Keira and the member for Kogarah will come to order.

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

**The House divided.**

**Ayes, 63**

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

**Noes, 22**

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

**Pair**

Mr Brookes

Ms Hornery

**Question resolved in the affirmative.**



## DISTINGUISHED VISITORS

**ACTING-SPEAKER (Mr Gareth Ward):** Order! It is my great pleasure to acknowledge in the Speakers Gallery Consul General Sumasy Singin and his wife Mary Singin, recently appointed Consul General of Papua New Guinea to New South Wales. I extend a warm welcome on behalf of the House and hope that their time in this State is both enjoyable and productive on behalf of their nation.

## PACIFIC HIGHWAY UPGRADE FUNDING

### Motion Accorded Priority

**Mr ANDREW FRASER** (Coffs Harbour—The Assistant-Speaker) [3.35 p.m.]: I move:

That this House notes:

- (1) the Federal Opposition has committed \$5.6 billion in funding for the Pacific Highway upgrade and to reinstating the traditional 80:20 split in funding between the Commonwealth and the New South Wales governments;
- (2) the Federal Government's refusal to honour the existing 80:20 funding split shows it is not serious about finishing the Pacific Highway upgrade;
- (3) the New South Wales Government has committed an additional \$2 billion in funding to the Pacific Highway upgrade since March 2011; and
- (4) the Liberal Party and The Nationals are the only ones who can get on with the job of completing the upgrade of the Pacific Highway.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! Stop the clock. There is too much audible conversation in the Chamber. If members wish to have a private conversation they should do so outside the Chamber. If members continue to engage in private conversations I will call them to order.

**Mr ANDREW FRASER:** I am absolutely amazed that the Federal Labor Government has left the Federal Labor members in Richmond and Page to hang out to dry in the lead-up to the next election. They walk the walk and talk the talk but they cannot convince the Federal Labor Government to make the funding commitment that will see the Pacific Highway upgrade completed by 2016. Yesterday the Federal Leader of The Nationals and the Federal member for Cowper gave an absolute commitment of \$5.6 billion to complete the Pacific Highway upgrade. At the same time the Federal Labor Government is saying that it will not do that.

I want to put some statistics on the record. On 2 April 2013 there was an accident at Tabbimoble involving a car and a truck, with one fatality and one person injured. On 4 April a truck overturned at Chinderah and people were injured. On 11 April there was an accident at Halfway Creek involving two cars, with six injured. On 13 April there was an accident at Smiths Road intersection, Emerald Beach, involving two cars, and three people were injured. On 22 April there were two fatalities at Chinderah involving a head-on crash with two cars. On 23 April there was a fatality at Ulmarra involving a B-double and a car. On 9 May there was an accident at Mullaway involving two cars and one truck, with two people injured. On 18 May an accident at Glenugie involving two cars resulted in three people being injured.

Those are the statistics for one month for the Pacific Highway. As I said, the Pacific Highway is one of the busiest highways, if not the busiest highway, in Australia. There are 30,000 heavy vehicle movements through Coffs Harbour every month. It is a single-lane carriageway in many areas and motor vehicle traffic mixes with B-doubles. One slip on the part of the driver of either a B-double or a car and there is a potential fatality. Unfortunately, more often than not these accidents result in people being killed. I have told the House before about the young man—I think he was 11 years of age—who was killed while he was sleeping in a holiday home at Urunga because, I admit, of a drunken driver of a vehicle. When the driver hit a B-double head on and the brakes failed, the truck with 60 tonnes of cargo did not stop, and the motor vehicle went through the house and killed that young man.

We owe it to young Max McGregor to finish the Pacific Highway. We owe it to all those who have been injured or killed since 2006 and prior to that. Carl Scully promised the completion of that road by 2006 but once again it was all talk and no funding. We know on the statistics available to us that the Bulahdelah bypass is funded with more than \$300 million from the current Federal Labor Government and only \$11 million from the State Government. We know that the Kempsey bypass, which cost more than \$600 million, was funded 100 per cent by the Federal Government. Yet coming into a Federal election the Federal Government wants to play politics with a road that has killed 447 people since 1997 and injured countless others.

It is a road that people in my electorate are scared to travel on. It is a road that tourists who head up to the North Coast are scared to travel on. It is a road that should be completed in the national interest. I again remind members opposite that it is people from the South Coast, people from Sydney, people from the Central Coast and people from Newcastle who are being killed on this road, it is not limited to people who live on the North Coast. It is high time that the Federal Government put up its hand and fixed this road. We will see after the Federal election that David Gillespie will be elected in Lyne, Kevin Hogan will be elected in Page, Matt Fraser will be elected in Richmond and Luke Hartsuyker will be returned well in Cowper because of that commitment to the Pacific Highway, which is needed.

**Mr RYAN PARK (Keira)** [3.40 p.m.]: I will make sure that our good friends in Hansard are very careful with this because this is going to be a very telling point. Paragraph (4) of this priority motion says the following:

- (4) The Liberals and Nationals are the only ones who can get on with the job of completing the upgrade of the Pacific Highway.

Full stop. That is slightly different to the media statement of 21 February 2011 by the member for Coffs Harbour. It is close, but very different. Mr Stoner said:

Only the New South Wales Liberals—

**Mr Andrew Fraser:** Point of order: I ask that the member for Keira identify this document because he has accused me as the member for Coffs Harbour and then quoted the Leader of The Nationals.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! I uphold the point of order. The standing orders require a member to cite the source from which he or she is quoting.

**Mr RYAN PARK:** My apologies, this is from Mr Andrew Stoner, the Leader of The Nationals.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! Government members will come to order.

**Mr RYAN PARK:** The document states:

Only the New South Wales Liberals and Nationals are committed—

**Mr Andrew Fraser:** Point of order—

**Mr RYAN PARK:** They don't like this at all.

**Mr Andrew Fraser:** I am quite happy to give the member an extension of time. I asked the member for Keira to cite the document.

**Mr RYAN PARK:** It is a media statement of 21 February 2011.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Keira has said that it is a media release from Andrew Stoner and he has stated the date. That is sufficient.

**Mr RYAN PARK:** The document states:

Only the New South Wales Liberals and Nationals are committed to completing the upgrade of the Pacific Highway—

It all sounds very similar, until this—

by 2016.

This motion says that the Liberals and Nationals are the only ones who can get on with the job of completing the upgrade of the Pacific Highway. We have forgotten one thing: a big number called 2016. Why would we forget that? Maybe we would forget it because the Leader of The Nationals, Mr Andrew Stoner, said this in a media release on 28 October 2009:

Nathan Rees can't pass the buck on this issue. The upgrade of the Pacific highway is a State Government responsibility, so it's up to them to get the job done.

It gets even worse. In October 2007, on ABC News, the Hon. Duncan Gay said:

And I would hope this time he would have been a statesman and say, "Yes I will match that money and save the lives of people in New South Wales that have to use this highway".

Emphasis is on the word "match". The problem gets worse as we go on. On 6 September 2011, in a minor document called the Budget Speech, the Treasurer of New South Wales said:

In its last Budget, the Commonwealth allocated \$750 million for the Pacific Highway to 2014-15, but only on the condition that the New South Wales Government matched this amount.

... we are determined to provide the funds needed to match the Commonwealth offer.

This is starting to become a problem. On 21 October 2009 the member for Coffs Harbour pointed to us and said:

The State Government must increase its commitment ... As ... Mr Albanese pointed out ... the Federal Government is actually carrying the State ...

Last but not least, my good friend, NRMA President Wendy Machin—those on the other side would know Wendy well—said this:

While in Opposition, the current New South Wales Government frequently called on the New South Wales Labor Government to match Federal funding for the Pacific Highway dollar-for-dollar and we supported this call too.

To now suggest that funding should suddenly be reverted to an 80:20 model would ensure further long delays ... upgrading this dangerous highway.

Bingo! [*Time expired.*]

**Mr CHRISTOPHER GULAPTIS** (Clarence) [3.45 p.m.]: I am pleased to support my colleague the member for Coffs Harbour on this matter because the upgrade of the Pacific Highway is of vital importance to the electorate of Clarence. Why am I not surprised that the Federal Labor Government is refusing to honour the traditional 80:20 funding split to complete the highway? This is the same Federal Labor Government that lied about the carbon tax. This is the same Federal Labor Government that lied about the superannuation tax. This is the same Federal Labor Government that lied to Andrew Wilkie about the pokies reform. This is the same Federal Labor Government that lied to the Australian people about the 2013 budget surplus. Lies, lies and more lies. We are all too used to them. The Federal Labor Government has no credibility and neither does this Opposition for supporting it.

The 80:20 split is real, and was used by the former State Labor Government, but all of a sudden, as soon as there is a change of government, we revert to a 50:50 split, which we had when John Howard was Prime Minister. We have had two Prime Ministers since then and, whilst we would all love to go back to those great John Howard days, the unfortunate reality is that we have to deal with a deceitful Federal Labor Government more intent on playing politics than on serving the people in my electorate of Clarence. Whilst the Prime Minister is fiddling in The Lodge, people in my electorate are dying on the highway. My electorate will suffer whilst ever Federal Labor hesitates over highway funding. It is okay to have an 80:20 split for the Bruce Highway, but not for the Pacific Highway. This is about winning votes in Queensland, but it condemns the people in New South Wales and it condemns the people in my electorate. That is how screwed up the Federal Government's priorities are.

This Federal Government forgets about funding one of the most important transport routes in Australia, the one that links the largest city in Australia with the third-largest and fastest-growing region in Australia. It forgets about funding this major highway so that it can win a few votes to avoid obliteration on 14 September. That will not save it because the people in my electorate will not forget. My electorate has the last stretch of the highway to be upgraded, that is why it is important to me and to my electorate. There is more than 150 kilometres of highway to be upgraded in the Clarence electorate and this should be done as a priority. I am thankful to the Federal Coalition because it has pledged to reinstate the 80:20 funding arrangement and it is committed to completing the upgrade as soon as possible.

The Federal election on 14 September cannot come soon enough. This Federal Labor Government has abandoned the people of Clarence. It is only the Liberal Party and The Nationals that are committed to completing the Pacific Highway. It is only the Liberal Party and The Nationals that are committed to rebuilding

country New South Wales. We have a weak Labor Opposition, too gutless to support the people of New South Wales but prepared to blindly follow the Federal Labor Government down the yellow brick road to a fantasy world.

**Mr CLAYTON BARR** (Cessnock) [3.48 p.m.]: I appreciate the fact that the member for Clarence has spoken about the golden days when John Howard was Prime Minister but not because I think they were golden days or that I want John Howard to come back. The important fact the House must understand is that during that period the Howard Government committed a total of just \$1.3 billion to this most important piece of road infrastructure. The member for Clarence yearns for the \$1.3 billion of those golden days of John Howard—I do not know how long he was Prime Minister; it was about 10 years but it was too long—but in just six years Federal Labor has committed \$7.9 billion to the road. That is something like six times as much as was committed in the golden John Howard era that the member for Clarence so fondly reflected on. It concerns me that this member who is seeking to have the 150 kilometres of Pacific Highway in his electorate improved would want to go back to a time when the money was most definitely not there.

I also acknowledge that this motion is continually moved in this House. There is a lot we need to understand about the dynamics of the Liberal-Nationals Coalition in allowing this motion to be accorded priority. I refer to the Deputy Premier and Leader of The Nationals who has said publicly that there is no more important infrastructure project in New South Wales. What he does not say is, "Except all those that the Liberals care about." All the projects that the Liberal Party cares about are being funded and the most important infrastructure project, according to the Deputy Premier, cannot get funding.

I can only assume that The Nationals, who clearly have no power or authority in the joint party room, are allowed to bring this motion to the Chamber repeatedly so that they get some sense of empowerment and that the Liberal Party really cares about the issue but will not fund it. It is really clever of the Liberal Party to allow The Nationals to do that and make them feel a little chuffed about themselves when the reality is the Liberal Party controls Treasury and the money. If they really wanted anything to happen they would give The Nationals the money. Then I thought to myself: Maybe the whole purpose of bringing this motion to the Chamber so frequently is that The Nationals are indeed not looking to insult Labor but to insult their own Treasury because they are so powerless in the joint party room. To that end— *[Time expired.]*

**Mr ANDREW FRASER** (Coffs Harbour—The Assistant-Speaker) [3.51 p.m.], in reply: I thank the member for Clarence for his contribution and I acknowledge the contributions of the member for Keira and the member for Cessnock. I notice the member for Keira finished his speech on the word "bingo". I think it should have been "drongo", because when we look at the statements made by David Campbell in 2009 the media comments he was talking about were responses from this side of the House to statements made by him and Mr Albanese. Mr Campbell said:

Subject to your agreement to the above course of action, I will undertake to seek confirmation of a 20% NSW government commitment to the additional funding required. This would be consistent with the funding arrangements on many other National Land Transport Network projects in NSW, and our recent agreement for funding preconstruction for Frederickton to Eungai.

Mr Campbell referred to 20 per cent in the letter and the fact is that if members do the sums, as has been done in the past, there was only a 14 per cent contribution to Pacific Highway funding under a State Labor Government. This side of politics, the Coalition, increased funding by \$500 million last year and made a commitment of \$2 billion to the Pacific Highway. I thank the Treasurer and Cabinet for ensuring that this road is funded consistent with the agreements that were made previously. Let us look at what the Federal Coalition would do in government in Canberra. It has already confirmed an 80:20 funding split, as was historically the case. Members opposite can quote a figure of \$1.3 billion versus \$7.9 billion but we have to look at the total spend. They will find \$1.3 billion was consistent with an 80:20 funding split, as was the \$7.9 billion by the Rudd Government.

I am on the record as welcoming the increase in funding for the Pacific Highway from Kevin Rudd because it was an increase. We now have a failed Federal Government that has completely blown the nest egg left to them by John Howard and Peter Costello, and now it is trying to weasel its way out of funding the most important transport route in New South Wales and Australia. This motion should have the full support of both sides of the House. We should acknowledge that a Federal Coalition Government will return to an 80:20 funding split, not an 86:14 split as happened under Federal Labor, and that we will see this roadwork completed by 2016. Members opposite can make assumptions about what the Deputy Premier might have said or may be thinking, but that does not work. The fact is that under the Deputy Premier and the Premier funding

for the Pacific Highway has been increased. The New South Wales Government commitment has been increased and we look forward to working with a Federal Coalition Government after 14 September to ensure that this highway is completed by 2016.

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

**The House divided.**

**Ayes, 59**

Mr Anderson	Mr Evans	Mr Perrottet
Mr Annesley	Mr Flowers	Mr Piccoli
Mr Aplin	Mr Fraser	Mr Piper
Mr Ayres	Mr Gee	Mr Provest
Mr Baird	Ms Gibbons	Mr Roberts
Mr Barilaro	Ms Goward	Mr Rohan
Mr Bassett	Mr Grant	Mr Rowell
Mr Baumann	Mr Gulaptis	Mrs Sage
Ms Berejiklian	Mr Hartcher	Mr Sidoti
Mr Bromhead	Mr Hazzard	Mr Smith
Mr Casuscelli	Ms Hodgkinson	Mr Souris
Mr Conolly	Mr Humphries	Mr Speakman
Mr Constance	Mr Issa	Mr Stokes
Mr Cornwell	Mr Kean	Mr Toole
Mr Coure	Dr Lee	Ms Upton
Mrs Davies	Mr Notley-Smith	Mr R. C. Williams
Mr Dominello	Mr O'Dea	Mrs Williams
Mr Doyle	Mr Page	<i>Tellers,</i>
Mr Edwards	Ms Parker	Mr Maguire
Mr Elliott	Mr Patterson	Mr J. D. Williams

**Noes, 21**

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

**Pair**

Mr Owen

Ms Hornery

**Question resolved in the affirmative.**

**Motion agreed to.**

**EDUCATION AMENDMENT (SCHOOL PROVIDERS FOR OVERSEAS STUDENTS) BILL 2013**

**Second Reading**

**Debate resumed from 7 May 2013.**

**Ms CARMEL TEBBUTT** (Marrickville) [4.04 p.m.]: The Opposition does not oppose the Education Amendment (School Providers for Overseas Students) Bill 2013. As the Minister for Education has indicated, the bill amends the Education Act 1990 to transfer the powers of the Board of Studies to approve and regulate school providers that deliver courses for overseas students from a transitional regulation to principal legislation.

The bill also enables a person to apply to the Administrative Decisions Tribunal for a review of certain decisions of the board pertaining to the new arrangements. Up until 2010, all New South Wales school and non-school providers of courses to overseas students were regulated by the Vocational Educational and Training Accreditation Board [VETAB]. In 2010 the Labor Government transferred this authority to the Board of Studies for school providers in response to the findings of the Ministerial Taskforce on International Education.

The board's role in approving schools delivering such courses strengthened the board's authority to regulate such schools. It was also seen to streamline the registration and approval processes and provide increased mechanisms by which the board might monitor the quality of educational programs being delivered to international students. The board is responsible for the oversight of compliance with the requirements set out in State and Commonwealth legislation, regulations and guidelines. This coincided with the establishment of the new national Vocational Educational and Training framework and, from 30 June 2011, New South Wales referred its powers to the Commonwealth regarding non-school providers of courses to overseas students.

This involved the repeal of the Vocational Educational and Training Act and Vocational Educational and Training Accreditation Board. Since then, the Board of Studies has relied on a transitional regulation, but this will expire on 30 June 2013. The function of the Board of Studies to regulate courses to overseas students is not transitional in nature and should be moved into primary legislation. I note the Minister's confirmation that it does not change the current role or powers of the Board of Studies and that appropriate consultation has taken place with key stakeholders. The New South Wales Opposition does not oppose this legislation.

**Mr KEVIN CONOLLY** (Riverstone) [4.06 p.m.]: I speak in support of the Education Amendment (School Providers for Overseas Students) Bill 2013. As we have heard from the lead speaker for the Opposition, the bill will place what is currently managed by transitional regulation into primary legislation to maintain the status quo. There is nothing controversial about these arrangements that will upset anybody. The bill properly places in legislation something that is already established and allows it to continue with a firm foundation into the future. Education has been a huge source of income for Australia for more than the past decade because overseas students have discovered the quality of the education systems that the Australian States and Territories provide.

In particular, New South Wales has attracted more than a third of the overseas students who come to Australia, with most of those attending university. Nonetheless, there is a significant number also in New South Wales schools. There are approximately 225,000 overseas students studying in New South Wales with 10 per cent of that number in schools. It is a huge source of income to the State. It means the quality of our education system is recognised and therefore there is a responsibility on education systems and the Government to properly manage the process to look out for the welfare of students, especially those of school age who would not necessarily be independent. It is important to have appropriate legislation in place to regulate this activity to ensure that the Board of Studies sets the standards and the criteria for registration for schools and school systems participating in this program.

The bill incorporates provisions in the transitional regulations in the principal legislation. That is being done because the Board of Studies, which has that responsibility, now stands alone and because the Vocational Education and Training Accreditation Board's role has been abolished and those powers have been handed to the Commonwealth Government. I acknowledge that the Opposition has said that it does not oppose the legislation. It is sensible and pragmatic to put into legislation something that is already done in practice. I commend the bill to the House.

**Mr NICK LALICH** (Cabramatta) [4.09 p.m.]: The object of the Education Amendment (School Providers for Overseas Students) Bill 2013 is to enable the Board of Studies NSW to continue regulating and approving the providers who offer courses at schools to overseas students following the repeal of the transitional arrangements under which the board currently carries out its functions. Following recommendations from the New South Wales Ministerial Taskforce on International Education the Labor Government transferred that authority to the Board of Studies for school providers in 2010 and the board was made responsible for the oversight of compliance with the requirements set out in the State and Commonwealth legislation, regulations and guidelines.

As a result of the new national vocational education and training framework the powers regarding non-school providers were referred to the Commonwealth Government and the Vocational Education and Training Act was repealed and the Vocational Education and Training Board was abolished by the Coalition Government in June 2011. As a result the Vocational Education and Training Board has relied on a transitional

regulation, which expires on 30 June 2013. As the Board of Studies function is not transitional in nature, this legislation will move it into the primary legislation while making no amendments to change the board's role or powers. This bill makes several amendments to the Education Act 1990. Schedule 1 [6] will allow a person to apply to the Administrative Decisions Tribunal for a review of decisions made by the board under part 7A. This provision allows for review of any decision to refuse to grant approval or impose certain conditions on an applicant or, should there be amendments, suspension or the cancellation of such an approval.

Schedule 1 [7] provides that a person may apply to the Administrative Decisions Tribunal for review should the board fail to determine a person's application for an approval under new part 7A within five months of initially lodging the application. Schedule 1 [9] makes amendments related to the powers set out in part 7A, which relates to the inspection of premises of approved providers and schools where the courses are provided. This amendment ensures that the board inspector who carries out an inspection has full and free access to the premises and documents and may remove or make copies of any such documentation. The bill will ensure business as usual while making minor amendments to assist with the operational structure. The Opposition does not oppose this bill.

**Mr STEPHEN BROMHEAD** (Myall Lakes) [4.12 p.m.]: I support the Education Amendment (School Providers for Overseas Students) Bill 2013. I compliment the Minister for Education, the Hon. Adrian Piccoli, for introducing this legislation. He is a great Minister who is achieving extraordinary results for students in New South Wales. In 2010 the regulation of school and non-school providers of courses to overseas students in New South Wales was transferred from the Vocational Education and Training Accreditation Board to the Board of Studies. This was achieved through amendments to the Vocational Education and Training Act.

In response the New South Wales Ministerial Taskforce on International Education recommended that the Board of Studies be given the delegation to regulate schools seeking to deliver courses to international students. Therefore, on and from 1 October 2010 the board became the designated authority under the Vocational Education and Training Act regarding the regulation of school providers to deliver courses to overseas students. As the designated authority, the board is responsible for the oversight of compliance with the requirements set out in the State and Commonwealth legislation, regulations and guidelines regarding overseas students. This change to regulation of school providers coincided with the establishment of a national vocational education and training framework. That included the enactment of the Commonwealth National Vocational Education and Training Regulatory Act 2011 and the establishment of a national regulator, the Australian Skills Quality Authority.

The object of this bill is to amend the Education Act 1990 to enable the Board of Studies to continue to approve and regulate providers who provide courses at schools to overseas students following the repeal of the transitional arrangements under which the board currently carries out those functions. The board's approval of the providers concerned forms the basis for the Secretary of the Commonwealth Department of Education, Employment and Workplace Relations to register those providers under the Education Services for Overseas Students Act 2000. The board approved and regulated the providers concerned under the Vocational Education and Training Act 2005 until the repeal of that Act in 2011. Following the repeal of the Act the board continued to approve and regulate the providers under the transitional arrangements set out in the Vocational Education and Training (Commonwealth Powers) (Transitional) Regulation 2011.

That regulation is to be repealed at the end of 2013. A transitional regulation preserved the role of the Board of Studies as the designated authority in respect of school providers that deliver courses to overseas students. As I said, the transitional regulation expires on 30 June 2013. The function that the board retains is not transitional and should be put in the principal legislation. The bill has two main features. As I said, it amends the Education Act 1990 to transfer the current powers of the Board of Studies NSW as the designated authority for school providers that deliver to overseas students. It also amends the Act to enable a person to apply to the Administrative Decisions Tribunal for review of decisions of the board pertaining to the amendments. These are sensible amendments and I commend the bill to the House.

**Mr MARK SPEAKMAN** (Cronulla) [4.15 p.m.]: I support the Education Amendment (School Providers for Overseas Students) Bill 2013. The bill amends the Education Act 1990 to enable the Board of Studies NSW to continue approving and regulating providers who provide courses at schools to overseas students following the repeal of the transitional arrangements under which the board currently carries out these functions. The board's approval of the providers concerned forms the basis for the Secretary of the Commonwealth Department of Education, Employment and Workplace Relations to register those providers under the Commonwealth Education Services for Overseas Students Act 2000.

Historically, all New South Wales providers, both school and non-school, of courses to overseas students were regulated by the then Vocational Education and Training Accreditation Board under the Vocational Education and Training Act 2005. In 2012 the Labor Government responded to a ministerial taskforce that recommended that the Board of Studies be given a delegation to regulate schools seeking to deliver courses to international students. From 1 October 2010 the board became the designated authority under the Vocational Education and Training Act regarding the regulation of school providers to deliver courses to overseas students.

As the designated authority the board is responsible for the oversight of compliance with the requirements set out in the State and Commonwealth legislation, regulations and guidelines regarding overseas students. This change to regulation of school providers coincided with the establishment of a national vocational education and training framework. From 30 June 2011 New South Wales referred its powers regarding non-school providers of courses to overseas students to the Commonwealth. That involved the repeal of the Vocational Education and Training Act and the abolition of the Vocational Education and Training Accreditation Board.

A transitional regulation preserved the board's role as the designated authority in respect of school providers that deliver courses to overseas students. That transitional regulation expires on 30 June. This bill amends the Education Act 1990 to transfer the current powers of the Board of Studies as the designated authority for school providers that deliver courses for overseas students from a transitional regulation to the principal legislation, thereby consolidating the board's functions in one statute, which should have the effect of facilitating compliance. There will be no change to the current role or powers of the board as they exist under the transitional regulation. That is the main feature of the bill.

The second feature is that it amends the Education Act to enable a person to apply to the Administrative Decisions Tribunal for review of certain decisions of the board pertaining to the amendments. Schedule 1 [6] will enable a person to apply to the Administrative Decisions Tribunal for review of decisions to refuse to grant an approval under proposed new part 7A or decisions to impose conditions on, amend, suspend or cancel such an approval. The bill is largely formal in nature and no substantive changes will be made to the current arrangements. It consolidates regulations in one place and that will facilitate compliance. I commend the bill to the House.

**Mr ANDREW ROHAN** (Smithfield) [4.20 p.m.]: It gives me great pleasure to speak in support of the Education Amendment (School Providers for Overseas Students) Bill 2013. The New South Wales education system is ranked one of the highest in the world. Consistent regulation of the education system ensures that we provide the highest quality of education for our hardworking students. This bill amends the Education Act 1990 by allowing the Board of Studies to continue regulating, overseeing and approving providers of courses to overseas students. Traditionally the Board of Studies regulated such providers through the Vocational Education and Training Act 2005. That Act was repealed in 2011, to be replaced with the Vocational Education and Training (Commonwealth Powers) (Transitional) Regulation 2011, a transitional arrangement which will be repealed after 30 June 2013.

Under the new amendment the Board of Studies is no longer under a transitional arrangement and its jurisdiction is in the principal legislation. Under the new section 7A the Board of Studies continues to enforce and oversee compliance of providers of education to overseas students in relation to the Commonwealth Education Services for Overseas Students Act 2000 and the Commonwealth Register of Institutions and Courses for Overseas Students, otherwise known as CRICOS. The board holds the ability to approve potential providers and also holds inspection rights for any school. The board may suspend or revoke any applications should they find that the provider does not meet the criteria of the Commonwealth. Any providers that falsely advertise can be penalised a maximum of 200 penalty units.

Without these powers the board is unable to properly monitor and regulate the providers. We cannot rely on transitional arrangements when it comes to something as significant as education. The Board of Studies is an established government branch that needs solid legislation to support it. We must remain vigilant and meticulous in perpetuating the reputation of New South Wales as having one of the best education systems in the world. The amendment parallels the National Vocational Education and Training Regulator Act 2011. Holistically, the amendment, along with the other regulations and Acts I previously mentioned that are in place, provides a concrete framework for which overseas students are able to further their education. International students are a huge part of the Australian economy.



According to the Australian Bureau of Statistics, in 2010-11 43 per cent of international student visa applications were for tertiary education, while 30 per cent were for vocational education and training. Australia has the highest percentage of overseas students in the world at 22 per cent, followed by the United Kingdom at 16 per cent. Specifically, New South Wales holds 37 per cent of international enrolments. These students contribute \$6 billion in export income, the second-highest export industry in New South Wales. It has recently come to the Government's attention that tertiary education institutions are more reliant on revenue from international students than they are from domestic students. It is clear that overseas students are imperative to our economy. It is only fair that we provide them with the best quality education we can. It is through continuously updating our Education Act 1990 and adapting it to our modern and developed society that we can maintain a constant stream of overseas students coming to Australia. Not only this; we should do this to keep up with international education standards, which are rapidly changing and fickle in nature.

I feel this way because my electorate is a part of one of the most multicultural areas in Australia and also has the second largest youth population in western Sydney. It is a blessing to see that many young people are enthusiastic to educate themselves, but it is even greater to see that many students of other backgrounds are willing to be a part of an Australian environment to learn and expand their employment opportunities. However, I am disappointed to point out certain discrepancies in the number of international students coming to Australia, which declined by 5.1 per cent from 2008-09 to 2010-11. By demonstrating how progressive our education system is and how persistent we are in benefitting overseas students we can break down the stigmas that plague Australia and hopefully allow our education system to grow and appeal to overseas students. I wholeheartedly commend this sensible bill to the House.

**Dr GEOFF LEE** (Parramatta) [4.25 p.m.]: I support the Education Amendment (School Providers for Overseas Students) Bill 2013. I note that the good Minister for Education is present in the Chamber. He is a great Minister. My comments and support for this bill are based upon first-hand experience of spending a year overseas as a high school exchange student in North America, as a past teacher at the University of Western Sydney and as a teacher at Liverpool TAFE. Like the Minister, I am certainly an advocate for the internationalisation of the curriculum and student experience, part of which is having overseas students study with domestic students.

In contrast to many of the misconceptions, fees for foreign students are based on full cost recovery. Many times, not only in our secondary schools but also in our vocational education and training and our higher education sector, teaching of foreign students can actually build capacity within our education system. It is for that and many other good reasons that I support this bill. Having international students studying with our local students builds relationships between countries. Having those long-lasting relationships, particularly with Asian countries, is important at this stage of Australia's development. We cannot do enough to enhance close relationships which lead on to stronger business ties. This is important as internationalisation develops and free-trade agreements kick in.

Relationships cannot happen between two countries; relationships happen between people. Finally in relation to multicultural ties, many foreign students have relatives in Australia, which brings another level of complexity and dynamics that improves the relationships between the good people of New South Wales and the people of overseas countries. I conclude by saying that I support the new Colombo plan of increasing two-way exchange of students, not just encouraging foreign students to study in Australia but also encouraging our students to study overseas. That critical issue is lacking in all levels of education. We should encourage our students to learn about foreign cultures by total immersion. For those reasons, I commend the bill to the House.

**Mr ADRIAN PICCOLI** (Murrumbidgee—Minister for Education) [4.27 p.m.], in reply: I thank all members for their contribution to debate on the Education Amendment (School Providers for Overseas Students) Bill 2013. It is clear that members have understood that this bill involves a simple transfer of the current powers of the Board of Studies from a transitional regulation to principal legislation. The Board of Studies already carries out these functions. The functions are not transitional in nature so it is appropriate to put them into the principal legislation. The transitional regulation expires on 30 June 2013, so now is the appropriate time for this Parliament to amend the Education Act.

I note that this bill will consolidate the board's functions into the one statute—and this will facilitate better integration of the board's regulatory role in relation to schools. I thank the hardworking staff at the Board of Studies, including Chief Executive Carol Taylor and its President, Tom Alegounarias. I also thank the staff of the New South Wales Parliamentary Counsel's Office. As Minister I am confident that the board will uphold the appropriate standards regarding the regulation of schools seeking to deliver courses to international students. I commend the bill to the House.

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

**Motion agreed to.**

**Bill read a second time.**

### **Third Reading**

**Motion by Mr Adrian Piccoli agreed to:**

That this bill be now read a third time.

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

## **MARINE PARKS AMENDMENT (MORATORIUM) BILL 2013**

### **Second Reading**

**Debate resumed from 8 May 2013.**

**Mr RON HOENIG** (Heffron) [4.30 p.m.]: I lead for the Opposition in debate on the Marine Parks (Moratorium) Bill 2013 and state at the outset that the Opposition opposes this dreadful bill. The bill provides the potential for a great attack on the marine environment of this State. The moratorium was originally introduced by way of legislation in the upper House on 6 May 2011. The Leader of the Opposition in that place referred to it as the result of a "dirty deal" by the Government and the Shooters and Fishers Party to secure the passage of reprehensible legislation in other policy areas. The moratorium was to ensure that no more marine parks were established in this State for a period of five years and a scientific panel was appointed to conduct an independent scientific audit of our marine parks. That scientific panel reported back on 16 February 2012; it is now May 2013. This bill is a retrograde step because it effectively removes the moratorium and gives power back to the Minister to remove our current marine parks. In her second reading speech on 8 May 2013 the Minister for Primary Industries said:

The New South Wales Liberal-Nationals Government is taking a new approach to protecting the New South Wales marine estate. This comes after years of political interference by the previous Labor Government and decisions based on poorly understood or incomplete information. As a result the credibility of marine parks and the fishing industry has suffered.

If the Government wanted to remove political interference why did the Minister introduce a bill in this place which will give her the power to remove marine parks in New South Wales? She did it because the Government is under pressure. The Government wants to do a deal with the Shooters and Fishers Party to ensure the passage of another grubby piece of legislation in the upper House and sell the State's silverware. The Government wants to remove our marine sanctuaries. The O'Farrell Government, which has no environmental credibility, is laying the groundwork for marine environmental destruction in New South Wales. At the very time when the marine environment around the world is suffering the Minister for Primary Industries wants to give herself the power to regulate away this State's marine environment.

The Labor Party is proud of its achievements in establishing six marine parks in New South Wales—345,000 hectares of marine park or 7 per cent of this State's waters. I can also inform the House that only 20 per cent of those marine parks are set aside as sanctuaries and there is no abolition of recreational and commercial fishing in those parks other than in the marine sanctuaries. It is nonsense for the Minister to say that she wants to remove political interference. Marine science is currently at the cutting edge and the world's oceans are under threat. Legislators should be strengthening marine environmental protection rather than doing deals with various sectional interests to give power to governments to remove them with a stroke of a pen.

**Mr Nick Lalich:** Grubby deals.

**Mr RON HOENIG:** Yes, grubby deals. When it comes to the protection of our marine environment The Nationals pander to their communities. Members will recall the protests we saw in places such as Batemans Bay and the North Coast when the marine parks were enacted, because people were induced to believe that recreational and commercial fishing were at stake. The report of the independent scientific audit of marine parks in New South Wales was released in February 2012 but, effectively, the Government has ignored its

recommendations. Two of its principle recommendations related to the governance of the New South Wales marine estate being reorganised by bringing the entire estate under one legislative and administrative structure, closely aligned with the five catchment management authorities covering New South Wales coastal drainage systems, which would require the creation of a new entity: a coastal and marine management authority incorporating the Marine Parks Authority NSW, the Coastal Management Panel, NSW Fisheries and any other relevant bodies. The Marine Parks Amendment (Moratorium) Bill 2013 is the legislative result—only a little schedule.

The Minister has been sitting on that scientific report for 14 months and in that time she has only produced amendments to the principle Act to give herself the power to remove marine parks. The second arm of the principle recommendations was that the New South Wales marine estate be recognised under an independent scientific committee—namely, marine scientists, people who know what they are talking about and who might be able to make recommendations to the government of the day about these cutting-edge scientific issues. Who did the Government appoint to chair that independent scientific committee? In her second reading speech the Minister said:

Further reform may be adopted based on the expert advice from the Marine Estate Expert Knowledge Panel, chaired by Dr Andrew Stoeckel.

Dr Stoeckel is a well-respected economist but this is a scientific advisory panel. This is a typical example of what the Government does in this State—namely, everything is about a price tag. Whether it is about justice for the families of victims of murder or sexual assault, compulsory third party green slips, health or education, it does not matter; it is all about the bottom line: money.

**Mr Andrew Fraser:** Point of order: My point of order is on relevance. We are dealing with the Marine Parks Amendment (Moratorium) Bill 2013. If the member for Heffron wishes to speak about something else he should do so by way of motion or he should speak to other legislation. I ask that the member for Heffron be directed to return to the leave of the bill.

**ACTING-SPEAKER (Mr Lee Evans):** Order! I ask the member for Heffron to return to the leave of the bill.

**Mr RON HOENIG:** To the point of order: I am talking about the qualifications—

**Mr Andrew Fraser:** The Acting-Speaker has ruled. The member is canvassing your ruling.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member for Heffron will return to the leave of the bill.

**Mr RON HOENIG:** I am talking about the qualifications and the Government's approach to its choice of chairman, contrary to the recommendations in the Report of the Independent Scientific Audit of Marine Parks in New South Wales. If the member for Coffs Harbour listens he might learn something. I will talk about the immense qualifications of the person who has been selected to provide advice. As I said, Dr Stoeckel is an eminent economist, which is a cornerstone of the new approach to establish these advisory bodies. Dr Stoeckel has been selected as the inaugural Independent Expert Knowledge Panel chair. He is a visiting fellow at the Australian National University at the Centre for Applied Macroeconomic Analysis and is a specialist in trade policy analysis and the international economy. He is the founding chairman of the Centre for International Economics, which is a national and international economics consultancy delivering services to the public and private sectors.

From 1981 to 1986 Dr Stoeckel was the director and head of the Australian Bureau of Agricultural Economics in Canberra, which is the largest economic research agency in Australia and one of the largest in the world. His main areas of expertise are as follows: trade and investment policy; funds management advice; economic governance studies; macroeconomics, having prepared a study commissioned by the World Bank in 1998 on the economic crisis in Asia; industry policy; and strategic planning, being the lead consultant in preparation of the Meat Industry Strategic Plan. Dr Stoeckel received his PhD from Duke University in 1978. His thesis was to build a small general equilibrium model to analyse Australia's mineral industry. In accordance with the recommendations of the Report of the Independent Scientific Audit of Marine Parks in New South Wales, is an eminent economist qualified to chair an independent scientific committee? I suppose it is like getting a barrister to remove one's appendix.

**Mr Andrew Constance:** Don't be silly.

**Mr RON HOENIG:** It is exactly the same thing. The Minister for Ageing, and Minister for Disability Services should know all about it because there are major fisheries problems in the areas around Merimbula and Eden, which adjoin his electorate. An independent scientific committee to provide expert advice requires the expertise not of an economist but of scientists, unless there is another particular agenda at stake. If members think that I am not being accurate, let me remind them—

**Mr Andrew Fraser:** We don't think, we know.

**Mr RON HOENIG:** Members opposite do not know. If they did know they would listen.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member for Heffron has the call.

**Mr RON HOENIG:** I know it is difficult for Government members who must put up their hands like monkeys. I am simply drawing to their attention provisions in a bill on which they are about to vote, because they have absolutely no idea what is contained in the bill. However, before I refer to the provisions I draw the attention of members opposite to some of the recommendations in the Report of the Independent Scientific Audit of Marine Parks in New South Wales because that was the basis of the moratorium in 2011: to establish a management framework for marine estates that will future-proof against public policy failure. I am referring to the principal recommendations on page 8 of the independent audit. The public policy failure that occurs is when there is ministerial interference in matters such as the sensitivity of the marine environment. That is contrary to the recommendations made by the respected audit panel.

The audit panel recommended the formation of a scientific committee which is independent of government agencies to oversee strategic research in the marine estate. It is further recommended that this committee be composed of experts in marine sciences, economics and social science, with an independent chair. Looking at the schedules to the Act, it is proposed to amend section 17B (4) by repealing sections 75 (5) and 17B (5) and (6). Subsection (5) changes the moratorium provisions to allow for the removal of marine parks. Subsection (6) removes the sanctuary definitions from the definition of "marine park". Effectively, repealing sections 48B (4) and (5) removes the moratorium on marine parks and allows marine parks to be reduced or removed. The Opposition's position in relation to the bill and marine parks is not political and should not be seen to be political. When a marine park is established, commercial fishermen immediately see a threat to their livelihood. Unfortunately commercial fishing, even in the medium to long term, will only survive if marine sanctuaries are maintained by scientific experts who have input in relation to fish breeding areas. They are based on—

**Mr Anthony Roberts:** Based on known threats.

**Mr RON HOENIG:** They are based upon expert advice, not some Nationals Minister removing them on a whim.

**Mr Nathan Rees:** Or cowboys.

**Mr RON HOENIG:** Or some cowboy. There has been, and there continues to be, a major depletion of fish stocks, which in itself becomes a threat to the viability of the commercial fishing industry. Rather than beating one's chest, beating a drum and trying to remove marine sanctuaries for short-term political gain, there should be engagement with commercial fishermen, who have immediate demands. They must immediately pull fish out of the water to pay for the mortgages on their boats and to pay their outgoings. But at the end of the day the medium-term and long-term viability depends on maintaining marine environments and protecting the fish nurseries that are contained within those marine parks.

I have seen this over the years. When a marine park was established on Lord Howe Island I saw locals taking out tourists on fishing boats and bringing in 60 kingfish an hour with hand lines. They thought that would last forever until they were unsuccessful for some years and wondered where the kingfish went. They thought that it was impossible to overfish a pelagic fish environment. It is an issue that requires a scientific approach to technology and The Nationals should not prey on the concerns of legitimate commercial fishermen who have a short-term concern to feed their families. At the end of the day, they have to feed their families on a medium-term basis and a long-term basis.

**ACTING-SPEAKER (Mr Lee Evans):** Order! The member for Heffron has the call.

**Mr RON HOENIG:** Also involved in affected marine environments are recreational fishermen. I would be the first to suggest that the over-regulation of recreational fishers has been somewhat bizarre, and it has been going on for decades. As a 19- or 20-year-old I remember issuing fishing licences at the courthouse at Lockhart where restrictions applied to inland fishing. I have seen people intimidated by Fisheries inspectors for taking home fish that they were going to consume. I do not see a problem necessarily where people fish to feed their family, providing the fish are old enough or of the right size, but in the Minister's own electorate I have seen Aboriginal people jailed for taking more than two abalone.

Those engaged in recreational fishing are often treated poorly, but the preservation of marine parks, of which only 20 per cent is used as a sanctuary for future fish stocks in the ocean, is hardly a great burden for the preservation of fish stocks. This bill is not about the preservation of the marine environment or about taking a sensitive environmental approach, it is not adopting in any way the recognition of the scientific audit that was announced two years ago; it is simply giving the Government power to remove marine parks and marine sanctuaries as part of its typical grubby little deals with members in the other House.

**Mr ANDREW CONSTANCE** (Bega—Minister for Ageing, and Minister for Disability Services) [4.52 p.m.]: I support the Marine Parks Amendment (Moratorium) Bill. For someone with the intellect and experience of the member for Heffron to lead for the Opposition in the way he did clearly demonstrates that the Opposition has well and truly lost the plot. The member's attack on Dr Andrew Stoeckel was absolutely disgraceful. I remind the member for Heffron, if he wants to talk about science and appointments, that Ross Garnaut, who was a senior economic adviser to Bob Hawke, headed up the Rudd Government's climate change review. The last time I looked at his curriculum vitae he was an economist, not a scientist, so it is a bit rich for the member for Heffron to start dictating to us about appointments in relation to marine parks.

The member for Heffron was not in this place when Bob Debus did a grubby deal with The Greens and promised a marine park at Durras without any consultation with the local community, including recreational and commercial fishing industry representatives. He announced it overnight after coming to some sort of grubby arrangement with a bloke by the name of Mark Fleming down on the beach at Durras. I can tell the House that there was a socioeconomic impact and a social impact and people were hurt. Marriages were affected and depression settled into families as a result of Labor's grubby deal with The Greens. So the member for Heffron should not lecture me and the member for Coffs Harbour or anybody else about marine parks. It was the most disgraceful speech I have heard from the member in this House. He has no idea what Labor's deal did to families, to commercial fishermen and to recreational fishermen.

**Mr Ron Hoenig:** Point of order—

**Mr ANDREW CONSTANCE:** He has no idea what it did to their businesses and their livelihoods. He should not lecture us on marine parks and deals.

**Mr Ron Hoenig:** If the member for Bega wishes to speak in debate, the standing orders require him to speak through the Chair.

**ACTING-SPEAKER (Mr Lee Evans):** Order! I remind the member for Bega to direct his comments through the Chair.

**Mr ANDREW CONSTANCE:** The member for Heffron, who is very sensitive about what I have just said, should be embarrassed about his comments. I remind the House that Batemans Marine Park and Port Stephens marine park were established to obtain The Greens preferences at the 2007 State election. For the member to come in here and start lecturing us about deals when, quite frankly, people went to the wall as a result of Labor's deal is a bit rich. This legislation will enable a proper assessment of zonings within the marine park system. I am pleased that the Government has indicated that both the Batemans and Solitary Island marine parks will be the first to be assessed. The Government has sensibly allowed fishing back on the beaches and on the headlands where there is absolutely no known threat, none whatsoever, in relation to fish stocks.

I note that the member for Heffron does not want to hang around to listen to the debate. Beach fishing poses no known threat to fish stocks, and there was no scientific justification for locking up many of the beaches, headlands and sanctuary zones in the first place. In relation to the Batemans Marine Park, some 80,000-plus hectares of marine estate locked away in a marine park, the zonings were created by lines drawn on a map by The Greens as they sat around tables talking with fishermen. There was no scientific justification for

those zonings. The Government wants to look at the evidence and do the proper science. If there is a threat, of course the fishing industry will agree to protect those areas. They are sensible people; they want ongoing fish stock management to ensure that their livelihood continues into the future.

At no point did the member for Heffron mention that the greatest threat to the marine estate in New South Wales is not fishing; it is land-based pollution going into estuaries, waterways and the ocean and impacting on the ecological environment. The Department of Fisheries is able to manage fish stocks. What we have seen from The Greens and the Labor Party is a backdoor attempt to regulate recreational fishing interests in this State through marine park zoning. Zoning should be properly linked to stock management and where there are known threats the Government, in conjunction with the local community and the industry, will protect those areas.

Fishing has been allowed back onto beaches and up and down the coast and there are aggregation sites for the grey nurse shark. One such site adjoins land. For this reason, the Government has kept a restriction in place at Burrawarra Point in relation to the grey nurse shark. That is sensible management of a species which every bit of science points to as being under threat. Yes, there has been debate within fishing circles as to where the aggregation sites and breeding grounds and the like are but the Government has very sensibly ensured that that restriction remained in place. This legislation will enable the Government to review comprehensively the marine parks that were set up based on political favours and not on science.

I know the community support for Jervis Bay Marine Park is very strong; the member for South Coast has made that clear. But it took four years to do the necessary consultation around the zoning plans for that marine park and the work necessary to put it in place. However, in the case of Port Stephens-Great Lakes Marine Park and I dare say Solitary Islands Marine Park and certainly Batemans Marine Park, these parks were designed within six months. There was no scientific assessment. The beauty of the work that has been done by the Government and through the leadership of the Minister for the Environment and the Minister for Primary Industries is that there has been a very detailed review to assess the way in which the scientific work was undertaken in setting up these parks. It has given us the platform to drill down further in relation to the zoning plans that exist for the respective parks.

Very pleasingly, and again it is not acknowledged by those opposite, we are going to look at the marine estate in its entirety and not just within the confines of the current marine park zones, which were largely drawn as a result of political arrangements as opposed to being based on scientific grounds. There are areas that need protection. There are absolutely no ifs and buts in that regard. We have to work through identification of those known threats to ensure those areas are properly safeguarded and managed. It disappoints me that those opposite think that this is purely environmental policy as it relates to marine parks. It is not. There is a whole list of things associated with it. I am very comfortable with the appointment of Dr Andrew Stoeckel because I want an economist to look at what has occurred within my region. It is ridiculous to think that those opposite did not set any form of baseline related to the economic impact of their locking up 16,000 hectares of the best fishing grounds on the far South Coast.

We have indicated very clearly to industry by allowing fishing on headlands and beaches that we are fair dinkum when it comes to ensuring that these parks are workable in the interests of the environment but, most importantly, workable in the interests of local people whose livelihoods depend on the marine estate. I am horrified, although not surprised, to hear the comments of members of the Labor Party. They reveal that they have learnt nothing from their election defeat and particularly the 2007 election results where local communities said, "Enough is enough", particularly in Port Stephens and in my region, where people have had a gutful of being dictated to by the grubby deals that were done between the Labor Party and the New South Wales Greens. I commend the bill to the House. It makes good sense and it will certainly be welcomed by fishing communities around the State.

**Mr ANDREW FRASER** (Coffs Harbour—The Assistant-Speaker) [5.02 p.m.]: I join with my colleague the member for Bega and Minister for Disability Services in supporting this legislation. I was in this House when Labor amended the marine parks legislation. At the time what they wanted to do was exclude all recreational fishing from marine parks. Anyone who does not believe that should look at the *Hansard* where we amended the legislation with the assistance of the then Minister for Fisheries, Bob Martin, to make sure fisheries still had a role to play in the management of the then created marine parks. The Solitary Islands Marine Reserve was set up by a Coalition Government last time they were in government. Why did we set it up? It was to protect the marine environment and make sure it was preserved for the future. It was done on a scientific basis and with the assistance of a man who had set up the marine parks in Western Australia. He came here and did the job and set up a marine reserve system, which had sanctuary zones and all the protections that were needed.

Pam Allan decided that she needed to pander to a few Greens and she turned it into a marine park and established the Marine Parks Act 1997. After that plans were submitted for management even though there were meetings of 400 or 500 people in my electorate saying they wanted to keep a marine reserve and not have a marine park. They were going to turn it into a marine park and make sure that local people and local scientific experts were given an opportunity to participate in the zoning processes. Did that happen? No. In fact the only five people who voted against a marine reserve and for a marine park at a huge meeting at Woolgoolga were those that the Minister put onto the board. They were lackeys who were tied to the Government and to The Greens. On the basis of the precautionary principle they locked up areas that had been fished successfully for years. Mind you, these areas were deemed good enough to be put into a marine park and be declared a sanctuary zone because they had been protected under the marine reserve that had already been set up.

Those who did not want to see the marine reserve continue and jumped on the bandwagon of The Greens were then put in place on the board. We then found that commercial and recreational fishers were basically excluded from areas where they could catch fish. I listened to the drivel that came from the member for Heffron today but he presides over Port Botany, which is polluted and rotten. Labor knew about it for years and did absolutely nothing. It was nothing short of hypocritical. We have pristine areas and we protect them and will continue to do so. But when Labor was in power and structured plans were presented to the Government outlining the areas that should be sanctuary zones and the areas that could be fished recreationally and commercially they rejected them. They took the extreme Greens position in exchange for preferences. The member for Heffron said only 20 per cent of the area was actually sanctuary zones. Guess what that 20 per cent covers? It covers the areas where fish are to be found. They left fishers with areas that had a sandy bottom where they might get a few whiting or a couple of flathead but they would not get snapper or bream or anything else they might want to go fishing for.

This legislation will give us an opportunity to open up headlands where people can go to fish. We have already done that. I am not talking about commercial fishing; I am talking about recreational fishermen. They can go and throw in a line. I used to beach fish a lot before I got into this game but I do not get the opportunity these days. However, there is nothing more satisfying than going to a beach within the marine park and throwing in a line and catching a few bream for a Sunday lunch. Under the previous Government fishers were not able to do that because the areas where people could catch fish were turned into sanctuary zones. It did not affect the fish stocks. As the member for Bega said, the professional and recreational fishermen believe there are areas that need to be protected, but we need to do that on the basis of scientific evidence, not on the basis of political favours. That is what happened from 1997 until we won government. A moratorium was put in place and I suggest the member for Heffron and those opposite read the explanatory note to this bill, which says:

The objects of this Bill are as follows:

- (a) to allow regulations to be made under the Act within the moratorium period to alter the areas of existing sanctuary zones, or to classify areas as new sanctuary zones, within marine parks.

This bill is not talking about taking away the sanctuary zones, it is saying we can create new ones. I can tell members that the recreational fishermen in the Coffs Harbour area took plans to the past Government and said, "Rather than put a sanctuary zone here where it is not doing any good at all, why don't you put the sanctuary zone over here and allow recreational fishermen to fish in the other area?" Their plans were totally ignored. We got form letter after form letter from Greens all over New South Wales when regulations and zoning areas were changed. It was a case of, "Put your letter in." Then we were told there were thousands upon thousands of submissions supporting the sanctuary zone and those from the locals, the fishermen and those who know the area were in the minority and were therefore discarded.

What we are talking about is management. To hear the nonsense from the member for Heffron in relation to Dr Andrew Stoeckel was just bizarre. This is a man who is going to look at the socioeconomic effects on the local community of this legislation and any sanctuary zones and any alterations to marine parks. I could not believe it when the member for Heffron said The Nationals had done deals to put meals on the table for locals. What a fool. What does he want us to do—put them all on the dole? As the member for Bega said, there were a number of people, professional fishermen, who lost hundreds of thousands of dollars because of the decisions of the past Government, and there were social impacts on our communities where industries collapsed and fishermen went broke and walked out because they could no longer fish in the area. In fact, the regulations meant that some areas outside the marine park were overfished and yet the propositions put forward by commercial and recreational fishers to put in a grid system were ignored. The fishery could have been managed such as a farm where a paddock would be left fallow and another one would be worked.

It amazes me that common sense has never been part and parcel of this argument under a Labor Government. We now have a situation where a Minister can take scientific advice and evidence and apply it to a marine park that was a marine reserve—such as the Solitary Islands, which was the first one in New South Wales—to allow everyone to use the marine park for recreational fishing and boating, as we have done since the legislation was put in place in 1988-1989. I believe that we in government did a good job. Under the former Labor Government we saw political deals being done and we saw people go broke. The member for Heffron attacked Dr Andrew Stoeckel and did not acknowledge the fact that the climate change report was written by a political staffer and economist in Bob Hawke's office, which is bizarre. What is on one hand also has to be on the other hand.

We are appointing a manager with a board of members who have been appointed for their qualifications, not because of their political affiliations or because of what they have done. We want these areas managed for future generations, and it can be done under a sensible government with sensible legislation that will ensure not only that fish stocks and habitats are protected but that people can earn a living and enjoy recreation in the marine environment at the same time. I am saddened by the attitude of Opposition members and what they have said. We know what it is all about. The member for Heffron admitted that he has never been to the Solitary Islands Marine Park; he has never been to Port Stephens; he has never been to the south coast. He would not understand what a pelagic fish is and I will not give him a lesson tonight. The reality is that this Government wants to manage the marine estate into the future not only for the Coffs Harbour electorate and other affected electorates but also for the people of New South Wales. I commend the bill to the House.

**Mr JAMIE PARKER** (Balmain) [5.10 p.m.]: I acknowledge that we have a lot of business to get through today and that Government members who were not scheduled to speak to this bill did so because their passions were aroused, so I will keep my contribution relatively brief. I speak on behalf of The Greens on the Marine Parks (Moratorium) Bill 2013. Obviously there has been a heated discussion this evening. The issue involves a matter of trust. There is clearly no trust between this Government and the former Labor Government. Environmentalists are concerned about the motivation for the bill. People who fish for a living are concerned about whether they are recreational fishers or commercial fishers.

The fact that the bill has the identical name to the Shooters and Fishers Party bill that was introduced in 2011 has not generated a great deal of positive energy because it has an anti-marine park and anti-science stance, which is different to the stance of the State Coalition; it has generated concern. The Minister's second reading speech addressed the poorly understood and incomplete information that the credibility of marine parks was suffering. This language is highly inflammatory and does not go to the evidence that was released by the Government's own report, which was the Independent Scientific Audit of Marine Parks. A lot of anecdotal issues have been raised, but as members of all the parties say, it is important that we look at the evidence. This bill does not alter the moratorium on marine parks, which is clear.

The bill allows changes to be made and this has generated the largest amount of concern. Under the bill, the Government can remove sanctuary zones from marine parks, and I acknowledge that they can also be added. In the Minister's second reading speech there was no balance. She did not speak about the potential to add new sanctuary zones. The Minister's second reading speech did not highlight the need to protect biodiversity but attacked the former Labor Government's decisions about marine parks. In her second reading speech the Minister stated that previous decisions about marine parks have taken place on poorly understood and incomplete information. That is debatable. She also stated:

As a result the credibility of marine parks and the fishing industry has suffered.

Obviously the decision to close the Cronulla Fisheries Research Centre of Excellence had the biggest impact on the credibility of the fishing industry and marine parks. The Minister also stated:

In response to the marine parks audit, the Government committed to a common-sense marine parks policy and the development of a better approach to the way marine parks are reviewed.

That sounds sensible.

In our review of zones we will look at more effectively meeting social and economic objectives while continuing to conserve our important environmental assets. We will draw on best available science and knowledge to identify key threats, risks and mitigation strategies. We will promote multiple use and appropriate access, with restrictions on activity proportionate to risk. We will also improve stakeholder and public participation by promoting genuine and open consultation.



The Minister put forward something that reasonable people would agree with. The concern is that a response has been directed to this bill rather than addressing the key elements that the Independent Scientific Audit of Marine Parks found. One of the recommendations is:

The Audit Panel is of the further opinion that the current system of marine parks as established in NSW be maintained and mechanisms be found for enhancing the protection of biodiversity in the identified gaps, namely within the Hawkesbury and Twofold Shelf marine bioregions.

Yet the Government has given no indication that it is prepared to act on this. There has been no statement from the Government that the audit panel has found that the current system of marine parks be maintained. There is a lot of criticism of the current system of marine parks. On my reading of the Independent Scientific Audit of Marine Parks, there is support for the existing arrangements. This bill and this response is something that seems out of step with the Government's intention. Recommendation 4 is also important:

The Audit Panel recommends that funding be allocated to addressing research shortcomings. Some of the priority areas identified by the Audit were:

6. The NSW Government needs to ensure that complementary fisheries research is done to improve the understanding of the threat that fishing poses to the conservation of biodiversity in NSW and the environmental protected values of the Marine Estate. The focus of this research should include ...

It goes through the range of areas that the focus of research should include. If the Minister was taking a balanced approach, why would the Minister say, "We support the research and we will fund it" and not just introduce the bill that says the opportunities can be taken away and then highlight it in her second reading speech. The balance of the scientific audit that was undertaken needs to be reviewed and then the Government should seek to invest in that way. The concern is that the bill is about giving the Government the opportunity to take out sanctuary zones. In her second reading speech the Minister stated:

Under this bill, any changes identified as a result of the recently announced assessment of recreational fishing access to beaches and headlands in marine park sanctuary zones can be put in place. This is consistent with the new approach ...

There is a lack of trust in this area. My approach to the world is to build consensus.

**Mr Christopher Gulaptis:** You are our kind of guy.

**Mr JAMIE PARKER:** When it works, it works. I understand that emotions run hot and important decisions are made about people's livelihood, but balance is required. If the Minister responded favourably to the recommendations that were about investing in the research there would not be so much concern about the bill.

**Mr STEPHEN BROMHEAD** (Myall Lakes) [5.18 p.m.]: I speak in support of the Marine Parks Amendment (Moratorium) Bill 2013. I congratulate the Minister for Primary Industries on bringing the bill forward. It is extremely important to the electorate of Myall Lakes. With its rivers, beaches and lakes, Myall Lakes is Australia's greatest water playground. Fishing, tourism and the environment is important in my electorate. The Liberal-Nationals Government decided to improve the way we manage the coastal waters of this State. There was very little public consultation when these marine parks were established some years ago. The panel spoke to the people of Smiths Lake, who had records dating back to 1920 including data about fish takes, fish kills, tides, temperatures and so on. However, the panel members were not interested in that information.

The debate about marine parks has diverted much-needed energy and resources away from the important task of managing the marine estate as a whole to maximise benefits for the entire New South Wales community, including for future generations. The report of the Independent Scientific Audit of Marine Parks in New South Wales concluded the current management of the marine estate is in a state of flux and conflict. The audit was clear that effective management of coastal and marine resources must extend beyond existing marine parks. It also recommended that the management framework encompass the entire marine estate and represent a statewide approach. The New South Wales Liberal-Nationals Government agrees with the audit; that is, that the marine estate is publicly owned by the people of New South Wales and must be managed for all people now and into the future. A business-as-usual approach is inadequate and reform is necessary. This is a unique opportunity to deliver real change and to avoid past problems.

The Government is reforming management of the entire marine estate. It has commenced that with the establishment of two new advisory bodies to guide and inform the new approach: the Marine Estate

Management Authority and the Marine Estate Expert Knowledge Panel. The Marine Estate Management Authority, which is independently chaired by Dr Wendy Craik, is an interagency group with representatives from the Office of Environment and Heritage, the Department of Trade and Investment, the Department of Planning and Infrastructure and Transport NSW. The independent chair of the Marine Expert Knowledge Panel is Dr Andrew Stoeckel.

The member for Heffron did not mention Dr Wendy Craik; he spoke only about Dr Andrew Stoeckel. Dr Craik has a Bachelor of Science and was awarded an Order of Australia in 2007 for service to the natural resource sector of the economy, particularly in the areas of fisheries, marine ecology and management of water reform, and for contributions to policies affecting rural and regional Australia. She has held senior positions, including as executive officer of the Murray-Darling Basin Commission. Dr Andrew Stoeckel has experience in natural resource management and was commissioned by the World Bank to examine the macro economy and each rural sector within Asian and non-Asian economies. He might be an economist by trade, but he has incredible experience and is renowned throughout the world. Those two people will be advising the Government.

The role of the Marine Estate Management Authority is to establish strategic frameworks and priorities for management of the entire marine estate by service delivery agencies. The authority has met several times and it is getting on with these important reforms. The expert knowledge panel has five members, including the independent chair, Dr Andrew Stoeckel. The panel will provide independent expert strategic, operational, scientific and technical advice spanning ecological, economic and social science disciplines, including Aboriginal interests and coastal land-use planning. Its expert advice will be provided to the authority on key knowledge needs and will support evidence-based decision-making. The panel's role will be to develop a threat and risk assessment framework to guide the assessment of threats and risks to the marine estate and to prioritise management actions to address them effectively. This shows that the Liberal-Nationals Government's new approach will be based on scientific evidence.

Assessments will consider threats and risks across the entire marine estate, including ecological, economic and social values. Through these assessments this Government aims to ensure that public resources are appropriately targeted, there is a better understanding of the most significant threats and risks facing the marine estate, and there is effective and efficient management actions. The New South Wales Government has put in place an amnesty immediately to allow line fishing from ocean beaches and headlands in the sanctuary zones of mainland marine parks. The report stated that line fishing from beaches and headlands has no impact on the ecology.

This move is based on common sense and demonstrates the Government's new approach to marine parks of putting science at the heart of all decisions. That is different from the former Labor Government's approach. It is clear that the community expects reviews into marine park zoning arrangements to be carried out and for it to be done in new and improved ways. The Liberal-Nationals Government will improve local consultation and engagement processes and develop better approaches for reviewing management of marine parks. It will take the time needed to establish robust governance arrangements to avoid ad hoc, reactionary decision-making and dirty deals with The Greens such as those made by the former Labor Government. I commend the bill to the House.

**Mr CHRISTOPHER GULAPTIS** (Clarence) [5.24 p.m.]: It is with pleasure that I support the Marine Parks Amendment (Moratorium) Bill 2013. I commend the Minister for introducing the bill to the House. There is no doubt that the former Labor Government made some very poor decisions based on politics and not on fact. The result is that the credibility of marine parks and the fishing industry has been seriously suffered. The electorate of Clarence has an extensive coastline, stretching from Evans Head in the north to Corindi in the south. Commercial fishing is a very important economic driver in the region, as are recreational fishing and beach tourism, including activities such as diving and snorkelling. Therefore, this legislation is critical to my electorate.

The Clarence River Fishermen's Co-operative provides 30 per cent of the fresh seafood sold at the Sydney Fish Market. It injects more than \$20 million into our local economy and provides high-quality seafood to the region and beyond. Yamba prawns are renowned throughout the world and they are often served in the parliamentary dining room. The fishing fleets at Yamba and Iluka have been an intrinsic part of our community for decades. The fishing fleets at Evans Head and Wooli are just as important in terms of the economic boost and the food that they provide to their respective communities. Recreational fishing and beach tourism are also important to the coastal communities of Brooms Head, Sandon River, Minnie Waters, Red Rock and Corindi.

Those communities enjoy beach and offshore fishing as well as whale watching, snorkelling, scuba diving and boating generally. That is why this legislation is so critical and I believe that the Government has struck the right balance.

Following the March 2011 election, the Liberal-Nationals Government committed to commissioning an independent scientific audit of marine parks in New South Wales. The audit was carried out by Professor Bob Beeton from the University of Queensland and was released in February 2012. The Government tabled its response to the audit in March 2013 and supported the principal recommendations, including the need for change. This legislation is based on scientific evidence and it removes some of the restrictions put in place during the moratorium, such as reviews of zoning plans for marine parks.

There are currently six marine parks in New South Wales located at Cape Byron in the north, Solitary Islands on the Coffs Coast, Port Stephens-Great Lakes in the Hunter region, Jervis Bay and Batemans Bay on the South Coast and in the waters surrounding Lord Howe Island. These marine parks cover about 345,000 hectares or almost 35 per cent of the New South Wales marine estate and include 6 per cent that is currently zoned as sanctuary. Marine parks sustain our commercial fishing industry and, as I said, that is vital for my electorate of Clarence. It contributes a total of \$80 million annually to the New South Wales economy. Marine parks also support our recreational fishing community, which contributes more than \$550 million a year to the New South Wales economy. As I said earlier, my electorate benefits enormously from recreational fishers. Marine parks also support Indigenous cultural practices.

The principal objects of the bill are to allow regulations to be made under the Act within the current five-year moratorium period to alter the areas of existing sanctuary zones and to classify areas as new sanctuary zones within marine parks. This will again allow changes to be made to sanctuary zones in marine parks where appropriate and in consultation with the community, which has not occurred previously. The bill also provides for reviews of zoning plans for marine parks at the direction of the relevant Ministers, for example to permit line fishing from ocean beaches. Fishers in my electorate are certainly looking forward to that. The bill will allow for marine park zoning rules to be reviewed so that marine parks are managed efficiently and effectively, which is what the public expects.

Finally, the bill permits the authority to conduct reviews of or take other action in relation to zoning plans for marine parks during the moratorium period. This will allow the Government to take action and get on with doing what it said it would do in response to the marine parks audit. The bill does not alter the moratorium on declaring new marine parks. The Government remains committed to the prohibition on creating new marine parks, subject to advice from the Marine Estate Expert Knowledge Panel. The expert knowledge panel will report directly to the Marine Estate Management Authority. The expert knowledge panel will have the ability to draw on other experts to make sure we have the best people informing better management of the marine estate. The Government is committed to reducing red tape for industry, stakeholders and the community.

This bill repeals two aspects of the current moratorium so that marine park zoning plans can be reviewed and, where appropriate, changes can be made to sanctuary zones. This will allow the Government to apply a new consultative and evidence-based approach, which takes the politics out of the debate, to deliver better balanced outcomes for all stakeholders. This new approach of our marine estate reforms will deliver long-term benefits to my electorate of Clarence, to New South Wales, its people, its regions and its industries and bring science back to the heart of all decisions. I commend the bill to the House.

**Mr GREG PIPER** (Lake Macquarie) [5.32 p.m.]: I make a contribution to the Marine Parks Amendment (Moratorium) Bill 2013. Many in the community will be justifiably unnerved by the Government's moves to water down the moratorium that is in place and allow the alteration of management of sanctuary zones within existing marine parks, the creation of new sanctuary zones and changes to zonings. The Minister for Primary Industries, who is in the Chamber, says that these provisions within the moratorium will be lifted to allow changes to be made "where appropriate and in consultation with the community". The Minister also claims that the Government seeks to make science-based decisions about the management of the marine estate in New South Wales. If that is the case then surely the best course of action is to retain and observe the moratorium in its entirety for the five-year period originally provided for.

The Minister points out that suspension on the declaration of new marine parks will remain in place until further advice on this issue is received from the Marine Estate Expert Knowledge Panel. This is sensible, but it begs the question: Why tinker with the moratorium at all? What is the rush to push through these amendments that will allow substantial variations to the way these marine parks are managed or at least will

have enough impact to compromise the establishment of the best baseline data? Already we have seen the ban lifted on beach and shore fishing in marine parks, apparently at the behest of the fishing lobby. Was this decision based on good science or was it merely politically expedient?

**Mr Geoff Provost:** It was expedient.

**Mr GREG PIPER:** It was expedient, thank you. In his review of marine parks Professor Bob Beeton did not recommend the removal of sanctuary areas on beaches and headlands, yet it is his audit that is being so heavily cited. What scientific evidence currently exists to justify the abolition or reduction of sanctuary areas? I would be interested to know what science the decisions to vary the boundaries will be based on. The Beeton report says that sanctuary areas were established without an appropriate scientific basis. I have no argument with that proposition, but if that is the case then surely the zones should remain fixed until that appropriate evidence-based information is available. If the Government has a problem with the original decision to establish the marine park estate then it should worry about this moratorium, which is clearly a return to ad hoc management of marine estates. Interfering with the marine park management as it now exists on the basis of the need for further scientific study sounds good, except for the fact that any baseline data will clearly be compromised by fishing activity within the area.

I believe in the precautionary principle as a very good general principle and I cannot see any reason why it should be set aside prior to any report and recommendation from the Marine Estate Expert Knowledge Panel. I do not suggest that there should never be any variation to the marine parks, but as a community we need to recognise that past management practices have largely failed both the community and the environment. Hopefully the good science will come that confirms the best course of action in management of marine parks but it is not there yet. Why change the status quo based on a political decision before that science is delivered? Beeton further advised that the existing management system be maintained until the new one is in place. In February 2012 he said in an interview on radio ABC North Coast, "You can't manage what you don't understand". In view of those comments it seems premature to be amending the legislation at this stage. I do not support the bill.

**Mr RICHARD AMERY** (Mount Druitt) [5.35 p.m.]: I will make a brief contribution to the Marine Parks Amendment (Moratorium) Bill 2013 about which members of the Opposition are certainly not happy. The overview of the bill refers to the Marine Parks Act 1997 and I recall the debate in relation to that legislation in this House in the first couple of years of the Carr Labor Government. I also remember very clearly your contribution, Mr Acting-Speaker, as the member for Coffs Harbour, and also that of some other members of the House, which has been echoed in this debate today. On a number of occasions the Minister for Primary Industries and other Government members used words and phrases such as "science", "scientific evidence", "evidence-based decisions", "political decisions" and "alliances with The Greens". That has been the consistent view of the Coalition on this legislation since the 1997 Act.

I draw the attention of members to the significance of the 1997 Act to this bill, which will have major implications on the management of marine life on our coastline. The bill contains three or four lines that basically say, "You will do as the Minister directs". The former Labor Government warned about these sorts of actions prior to the last election. It warned about the arguments being put up by members of The Nationals in particular that will say that we should not do anything unless the science is 100 per cent conclusive, every decision made by government should be evidence-based and anything to do with politics should be ignored. I also say that at the same time as the 1997 legislation was being debated in this House corresponding consistent debates also occurred in relation to water reform, environmental flows and native vegetation by the same people who resisted things such as banning smoking, asbestos and whaling.

The Conservatives have always said, "We should not do anything to protect the marine environment, inland rivers and native vegetation unless there is indisputable evidence-based science that is not in conflict with anybody", which is how they always manage such debates. We have a very large coastline and a world population that has gone from about three billion in 1960 to nearly seven billion in 2013. As the Minister for Ageing correctly said, the challenge to marine life, the condition of our waterways and the like is pollution and that is inconsistent with the policy statements being made by The Nationals in relation to this bill.

**Mr John Williams:** Blame The Nationals.

**Mr RICHARD AMERY:** Don't worry about it; I can assure the member that I have heard it from the shadow Minister for Health—we are working on a cure, you'll be right, don't worry. We should not be surprised

that this very brief bill with a few lines on page 3 will undermine all of the significant improvements made to the environment in relation to marine parks that were embodied in the 1997 legislation. It is disappointing that this bill is before the House. All of the concerns of the Opposition about the protection of marine life are coming to fruition under this Coalition Government.

**Ms KATRINA HODGKINSON** (Burrinjuck—Minister for Primary Industries, and Minister for Small Business) [5.40 p.m.], in reply: I thank the members representing the electorates of Heffron, Bega, Coffs Harbour, Myall Lakes, Clarence, Balmain, Lake Macquarie and Mount Druitt for their contributions to debate. The bill originated from the independent scientific audit of marine parks conducted in 2012, which made it clear that the management of our marine parks needed to change. Today I am pleased to give effect to the recommendations of that audit, which will allow the initial reforms to commence.

The Marine Parks Amendment (Moratorium) Bill 2013 amends the Marine Parks Act 1997 by repealing two of the three components of the current moratorium. The bill will once again allow for the review of marine park zoning plans and, where appropriate, changes to be made to sanctuary zones. These reviews will enable the Government to develop plans that align the management of marine parks with a new approach to managing the whole marine estate—the marine waters, coasts and estuaries of New South Wales. By making these amendments the Government can further develop and begin to apply a new consultative and evidence-based approach. In this way the New South Wales Liberal-Nationals Government is unmistakably putting science back at the heart of all decisions, which is in stark contrast to the previous Government's piecemeal efforts.

Changes are needed to ensure that our system of six marine parks is effective in terms of conserving biodiversity, which in turn will benefit the community and industry. There are many benefits to be realised—for example, the million dollar Visit South Coast campaign launched by my colleague Mr George Souris, the Minister for Tourism, Major Events, Hospitality and Racing in April this year. This campaign showcases the region's beautiful beaches, crystal clear water and abundance of wildlife. It also builds on the success of a 2012 campaign that resulted in more than 16,000 sale leads from visitors wanting to book short breaks. The member for Heffron said this legislation is about the removal of sanctuary zones. That is not so; it is about putting in place robust review processes so that the appropriate areas are protected and managed based on science. Consultation will be undertaken with stakeholders, including commercial fishers. It is all about balancing conservation and business imperatives.

I reject the member's assertions about the capacity of Dr Stoeckel to lead the Marine Estate Expert Knowledge Panel. I have the greatest respect for Dr Stoeckel. I am confident that he will make sure that the panel takes into account every relevant matter. Members opposite should not bring down his good name. The member for Balmain spoke about trust and the language used. I agree with him: these are important considerations. I can assure the House that I do support research, and additional research will be required if we are going to get this right. That is why the Government established the expert knowledge panel. That panel will not be constrained. It will be able to draw on expert advice from across the ecological, economic and social science disciplines. Whilst the audit recommended that the current system be maintained, it also recognised that a better consideration of socioeconomic values is required. As also noted in the audit, the Government will seek to find ways to enhance the protection of biodiversity and address identified gaps in the system.

I can inform the member for Lake Macquarie that the bill does provide the opportunity to review the zoning plans—a power we did not have under the current arrangements. This is an important change. Being able to review the zoning plans will enable the Government to respond efficiently as new information becomes available. It is about good policy based on sound science. In conclusion, I remind the House that the bill does not give me any new powers; it merely allows the Government to review the zoning plans and make adjustments to sanctuary zones if appropriate. This sensible bill is about the Government taking action and doing what it said it would do. It will allow real changes to be made in line with the Government's vision for a clean, safe, healthy and productive marine estate to be enjoyed, valued and sustainably managed now and into the future.

There are plenty of grandparents who would love to take their grandchildren to the beach to throw in a fishing line. The independent scientific report, which was released by Professor Bob Beeton, clearly stated that that would not have a serious impact on our marine environment. How could that possibly ever compete with coastal pollution, overdevelopment and the sorts of old industrial issues which surround estuarine waters in various parts of this State? This bill is a common-sense approach to marine parks management. I commend the bill to the House.

**Question—That this bill be now read a second time—put.**

**The House divided.**

**Ayes, 61**

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

**Noes, 22**

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

**Pair**

Mr Brookes

Ms Hornery

**Question resolved in the affirmative.**

**Motion agreed to.**

**Bill read a second time.**

**Third Reading**

**Motion by Ms Katrina Hodgkinson agreed to:**

That this bill be now read a third time.

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

**BUSINESS OF THE HOUSE****Suspension of Standing and Sessional Orders: Order of Business**

**Mr BRAD HAZZARD** (Wakehurst—Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW) [5.52 p.m.]: I move:

That standing and sessional orders be suspended at this sitting to provide for the following routine of business after the conclusion of private members' statements:

- (1) government business;
- (2) matter of public importance; and
- (3) the House to adjourn without motion moved at the conclusion of the matter of public importance.

I have moved this motion to enable the House to conclude Government Business at 9.45 p.m. Earlier today I indicated that a number of bills had to proceed because of the stipulation from the Legislative Council that all bills must be transmitted to the Council by the end of next week. The program is still extensive. I did ask members to indulge other members by not speaking unless it was necessary or to speak briefly, but it appears that members are not inclined to do so. The House has taken all day to deal with three bills, and four bills remain on the *Business Paper*. On that basis I estimate that we will still be here at 3.30 or four o'clock in the morning. I remind members that the dinner break will be taken between 6.30 p.m. and 7.00 p.m. and private members' statements will commence at 7.00 p.m. This motion will not cancel private members' statements. At 7.30 p.m. the House will commence dealing with the remaining bills, which will take some time, given the current track record. I again say to members: If you do not have something relating to your electorate, perhaps it is a good idea not to speak on a bill—it is entirely the choice of members—otherwise we will be here at three o'clock in the morning.

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

**Motion agreed to.**

**BAIL BILL 2013**

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

**MOTOR ACCIDENT INJURIES AMENDMENT BILL 2013****Second Reading**

**Debate resumed from 21 May 2013.**

**Mr GREG PIPER** (Lake Macquarie) [5.54 p.m.]: I make a contribution to the debate on the Motor Accident Injuries Amendment Bill 2013. The object of the bill is to amend the Motor Accidents Compensation Act 1999 and by various provisions create a no-fault motor accident compensation scheme. The Government seeks through this legislation to rein in escalating costs within the current compensation system and to ensure that the New South Wales compensation scheme remains financially sustainable. *Prima facie*, a no-fault claims system is a step forward in managing claims for injuries associated with motor vehicle accidents and recognises that fault in the context of motor accidents can be a nebulous thing—accidents are often caused by a combination of unfortunate and unanticipated circumstances rather than clear negligence or recklessness.

It is important to note that the no-fault provision does not extend to drivers who have demonstrated clear disregard for the law, such as drink drivers and those charged with a serious driving offence or knowingly driving an uninsured vehicle. The Government's intention to expedite the processing of claims is also at face value a positive move as many people under the current scheme have been forced to wait far too long for claims to be finalised and lump sum compensation to be allocated. The Motor Accidents Injuries Amendment Bill will allow a majority of claimants to bypass the courts, reducing the time for resolution and notionally paving the way for a less stressful experience. The bill also claims to address the need to put a brake on the rising costs of the current scheme—costs which inevitably manifest as increased premiums paid by motorists—something that could only be argued to be a good thing.

If only this could be assured, but the history of the rising costs of compulsory third-party [CTP] insurance, including the most recent round of increases approved by this Government, suggests that significant savings would likely be an illusory aspiration at best. The changes in this bill will see the majority of people who make claims receive significantly less payment overall than they may have been entitled to claim under the current scheme. I know that there has been plenty of finger pointing at the legal profession's role in the escalating cost of the New South Wales compulsory third-party scheme but that does not mean that objections to these changes from the profession do not have validity. I would not put great faith in the machinery of large legal firms to be minimising costs and maximising compensation actually paid to victims, but I do have faith in most front-line practitioners, who see first-hand the trauma and ongoing hardship suffered by injury victims.

Of course, there are at least two sides to such a legal contest, and while we can no doubt find examples of outrageous claims on one side and unconscionable denials on the other, all adding to legal costs, it seems clear that the big winners under the current system, and I suspect into the future, are the insurers. These insurers have been making profits well beyond projections, yet that is never enough. The New South Wales Bar Association estimates that 90 per cent of victims will not be able to recover full lost earnings and ongoing treatment expenses and that maximum weekly benefits will be halved. Detractors of this argument might wish to take issue with the 90 per cent figure used, but even halving that figure will leave a large number of people adversely affected.

The legislation removes recourse to common law action for the vast majority of claimants. Those deemed to have less than 10 per cent whole person impairment will be denied the option of pursuing damages through the courts. I note that The Greens propose that all claimants be given the choice of taking a no-fault statutory payment up-front or taking their claim to the courts. This would be a more palatable option that respects people's right to seek fair recompense through our legal system while also giving them the option to seek a faster, and perhaps less stressful, resolution by accepting a no-questions-asked capped payment. Even with such an amendment, I believe there would be people who take a short-term option which would be to their long-term disadvantage, purely because it has become all too difficult.

The bill makes provision for loss of earnings and care expenses for the majority of claimants for a period of up to five years, and ongoing support for those with more than 20 per cent whole person impairment, but there is still potential for many with a legitimate claim to ongoing assistance to fall through the cracks. For example, take the case of a tradesman who severely injures a hand or limb or sustains a back injury and as a result can no longer carry out manual work. They may fall short of the 10 per cent whole person impairment benchmark yet their earning capacity and ability to work and function may have been severely curtailed. Even those who meet the 10 per cent whole person impairment standard, which is apparently no more than about 10 per cent of all claimants, will have weekly payments cut off after five years.

Another concern about the legislation is the provision for the scheme to be privately underwritten by the insurance industry rather than the Government, a model that is untested for a no-fault scheme such as the one proposed. This would appear to carry significant financial risk. Part of the Government's justification for introducing no-fault statutory payments is its claim that only 50 cents in the dollar is going to injured claimants under the current scheme. The Motor Accidents Authority figures show legal and investigative costs have fallen in recent years and that 81 per cent of payments in the four years from 2007 covered direct compensation to claimants.

The promised 15 per cent reduction in green slip costs for motorists appears to be window dressing for the less palatable aspects of the bill and represents at best a short-term gain that has already been compromised by the Government's agreement late last year to a 10 per cent increase in premiums. In conclusion, the current motor accident injury compensation scheme is admittedly costly and unwieldy. While the intent to speed up and streamline the claims process and to remove the requirement to prove fault are supportable notions, these reforms come at a heavy cost in terms of the reduction in overall compensation to the majority of claimants and the restrictions the legislation makes on people seeking justice through the courts. For this reason I am unable to support the bill.

**Mrs BARBARA PERRY** (Auburn) [6.00 p.m.]: I will make some brief comments on the Motor Accident Injuries Amendment Bill 2013. Many members on this side of the House have spoken in opposition to the bill. There has been no response as yet from the Minister who leads on this bill in relation to a number of issues that have been raised. Under general headings, those issues include: first, that benefits will be cut off; secondly, children and parents will be worse off, and people older than retirement age and forced to work for financial security will be ineligible; and, thirdly, motorists injured at work will be worse off. The bill also



imposes a duty on both the insurer and the claimant to act towards the other with the utmost good faith. For the injured person this includes the duty to disclose all relevant information in a timely manner, but it does not appear to be the same for the insurer in relation to the same relevant information. Also, injured people will not get legal advice and there is this idea that New South Wales cannot afford it, which is the proposition being put forward by the Government. It is quite disgraceful that the Government has not provided or released its costings for this proposal. That is of great concern.

In my position as shadow Minister for Disability I have been approached by many people who are very concerned about the implications of the legislation. It represents a significant and worrying change in the Government's approach to compensating those injured in motor vehicle accidents and undoes some of the excellent work that the Labor Government put into making sure we adequately look after these people. This bill seeks to limit benefits for people who really need support. As with the ironically named Victims Rights and Support Bill 2013, there is a time limit on support. This time limit is going to make all the difference to people who are often in really difficult circumstances. With traumatic brain injury rehabilitation, for example, research shows that even when initial physical injuries may appear to have been stabilised it can take a much longer period for full cognitive, behavioural and emotional functioning to be worked out. There are particular issues with children as well: the impact may not be able to be assessed quickly and may take many years to show up.

I will outline some further concerns: first, whether the expansion of no-fault benefits for motor vehicle passengers will come at the expense of people with current entitlements. For example, people with traumatic brain injury who do not meet the 10 per cent whole person impairment threshold may still have significant complex and long-term needs for support. As the Australian Association of Social Workers notes, under this scheme clients with traumatic brain injury have to advocate for themselves, with insurers making decisions about what is a reasonable offer of compensation or payment for future medical or rehabilitation costs. I think the issues with this are self-explanatory and really need to be addressed by the Minister with the conduct of this bill. The Government keeps saying that its policies are about sustainability. I am all for sustainability, if we make sure that we really are fixing the issues that need to be fixed and we really are looking at the reason costs are blowing out.

This bill does not do that in any way, shape or form. A compounding issue is that the Government has not released the costings for this proposal. The Motor Accidents Authority's latest annual report disputes the Government's claim that the costs of administration of the scheme, including legal fees, are blowing out. The figures show that legal and investigative costs have fallen. In Western Australia, Tasmania, Victoria and the Northern Territory government management and underwriting of schemes have resulted in cheaper premiums than private schemes. Instead of disadvantaging the victims, why not attempt to funnel some of the serious profits made by insurance companies back to motorists by adding to statutory no-fault benefits or reducing green slip prices? That would be an effective response to the issues around this scheme rather than the bizarre mishmash that we have in front of us. In all conscience, personally and as part of the Opposition, there is no way that I could support the Motor Accident Injuries Amendment Bill 2013 in its current form.

**Mr MIKE BAIRD** (Manly—Treasurer, and Minister for Industrial Relations) [6.05 p.m.], in reply: I thank all members for their contributions to the debate. I acknowledge that concerns have been raised and, in terms of the key details, the Minister for Finance and Services will address those in detail as he handles the passage of the bill through the upper House. The Motor Accident Injuries Amendment Bill 2013 contains a package of reforms created to improve the experience of injured people while removing the inefficiencies in the scheme to help reduce green slip premiums. These changes are based on a significant 12-month review of the Motor Accidents Scheme, including ongoing consultation with stakeholders and analysis by the independent scheme actuary, Ernst and Young. Ernst and Young's analysis, which has been noted in this debate, provides significant cause for concern. The green slip premiums paid by New South Wales motorists are higher than those almost anywhere else in the country.

In fact, New South Wales currently has the least affordable compulsory third-party insurance premiums in Australia as a percentage of average weekly earnings. The bill provides for the establishment of a no-fault scheme which will deliver better support for those injured. This more universal coverage will provide more benefits for an estimated additional 7,000 injured persons each year while at the same time reducing premiums. The Productivity Commission's 2011 disability support and care report, which I think is an important part of this debate, concluded that no-fault schemes are overall superior to fault-based schemes. It stated:

Overall, no fault systems are likely to produce generally superior outcomes compared with fault based systems. This assessment is consistent with the findings and recommendations of past official inquiries and reports that have investigated the matter.

The bill has a strong focus on better health outcomes and making sure that more of the premium dollar will be returned as benefits to those injured, not towards administration. The reforms include a simplified claims process leading to fewer disputes, earlier payment of benefits and reduced overheads and costs in the scheme. The amendments contained in the bill are not unique; they have been modelled on provisions that operate in Victoria which have enabled the compulsory third-party scheme in that State to achieve good outcomes for participants. The amendments in the bill will achieve better health and rehabilitation outcomes, better green slip prices and better management of the scheme.

Following further consultation with both compulsory third-party insurers and representatives of the legal profession, the Government is proposing to introduce a number of amendments for clarification purposes, which we shall do shortly. As articulated in this debate, we certainly think that the Motor Accident Injuries Amendment Bill 2013 contains a package of reforms that will help the experience of injured people, remove inefficiencies in the scheme and ultimately help to reduce green slip premiums. I commend the bill to the House.

**Question—That this bill be now read a second time—put.**

**The House divided.**

**Ayes, 56**

Mr Anderson	Mr Flowers	Mr Piccoli
Mr Annesley	Mr Fraser	Mr Provest
Mr Aplin	Mr Gee	Mr Roberts
Mr Baird	Ms Goward	Mr Rohan
Mr Barilaro	Mr Grant	Mr Rowell
Mr Bassett	Mr Gulaptis	Mrs Sage
Mr Baumann	Mr Hazzard	Mr Sidoti
Ms Berejikian	Ms Hodgkinson	Mr Smith
Mr Bromhead	Mr Holstein	Mr Speakman
Mr Casuscelli	Mr Humphries	Mr Spence
Mr Conolly	Mr Issa	Mr Stokes
Mr Cornwell	Mr Kean	Mr Toole
Mr Coure	Dr Lee	Ms Upton
Mrs Davies	Mr Notley-Smith	Mr Webber
Mr Dominello	Mr O'Dea	Mr R. C. Williams
Mr Doyle	Mr Page	Mrs Williams
Mr Edwards	Ms Parker	<i>Tellers,</i>
Mr Elliott	Mr Patterson	Mr Maguire
Mr Evans	Mr Perrottet	Mr J. D. Williams

**Noes, 22**

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

**Pair**

Mr George

Ms Hornery

**Question resolved in the affirmative.**

**Motion agreed to.**

**Bill read a second time.**

**Consideration in detail requested by Mr Michael Daley.**

### Consideration in Detail

**ACTING-SPEAKER (Mr Gareth Ward):** Order! By leave I shall propose the bill in groups of clauses and schedules.

#### Clauses 1 and 2 agreed to.

**Mr MICHAEL DALEY** (Maroubra) [6.18 p.m.], by leave: I move Opposition amendments Nos 1 to 9 in globo, before consideration of the amendments to be moved by the Treasurer:

- No. 1 Page 21, schedule 1 [68], proposed section 65I, line 3. Insert "or was an earner at the time of the motor accident" after "age".
- No. 2 Page 21, schedule 1 [68], proposed section 65I, line 4. Insert "or have been an earner at the time of the motor accident" after "age".
- No. 3 Page 21, schedule 1 [68], proposed section 65J, line 28. Omit "after the motor accident concerned.". Insert instead "after the relevant date. The *relevant date* is the date of the motor accident or the date on which the person turns 18 years of age, whichever is the later."
- No. 4 Page 21, schedule 1 [68], proposed section 65J, line 39. Omit "after the motor accident concerned". Insert instead "after the relevant date".
- No. 5 Page 39, schedule 1 [68], proposed section 65ZI, line 11. Insert "or who was under 18 years of age at the time of the motor accident" after "10 per cent".
- No. 6 Page 43, schedule 1 [68], proposed section 65ZO. Insert after line 3:
  - (2) If the claimant is under a legal disability, the claim cannot be redeemed except with the approval of a claims assessor.
- No. 7 Page 43, schedule 1 [68], proposed section 65ZO, line 4. Insert "other" before "cases".
- No. 8 Page 43, schedule 1 [68], proposed section 65ZP. Insert after line 14:
  - (2) If the claimant is under a legal disability
    - (a) the claims assessor must give directions to provide for the safe and appropriate investment on behalf of the claimant of the amount to be paid in redemption of the claim (*the redemption amount*), and
    - (b) the claims assessor may increase the redemption amount by such amount as the claims assessor considers reasonable to cover the future costs of financial management of the redemption amount (determined at a rate not exceeding the rate charged by the NSW Trustee and Guardian).
- No. 9 Page 79, schedule 1 [138], proposed section 123A. Insert at the end of line 14.; and
  - (c) damages for the costs of financial management of damages awarded.

These amendments deal almost exclusively with children, although one amendment deals with clauses that relate to people with a legal disability, such as mental illness, who require any settlement moneys to be invested or managed by a trustee. Amendments Nos 1 and 2 amend proposed section 65I at page 21 of the bill and deal with what lawyers term a lacuna. They address the issue of loss of earnings and weekly benefits for 15-year-olds. Proposed section 65K provides that to receive weekly benefits a person must be an earner and therefore 15 years old and in full or part-time employment. An earner is entitled to a weekly payment for the first period of three months and for the second period of 18 months. But proposed section 65I says that to receive weekly benefits for the third period—that is after 78 weeks—the person must be 18 years old. The effect is that for 15-year-olds who are injured there is an 18 month break before they reach the age of 18.

My understanding is that the Government amendments deal with this issue, so I will say no more about it. I thank the Government for adopting those Opposition amendments, although the Government has adopted no more. Let us hope it will do so when the bill goes to the other place. Amendment No. 2 relates to economic loss and children. Children who are not earners will not be able to claim economic loss. That is unacceptable. Currently they can claim economic loss under section 7J of the Act. For those with injuries of less than 20 per cent whole person impairment, the window to claim economic loss slams shut after five years. Even though injured children will have a permanent loss of earning capacity, they will never have the opportunity to make a claim. Adults will have the opportunity to claim some economic loss but children will miss out entirely. Amendments Nos 3 and 4 deal with that aspect.

Amendment No. 5 relates to children and their treatment expenses. There are many injuries that are assessed to be under the 10 per cent whole person impairment threshold. For example, serious and permanent facial scarring from ear to chin; a surgically fused ankle; a disc prolapse in the lumbar spine with nerve root impingement, causing ongoing shooting pains into the legs; moderate traumatic brain injury; a moderate and disabling psychiatric injury; complex fractures of the arms, legs and hands that leave individuals with a restricted range of movement, arthritic pain and an inability to work properly or at all; and injuries at or near the joints that cause arthritis that will result in major surgery in the future, such as a shoulder replacement, a knee replacement, or a hip replacement. The likelihood of future surgery would put these injuries over the 10 per cent whole person impairment but no allowance is made in this legislation for that, particularly for children.

Many injuries that children suffer will manifest at a later time and require surgery and medical treatment at a later date. The whole structure of this new scheme is disastrous and it makes no allowance for children. Currently, children receive care and treatment expenses for life if they are under 16 years of age, regardless of who is at fault. These amendments seek to preserve the status quo in that respect. Currently when a lump sum is awarded to a child or an adult with a legal disability, such as a person who is mentally ill or a person with a brain injury brought about by trauma, the damages awarded are managed either by the New South Wales Trustee and Guardian or a private trustee company. Regrettably, these companies charge substantial fees, as does the New South Wales Trustee and Guardian although its fees are not the most expensive. I am informed that over the lifetime of a brain-injured person the management fees of a \$1 million payout would exceed \$200,000. Currently, under the Labor scheme, the management fees are recoverable.

There is no provision in the new scheme for the recovery of fees by children and brain-injured individuals. Unless that is rectified, the Government is robbing these individuals of \$200,000. My amendments seek to remedy that issue. The Government has proposed an amendment that relates to the trustee but it does not go anywhere near properly addressing this issue. The Opposition is unashamedly looking after the rights of children. Earlier this week the Government spoke about protecting children via a vaccination scheme. Now is the time for the Government to walk the walk as well as talk the talk. I have young children and I would pay \$50, \$60, \$100 more a year on my insurance premiums to ensure that if I am at fault any injured child is provided for. The member for Coffs Harbour is an advocate for road safety. Day after day he talks about injuries as a result of motor vehicle accidents on the Pacific Highway. He has been forced, like many of the Government backbenchers—

**Mr Andrew Fraser:** No, I have not.

**Mr MICHAEL DALEY:** I note the interjection. He willingly accepts the bill. Many Government backbench members have indicated in words and via body language that they do not find this bill acceptable. It may mean that green slip premiums are reduced by 15 per cent to \$75, but a lot of children's lives will be destroyed in the process, as will their parents' lives. The Opposition go a long way to fixing the problems. I commend Opposition amendments Nos 1 to 9.

**Mr MIKE BAIRD** (Manly—Treasurer, and Minister for Industrial Relations) [6.27 p.m.]: I briefly address Opposition amendments Nos 1 to 9 moved by the shadow Minister. The Minister for Finance and Services, who has carriage of this bill, will address in detail the Opposition amendments in the other place. The Opposition amendments seek to achieve many of the objectives that the Government seeks to achieve in its proposed amendments. The Government accepts the principles of continuity of payments for young people who experience loss of earnings and agrees that lump sum payments should be held in trust. The Government will adopt its own amendments because the wording is more precise.

The Opposition also proposes a substantial change to the way the scheme operates for young people. It seeks to extend payments for loss of earnings and medical expenses beyond five years from the date of an accident. The Government opposes this amendment. I am advised that the circumstances in which that would be required are unlikely to occur and that if they did, they could be addressed through regulation. The Opposition amendments propose an inclusion of fund management fees in claims for damages. The income provided as damages is more than sufficient to cover the fees of financial managers. As I said, the Minister in the other place will respond in detail to all these amendments. The Government opposes these amendments.

**Question—That Opposition amendments Nos 1 to 9 be agreed to—put.**

**The House divided.**

**Ayes, 22**

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

**Noes, 53**

Mr Anderson	Mr Flowers	Mr Provest
Mr Annesley	Mr Fraser	Mr Roberts
Mr Aplin	Mr Gee	Mr Rohan
Mr Baird	Ms Goward	Mr Rowell
Mr Barilaro	Mr Grant	Mrs Sage
Mr Bassett	Mr Gulaptis	Mr Sidoti
Mr Baumann	Mr Hazzard	Mrs Skinner
Ms Berejikian	Ms Hodgkinson	Mr Smith
Mr Bromhead	Mr Holstein	Mr Spence
Mr Casuscelli	Mr Humphries	Mr Stokes
Mr Conolly	Mr Issa	Mr Toole
Mr Cornwell	Mr Kean	Ms Upton
Mrs Davies	Mr Notley-Smith	Mr Webber
Mr Dominello	Mr O'Dea	Mr R. C. Williams
Mr Doyle	Mr Page	Mrs Williams
Mr Edwards	Ms Parker	<i>Tellers,</i>
Mr Elliott	Mr Patterson	Mr Maguire
Mr Evans	Mr Perrottet	Mr J. D. Williams

**Pair**

Ms Hornery

Mr Brookes

**Question resolved in the negative.****Opposition amendments Nos 1 to 9 negatived.**

**ACTING-SPEAKER (Mr Gareth Ward):** Order! Pursuant to sessional orders we would now normally adjourn for dinner. However, with the leave of the House we will deal with the Treasurer's amendments.

**Mr MIKE BAIRD** (Manly—Treasurer, and Minister for Industrial Relations) [6.40 p.m.], by leave: I move Government amendments Nos 1 to 7 in globo:

No. 1 Page 7, schedule 1 [19], lines 3–26. Omit all words on those lines. Insert instead:

**19 Provision of vehicle registration information to insurers and Authority**

- (1) The regulations may make provision for or with respect to authorising or requiring RMS to provide vehicle registration information to the Authority or a licensed insurer.
- (2) Without limiting subsection (1), the regulations can provide for the entering into of agreements or other arrangements under which vehicle registration information is to be or may be provided by RMS to the Authority or a licensed insurer.
- (3) A regulation cannot be made under this section without the concurrence of the Minister administering the *Road Transport Act 2013*.
- (4) In this section, **vehicle registration information** means information about a registrable vehicle or the registered operator of a registrable vehicle that is recorded in the New South Wales registrable vehicles register maintained under the *Road Transport Act 2013*. Expressions used in this section have the meaning they have in the *Road Transport Act 2013*.

**Note.** Vehicle registration information includes the date of birth of the registered operator and the garage address for a vehicle.

- No. 2 Page 18, schedule 1 [68], proposed section 65B, line 9. Omit "licensed insurer". Insert instead "insurer".
- No. 3 Page 18, schedule 1 [68], proposed section 65B. Insert after line 12:
- (3) The regulations may make provision for or with respect to the principles to be applied by the Authority in determining which insurer is to be the relevant insurer for a claim.
- No. 4 Pages 20 and 21, schedule 1 [68], proposed section 65I, line 38 on page 20 to line 6 on page 21. Omit all words on those lines. Insert instead:
- (1) A person who is injured as a result of a motor accident and suffers a total or partial loss of earning capacity as a result of the injury is entitled to weekly payments of statutory benefits under this section after the end of the second entitlement period, but only if the person:
    - (a) is at least 18 years of age (whether or not the person is an earner), or
    - (b) is under 18 years of age and is an earner.

**Note.** The person's age after the second entitlement period is relevant to determining entitlement to statutory benefits after the second entitlement period. A person's age at the date of the motor accident is not relevant. Section 65K defines when a person is an earner.
- No. 5 Page 44, schedule 1 [68], proposed section 65ZR, line 1. Insert "**and regulations**" after "**Guidelines**".
- No. 6 Page 44, schedule 1 [68], proposed section 65ZR. Insert after line 15:
- (2) The regulations may prescribe the discount rate that is to be applied in determining, for the purposes of the redemption of a claim, the present value of statutory benefits payable in the future.
- No. 7 Page 56, schedule 1 [68]. Insert after line 1:

**65ZZN Payment of lump sum benefits to NSW Trustee and Guardian**

- (1) A claims assessor may direct that an amount payable to a person under this Chapter in redemption of a claim for statutory benefits or as statutory benefits under Part 3A.5 is to be paid to the NSW Trustee in trust for the benefit of the person entitled to the payment if the person is under 18 years of age or is under a legal disability.
  - (2) Any money so paid to the NSW Trustee may be invested, applied, paid out or otherwise dealt with by the NSW Trustee in such manner as the NSW Trustee thinks fit for the benefit of the person entitled to the money, subject to any directions of a claims assessor.
  - (3) The receipt of the NSW Trustee is sufficient discharge in respect of any money paid to the NSW Trustee under this section.
  - (4) All amounts held by the NSW Trustee under this section are to form part of a common fund established under the *NSW Trustee and Guardian Act 2009* and are available for investment as provided by that Act.
  - (5) A power conferred by this section on the NSW Trustee to invest money for the benefit of a person includes a power to invest the money in any manner that the NSW Trustee is authorised under the *NSW Trustee and Guardian Act 2009* to invest money held in trust by the NSW Trustee.
  - (6) In this section, *NSW Trustee* means the NSW Trustee and Guardian constituted under the *NSW Trustee and Guardian Act 2009*.
- No. 8 Page 88, schedule 1 [158], line 13. Omit "and employers".
- No. 9 Page 96, schedule 1 [167]. Insert after line 7:

**51 Transitional arrangements for railway and other public transport accidents**

- (1) Chapter 5 (Award of damages) of this Act continues to apply as it was in force immediately before the commencement of section 123A of this Act for the purposes of the application of that Chapter to an award of damages as provided for by section 121 (Application of common law damages for motor accidents to railway and other public transport accidents) of the *Transport Administration Act 1988*.
- (2) The regulations may except an award of damages from the operation of this clause if statutory benefits are payable under Chapter 3A in respect of the death or injury concerned.

The amendments are the result of consultation on the legislation. The Government is very pleased to make improvements where necessary and believes it has done that. The Minister for Finance and Services will provide a detailed explanation of all of the amendments in the Legislative Council. I will briefly address the objectives of the amendments to give a clear understanding of where the Government is going. The changes are certainly

worthwhile following the introduction of the bill. In a broad sense, they include minor corrections and consequential amendments. There is some clarification around regulation and administration to ensure the orderly operation of the scheme. There is also the refinement of existing policy, which improves data sharing to get the right balance between privacy and the potential for fraud. They also ensure that young people receive continuity of payments for loss of earnings and that lump sum payments are held in trust until they turn 18 years of age. Those are the key tenets of the amendments. I recommend the amendments to the House.

**Mr MICHAEL DALEY** (Maroubra) [6.42 p.m.]: The Opposition accepts these amendments, but we are disappointed that out of all of the amendments moved by the Opposition only one has been accepted, and it relates to 15-year-olds. Too much of this scheme is being pushed off to regulations. Clause 19 pushes certain decisions off to regulations. Amendment No. 3 also pushes off other decisions to regulations that may make provision for certain things. We object to amendment No. 7, which goes to the settlement of funds going to the New South Wales Trustee and Guardian. Unless I am mistaken, clause 65ZZN prescribes that damages that are going to be managed by a trustee must be paid to the New South Wales Trustee and Guardian. Paragraph (1) states:

- (1) A claims assessor may direct that an amount payable to a person under this Chapter in redemption of a claim for statutory benefits or as statutory benefits under Part 3A.5 is to be paid to the New South Wales Trustee in trust for the benefit of the person entitled to the payment if the person is under 18 years of age ...

First, some people do not want to invest with the New South Wales Trustee because it is so expensive. Private trustees do just as good a job and are cheaper than the New South Wales Trustee and Guardian. This Government should not prescribe where those settlement funds go. Secondly, there is no provision, as the Opposition moved, for the recovery of management fees. In the absence of that I would have thought the Government should have directed that these funds must be paid to the trustee. If there is no provision for the recovery of management funds, the New South Wales Trustee and Guardian should waive its fees. That is not provided for in this legislation. The Opposition will not divide on that amendment, but we will review it again in the Legislative Council. The Opposition does not object to these amendments, but we are very disappointed.

**Question—That Government amendments Nos 1 to 9 be agreed to—put and resolved in the affirmative.**

**Government amendments Nos 1 to 9 agreed to.**

**Schedule 1 as amended agreed to.**

**Schedules 2 to 4 agreed to.**

**Consideration in detail concluded.**

**Third Reading**

**Motion by Mr Mike Baird agreed to:**

That this bill be now read a third time.

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

*[The Acting-Speaker (Mr Gareth Ward) left the chair at 6.45 p.m. The House resumed at 7.00 p.m.]*

## **STATUTORY AND OTHER OFFICES REMUNERATION AMENDMENT (JUDICIAL AND OTHER OFFICE HOLDERS) BILL 2013**

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

### **PRIVATE MEMBERS' STATEMENTS**

#### **F3 TO M2 ORBITAL LINK**

**Mr MATT KEAN** (Hornsby) [7.01 p.m.]: Tonight I acknowledge the New South Wales Coalition's decision to support the F3-M2 orbital link. This missing piece of road infrastructure has been a long time

coming for the forgotten residents of Hornsby, who have been ignored and subjected to years of inaction by previous governments. Tonight there can be no doubt about the importance of this road link to the residents of Hornsby, the State of New South Wales and the Commonwealth. Every day more than 10,000 trucks travel on that road, carrying 100,000 tonnes of goods—and that is projected to increase to 200,000 tonnes by 2021. Each day one in every three travellers on the F3 is a commuter travelling to Sydney to work. Roughly 25,000 commuters will benefit directly from the link road. Pennant Hills Road is one of Sydney's most congested corridors. Morning peak travel times average 27 kilometres an hour whilst afternoon peak speeds are 33 kilometres an hour. This proposal means that motorists will be able to spend more time with their families and businesses and not waste time sitting in traffic.

Those who travel north to the Central Coast and beyond know that Pennant Hills Road has been an utter shambles for many years now. On a daily basis the road is choked by thousands of trucks that clog up the critical main road artery and turn the area into a car park. After several false starts and a broken promise the Federal Government has finally signed off on a funding agreement deal with the State Government for \$3 billion, which will be used to construct eight kilometres of tunnels from Wahroonga to the M2 interchange at Pennant Hills. The F3-M2 link will take 11,000 vehicles off local roads and save commuters 20 minutes in travelling time during peak periods. This crucial roads investment will benefit metropolitan Sydney, the Central Coast and Newcastle.

Locally, it will also mean that Hornsby Council will be able to reclaim the badly gridlocked suburbs of Pennant Hills and Thornleigh, which have both paid the price of years of government inaction. Along with my Federal Liberal colleagues Philip Ruddock and Paul Fletcher, I have been calling for this critical road funding for years now. This is not a State priority; it is a national priority. I acknowledge the efforts of the Federal infrastructure Minister Anthony Albanese in supporting this important initiative. Pennant Hills Road remains one of only two entry points from Sydney to the F3. It serves not only my electorate but also thousands of residents from the nearby electorates of Epping, Castle Hill, Ryde and as far afield as Parramatta. It carries the vast majority of traffic destined for Sydney and bears the full brunt of daily commuters, holiday makers and road freight travelling between the F3 and the M7.

The former member for Epping, Andrew Tink, famously dubbed the troubled road a virtual Berlin wall, cutting in half up to four suburbs. And I can see why he thought that. Any members of the House who have been stuck in this gridlocked nightmare will know there is no realistic alternative to Pennant Hills Road heading north and those who get stuck in traffic can spend up to an hour trapped in their vehicles. Last year Transurban Group submitted a construction proposal to the Government to build the missing F3-M2 link. What Transurban Group proposed was an eight kilometre stretch of tunnel with a four-year construction period. The tunnel solution will enable motorists to skip 22 sets of traffic lights on Pennant Hills Road, provide greater reliability of travelling times, reduce noise and air pollution impacts for local residents and greatly improve safety standards.

Recent figures show Pennant Hills Road is still considered one of the worst black spot areas in Sydney, with 156 accidents recorded between July 2011 and July 2012. Public concern for this road is also shared by the NRMA's Motoring and Services director, Kyle Loades, who said, "Pennant Hills Road is a link which can't be sustained." Mr Loades further stated, "The previous New South Wales Government dragged its heels on spending the money when it was available to them." Unlike members of the former Government, Premier Barry O'Farrell is known for his forward thinking and shrewd negotiating skills.

This agreement is the result of the Premier directly intervening to ensure that the residents of northern Sydney and across Sydney will benefit from the solution that this link will provide. I acknowledge the Federal Labor Government and the Federal Coalition for supporting the initiative. Now the final steps need to be taken to sign the agreement and complete work on a major piece of infrastructure that will transform the suburbs and the lives of residents in my community. It will enable improvement of businesses and productivity throughout the State and the nation. This great initiative is well overdue, and I am delighted to have been part of the campaign to bring about this change.

#### **MARRICKVILLE PUBLIC SCHOOL ROAD SAFETY**

**Ms CARMEL TEBBUTT** (Marrickville) [7.06 p.m.]: Tonight I make a private member's statement about an issue important to families everywhere but highlighted recently in my electorate at Marrickville Public School, and that is the safety of schoolchildren in the streets around their schools. Marrickville Public School is a great school with a dedicated principal in Ms Kerry Chambers. It has hardworking teachers and school staff and caring parents. There is an urgent need for greater safety measures at Marrickville Public School. The



school's parents and citizens association has been campaigning to expand traffic safety measures at the site. Its members contacted me after a recent traffic injury to a student. The parents outlined a number of factors leading to dangerous circumstances that can arise near the school due to drivers travelling at greater than the speed limit and being unaware of the location of the school.

Marrickville Public School is surrounded by industrial uses and businesses, making it a heavily trafficked area crowded into a number of narrow streets; consequently, drivers are often focussed on an industry in the area rather than the school and its students. It is an area in which many would not expect to see a school, and drivers are often looking for a particular business or industry location and their minds are elsewhere. Parents are understandably concerned about the risk that this poses. We often see in that part of Marrickville vehicles parked across footpaths because their drivers are loading and unloading goods from factories. This forces pedestrians, including students, to walk onto the road to get around the vehicles that are being loaded and unloaded. The parents are concerned. After much analysis and negotiation the parents have come up with a reasonable and sensible list of actions to alleviate their concerns.

The first request of parents is that flashing lights be installed on the school zone signage boards that surround the school. Parents have advised me that many drivers appear unaware of the current school zones and frequently travel well above the 40 kilometres per hour speed limit. The parents' second request is that a traffic controller or lollipop controller be employed to assist students to cross the road by restraining vehicular traffic at busy times before and after school. Many families live in the surrounding streets and children walking to school need to cross busy roads to get to the school grounds.

A further request is that the current school zones around the school be expanded to cover the whole of Chapel, Farr and Thompson streets, and that school zones be added to nearby sections of Sydenham and Illawarra roads, as children cross these main roads when travelling to and from school. After parents presented these issues to me, I put a number of questions to the Minister for Roads to ascertain when the Government would apply the appropriate safety measures. The Government has advised that Marrickville Public School does not meet the criteria for inclusion in the 2013-14 rollout of flashing lights but it will be reassessed for future rollouts. The Minister has also advised that Roads and Maritime Services will inspect the school zones on Chapel, Farr and Thompson streets to ensure that they are located appropriately with respect to school access points. It is the view of parents that the school zone signs need to be moved to the end of the streets to make them more obvious and to cover the entire streets.

The Minister has advised further that traffic and pedestrian counts will be undertaken in the new school term to assess the crossing against the criteria for appointing a supervisor. While the Government has promised to look into these issues, the parents are still disappointed that the Minister has not agreed to their specific requests. Recently I met with them to convey the Minister's response and to inspect firsthand issues of concern, and I found the parents and citizens association case to be compelling. I thank the presidents of the Marrickville Public School Parents and Citizens Association, Gemma and Justin Beall, vice-president Kaylene Reschke, secretary Elizabeth Winterbottom, treasurer Sara Wickert and traffic coordinators Belinda Maynard and Nicole Lee.

I have written to the Minister to request a further investigation of these issues and for the Minister to visit Marrickville Public School to meet with parents and see firsthand the issues concerning parents. These issues will not go away. The parents at Marrickville Public School are a dedicated, hardworking bunch. They will continue to campaign for improved safety measures at the school. I intend to do whatever I can to support them in that campaign because ensuring the safety of children on their way to and from school is one of the greatest responsibilities of State governments. I urge the Minister for Roads to reconsider the matter, to visit the school to see the issues firsthand and agree to the very reasonable requests of the parents for improved safety measures around Marrickville Public School.

**Mr PAUL TOOLE** (Bathurst—Parliamentary Secretary) [7.11 p.m.]: I thank the member for Marrickville for raising this issue in the House. The New South Wales Government has given a strong commitment that flashing lights will be rolled out in school zones across New South Wales. The member was quite right when she said that school zones are very important. They are there to help students travel safely to and from school each day. The aim of having identified school zones is to reduce the speed of traffic around schools. Indicative signs and lollipop people are also critical to ensuring student safety. The Minister is well aware of the issues and I applaud him for his hard work and the Government's strong commitment over the past two years.

### ORANGE THEATRE COMPANY

**Mr ANDREW GEE** (Orange) [7.12 p.m.]: The city of Orange has long had a reputation as a centre of excellence for the performing arts in regional New South Wales. That reputation was reinforced, and indeed grew, in recent days with the Orange Theatre Company's presentation of *The Wizard of Oz*. I was present last Friday night for a performance of *The Wizard of Oz* and it was a marvellous production. It is to the great credit of the Orange Theatre Company that it consistently presents productions of such high quality, including this very fine production, which was very well received.

I pay tribute to Trevor Carroll, the director of *The Wizard of Oz*. He did a great job with the set design and has been involved with the theatre for over 30 years. Emily Carroll was the musical director. She has been involved in theatre and music from an early age and has enjoyed many years with the Orange Theatre Company. Janice Harris was the choreographer. I make special mention of Lyndal Thomas, who did a wonderful job as Dorothy, and also Joel Beldham, who played Hunk and also Scarecrow. Nicholas Tarpey played Hickory and also the Tin Woodsman. It was Nick's second production with the Orange Theatre Company. Nick Schmich has been an absolute revelation. He has been in a number of Orange Theatre Company productions and did a sensational job as Zeke and also the Cowardly Lion. He was also a stand-out performer in *Singin' in the Rain*.

Chantal McGinley played Aunt Em and Glinda and she did an outstanding job, as did Rebecca Hilton-Brown, who played Miss Gultch and the Wicked Witch. Rebecca is a teacher at Orange Public School and has been involved in a number of Orange Theatre Company productions. Bruce Buchanan from the Business Enterprise Centre in Orange played Uncle Henry and also the City Guard. He has also been a mainstay of the Orange Theatre Company for many years. Another standout performer was Graham Sattler, who played Professor Marvel and the Wizard of Oz. He was the musical director in *Singin' in the Rain*. He did an excellent job playing Professor Marvel and also the Wizard himself. It was somewhat of a revelation to me. He is a very talented singer and musician but he can also act. He gave a very fine performance. Alison King did an excellent job as the stage manager and Angela Mason, another mainstay of the Orange Theatre Company, looked after costume design.

Brian Irvine, a teacher at Orange High School, was the assistant musical director. Brian also is a fine performer in his own right but the music in *The Wizard of Oz* was obviously one of the features that the crowd really warmed to and the production played to packed houses throughout its season. There was a very impressive effort from Scott Halls, who did the set design. I must acknowledge also those who played the Crows—Jack Daintith, William Pankhurst and Jordan Lane. The Trees were played by Sophie Matthews, Jayde Van Gestel, and Maddie Young. Winkie General was played by Tim Dalton, and Nikko was played by Rob Mackay. I make special mention of Sam Fuda, my old colleague from *Singin' in the Rain*, in the Moses Supposes scene as one of the featured dancers—who could forget that scene—and Jamie Kaye also did an excellent job as one of the featured dancers.

Another one of my old colleagues from *Singin' in the Rain*, Tanner Marjoram, played the Munchkin Mayor. I mention also Nicholas Collins, who played the Barrister, Bill Johnson, who played the Coroner, Sophie Bird, Isabel Francis, and Emily Pell who were the Lullaby League, and Matthew Brown, Jack Halls and Luc Nelson who were the Lollypop Guild. Orange Theatre Company continues a fine tradition of superb theatre productions in Orange. It is regularly featured at the CAT awards in Canberra, of which the member for Monaro, the Acting-Speaker, is a great supporter. I thank the Orange Theatre Company for its wonderful contribution to the cultural life of Orange. One of the great features of a city like Orange is its very strong cultural scene. Indeed, that is one of the great attractions of the city itself. Some people move to the city to experience that cultural outlet. The Orange Theatre Company continues a strong tradition and I congratulate all involved in this production.

**Mr PAUL TOOLE** (Bathurst—Parliamentary Secretary) [7.17 p.m.]: I reiterate the words of the member for Orange because the Central West has been entertained with productions of *The Wizard of Oz*. The Carillon Theatrical Society in Bathurst put on performances of *The Wizard of Oz* from 3 May 2013 to 11 May 2013 and the production was then presented in Orange. The member for Orange was right in saying that such cultural activities highlight the talents and achievements that are present in our own backyards and within our local communities. I congratulate all of the performers on their commitment and the incredible number of hours they spent practising. At the end of the day they all performed to a very high standard. I was very fortunate to be a sponsor, patron and also father of two of the Munchkins. I know that the people of the Central West were very much entertained by those performances.

### AUSTRALIAN ARAB BUSINESS NETWORK

**Ms TANIA MIHAILUK** (Bankstown) [7.18 p.m.]: This week I had the pleasure of attending a business luncheon in Parliament House hosted by the Australian Arab Business Network. I thank the network's president, Hassan Moussa, board members Issa Shaweesh, Rami Abdallah and Farid Zaki, the Hon. Shaoquett Moselmane and the member for Granville for their invitation to the luncheon. I acknowledge the attendance at the luncheon of the member for Fairfield, the member for Auburn, the member for Parramatta and the Minister for Small Business, together with members of the other House. I also acknowledge Australian Arab Business Network vice-president, Mr Ali Kawtarani, secretary Mr Zak Refai, treasurer Mr Eddie Chehab, as well as foundation president Mr John Maait. I further acknowledge the presence of His Excellency Dr Hassan El-Laithy, Ambassador of Egypt; His Excellency Mr Ayman Kamel, Consul-General of Egypt; and His Excellency Mr George Bitar Ghanem, Consul-General of Lebanon.

The Australian Arab Business Network, which was established in 2006, provides a platform for businesses to network, to exchange contacts and to refer business and expertise. The network also provides employment opportunities for young Australians of Arabic heritage through its database of members. It also supports numerous community projects. Every month members are invited to a dinner where they can meet, exchange information and participate in exchanging ideas in a positive forum. A guest speaker attends these monthly dinners and speaks on topics of interest to the members. The dinners, held in Bankstown, are an important event on the network's calendar and are well attended. Of the 170 member businesses, between 100 and 120 are represented each month, which means that there is always lively discussion and a worthwhile networking opportunity.

The Australian Arab Business Network supports businesses, suppliers and retailers to develop relationships and to expand their businesses not only within the State and nationally but also internationally, having strong links with the Middle East and with North Africa. The Australian Arab Business Network has a collective worth of approximately \$2.5 billion. It employs more than 2,500 people and has members in almost every industry. These industries include, but are not limited to, accounting, banking, finance and insurance services, construction and environmental services, education, employment and training, and food, hospitality and entertainment. The Australian Arab Business Network has members across the entire Sydney metropolitan area, and that allows people to receive a service from a business within the network no matter where they are located.

Members of the Australian Arab Business Network not only have a good understanding of the Arabic culture; they also have very strong networking connections with others in the community. On the occasions I have worked with the Australian Arab Business Network I have noted that its members are very well connected. The board members are all volunteers and their goal is not only to support their own businesses but also, as a collective, to build the Australian Arab Business Network. Bankstown has a growing Arabic population and the Arabic community has played an enormous role in providing business opportunities in Bankstown as well as across south-western Sydney.

The luncheon was an opportunity for New South Wales parliamentarians to meet the network and the board members, and a very lively, positive discussion took place on the way forward for the network. It was an excellent event and I congratulate Hassan Moussa and his board on its coordination. Although I am the member for Bankstown I was not previously aware of the statistics provided in the presentation by Hassan and his team. I did not realise the immense contribution the Arabic community has made in building trade relations with businesses in the Middle East. The Arabic community internationally is growing with more than 380 million people in over 22 countries. There is no doubt there are growing economic opportunities for business internationally.

### INTERNATIONAL NURSES DAY

**Mr TONY ISSA** (Granville) [7.23 p.m.]: Today I bring the attention of the House to International Nurses Day, which is celebrated around the world on 12 May to mark the extraordinary contribution nurses make to our society. The date 12 May was chosen as the day of celebration as it is the anniversary of the birth of Florence Nightingale, who is widely considered to be the founder of modern nursing. This year's focus was on celebrating 100 years of nursing midwifery. Nursing is a profession with high standards and a strong sense of public service. Nurses are amongst the most respected of all our professions. There are few people whose lives have not been touched by the care and reassurance that nurses provide.

International Nurses Day gives the general public and nurses in every city, suburb and town throughout New South Wales a chance each year to reflect on the vital work of nurses in the community. It is a day to celebrate the magnificent contribution hundreds of thousands of nurses have made to New South Wales over the years and to recognise the importance of nursing to our personal and social wellbeing, both now and in the future. We are, indeed, indebted to the dedication of all the nurses and midwives in our hospitals, health centres, community health organisations and disability and aged-care facilities throughout the State.

Our nurses are available 24 hours a day, seven days a week, 365 days a year to provide care for the sick, injured and elderly. Wherever nurses work their focus is on the family—its health and its ability to grow, to care for itself and to contribute to the community. We rely on their professionalism and commitment in delivering the highest standards of patient care; they are vital for positive patient experiences and outcomes. With more than 2,000 new graduate nurses accepting positions across New South Wales public hospitals this year, we now have 47,500 nurses and midwives working in New South Wales public hospitals. I had the privilege and honour to welcome 400 nurses at Westmead Hospital on their graduation day, and I had the opportunity to have a chat with them and to share their experiences and learn further about their commitment to the community.

I take my hat off to these unsung heroes for providing a service to the community beyond expectation. On a personal level, I had the opportunity to witness nursing staff attend to my mother, my father and my father-in-law before their passing and I was humbled by the nursing staff's dedication, care and concern. The reality is that we cannot repay nursing staff for the services they provide to the community. I am pleased to acknowledge today the contribution nurses make in so very many ways to the community as a whole. The nursing profession has come a very long way since the achievements of one of its greatest, Florence Nightingale. The future of the nursing profession is very bright and we thank all nurses for the life-saving work they perform.

#### **TRIBUTE TO BRYCE REARDON**

**Mr CHRISTOPHER GULAPTIS** (Clarence) [7.28 p.m.]: It is with much pleasure that I inform members of a wonderful achievement by a young man in my electorate of Clarence. Bryce Reardon, a year 10 student at South Grafton High School, was last week named NSW Rural Fire Service Cadet of the Year. The Hon. Michael Gallacher, Minister for Police and Emergency Services, made the announcement at Parliament House as part of the celebration of National Volunteer Week 2013. Bryce completed the NSW Rural Fire Service cadet program in 2012 as a year 9 student. The course, which ran for 10 weeks, covered subjects including first aid, weather and fire behaviour, fuel loads and different types of fuels, fire extinguishers and how to use them, what extinguisher to use on which class of fire, communications, fire appliance familiarisation, pumping and hose use, and bushfire survival plans.

Students are encouraged to participate in all activities and natural leaders usually then come forward—Bryce was one of those leaders. He was quiet at the start, but with steady prompting he grew into a very confident leader. He would always assist his team mates and encourage other students. Indeed, he displayed a leadership skill far above his age and showed a maturity above what was expected. Bryce showed a very keen interest in all aspects of the course. It did not matter if it was manual work such as constructing fire breaks with hand tools, practising cardiopulmonary resuscitation [CPR] on a manikin or competing against other teams in hose drills, he always did his best.

The New South Wales Government is proud to support the NSW Rural Fire Service and NSW State Emergency Service secondary school cadet programs because they influence young people to become volunteers at those services. It was clear from the testimonial provided by Bryce's teachers and cadet program coordinators that Bryce is a community-minded individual who recognises the value of community participation, hard work and camaraderie. Since being formally launched in 2005 more than 316 of these programs have been conducted, with more than 4,828 students. This award is open to all cadets who have completed the secondary schools cadet program, and to win it is a very special achievement. To assess the 2012 Cadet of the Year nominations a panel of three NSW Rural Fire Service members was established. The panel was unanimous in recommending Bryce Reardon as the 2012 recipient.

Volunteering offers the opportunity to learn new and valuable skills that not only assist in a voluntary role but also assist in day-to-day life and in the workplace. Volunteering also provides the opportunity to meet people one may not normally meet and to develop friendships that may last a lifetime. Bryce was chosen based on the nomination of his NSW Rural Fire Service cadet coordinator, with the endorsement of his school deputy

principal. In their nomination they noted that Bryce had excelled in the program and this had led to a marked improvement in his school involvement and attitude towards classwork. Bryce demonstrated a high degree of leadership and teamwork. He was motivated, and encouraged all cadets in every activity undertaken. Bryce gained the trust of his teammates and acted as a mentor. Finally, he represented his school and the NSW Rural Fire Service with pride in the local newspaper. It is with much pleasure that I congratulate Bryce Reardon. I am sure that his family and school are very proud of him, but I can also assure Bryce that his community and the State of New South Wales are equally proud of him.

### MARS FOOD AUSTRALIA

**Mr CHRIS SPENCE** (The Entrance) [7.33 p.m.]: Mars Food Australia proudly operates one of the largest manufacturing facilities on the Central Coast at its site at Berkeley Vale. It was with a leap of faith that Mars relocated to the Central Coast just over 21 years ago. Since that time Mars has gone from strength to strength, growing and expanding. It now employs around 200 food manufacturers and more than 100 office and sales employees. I took a tour of its site last month. I was genuinely impressed by the passion, knowledge and respect of its workers who take great pride in what they do and the products they manufacture. As I have said, Mars manufactures and markets its products from its Berkeley Vale headquarters. Around 500 products are supplied to our local grocers, as well as a variety of food services and industrial sectors. Mars also exports to New Zealand and the Asia-Pacific region. Its brands include Dolmio, Kan Tong, MasterFoods and Uncle Ben's. These well-known and trusted brands are purchased by more than seven million Australian households every year.

It is all about a family spirit for those who work at Mars Food Australia. Mars has adopted the term "associate" for each of its workers rather than the term "employee", which speaks volumes about its culture. Indeed, each associate I spoke to during my tour demonstrated passion, understanding and care for what they produced. Rather than a culture of "you work for us", Mars has embraced its workers as associates—they are an invested part of the business and this working part of the business contributes to the greater whole. As I moved through each section of the facility the overwhelming sense of belonging and ownership was evident. Each associate embraces his or her role in the business, which they view as important and necessary, but each associate also truly owns his or her role—their contribution is just as important as that of anybody else in the organisation. Many associates told me they had been working at Mars for 10 years or more and they would not want to work anywhere else.

When speaking about workplaces and employee cultures we often hear the term "family". Mars has got it right and credits getting the best out of its workers because of its culture. The fostering of a happy workplace in turn has seen this business grow over its 21 years on the Central Coast. With this ownership shared by its associates Mars is committed to achieving the best in its products and strives to achieve excellence in taste and value, with simple quality ingredients that consumers know and trust. It is also committed to raising awareness in making good food choices, including adopting daily intake labelling and clear nutrition information, and actively working to reduce salt across all its products. Mars takes great pride in its products and is genuinely concerned about its consumers. It is always working towards the delivery of the best possible products.

The Mars culture also extends outwards. Mars fundamentally believes in investing in the community in which it operates and in keeping its manufacturing within Australia. It supports local goods and service providers where it can and assists in fundraising for local and national charities, including the Central Coast Outreach Service, the Coast Shelter soup kitchen and St Vincent de Paul Society, Wyong, as well as providing sponsorship to the Central Coast Mariners Football Club—the A-League Premiers. My visit to the Mars Food Australia facility was a welcome one. It is important for members of Parliament to see firsthand how businesses like Mars operate in order to understand how our decisions and those of government departments affect the way people do business.

Businesses such as Mars are the bread and butter of our local economy. They provide strong and reliable employment opportunities; they continue a proud tradition of Australian manufacturing and invest in our community. Mars Food Australia can be proud of its achievements and its tremendous workplace culture. I am grateful to have had the opportunity to walk through the site, to meet the associates and to see firsthand the great work that is being done there. I place on record my special thanks to Corporate Affairs Manager Gillian Martin, General Manager Shaïd Shah and Plant Manager Wayne Smedley for taking the time to show me around and for sharing the Mars' vision with me.

### JENOLAN CAVES BOOK LAUNCH

**Mr PAUL TOOLE** (Bathurst—Parliamentary Secretary) [7.38 p.m.]: On 9 May I attended the launch of a book entitled *Guide to and Description of the Fish River Caves* at the Mitchell Library. The Fish River Caves are commonly known as the Jenolan Caves. This beautifully presented book resulted from an extraordinary find by Mr John Flint, a professional librarian, who purchased a manuscript that had been written by a 22-year-old man following his visit to the caves in 1882. The manuscript, which had been missing for about 70 years, was found by John Flint at a garage sale. I congratulate John on his expertise in ensuring that we are able to keep this extraordinary manuscript. It was probably the first guide to Australia's most famous caves but it had never been published.

At that time visiting the caves was a major expedition not to be undertaken lightly or cheaply. It had to be planned at least a week or two ahead. Obviously travel agents did not exist then. It was a six-hour train trip to Tarana, then four hours by buggy to Oberon and another four hours to Jenolan Caves. Most visitors needed at least a week for the trip. The history of the caves is significant because European involvement in the area began in 1838 with the first recorded discovery by a local pastoralist, James Whalan. However, according to legend, Whalan was not the first European to set eyes on the caves. That honour goes to James McKeown, an ex-convict and possibly an outlaw who used the caves as a hideout.

Jenolan Caves were known to the local Aboriginal population for many thousands of years as Binooomea or dark places. Over the succeeding years, James Whalan and his brother, Charles, discovered several openings. Elder cave, which was discovered in 1848, was the first dark cave to be explored. In 1860 the Lucas Cave, the largest of the current show caves, was discovered by Nicholas Irwin and George Whiting. It was not until 1866 that the caves were brought under direct government control. In 1867 Jeremiah Wilson was appointed as keeper of the binda or fish river caves. The Aboriginal word "Jenolan", meaning high mountain, was not adopted until 1884. Despite government control, the caves initially enjoyed little protection.

In the early years visitors were free to break formations and take souvenirs from the caves. That damage is still visible today. It was not until 1872 that this practice became illegal, thanks largely to the efforts of John Lucas, a former local member of Parliament. The Lucas Cave bears his name to commemorate his part in the preservation of the fragile and irreplaceable environment. This was a remarkable vision at the time by Mr John Lucas, ensuring that regulations banning the breaking of stalactites were put in place. With the incredible diversity of our nation, we have many significant natural treasures and icons of which we are proud. Jenolan Caves is an icon recognised internationally; the caves are highly valued around the world.

The value of recording and maintaining our history preserves the stories of our nation for generations to come, and to have this historical record placed in the State Library is a pleasing outcome. A number of people gave time and commitment to ensuring that this project had such a positive outcome: Mr Flint, who agreed to make the manuscript available and who passed the original to the Mitchell Library; Jeanette Dunkley, who did a wonderful job in transcribing the handwritten manuscript; and Bruce Welch, who deserves commendation for the superb design and layout of the book. It is undoubtedly the finest book every published on the Jenolan Caves, and I congratulate all those who were involved.

**Mr RAY WILLIAMS** (Hawkesbury—Parliamentary Secretary) [7.42 p.m.]: I commend the member for Bathurst for raising this important issue. The James Whalan and Charles Whalan to which the member referred are my ancestors. Charles Whalan was the son of Charles Whalan who arrived here in 1791 aboard the *Ambermarle*. He received his ticket of leave and became a member of the Rum Corps; he went on to become a senior orderly for then Governor Lachlan Macquarie and served for 12 years of his tenure. His son Charles Whalan moved to the areas of Bathurst and Oberon where he and his brother, James, went on to chase the bush ranger, James McKeown, through the caves, thereby discovering Jenolan Caves. I commend the member for Bathurst for raising not only this integral tourism aspect of his electorate but also this unique part of Australian heritage.

**Private members' statements concluded.**

### GAMING MACHINES AMENDMENT (MULTI-TERMINAL GAMING MACHINES IN CLUBS) BILL 2013

#### Second Reading

**Debate resumed from 8 May 2013.**

**Mr JOHN SIDOTI** (Drummoyne) [7.44 p.m.]: The object of this bill is to amend the Gaming Machines Act 2001 to allow clubs that hold no more than 33 gaming machine entitlements to operate, as part of

their total number of authorised gaming machines, up to five player terminals that are part of multi-terminal gaming machines. A multi-terminal gaming machine is a gaming machine equipped with more than one player terminal and is designed to be played by more than one player at a time. Usually, this type of machine is an electronic version of roulette or blackjack, but it can also be used for other similar games. Currently, section 61A of the Gaming Machines Act restricts a club's multi-terminal gaming machine holding to no more than 15 per cent of the venue's overall number of gaming machines. Each player terminal on these multi-terminal gaming machines is counted as a separate gaming machine under the Gaming Machines Act and therefore each player terminal is counted as part of the total number of gaming machines that may be operated by a club.

This 15 per cent restriction currently disadvantages smaller clubs by effectively preventing the operation of any multi-terminal gaming machines in many of them. For example, clubs with only 10 gaming machines would immediately breach the 15 per cent limit if they operated one two-terminal gaming machine as it would comprise 20 per cent of their overall entitlement. This bill provides for two changes. First, it allows smaller clubs, holding up to a maximum of 33 gaming machine entitlements, the option of substituting or altering their mix of multi-terminal and stand-alone gaming machines, subject to a maximum limit of five multi-terminal gaming machines. Secondly, if this occurs, the usual 15 per cent limit under section 61A of the Gaming Machines Act on the number of multi-player terminals in such a club will not apply.

The smaller clubs to which this bill applies will still be required to operate within their existing maximum gaming machine limits, that is, the total number of gaming machines cannot exceed the number of entitlements held by that club and the overall number of authorised machines in New South Wales will not increase. Rather, this bill implements a commitment made by the Liberal-Nationals Government in a memorandum of understanding with ClubsNSW, entered into before the last election, to help ensure the long-term financial viability of registered clubs in New South Wales and to allow them to strengthen their economic and social contribution to this State by creating an environment that allows clubs to grow and communities to reap the benefits. As we all know, as well as being enjoyable places to visit, clubs make a substantial economic and social contribution to this State.

According to the Allen Consulting Group in 2008 and the Independent Pricing and Regulatory Tribunal in 2009, clubs in New South Wales generate revenue of approximately \$5.4 billion per annum. They make additional social contributions of \$811 million per annum, pay in excess of \$1.26 billion in taxes, employ 44,000 people and spend more than \$1.2 billion on wages. As well as removing limitations on installing multi-terminal gaming machines in clubs in certain situations and facilitating the introduction of new technology and games, the memorandum entered into by the Government and ClubsNSW, among other things, also promotes and supports responsible gambling in clubs by regulating online gambling; maintaining existing statewide and venue caps; supporting a voluntary system of pre-commitment by a player; maintaining existing conditions for maximum bets, reel spin speeds, cash insertion, ATM placement and withdrawal limits, and payment of prizes by cheque; and facilitating the introduction of new technology and games while still upholding strict harm minimisation controls.

This bill implements the Government's commitment regarding multi-terminal gaming machines in a measured fashion by limiting the concession to smaller clubs in order to support and promote their long-term viability. The strict gambling harm minimisation requirements applying to all gaming machine venues across New South Wales will not be changed by this bill and will continue to be enforced. These controls include the mandatory availability of self-exclusion schemes in clubs to support people at risk of problem gambling; mandatory six-hour daily shutdown of gaming machines in all hotels and clubs; a ban on credit card cash withdrawals from automated teller machines; and a prohibition on gaming machine advertising. This bill delivers on the Government's election commitment in respect of multi-terminal gaming machines in a measured and appropriate manner, which will help smaller clubs to keep up-to-date with gaming technology and continue to be viable and competitive by providing their members with a more varied and enjoyable club experience while still, most importantly, safeguarding their interests and those of the wider community. I commend the bill to the House.

**Mr PAUL LYNCH** (Liverpool) [7.49 p.m.]: I lead for the Opposition in this Chamber on the Gaming Machines Amendment (Multi-terminal Gaming Machines in Clubs) Bill 2013. The shadow Minister with the carriage of the matter is the Hon. Steve Whan in the other place. I indicate that the Opposition does not oppose the bill. The object of the bill is to amend the Gaming Machines Act 2001 to allow clubs that hold no more than 33 gaming machine entitlements to keep, as part of the total number of approved gaming machines that may be authorised to be kept by the club, up to five player terminals that form part of the multi-terminal gaming machines. The overview of the bill also notes that a multi-terminal gaming machine is a gaming machine that is

equipped with more than one player terminal as it is designed to be played by more than one player at a time. Each such player terminal is taken to be a separate gaming machine for the purposes of the principal Act, that is, the Gaming Machines Act, and accordingly each player terminal is counted as part of the total number of gaming machines that may be kept by a club. That total number cannot exceed the number of gaming machine entitlements held by the club.

The Government presents this bill as the implementation of an election promise, because it was a provision of its memorandum of understanding with ClubsNSW. That being the case, it is appropriate that the Opposition acknowledge the Government's mandate and not oppose the measure. I also note, of course, that it is only a partial implementation of the commitment because the commitment was to remove the 15 per cent limit as set out in section 61A of the Gaming Machines Act from all clubs, not just from smaller ones. The bill seeks to allow smaller clubs to fit multi-terminal gaming machines to replace existing single electronic gaming machines without increasing the actual amount of gaming machines in the venue, that being a venue that holds up to 33 machines. Multi-terminal gaming machines include electronic versions of roulette or blackjack with a virtual croupier or dealer. This initial cap was designed to prevent larger clubs being mini-casinos, and it is consistent with that for this provision to be allowed for smaller clubs.

Current provisions in the Gaming Machines Regulation set a cap on the maximum payout of a multi-terminal gaming machine at \$20,000. If the maximum payout exceeds this amount the club must have a bank guarantee or special account which must have a balance of at least the total value of the jackpot prize that may be won. Multi-terminal gaming machines do allow higher maximum bets than normal poker machines; however, the bet happens less frequently than with a poker machine, so the overall maximum expenditure is no more than a normal poker machine. The previous Government introduced the 15 per cent cap in part to protect the casino's market and it would seem likely that the Government has watered down its commitment to the clubs on the basis of potential opposition from the casino. As I indicated, the Opposition does not oppose the bill.

**Mr STEPHEN BROMHEAD** (Myall Lakes) [7.52 p.m.]: I speak in support of the Gaming Machines Amendment (Multi-terminal Gaming Machines in Clubs) Bill 2013. A multi-terminal gaming machine is a gaming machine that is equipped with more than one player terminal as it is designed to be played by more than one player at a time. Each such player terminal is taken to be a separate gaming machine for the purposes of the principal Act, and accordingly each player terminal is counted as part of the total number of gaming machines that may be kept by a club. That total number cannot exceed the number of gaming machine entitlements held by the club.

The current legislation provides that no more than 15 per cent of gaming machines within a club may be multi-terminal gaming machines. This bill relaxes that requirement in relation to smaller clubs with 33 gaming machines or fewer. This bill allows such clubs to have up to five multi-terminal gaming machine player terminals. The object of the bill is to amend the Gaming Machines Act 2001 to allow clubs that hold no more than 33 gaming machine entitlements to keep, as part of the total number of approved gaming machines that may be authorised to be kept by the club, up to five player terminals that form part of the multi-terminal gaming machines.

A multi-terminal gaming machine [MTGM] is typically an electronic version of roulette or blackjack with a virtual croupier or dealer, but can also comprise other games. Currently section 61A of the Act restricts a club's multi-terminal gaming machine holdings to no more than 15 per cent of the venue's overall number of machines. The bill preserves the original policy objective underpinning the 15 per cent cap on multi-terminal gaming machines, namely, to prevent large clubs resembling mini-casinos. It also provides relief to small venues which the current 15 per cent cap effectively prevents from operating any multi-terminal gaming machines at all. For example, a club with only 10 gaming machines would immediately breach the 15 per cent limit if it operated a two-terminal multi-terminal gaming machine. The bill will not increase the number of machines authorised within New South Wales.

The bill implements the Government's memorandum of understanding commitment to ClubsNSW in a measured fashion in order to moderate the supply of multi-terminal gaming machines in clubs and to adhere to the Government's inherited responsibilities to the casino as a result of agreements entered into by the former Government. Turning to the Act and the provisions within the Act, schedule 1 (3) will allow the Independent Liquor and Gaming Authority to authorise a club to keep up to, but not more than, five player terminals that form part of the multi-terminal gaming machines kept on the club premises, but only if no more than 33 gaming machine entitlements are held for the time being by the club. In such a case the usual 15 per cent limit under section 61A of the principal Act on the number of multi-terminal gaming machine player terminals in the club



will not apply. This amendment to the Act is common sense; it allows smaller clubs to play on a level playing field while at the same time not increasing the actual number of poker machines in the club. I commend the bill to the House.

**Mr TONY ISSA** (Granville) [7.56 p.m.]: I support the Gaming Machines Amendment (Multi-terminal Gaming Machines in Clubs) Bill 2013. This bill achieves another important election commitment and provides a workable solution for all. This Government acknowledges and recognises the social and economic contribution clubs make to local communities and also recognises that clubs need to remain competitive and sustainable. Before the election, in October 2010, I was pleased to be present with the Premier and the Minister for Gaming and Racing at the signing of a memorandum of understanding with ClubsNSW at Merrylands RSL Club, and I am pleased that today we honour our commitment to the clubs.

The memorandum of understanding entitled "Strong clubs, Stronger communities" is aimed at commitments to help clubs secure their future. This, in turn, provides for the local community in many ways. The commitments extend across a comprehensive range of gaming, liquor and club management regulatory areas. The bulk of the Government's commitments in the memorandum of understanding have been implemented, including gaming machine tax reforms, the new club grants scheme and reforms which will assist clubs amalgamating and de-amalgamating. There is no doubt that the offset of tax hikes through the gaming machine tax reforms introduced by the former Government have been the most serious element of the memorandum of understanding. This is in recognition of the not-for-profit nature of registered clubs and their contribution to the community.

There is no doubt that in my community this contribution is beyond measure to those suffering due to their low socioeconomic status. This was evidenced in 2011-12, when clubs provided more than \$82 million in club grants funding, exceeding the amount required under the scheme by more than \$30 million. When I was Lord Mayor of the City of Parramatta in 2009 I was pleased to be able to present, on behalf of ClubsNSW, over \$700,000 to community organisations in the Granville local government area. It was an honour for me on that day to acknowledge the contribution provided by ClubsNSW to the community. These reforms will provide financial relief and assistance for the clubs sector and improve the ability of clubs to support community development. The Government has been working and will continue to work closely with the clubs sector to apply these reforms and to guarantee a practical approach while ensuring industry requirements and needs are considered. It gives me great pleasure to support the bill.

**Mr ROB STOKES** (Pittwater—Parliamentary Secretary) [7.59 p.m.], on behalf of Mr George Souris, in reply: I am pleased to reply to debate on behalf of the Minister. I thank members for their contributions to the debate, in particular the member for Drummoyne, the member for Liverpool, the member for Myall Lakes and the member for Granville. I note that the Government members who participated representing the electorates of Drummoyne, Myall Lakes and Granville each made the point that the bill is the fulfilment of a pre-election commitment to make smaller clubs more competitive. They also mentioned a number of clubs in their communities that provide wonderful facilities and services. In particular I thank the member for Liverpool, who led for the Opposition, for acknowledging that the proposal is an election commitment and that the Government has a mandate for this bill, and for stating that the Opposition does not oppose the bill.

The Gaming Machines Amendment (Multi-terminal Gaming Machines in Clubs) Bill 2013, as has been observed, implements one of the final commitments from the Liberals and Nationals Government's memorandum of understanding with ClubsNSW. It does so in a measured and appropriate manner, acknowledging the need to support small clubs while paying due adherence to safeguarding the needs and interests of their members and the wider community. The bill is carefully balanced and allows small clubs with a maximum of 33 gaming machine entitlements to substitute up to five gaming machine entitlements for an equivalent number of multi-terminal gaming machine player terminals. The bill makes these types of gaming machine products available to club members within strictly defined limits and without increasing the total number of gaming machines in the community. I commend the bill to the House.

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

**Motion agreed to.**

**Bill read a second time.**

**Third Reading**

**Motion by Mr Rob Stokes, on behalf of Mr George Souris, agreed to:**

That this bill be now read a third time.

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

**STATE OWNED CORPORATIONS LEGISLATION AMENDMENT (STAFF DIRECTORS) BILL 2013****Second Reading**

**Debate resumed from 8 May 2013.**

**Mr MARK SPEAKMAN** (Cronulla) [8.02 p.m.]: I support the State Owned Corporations Legislation Amendment (Staff Directors) Bill 2013. This is yet another example of the O'Farrell Government's commitment to restoring the public's confidence in the quality of government and public service in New South Wales. It continues on from the work we have already done in that sphere. We have undertaken significant campaign finance reforms by passing legislation to ban corporate donations to political parties. We have passed legislation to ban lobbyist success fees in New South Wales. We have established the Public Service Commissioner to help restore trust and confidence in the public sector. The State of the Public Sector report has been completed, which highlighted areas in the public service needing improvement. We have legislated to allow disciplinary action against a public servant who has been found by the Independent Commission Against Corruption to have engaged in corrupt conduct.

Legislation has been passed to strengthen the powers of the Independent Commission Against Corruption and give additional protection to whistleblowers. We have also passed legislation to prohibit councillors concurrently serving as New South Wales members of Parliament. The bill is about ensuring that those who are on boards of State-owned corporations are there because of merit and not because of position or allegiance. It is certainly not some kind of witch-hunt against union, employee or Labor representatives. The Government has demonstrated in its two years in office its preparedness to appoint Labor or union identities where merit could be said to warrant that.

**Mr John Robertson:** Name them.

**Mr MARK SPEAKMAN:** I am about to do that. Witness, for example, the appointment of Michael Coutts-Trotter, the spouse of Tanya Plibersek, as Director General of Finance and Services. Barry Collier, the former member for Miranda, has been appointed to the Rookwood Cemetery Trust. Greg Withers, husband of Anna Bligh, has been appointed to a senior executive position in arts. Phil Koperberg, former member for Blue Mountains, has been appointed to the Emergency Management Committee. There are plenty of examples of our being prepared to view prospective appointees on their merits and appoint them to government boards.

This bill will not see those people currently on boards who were appointed as labour, union or employee representatives removed from those boards under transitional arrangements. Rather, we will ensure that all positions are filled on merit. Just as shareholders in a corporation are entitled to have the best board of directors possible, so the taxpayers and consumers of New South Wales are entitled in these times of budgetary challenges and revenue shortfalls—where we have seen, for example, \$5.2 billion written off GST forecasts in last year's Federal budget and another \$680 million this year—to have the very best people on boards of directors of State-owned corporations. That is what the bill is about. It is a continuation of our suite of reforms to make sure that we have the best public service available. I therefore commend the bill to the House.

**Mr JOHN ROBERTSON** (Blacktown—Leader of the Opposition) [8.06 p.m.]: I speak on the State Owned Corporations Legislation Amendment (Staff Directors) Bill 2013. The aim of this bill is to remove any requirement for a State-owned corporation to appoint a staff director to its board. This requirement is currently set down in the State Owned Corporations Act and it operates in different forms throughout various pieces of corporations legislation. For example, the Energy Services Corporations Act, the Hunter Water Act, the State Water Corporation Act and the Superannuation Administration Authority Corporatisation Act require that the staff director be selected from a panel nominated by Unions NSW.

By contrast, under the Ports and Maritime Administration Act the staff director is elected by employees of the port corporation. This bill eliminates those requirements and Labor will not oppose their removal. There

is a case for State-owned corporations legislation to be simplified and streamlined. There is also a case for improvements to legislation that may assist in the making of transparent, merit-based appointments, because these corporations do not act in the service of a private commercial interest. Rather, their charter requires them to act in the service of the people of New South Wales. The Government has argued that the current requirement for staff directors means that the chair and the board of the corporation have little influence over who sits in those positions. In other words, there is no guarantee of a skills-based selection process. Treasurer Mike Baird said in his second reading speech that this bill:

... ensures that the Government has the ability to make skills-based appointments to our State-owned corporation boards.

He describes the goal as:

... ensuring that all appointments are merit based.

I am a big supporter of merit-based appointments but as I listened to what the Treasurer had to say in his second reading speech I started to feel as though I or he was in a parallel universe, because this Treasurer, Mike Baird—the one who introduced this bill and made such pious statements—is the same Mike Baird caught out last year making dodgy appointments to State-owned corporations boards. Those appointments were made without going through his Government's own merit-based appointment policy. I have seen some displays of political chutzpah in my time but this one takes the cake. Let us go back to September 2012. That was when the Treasurer announced that prospective directors of State-owned corporations would be assessed by an independent panel. This would include the chairman of the Public Service Commission, Peter Shergold, and the Director General of the Department of Premier and Cabinet, Chris Eccles. At the time the Treasurer said:

We are determined to make the appointment process much more rigorous, transparent and merit-based.

**ACTING-SPEAKER (Mr John Barilaro):** Order! I call the member for Baulkham Hills to order.

**Mr JOHN ROBERTSON:** The process that the Treasurer outlined never started. The good intentions never got out of the gate to start this race. Those noble words from the Treasurer melted away like an ice-cream on a hot summer's day. The Treasurer decided that he would rather appoint his mates. He decided he would be like Larry Emdur on *The Price is Right*: Come on down, Roger Massy-Greene. Come on down, Chum Darvall. Come on down, Nick di Girolamo. In each case the price was right and each of these people received their plum board appointment. Roger Massy-Greene donated \$45,000 to the Liberal Party, including \$15,000 directly to the Treasurer's election campaign. What did the Treasurer say? "Come on down, Roger Massy-Greene. Come on down, chair of Networks NSW for a job worth \$200,000 a year." It was an appointment that was made without any prior executive search. It was an appointment that breached the Ministerial Code of Conduct but one that Barry O'Farrell happily waved through.

Then we had Chum Darvall. Good old Chum—his name says it all. Chum donated to the New South Wales Liberal Party and the Treasurer decided that indeed that price was right. So, come on down, Chum Darvall, and chair TransGrid. Nick di Girolamo, who is a world champion lobbyist, a world champion fundraiser, had his head firmly in the Liberal Party's fundraising tank. He was the bloke who lobbied for the Wallarah 2 mine on the Central Coast—which the Premier has mysteriously put back on the agenda—and paraded around during the election campaign wearing a shirt bearing the logo "Water, not coal". Last year Nick di Girolamo was appointed to the board of the State Water Corporation, which is not a bad gig for \$100,000 a year.

The Treasurer declined to say whether his application was assessed by the independent panel and he was brought in with fanfare in September 2012. Maurice Newman was appointed to the Port Kembla Corporation with no selection process, and the list goes on. This Government talks about transparent, merit-based appointments. This Government has been busily ignoring its own processes and appointing its donors to State boards. This Government allows lobbyists on State boards and yet the Treasurer expects us to believe that he will safeguard merit-based appointments. At least the staff directors and union-appointed directors on State boards have the virtue of being elected by their peers.

Today the overwhelming majority of those directors are making dedicated contributions. I am glad that this bill provides for existing directors to continue in their role that will most likely continue in practice until their term expires. In removing the legislative base for these directors the Government is giving itself maximum flexibility to name their replacements. I have reservations about extending such flexibility and discretion to this Premier and this Treasurer. Nonetheless, we do not oppose the bill. We support merit-based appointments, but it

is up to this Government to ensure it can be trusted with this new-found discretion. The people of New South Wales must have confidence in the appointment process. They must have confidence that the people who oversee essential services such as water and electricity are appointed on merit, not because they happen to have bankrolled those who sit on Government benches. This Government has a tawdry history of handing out appointments to State-owned corporations whenever the price is right.

**ACTING-SPEAKER (Mr John Barilaro):** Order! I feel comfortable giving all members an early mark if the level of interjections continues. I will not tolerate interjections. Any member who continues to interject will be placed on three calls to order.

**Mr JONATHAN O'DEA (Davidson)** [8.14 p.m.]: State-owned corporations are owned by the people of New South Wales and are overseen by the New South Wales Government and its appointed board members. Most New South Wales State-owned corporations cover essential services such as power and water. For the economy of New South Wales to prosper we need to improve the way New South Wales is run. This means we need effective, accountable and suitably experienced board members. The accountability of State-owned corporations includes an obligation to table annual reports in Parliament and to have their financial statements audited by the Auditor-General. While fulfilling their obligations to the State, the boards of State-owned corporations should represent the interests of all people in New South Wales.

Their composition should ensure sound business outcomes as well as consideration of social responsibility and the environment. There is no need for mandated staff representation. In fact, in some cases this prerequisite can detract from the real purpose, responsibility and aims of these corporations. The world has changed and so should the mandated composition of boards. We welcome the fact that the Opposition said it will not oppose the bill. Equally, it must recognise that the world is changing. The fact that union membership has declined so steeply across Australia in the past 20 years is a sign of change. In Australia between August 1992 and August 2011 the proportion of people who were trade union members fell from 43 per cent to 18 per cent for males and 35 per cent to 18 per cent for females. In New South Wales trade union membership was only 21 per cent in 2010.

We are entering the era of the global marketplace. This involves an environment that is more competitive and complicated. This means that State-owned corporation board members need a wide range of experience that potentially includes international experience. We need to look outwards, not inwards. We need to assess the requirements of the worldwide marketplace more and the requirements of unions less. If not, it could be to our peril. The Organisation for Economic Co-operation and Development has developed comprehensive guidelines for State-owned corporations. This international organisation helps governments worldwide to solve problems generated by a global economy, including economic and government challenges. The Organisation for Economic Co-operation and Development guidelines state:

The nomination of state-owned enterprise boards should be transparent, clearly structured and based on an appraisal of the variety of skills, competencies and experiences required. Competence and experience requirements should derive from an evaluation of the incumbent board and the demands aligned with the company's long-term strategy ... To base nominations on such explicit competent requirements and evaluations will likely lead to a more professional, accountable and business orientated boards.

The Organisation for Economic Co-operation and Development makes no mention of staff or union representation that aligns with these considerations. New South Wales should be minimising political influence on boards, including removing a mandate for staff or union-nominated representation. I likewise agree that other political influences should not dictate appointments to boards. We have seen repeatedly that union representatives are often current or future Labor Party representatives. There is a real risk that they inappropriately inject an element of politics into board decisions. The Leader of the Opposition, Michael Williamson and Bernie Riordan have all sat on government boards in paid positions, essentially because of a mandated requirement for staff representatives nominated by unions.

Previously in this Chamber we have heard of the appalling attendance record of the Leader of the Opposition as a union representative on the board of WorkCover. He has the gall to criticise the appointment of other board members, yet his own attendance record as a supposed workers' representative was appalling. I further understand—and this may not have been covered adequately by the media at this stage—that his record on the board of the Heritage Council of New South Wales was also atrocious.

**Ms Anna Watson:** Point of order: My point of order relates to Standing Order 76, relevance. This has nothing to do with the leave of the bill. The member is simply banging on about union representation on boards.

**Mr David Elliott:** The truth hurts.

**Ms Anna Watson:** Yes, it does hurt, and we can stay here all night debating the appointments made by this Government.

**ACTING-SPEAKER (Mr John Barilaro):** Order! I have heard enough on the point of order.

**Ms Anna Watson:** I ask that the member be brought back to the leave of the bill.

**Mr JONATHAN O'DEA:** To the point of order: I am clearly demonstrating that mandated appointments driven by the union movement result in dud board members.

**ACTING-SPEAKER (Mr John Barilaro):** Order! There is no point of order.

**Mr JONATHAN O'DEA:** As I was saying, the mandatory appointment of union representatives nominated by workers can lead to duds being appointed. A prime example of that is the appointment of the Leader of the Opposition.

**Ms Anna Watson:** Point of order: I again refer to Standing Order 76. Mr Acting-Speaker, you have just made a ruling and the member is clearly flouting it. Will he continue to speak about the Leader of the Opposition and his appointment to boards, or will he return to the leave of the bill?

**ACTING-SPEAKER (Mr John Barilaro):** Order! The member for Davidson is being relevant in addressing board appointments. Fortunately, or unfortunately, the Leader of the Opposition was appointed to numerous boards by the former Labor Government. There is no point of order.

**Mr JONATHAN O'DEA:** I think the member for Shellharbour misunderstood the previous ruling.

**ACTING-SPEAKER (Mr John Barilaro):** I believe she did.

**Mr JONATHAN O'DEA:** The Acting-Speaker ruled that I was in order. I will not focus on this issue now, but I believe the media should question the Leader of the Opposition about his attendance record because it clearly reinforces the need for this legislation. He should be asked about his attendance at WorkCover, Heritage Council, Parramatta Stadium Trust and EnergyAustralia board meetings. I understand that he has served on all of those boards but that he was derelict in performing his duties. That is a concrete demonstration of the need for this legislation.

**Mr Mark Coure:** How much did he earn?

**Mr JONATHAN O'DEA:** I do not know, but it is for the media to ask those questions. That is not to suggest that all union representatives would be so derelict in their duty. There are very capable and skilled union representatives in this State and some of them should be appointed to boards based on merit and not because of a legislative requirement. In his paper entitled "Enhancing the role of Boards of Directors of State-owned Enterprises", W. Richard Frederick points to a growing consensus that Ministers, other politicians and civil servants should not serve on boards. Independence and private sector experience are seen as essential, but union representatives generally have neither attribute.

Likewise, Ministers and politicians do not have sufficient independence to serve on boards because government and political concerns can constitute a conflict of interest that might compromise them in their duty to the State-owned corporation. Similarly, staff and union representatives might be expected to express a pro-labour view. That is not to say they are devoid of skills and ability or that they could not be appointed on the basis of individual merit in other circumstances. Frederick addresses the issue of labour representatives and concludes that even though they may be competent at participating in board discussions, they are still there to express a pro-labour view. He says that this may be important in some discussions, but that it is not consistent with the objectives and interests of the other board members and the State-owned corporation in general and may pose an irreconcilable conflict.

The Premier has recently introduced a ban on registered lobbyists serving on State boards if they have lobbied in a related area within the previous 12 months. The Queensland Government is considering taking a

step further and making influential groups such as unions register as lobbyists. That is because it recognises the potential for undue influence on State government policy. The Government supports merit-based appointments. I commend the bill to the House. [*Time expired.*]

**Mr GUY ZANGARI** (Fairfield) [8.24 p.m.]: The purpose of the State Owned Corporations Legislation Amendment (Staff Directors) Bill 2013 is to remove the requirement for State-owned corporations to appoint a member of staff to their boards. It makes amendments to the State Owned Corporations Act 1989 and other legislation regulating State-owned corporations. The State Owned Corporations Act requires each board to have a director appointed by employees. The Acts covering a number of State corporations contain provisions requiring the election of a staff director from a panel nominated by Unions NSW. They include the Energy Services Corporations Act 1985, the State Water Corporation Act 2004, the Superannuation Administration Authority Corporation Act 1999, and the Maritime Administration Act 1995. They all require a staff director to be elected by employees of the corporation.

The rationale behind this legislation is based on a potential misunderstanding about the capacity and role of a staff-elected member of a board of directors. The misunderstanding stems from a question of interest—that is, whose interests do staff-elected members of a board represent? Do they represent the interests of the employees of the corporation or, having been voted onto the board, must they act in the best interests of the corporation itself? When a person is elected to the board of a corporation, he or she is deemed to have a fiduciary responsibility not to those who have elected them but to the corporation as an entity. Established case law on corporations has held strictly that the director's paramount duty is to the corporation as a whole. Therefore, staff appointments create some conflict. Whose interests does the staff-elected director represent or whose interests should be paramount when making decisions as a corporate entity—those of the State-owned corporation or the staff members who have elected them?

The Treasurer stated that one of the purposes of this legislation is to ensure that the Government has the ability to make skills-based appointments. The Treasurer then went on to say that the nomination and selection process for both staff and union directors does not provide for such an appointment. I disagree. To say that staff members and those who represent them have no basis or platform upon which to make decisions on behalf of a corporation is ludicrous. There are few people who have a more intimate knowledge of the mechanisms of a public corporation than those who deliver the services that it was established to provide. Knowing the processes and mechanisms that create the organisation's output is valuable information that could assist the board to make the best decisions and to provide the best direction. To say that such knowledge and skill is without merit is narrow minded. However, questions of legitimacy aside, the conflict that may be created by a director's fiduciary duty is a paramount issue that should be addressed.

**ACTING-SPEAKER (Mr John Barilaro):** Order! I call the member for Drummoyne to order.

**Mr GUY ZANGARI:** This legislation primarily provides for the removal of the statutory requirement that a State-owned corporation have a staff-elected director. Schedule 1 [1] amends section 20J of the Act by removing the requirement that there be a staff-elected director on the boards of State-owned corporations. That section applies only if the relevant enabling legislation of a corporation does not make provision for such appointments. The bill amends schedule 2 of the Act by removing the requirement for a staff director that may be found in the constitution of a State-owned corporation. This bill will allow for existing union and staff directors to continue in their role until a date is determined by the Governor or voting shareholders as to when their positions will cease. The Opposition does not oppose this bill.

**Mr BART BASSETT** (Londonderry) [8.30 p.m.]: I support the State Owned Corporations Legislation Amendment (Staff Directors) Bill 2013. The bill is welcomed by those on this side of the House and by the people of New South Wales. The bill will remove the compulsory requirement to appoint members of unions to the boards of State-owned corporations. The people of New South Wales would be stunned to learn it is a compulsory requirement. They will welcome this move because the bill will bring about a fundamental change that those in the Labor Party and the union movement fear the most: appointments based on merit. For too long the trade union movement in New South Wales has been protected by their Labor mates in the Parliament.

The current requirement that directors' positions be preserved and set aside for unions is absurd. It goes against the normal practices for selecting board positions; it goes against the proper processes of corporate governance; and it is a complete and utter farce. If it were not so serious an issue—with New South Wales taxpayers being ripped off—it would be laughable. Why should unions get preferential treatment over others who may or may not be more qualified? This practice goes against the fundamental principles of corporate law.

The Corporations Act 2001 outlines the role and responsibilities of directors. Directors have a fiduciary duty to their shareholders to act in accordance with the statutory framework that governs companies registered under the Corporations Act 2001 and to fulfil their duties in the best interest of the shareholders—which in the case of State-owned corporations is the taxpayers of New South Wales. Imagine the reaction from those opposite if this Government moved amendments to reserve spots for members of chambers of commerce or employer groups. Why is it acceptable to have it enshrined in legislation that spots are reserved for union representatives but not for representatives from other sectional groups?

In theory, as most electricity generating corporations in New South Wales use coal-powered energy, one could argue that a spot should be reserved for a member of the Minerals Council, the peak industry group representing mining companies. That would result in predictable outrage from the lefties in the Labor Party and their comrades in the trade union movement. Their print presses would be working overtime to produce the posters, flyers and "Your Rights at Work" T-shirts. They would be lining up in Macquarie Street to bully the Government into submission. There would be the usual claims of jobs for the boys and girls. Yet when it comes to their own there is silence from Labor and the unions.

Statutory authorities and corporations such as the Energy Services Corporations Act 1995, the Hunter Water Act 1991, the State Water Corporation Act 2003 and the Superannuation Administration Authority Corporatisation Act 1999 require that a director is selected by a panel nominated by Unions NSW. Government-owned trading enterprises are responsible for administering and delivering billions of dollars of services to New South Wales taxpayers. It is fundamental that we get the best people to run them. We are failing in our duty if we have legislation in place that reserves board appointments to entities that oversee billions of dollars of expenditure, asset management and capital works. The cost of essential services is rising—such as water, electricity and gas—as a result of Federal Labor's carbon tax and 16 years of mismanagement of State-owned corporations by those opposite.

We need look no further than the Leader of the Opposition who, in one of his former lives, was the energy Minister. As the Minister he had a light-bulb moment—he decided to launch the solar bonus scheme. The scheme was going to cost only \$350 million and was meant to be a bonus for working families and households struggling to meet rising energy costs. As members know, the scheme, which was uncoded, went out of control. The former Labor Government commissioned a report into the scheme and then concealed the findings. The incoming Coalition Government released the report, which revealed a projected \$1.9 billion blowout. That is taxpayers' money. In addition to the horrendous waste and mismanagement of the solar bonus scheme, the former Labor Government used State-owned corporations as a cash cow to plug its budget shortfalls and to pretend that it was a competent economic manager.

It is abundantly clear that the bill before us today needs to be passed, and needs to be passed now. It is not acceptable that unions have reserved positions on boards that are charged with running companies. One only has to look at the antics going on at the Independent Commission Against Corruption inquiry to see why this amendment needs to be passed. Over the past three months we have seen a conga line of Labor and union luminaries in the witness box. We have heard sordid tales of deals done over lunch and dinner tables involving business figures, Ministers, members of Parliament and union officials. The question that has to be asked is: Where was the proper Cabinet process during this time? What happened to due process, transparency and proper corporate governance, where decisions are made by Cabinet after—shock and horror to those opposite—a comprehensive, rigorous and thorough process of examination and reporting to ensure that the final determination is in the best interests of the New South Wales taxpayers, not of Labor and its mates?

There seemed to be a complete breakdown of process, which culminated with the botched sale of the gentrader companies at five minutes to midnight on the eve of an election. The whole exercise was a farce and symbolic of Labor's final death throes in office. After failing miserably to privatise the electricity generators and rolling two Premiers in a public display of lunacy, the Labor Government, in a bid to raise more cash to try to spend its way out of trouble, tried to rush through the leasing of the entities. When it ran into resistance from the directors, who had come to the conclusion that the sale was not in the best interest of its shareholders—New South Wales taxpayers—it decided to hurriedly appoint its own mates to the boards to rubberstamp its fire sale of public assets.

This action was caused because former directors resigned, including a former Labor Cabinet Minister. They felt it was a bad deal for the shareholders, the taxpayers of this State. In practical terms, a badly run entity owned by the State means that less money is paid to the government in dividends, less money is able to be reinvested into the entity for capital works, improvements, routine maintenance and other expenditure, with the

end result being higher prices for essential services such as water, gas and electricity. These businesses are major service providers and not a place to park jobs for the boys. We need the most suitably qualified men and women who have a range of skills, qualifications and life experiences to bring to the table.

Unions have a role to play in representing their members' interests, as does any other lobby group, industry body and professional associations. However, unions should not be granted special status to be able to appoint their own mates, who are answerable to the Australian Council of Trade Unions and Unions NSW, to boards of government-owned corporations. I could talk about the appointment of stakeholders to superannuation organisations, but I will save that for another day. The Leader of the House is anxious that I conclude; I have been very patient listening to other members' contributions. I am keen not to attack unions who play a vital role. This Government has appointed union members to boards, and there is nothing to prevent further appointments of suitably qualified members on a merit-based system. This is a welcomed and overdue reform. I commend the bill to the House.

**Mr RON HOENIG** (Heffron) [8.37 p.m.]: In accordance with the request of the Leader of the House I will make a brief contribution. I remind the House that the Australian Labor Party supports this legislation and the concept of appointments to statutory corporations on merit. I remind the House that only October last year the Government made appointments having trumpeted and advocated when in opposition that on election it would have eminent persons make selections. However, selections were made other than by the process it put in place. In October last year I wrote that it is unfortunate that quality appointments made by the Treasurer to corporations brought those persons into disrepute because the Government had not followed its own process.

I said then, and I say again: Many eminent persons do not serve on government corporations because of the level of remuneration. I can well and truly imagine that some successful business persons and union officials have to have their arms twisted to serve on corporations. Consequently, the Government ran into trouble, as indicated by the Leader of the Opposition, in respect of appointments it made by breaking its own rules. There is nothing wrong with the Executive Government making appointments that it considers on merit and abdicating the responsibility to others because the Executive Government is accountable to the people of this State.

**ACTING-SPEAKER (Mr John Barilaro)**: Order! The member for Baulkham Hills will come to order.

**Mr RON HOENIG**: The problem occurs when the Executive Government specifies rules that cannot work in practice. It makes out that it is holier than thou and then hauls eminent people into the political process and brings them into disrepute. It is not a requirement of corporations law that one has to have a particular level of intellect to serve on a board or to discharge one's fiduciary duty. One does not pass an intelligence test to be a director on either a statutory or a private corporation.

**Mr David Elliott**: You should.

**Mr RON HOENIG**: If it applied to members of Parliament you would not be a member, my friend. People make contributions based on their experience and background. One does not have to be the most intelligent person to serve on a board, and one certainly does not have to be the most intelligent person to serve as a member of Parliament.

**Mr Mark Coure**: There would be no-one left from the Labor Party.

**Mr RON HOENIG**: No, there would be no-one on your side of the House. I am sure the Premier is not happy with some of you blokes being members. The Labor Party supports appointment on merit. However, this relates not only to business people, union leaders or those serving on local boards. It relates to a cross-section of the community who can apply fiduciary duties in the interests of the people of New South Wales. The Labor Party has supported this reform. We do not demand that union officials are included on boards because we support this legislation.

**Mr JOHN SIDOTI** (Drummoyne) [8.41 p.m.]: I support the State Owned Corporations Legislation Amendment (Staff Directors) Bill 2013. As set out in NSW 2021: A plan to make New South Wales number one, the Government has made a commitment to improve the efficiency and management of State-owned corporations. These corporations run significant businesses for New South Wales—businesses that manage valuable public assets and require substantial public investment. They also provide essential services to the State's economy and to the people of New South Wales. The Government is determined to continue improving



the performance and accountability of State-owned corporations by various measures, including putting in place processes for the merit-based appointment of board members. This will achieve a better mix of skills and experience and will facilitate transparency of director appointments by removing the mandatory requirement for a staff director to be appointed to a board as a matter of course.

The bill removes any requirement under the State Owned Corporations Act 1989 or other legislation relating to State-owned corporations for a staff director to be appointed, including a director nominated by Unions NSW. A director of a corporation is required to act in the best interests of that corporation and its shareholders, not in the interests of a group or an individual director. This is proper and appropriate corporate governance. The bill removes the potential for misunderstanding around the role of directors of State-owned corporations. Those directors are not there to represent the interests of staff or unions; they have a fiduciary duty to act in the best interests of the corporation.

The bill will help the boards of State-owned corporations to operate, as far as practicable, on a commercial basis and in a competitive environment. It will ensure that there are clear and non-conflicting objectives so directors can focus on performance, clear management responsibility and the monitoring of that performance against agreed targets, rather than on the interests of any other group. Across Australia numerous government entities have made similar changes, including various port authorities, electricity generators, distributors, retailers, railways and water entities. In New South Wales, Landcom, the Sydney Water Corporation and Forests NSW do not have a requirement that a staff director be appointed to their boards. This change will help to ensure clarity of objectives, board neutrality and accountability for performance of State-owned corporations in accordance with their statutory objectives. The changes proposed in the bill are supported by the objectives as set out in section 8 of the State Owned Corporations Act, 1989, as amended:

- (1) The principal objectives of every company SOC are:
  - (a) to be a successful business and, to this end:
    - (i) to operate at least as efficiently as any comparable businesses, and
    - (ii) to maximise the net worth of the State's investment in the SOC.

In order to achieve these objectives, it is the Government's firm view that all State-owned corporation director appointments should be made on independent skills-based criteria. This will ensure that these boards have the right balance of business experience, expertise, appropriate skills and qualifications and thus improve the quality of the performance, results and services that these corporations provide to the people of New South Wales. I commend the bill to the House.

**Ms GABRIELLE UPTON** (Vaucluse—Parliamentary Secretary) [8.46 p.m.]: I welcome the opportunity to speak on the State Owned Corporations Legislation Amendment (Staff Directors) Bill 2013. The bill strikes at the heart of Labor's culture of patronage in rewarding mates with appointments to State boards. They are only appointed because they are a staff or union member.

**Mr David Elliott:** That is right.

**Ms GABRIELLE UPTON:** It is a different matter to be appointed on merit because those people bring skills to the boards. The bill is directed at independent, skill-based directors, which may well include union appointments. The Government wants to change the process of appointments by virtue of being a staff or union member. That is why some boards lack the expertise to compete in the global market for services provided to the people of this State. I proudly support the bill because I believe in transparency and rewards for effort and skills. Whether a board is of a private, public, listed, unlisted or a State-owned corporation, our community is best served if its members are appointed on merit.

The Government committed to improving the efficiency and management of State-owned corporations in the NSW 2021: A plan to make New South Wales number one. Our State-owned corporations need to be more effective, accountable and experienced. We must make sure that the people around the table who are making the strategic decisions have the skills to make decisions in the interests of the people of this State. At present each board is required to have a staff director. More specifically, director positions are reserved on 13 boards for union nominees or staff-elected directors. That is inappropriate.

For some time I was legal counsel at the peak body for company directors in Australia, the Australian Institute of Company Directors. Corporate governance is about board composition, selection and performance.

For many years I wrote about the laws, policies and conventions that inform these important issues. These are not only issues for State-owned corporations but for boards across the world. This bill addresses that principle. Governance is an important concept. It is about the way in which things work in an organisation. It is not only about the board but it is also about the management of the organisation and culture of its employees. The board sets the tone. If the board is merit based and each member around the table contributes skills, we will have a better organisation and our community will have a better level of service of delivery from State-owned corporations. It is widely recognised as being an important principle across all board practices. It is not just for listed companies; it is required of private companies that are not listed, as well as associations that are incorporated under State law.

Where is this expressed? It is articulated in the Australian Stock Exchange corporate governance principles that apply to listed companies. The appointment of skilled people is key to delivering, in this case, value to shareholders—all those superannuants, independents and other retirees who want their investments taken care of by people at the board level who are purely serving their interests. The Government has done work in this regard in relation to the tertiary education sector. I remind members that the Government introduced a bill that enabled universities to appoint people with skills in order to reduce board numbers. It was about delivering strategic thinking to the boards of universities so that they could get on with the job of researching and educating our young people in New South Wales, which is important. As I said, this is about moving away from a culture of patronage. Union directors and staff members may well be appointed to these boards but first and foremost the reason they will be appointed going forward, which is a point of principle behind this bill, is that they have the necessary skills.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Shellharbour will come to order.

**Ms GABRIELLE UPTON:** They are appointed to State-owned corporations that deliver value to our community. This is about delivering electricity and other vital services to our community. As a point of principle behind this bill, it is about serving the community of New South Wales through skills-based appointments to our State-owned corporations. I commend the bill to the House.

**Mr DAVID ELLIOTT (Baulkham Hills) [8.51 p.m.]:** I look around the Government benches and see the member for Davidson, the member for Monaro, the member for Drummoyne, the member for Vacluse, the Treasurer, and Minister for Industrial Relations and the member for Oatley, all of whom have been company directors. I suspect that the member for Dubbo has also been a company director. I modestly advise the House that I have been, and currently am, a company director. Guess who got us our jobs? Nobody did. We did it ourselves. We did it on merit. That is why members opposite are so torn on the State Owned Corporations Legislation Amendment (Staff Directors) Bill 2013. They must support it because they have the ghosts of John Maitland and so many company directors who were appointed only because of their mates in the Labor Party.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Mount Druitt will come to order.

**Mr DAVID ELLIOTT:** The entire ethos of the conservative side of Parliament is based on the fact that we believe in merit—a meritocracy.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Shellharbour will come to order.

**Mr DAVID ELLIOTT:** The member for Mount Druitt—the Methuselah of the Parliament—is concerned about this change, but that is what happens with progressive governments. This is what happens when governments undertake reform. This bill marks the end of the jobs-for-the-boys culture that has been manifest in State-owned corporations. For too long State-owned corporations have been the playthings of union bosses. We read about it in the *Daily Telegraph* every morning.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! I call the member for Shellharbour to order.

**Mr DAVID ELLIOTT:** The member for Shellharbour should be on more than a call to order.

**Mr Mark Coure:** Throw her out.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! I call the member for Oatley to order.

**Mr DAVID ELLIOTT:** Most citizens in this State would be horrified to learn that crucial board positions of State-owned corporations have been reserved for union appointees. Given that these are public

corporations, they are meant to serve the public, the people of New South Wales. This type of affirmative action is particularly outrageous. The member for Mount Druitt, who is trying to interject, does not understand. He still puts stamps on his emails.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Mount Druitt will come to order.

**Mr DAVID ELLIOTT:** Why should union bosses, of all people, be given the privilege of hand-picking public board members? The former Labor Government was all too happy to see the lavish, well-paid board positions granted—

**ACTING-SPEAKER (Mr Gareth Ward):** Order! There is far too much audible conversation coming from Government members.

**Mr DAVID ELLIOTT:** Let us be clear: Being the assistant secretary of the Electrical Trade Union or a public sector union does mean that a person is appropriately qualified to sit on the board of a State-owned corporation. Indeed, probably the opposite is true. Superior candidates for positions on such boards have been overlooked to guarantee that union bosses could have their snouts in the trough. The losers in this arrangement have been the people of New South Wales. As a result of the maladministration of members opposite, New South Wales has failed to achieve the most for our public enterprises. The Australian Labor Party let good corporate governance slide in the interests of union mates. The best people for the job have been left on the sidelines while our State-owned corporations have suffered severely. With this bill, we say "no more".

The bill removes these mandatory staff and union members, and replaces them with a meritocracy, with merit-based selections. The best people for the job will get to contribute to the corporate life of our State-owned corporations, as it should be. The winners will be corporate governance and accountability. When we have people with genuine experience and expertise relevant to the corporations concerned we can expect better corporate outcomes. The Government is committed to improving the governance, accountability and, more importantly, performance of our State-owned corporations. This bill goes a long way to achieving that goal. It is the centrepiece of liberalism. Effective corporate governance and leadership are an absolute must.

The member for Shellharbour, who is trying to interject, has forgotten that the Labor Party supports this bill. The current arrangements for State-owned corporate bodies would never be tolerated in the private sector. So why should the people of New South Wales, the true shareholders in these corporations, be forced to endure such an inefficient model? Again, this bill will ensure that the best person for the job is appointed so that the best people available on hand, the people of New South Wales, can finally rest assured that their State-owned corporations are being effectively governed. I commend the bill to the House.

**Mr MIKE BAIRD** (Manly—Treasurer, and Minister for Industrial Relations) [8.56 p.m.], in reply: The contributions of members opposite were not only the height of hypocrisy; they went well beyond the pale in terms of what is a reasonable position. On one hand members opposite made all types of complaints about the State Owned Corporations Legislation Amendment (Staff Directors) Bill 2013 and gave many examples that were scurrilous, false and defamatory in absolutely every way; on the other hand they said, "By the way, we will support the bill." That says a lot about members opposite. When we get to some of the details, members opposite will be held accountable for a lot in relation to this issue. What the O'Farrell Government has done to the recruitment process for State-owned corporations is an unbelievably positive step forward compared with what was done in years gone by. We have improved the recruitment process over the past year and we are following two principles in relation to every appointment—we make no apologies for that—for the long-term interests of the State. First, every appointment we make is merit based. People must have the skills.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Shellharbour will come to order.

**Mr MIKE BAIRD:** People must be able to make a contribution to the enterprise they are overseeing. That is exactly what the people of New South Wales require and expect. Secondly, every decision must be approved by the entire Cabinet. The entire Cabinet must ensure that the applicant has the skills and is the right person for the job. That is exactly what we have done. This is another step forward. Despite the unbelievable hypocrisy of members opposite, who have given every reason not to support the bill, they now support the bill. I love that they are principled people. They are against the bill, they hate it—

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Toongabbie will come to order.

**Mr MIKE BAIRD:** Speaking of principles, if members opposite want to see someone who stood up to past practices—including his appointment—they need look no further than the member for Toongabbie. At least he stood up to what was going on. If those opposite are looking for a leader who is actually standing up for principles, that is the member for Toongabbie.

**Mr Clayton Barr:** Bring back Nathan.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Cessnock will not converse with the Treasurer across the Chamber.

**Mr MIKE BAIRD:** The member for Toongabbie has shown that he is standing up for the right sorts of principles that this State would like to see. He stood up to those who were doing deals behind closed doors in their interests, not in the people's interest, and what did they do to him? They sacked him. That is another good example of what was going on. The simple proposition is: Who is the best possible person for the job? It is not what union you are a part of, it is about who is the best possible person. The Leader of the Opposition makes fantastic road to Damascus speeches—"This is all terrible"—but what is his track record? We want to understand his track record. He started it, and I look forward to him finishing it.

The Leader of the Opposition says he supports merit-based appointments, but what happened in the last six months of the former Labor Government? In the last six months, 70 per cent of all board appointments were affiliated to Labor or the unions. I will give some examples. The Assistant Secretary of the Electrical Trades Union was appointed to Transgrid on 26 February 2011—note the dates. The General Vice President of the Construction, Forestry, Mining and Energy Union to Eraring Energy was appointed on 3 March 2011. The Assistant General Secretary of the Public Service Association was appointed to Delta on 3 March 2011.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! There is too much audible conversation in the Chamber.

**Mr MIKE BAIRD:** The Deputy Assistant Secretary of Unions NSW was appointed to Pillar on 14 March 2011. The Leader of the Opposition talked about board members making dedicated contributions. It is a shame that he failed to make any contribution when he was the head of the Electrical Trades Union and secretary of Unions NSW and was appointed to the WorkCover board and the Heritage Council. How many meetings did he attend in relation to WorkCover? While he is happily pocketing director's fees, he does not even bother to turn up.

**Mr John Robertson:** Point of order: To correct the record, I did not collect any fees.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The Leader of the Opposition will resume his seat. That was not a point of order; it was a debating point. The Treasurer has the call. The member for Monaro will come to order.

**Mr MIKE BAIRD:** The Leader of the Opposition, who is standing here talking about merit-based appointments, was taking \$60,000 or \$30,000, whatever his fee was—whatever it was, he took those director's fees, he did not bother turning up and yet he is here now talking about WorkCover. He is trying to stand up for WorkCover, but he had a chance to reform the scheme when he was a director, and he did not even bother to turn up.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! Government members will come to order. The member for Auburn will come to order.

**Mr MIKE BAIRD:** For the Leader of the Opposition to talk about this today is unbelievable. I would like to know his credentials for the Heritage Council. What are his credentials for the Heritage Council?

**ACTING-SPEAKER (Mr Gareth Ward):** Order! Government members will come to order.

**Mr MIKE BAIRD:** I would love to know the answer.

**Mr John Robertson:** Point of order—

**Mr MIKE BAIRD:** He has no point of order.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The Treasurer will resume his seat.

**Mr John Robertson:** Only in charge of refurbishing the most significant heritage building in Sydney.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The Leader of the Opposition will resume his seat. The Treasurer has the call. The Minister for Ageing, and Minister for Disability Services will come to order.

**Mr MIKE BAIRD:** We have heard from the Leader of the Opposition that he had no credentials for the Heritage Council, yet he was happy to be a member of its board. It goes on. On the eve of the election we heard that Michael Williamson was appointed as a director of State Water. I do not think even those opposite can defend this appointment—I know it was signed off by the member for Maroubra at the time. What were his credentials to make a contribution while on that board? He was the former Australian Labor Party National President, the current Australian Labor Party Senior Vice President, the National President of the Health Services Union, a member of the Australian Council of Trade Unions [ACTU] and executive and Vice President of the Australian Labor Party New South Wales branch. I am not sure how that works in relation to water.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Drummoyne will come to order.

**Mr MIKE BAIRD:** But again I am pleased, despite what we have heard from those opposite, that they had a road to Damascus experience and they have finally been converted to merit-based appointments. We welcome them doing that tonight. The Leader of the Opposition is happy to cast slurs and innuendo on people who have been appointed to boards, so I make this point: you should very carefully consider those sorts of comments because you stand in this House, you think it is fun—

**Mr John Robertson:** Are you still talking to us?

**Mr MIKE BAIRD:** No, you think it is fun to make those sorts of comments about people who have volunteered their services, who bring their expertise to make a contribution to the State.

**Mr John Robertson:** They are not volunteering; \$200,000 a year is not volunteering, mate.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The Leader of the Opposition will come to order.

**Mr MIKE BAIRD:** I am saying there are many things that they could be doing.

**Mr John Robertson:** Don't say they are volunteering.

**Mr MIKE BAIRD:** You are happy to come in here and cast slurs—

**Mr John Robertson:** Don't say they are volunteering.

**Mr MIKE BAIRD:** I have said—

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The Treasurer will direct his comments through the Chair.

**Mr MIKE BAIRD:** Is the Leader of the Opposition happy to cast slurs on someone like Roger Massey-Greene? What is his experience? He has been a mining engineer at Rio Tinto, the Chair of the Australian Stock Exchange listed Excel Coal, and the Managing Director of Resource Finance, and he has overseen the reform of Networks NSW that has slowed down the capital spend, the gold-plating that was overseen by the former Labor Government. He has found \$2.6 billion in savings, and what is that going to do for the people of New South Wales? I will tell members: It is going to lower their electricity costs. In one instance the Leader of the Opposition is attacking a man who is doing what those opposite were not able to do, and he is doing everything in the interests of the people of this State. He has an incredible background. The State is very lucky to have someone like him undertaking that activity. He is delivering lower electricity costs to consumers across the State. The Leader of the Opposition is throwing slurs and innuendos at someone who is making an incredible contribution to the State.

**Mr John Robertson:** I am stating the facts; the facts are on the record.

**Mr MIKE BAIRD:** I would love it if the Leader of the Opposition said those sorts of things outside of this place.

**Mr John Robertson:** The facts are on the record.

**Mr MIKE BAIRD:** The Leader of the Opposition has a go at Chum Darvall. Let us look at what he did. He was the Chief Executive Officer of Deutsche Bank and he was the head of global markets for Westpac. They are the credentials that he brings to the job in terms of Transgrid, yet the Leader of the Opposition is slurring him. Why would he slur someone who is making that sort of contribution?

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The Leader of the Opposition will come to order.

**Mr MIKE BAIRD:** Then we go on to Maurice Newman, the Chairman of the ABC, the Chairman of the Australian Stock Exchange, and a former Chair of Bain and Company. He is happy to make contributions to this State. I have pointed out what Michael Williamson has done. I have given the Leader of the Opposition some of those credentials, and for him to come in here and cast slurs on those individuals is absolutely disgraceful. We in this State are lucky that people with that type of experience are making a contribution to this State. We on this side are very interested in appointing people who will make a contribution on the basis of merit.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! I call the Leader of the Opposition to order.

**Mr MIKE BAIRD:** This is not a political thing.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! Opposition members will come to order. The member for The Entrance will come to order.

**Mr MIKE BAIRD:** We have appointed Maree O'Halloran, Morris Iemma, Phil Koperberg and Nick Whitlam to roles that suit their skills and experiences.

**ACTING-SPEAKER (Mr Gareth Ward):** Order! The member for Toongabbie will come to order.

**Mr MIKE BAIRD:** That is what we are happy to do. We are happy to appoint people on the basis of their skills and experience to make a contribution to this State, and that is at the heart of this bill. We are very happy to bring this bill to the House. We are very happy to make the recommendations that it is about time that merit-based appointments were made in this State, and we say this to the people of New South Wales: We will be judged by the quality of our appointments, not the cheap political pointscoring of those opposite.

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

**Motion agreed to.**

**Bill read a second time.**

### **Third Reading**

**Motion by Mr Mike Baird agreed to:**

That this bill be now read a third time.

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

## **BUSINESS OF THE HOUSE**

### **Notices of Motions**

**Motion by Mr Alex Greenwich, by leave, agreed to:**

That general business notice of motion (general notice) No. 2481 on the *Business Paper* be substituted to read as follows:  
"That this House:

- (1) welcomes the Right Reverend Gene Robinson, former Bishop of New Hampshire, and the first openly gay man to be made a Bishop of a major Christian denomination;
- (2) commends the member for Coogee and the Paddington United Church for hosting events during Bishop Robinson's visit;
- (3) notes that expressions of support for equality for same-sex couples and their families have been made by various faiths; and
- (4) notes the importance to many New South Wales residents and the LGTBI community, that they have the publicly stated support of both the Premier and the Leader of the Opposition."

**CRIMES (DOMESTIC AND PERSONAL VIOLENCE) AMENDMENT (INFORMATION SHARING)  
BILL 2013**

**BAPTIST CHURCHES OF NEW SOUTH WALES PROPERTY TRUST AMENDMENT BILL 2013**

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

**INDEPENDENT COMMISSION AGAINST CORRUPTION AND OTHER LEGISLATION  
AMENDMENT BILL 2013**

**Second Reading**

**Debate resumed from 14 March 2013.**

**Mr JOHN ROBERTSON** (Blacktown—Leader of the Opposition) [9.11 p.m.]: I speak on the Independent Commission Against Corruption and Other Legislation Amendment Bill 2013. The bill will amend the Independent Commission Against Corruption Act 1988 and other legislation to enable certain information to be requested, disclosed and used for vetting applicants for positions with the Independent Commission Against Corruption, the New South Wales Crime Commission, the NSW Police Force, and the Police Integrity Commission. The bill provides access to information about job applicants and their associates for use in determining the suitability of a candidate for a position at key policing and integrity bodies. I should say that I received some Government amendments on my way into the Chamber just now and I have not had an opportunity to consider them. Obviously I reserve my right to make further comment on those amendments at some point.

Vetting information to be made accessible under the bill includes: any criminal intelligence report or other criminal information; information held in the Births, Deaths and Marriages Register; information held by Roads and Maritime Services relating to licences or other authorities, offences or penalties; information held by Corrective Services NSW and the Department of Attorney General and Justice; information held by CrimTrac; information held by a law enforcement agency; information held by an agency of the Commonwealth or of the State or another State or Territory investigating public sector corruption; information held by an agency of a jurisdiction outside Australia, being an agency responsible for the enforcement of laws of that jurisdiction; and information prescribed by the regulations that is held by a public authority or by a government agency of another jurisdiction whether in or outside Australia. These authorities must provide this information on request where the applicant has consented to this information being made available to the relevant commissioner.

The commissions and the NSW Police may also access without consent information regarding associates or relatives of the applicant for use in screening candidates. The New South Wales Commissioner of Police is granted authorisation at any time to disclose to the commissions information about the criminal history of a person for the purpose of vetting an applicant including: information relating to spent convictions, despite anything to the contrary in the Criminal Records Act 1991; information relating to criminal charges, whether or not heard, proven, dismissed, withdrawn or discharged; and information relating to offences, despite anything to the contrary in section 579 of the Crimes Act 1900. These changes are being made retrospectively to cover any previous actions by the commissions to access and use information for vetting candidates in line with the new provisions.

While the Opposition supports allowing agencies such as the Police Integrity Commission and the Independent Commission Against Corruption to conduct investigations into potential employees, we have concerns about the NSW Police Force being able to access without consent information regarding any associate or relative of an applicant for use in screening candidates. The fact that this information will not be disclosed to an applicant denies the police officer any procedural fairness. This means that an officer's friends, families and associates can be investigated and the officer can be denied a job based on this information and never know why they were denied. This completely denies officers the chance to challenge these decisions and makes a mockery of any sort of procedural fairness. In his speech in reply the Premier must explain why he thinks these extreme measures are necessary for the 16,000 hardworking police officers in New South Wales.

The Premier must assure the House that these provisions will not be misused by the NSW Police Force and that every police officer in New South Wales is protected. The bill also extends eligibility to serve on the Crime Commission Management Committee. The primary role of the Crime Commission Management Committee is to make references for investigations. The amendment allows former judges of the District Court of New South Wales to be appointed or to act as the chairperson. At present eligible persons are limited to a former judge of the Supreme Court of any other State or Territory, a former judge of the Federal Court of Australia or a former justice of the High Court of Australia. Mr David Patten was appointed to the role of chair. Mr Patten had been a District Court judge and an Acting Supreme Court judge. The Government now needs to amend this legislation to ensure the appointment is valid.

In addition, the bill will allow for information disclosed to the Ombudsman as part of an investigation to not be subject to privacy laws. Public authorities will be permitted to disclose information to the Ombudsman without having to comply with provisions 16, 17, 18 and 19 of the Privacy and Personal Information Protection Act 1998. Provisions 16, 17, 18 and 19 of the Act include: responsibility of a government agency to check the accuracy of personal information before it is used; limits on the use or disclosure of personal information to where the individual has consented to its use for that purpose and in situations where there is a serious and imminent threat to the individual's life or health; prohibition of disclosure of personal information relating to ethnic or racial origin, political opinions, religious or philosophical beliefs, trade union membership, or sexual activities unless the disclosure is necessary to prevent a serious and imminent threat to the life or health of the individual concerned or another person.

Waiver of these provisions is limited to where the Ombudsman is conducting a preliminary inquiry to decide whether to conduct an investigation into a public authority or agency. This may occur with or without a complaint being made. The Government has claimed this is in line with a temporary direction by the NSW Privacy Commissioner, and will make this direction statutory. The bill will also allow for Police Integrity Commission officers to carry firearms. The bill conveys the power to the Police Integrity Commissioner to deem a member of staff as an appropriately trained officer. This exempts the officer from requiring firearm licences or permits. The officer will be permitted to carry and use firearms, anti-personnel spray, batons, magazines for semiautomatic pistols, handcuffs and body armour vests. Previously, only police officers seconded to the Police Integrity Commission or former police officers were eligible to carry these weapons. This comes from a request made by the Police Integrity Commission to the parliamentary Committee on the Ombudsman, the Police Integrity Commission and the Crime Commission.

The committee did not receive any submissions opposing the request and it received support from the Inspector of the Police Integrity Commission, the NSW Police Force Firearms Registry, and the Office of the NSW Ombudsman. The bill also removes the requirement for the Ombudsman to destroy or expunge records relating to young offenders. This mirrors provisions for records to be kept by the Bureau of Crime Statistics and Research. It also allows for information regarding young offenders to be disclosed to the Ombudsman for the purpose of exercising any of the Ombudsman's functions. The Government says that the reforms in the bill will strengthen and support our integrity and law enforcement agencies. Subject to reserving my rights in relation to the amendments, the Opposition does not oppose this bill.

**Mr MARK SPEAKMAN** (Cronulla) [9.20 p.m.]: I support the Independent Commission Against Corruption and Other Legislation Amendment Bill 2013. It is part of a suite of measures that the O'Farrell Government has proposed to improve public confidence in public administration in New South Wales. In my earlier speech tonight on the State Owned Corporations Legislation Amendment (Staff Directors) Bill I listed many of those provisions. The bill covers five areas. The reforms that the bill proposes to enact have been requested by each of the integrity and law enforcement agencies that are affected.

The first and most significant area of reform is to enable some information to be requested, disclosed and used for vetting applicants for positions with the Independent Commission Against Corruption, the inspector of that commission, the NSW Crime Commission and the inspector of that commission, the NSW Police Force, the Police Integrity Commission and the inspector of that commission. The various schedules to the bill reflect the proposed reforms. Each of those schedules that affect the different integrity and law enforcement agencies are in largely identical form. Schedule 1 and the amendments to the Independent Commission Against Corruption Act are illustrative of this proposition. For example, section 104C, as proposed, will describe the vetting information in question that can be requested and used as any information of the following kind about an applicant, or about an associate or relative of an applicant:

- (a) any criminal intelligence report or other criminal information,
- (b) information held in the Births, Deaths and Marriages Register,
- (c) information held by Roads and Maritime Services relating to licences or other authorities, offences or penalties,
- (d) information held by Corrective Services NSW, Department of Attorney General and Justice,
- (e) information held by CrimTrac,
- (f) information held by a law enforcement agency,
- (g) information held by an agency of the Commonwealth or of the State or another State or Territory investigating public sector corruption,
- (h) information held by an agency of a jurisdiction outside Australia, being an agency responsible for the enforcement of laws of that jurisdiction,
- (i) information prescribed by the regulations that is held by a public authority or held by a Government agency of another jurisdiction (whether in or outside Australia).



That provision is replicated for other integrity and law enforcement agencies. Similarly, the proposed section 104D of the Independent Commission Against Corruption Act provides for safeguards relating to the use of vetting information. The amendments will require records to be kept of occasions when vetting information about an associate or relative is considered, including a record of whether vetting information contributed to a decision not to appoint or engage a person for a period of two years after the commencement of the amendment. The records are to be reviewed and reported on at the end of that period by a person appointed by the Attorney General. That report may contain recommendations relating to the collection, use and disclosure of vetting information and related practices and procedures. The provisions in proposed section 104D are replicated in other amendments to other legislations such as the Crime Commission Act.

The second area of amendment will enable former judges of the District Court of New South Wales to be appointed as a chairperson of the New South Wales Crimes Commission Management Committee. The primary role of the management committee is to make references for investigations conducted by the Crime Commission. A new position of an independent chair is based on a recommendation of the report into the Crime Commission. The purpose is to enable greater independence, oversight and scrutiny of the management committee's decision. The third area of amendment is to enable a public authority to disclose information to the Ombudsman without having to comply with certain information protection principles. That appears in schedule 3 of the bill. The fourth area of reform is to exempt appropriately trained officers of the Police Integrity Commission from the requirement to have licences or permits for certain firearms and weapons while performing Police Integrity Commission duties.

In a report published in December 2012 the Parliamentary Joint Committee on the Ombudsman, the Police Integrity Commission, and the Crime Commission reviewed and supported a request from the Police Integrity Commission that investigators be provided with access to any personnel spray, batons or magazines for semi-automatic pistol ammunition in a manner that does not require appropriately trained officers to obtain licences or permits. These amendments will reduce paperwork and delays for the Police Integrity Commission. The fifth area of reform will enable records relating to young offenders that are currently kept under the Young Offenders Act 1997 to be disclosed to and kept by the Ombudsman. It is a suite of reforms that reflect the Government's commitment to improving public confidence in public administration in New South Wales, in particular, the accountability and the ethical standards of integrity agencies and law enforcement agencies. I commend the bill to the House.

**Mr LEE EVANS** (Heathcote) [9.24 p.m.]: I am pleased to speak in support of the Independent Commission Against Corruption and Other Legislation Amendment Bill. The purpose of this bill is to strengthen the integrity of law enforcement agencies and remove obstacles and red tape that impede the execution of their duties. In turn this will improve public confidence in public administration in New South Wales. This is the latest in a long list of important changes that the O'Farrell-Stoner Government has made to improve governance and vital services in New South Wales.

The bill will amend the Independent Commission Against Corruption Act 1988 and other legislation to allow certain information, including criminal intelligence, to be requested, disclosed and used to vet applicants for positions with the Independent Commission Against Corruption, the New South Wales Crime Commission, the NSW Police Force, and the Police Integrity Commission. As with many of the necessary changes that the Government is making to public administration, it is hard to believe that this change was not imposed many years ago. The importance of knowing if applicants have criminal backgrounds and associations is self-evident; they need no explanation. The bill will also apply to vetting applicants for positions with the inspectors of each of these three commissions.

Other changes will allow the Ombudsman to access the information from public sector organisations that he requires to perform his functions. The bill will also exempt adequately trained officers of the Police Integrity Commission from the requirement to have licences or permits for certain firearms and weapons while performing Police Integrity Commission duties. This will eliminate unnecessary paperwork for appropriately trained officers who need firearms and weapons to perform investigations and surveillance duties. The proposed changes to the Police Integrity Commission Act 1996 will provide the same exemption for appropriately trained officers of the Police Integrity Commission in relation to the use of firearms and other police equipment as is currently in place for officers of the Police Integrity Commission who are "approved former police officers" and "seconded police officers" from other jurisdictions.

Last year a report from the Parliamentary Joint Committee on the Ombudsman, the Police Integrity Commission and the Crime Commission reviewed and supported a request from the Police Integrity

Commission that investigators be provided with access to antipersonnel spray, batons and magazines for semiautomatic pistol ammunition in a manner that does not require appropriately trained officers to obtain licences or permits. These changes will reduce the paperwork and delays for the Police Integrity Commission. This is incredibly important as the Police Integrity Commission must be able to investigate allegations as quickly and efficiently as possible. This is important not only because the people of New South Wales deserve efficiency for their tax dollars but also because crime and corruption need to be detected as quickly as possible.

Other reforms provided by the bill will enable judges or former judges of the District Court of New South Wales to be appointed as Chairperson of the Management Committee for the New South Wales Crime Commission. The bill amends the legislation governing the Independent Commission Against Corruption, the Police Integrity Commission, the Crime Commission and the NSW Police Force, and by doing so authorises the use of personal information held by government agencies—in particular the criminal information database maintained by the NSW Police Force, the Registry of Births, Deaths and Marriages and the Roads and Maritime Services Licences Register—in the process of determining the suitability of an applicant for employment or a prospective consultant.

This screening process includes reviewing the criminal history of and criminal intelligence about not only an applicant, who gives his or her consent to a security check as part of the application process, but also associates and relatives of the applicant. Because the applicant may not be aware of the criminal history of his or her associates it is crucial that the agencies do not rely on the applicant to disclose this information about his or her associates. It is not sufficient to rely on the applicant obtaining consent from these associates, who may or may not have been identified as such by the applicant. The agencies need to know with certainty that their prospective employees are not vulnerable to coercion, exploitation or improper influence by family members or associates who may seek to take advantage of their access to highly sensitive information and resources. An example of this was demonstrated recently in the trial of a female police officer who allegedly obtained information from the police database at the request of her boyfriend, who was a Kings Cross bouncer associate of the Ibrahim family.

This bill demonstrates that the Government is committed to giving these agencies the necessary powers they need to ensure they maintain the highest integrity. The people of New South Wales deserve to know not only that corruption is investigated and prosecuted but also that everything is being done to remove the opportunity and prevent corruption from occurring. In two years the Attorney General will appoint a former judge or a similarly well-qualified person to review the practices and procedures adopted by agencies using vetting information. I commend the bill to the House.

**Ms GABRIELLE UPTON** (Vaucluse—Parliamentary Secretary) [9.31 p.m.]: I welcome the opportunity to speak on the Independent Commission Against Corruption and Other Legislation Amendment Bill 2013. The bill makes amendments to the Independent Commission Against Corruption Act 1988 and other legislation governing our important integrity and law enforcement agencies. The is one of a series of measures that the Government is implementing to strengthen confidence in public administration in New South Wales and to support our integrity and law enforcement agencies. It responds to a number of concerns raised by the Independent Commission Against Corruption, the Police Integrity Commission, the Ombudsman and the Minister of Police on behalf of the New South Wales Crime Commission. The Government is addressing the requests made by those agencies to enable them to do their job better.

Confidence in our public administration, our police force, government agencies and non-government organisations is paramount. It is a vital element of what this Government brings to community policing and justice in this State and it is what the community expects of government. The Independent Commission Against Corruption was established by the Coalition Government in 1989 in response to growing community concern about the integrity of public administration in New South Wales. Members will recall the Coalition's frontline campaign commitment to restore accountability and transparency. After 16 years of Labor administration in New South Wales there were numerous examples of alleged corrupt conduct, which reinforces the need for ongoing vigilance with regard to corruption and integrity. That has been played out over the past few months in Independent Commission Against Corruption hearings.

It is important to reflect on the purpose of the other organisations requesting the changes set out in this bill. They are all part of integrity and policing in this State. They include the Police Integrity Commission, the Office of the Ombudsman and the Crime Commission. Reflecting on their roles helps to understand why this bill is important to them in exercising their functions. The Police Integrity Commission was established in 1996 on the recommendation of the Royal Commission into the New South Wales Police Service. Its functions include

preventing, detecting and investigating serious police misconduct. Loosely translated, "ombudsman" means citizens' defender or representative of the people. The Office of the Ombudsman, which was established in 1974, is an independent and impartial watchdog. Its aim is to keep government agencies and some non-government organisations accountable by promoting good administrative conduct, fair decision-making and high standards of service delivery. The New South Wales Crime Commission, which was established in 1986, investigates matters relating to criminal activity or serious crime referred to it by its management committee for investigation.

The bill outlines a number of important and practical objectives for these integrity and law enforcement agencies. First, it enables certain information, including criminal intelligence, to be requested, disclosed and used for vetting applicants for positions in the Independent Commission Against Corruption, the Crime Commission, the NSW Police Force and the Police Integrity Commission. That is important, because employees of those organisations have access to confidential information. We need to be confident that they are not at risk of succumbing to the improper influence of family and associates who could take advantage of that access. That is being done in the interests of building and maintaining the highest integrity within those agencies so that we can all be confident that their motivations and actions align with the public interest. The kind of information that will be made available with the consent of the applicant will include that contained in the criminal database maintained by the NSW Police Force, the Roads and a Maritime Services Licences Register and the Registry of Births, Deaths and Marriages.

It is important to note that the bill contains a safeguard. In two years the Attorney General will appoint an appropriately qualified person to review the practices and procedures adopted by the agencies using the vetting information. That report will be submitted to the Attorney General, who can then make recommendations about practices and procedures. In relation to the appointment of an independent chair of the New South Wales Crime Commission Management Committee under the Crime Commission Act, this bill enables former judges of the District Court of New South Wales to be appointed as chairperson of the committee. As I mentioned previously, the primary role of the management committee is to make references for investigations conducted by the Crime Commission.

The creation of the new position of an independent chairperson was based on a recommendation of the November 2011 Patten Report of the Special Commission of Inquiry into the New South Wales Crime Commission with the intention that the independent chair would be able to provide greater independence, oversight and scrutiny of management committee decisions. The report recommended that the role be performed "by a retired or former judge of an Australian court". That recommendation was adopted in the Crime Commission Act 2012, but was restricted to a former judge of the Supreme Court, a former judge of the Federal Court, or a former justice of the High Court of Australia. Mr David Patten, who has been a District Court judge and an Acting Supreme Court judge, serves as chair of the management committee. The bill clarifies that Mr Patten's appointment is valid retrospectively by adding a former judge of the District Court of New South Wales to the eligibility criteria for the independent chair role.

The bill also enables a public authority and public sector agencies to disclose personal information to the Ombudsman in response to a preliminary inquiry without having to comply with certain information protection principles. This gives statutory effect to a current temporary direction issued by the Privacy Commissioner. The bill also enables records relating to young offenders created under the Young Offenders Act 1997 to be disclosed to and kept by the Ombudsman. Finally, the bill exempts appropriately trained officers of the Police Integrity Commission—not only former or seconded police officers—from the requirement to have licences or permits for certain firearms and weapons while performing their duties. This will eliminate unnecessary paperwork for appropriately trained officers at the commission who need access to a range of firearms and weapons to perform their investigation and surveillance duties.

This legislation fulfils an important commitment that the Government made to reduce red tape in its "New South Wales 2021 Plan: A Plan to Make New South Wales Number One". The Government wants organisations to focus on the main tasks that they must perform with limited resources and to perform well without being unnecessarily diverted to reporting and administrative paperwork. This is an important initiative and it clarifies the landscape in which our integrity agencies keep us safe. I commend the bill to the House.

**Mr JOHN FLOWERS** (Rockdale) [9.40 p.m.]: I wish to make a brief contribution to the Independent Commission Against Corruption and Other Legislation Amendment Bill 2013. The objects of this bill are:

- (a) to enable certain information, including criminal intelligence, to be requested, disclosed and used for vetting applicants for positions with the Independent Commission Against Corruption (the *ICAC*) and the Inspector of that Commission, the NSW Crime Commission and the Inspector of that Commission, the NSW Police Force and the Police Integrity Commission (the *PIC*) and the Inspector of that Commission,

- (b) to enable former Judges of the District Court of New South Wales to be appointed as Chairperson of the New South Wales Crime Commission Management Committee,
- (c) to enable a public authority to disclose information to the Ombudsman without having to comply with certain information protection principles,
- (d) to exempt appropriately trained officers of the PIC from the requirement to have licences or permits for certain firearms and weapons while performing PIC duties,
- (e) to enable records relating to young offenders to be disclosed to, and kept by, the Ombudsman,
- (f) to make other amendments, and provide for savings and transitional matters, of a consequential nature.

In recent times the Independent Commission Against Corruption, the Police Integrity Commission, the Ombudsman and the Crime Commission have raised concerns in relation to the authorisation of certain information including criminal intelligence to be requested, disclosed and used for vetting applicants for positions within those agencies. These amendments address those concerns. The amendments also implement recommendations in relation to the Police Integrity Commission officers and the use of firearms and weapons following recommendations from the Committee on the Ombudsman, the Police Integrity Commission and the Crime Commission.

The main purpose of the bill is to amend the Independent Commission Against Corruption Act 1988 to facilitate taking disciplinary action against corrupt public officials. Currently there is no power for agencies to take disciplinary or remedial action against public servants who have found to be corrupt by the Independent Commission Against Corruption. Instead, agencies must commence separate investigations and obtain their own evidence of misconduct. This causes additional delay and expense. This bill will enable swift disciplinary action to be taken by avoiding the need for separate investigations by disciplinary bodies. The Independent Commission Against Corruption and Other Legislation Amendment Bill 2013 is a further step in a series of measures that the Government is taking to improve confidence in public administration in New South Wales.

The reforms in this bill have been requested by each of the integrity and law enforcement agencies that are affected. The bill will amend the Independent Commission Against Corruption Act 1988 and other legislation to enable certain information, including criminal intelligence, to be requested, disclosed and used for vetting applicants for positions with the Independent Commission Against Corruption, the NSW Crime Commission, the NSW Police Force and the Police Integrity Commission. I commend the bill to the House.

**Mr JOHN SIDOTI** (Drummoyne) [9.43 p.m.]: I support the Independent Commission Against Corruption and Other Legislation Amendment Bill 2013. This bill amends six Acts of this Parliament to improve and strengthen the integrity and improve the operational efficiency of the law enforcement agencies that investigate crime and corruption in New South Wales. Specifically, this bill amends the Independent Commission Against Corruption Act of 1988 and a number of other Acts. This bill, among other matters, authorises the use of personal information held by other government agencies in the process of determining the suitability of an applicant for employment, or of a prospective consultant, by these bodies. In particular, these amendments deal with and allow access to information held on the criminal database maintained by the NSW Police Force, on the Registry of Births, Deaths and Marriages and the Roads and Maritime Services Licences Register.

The screening process for employment applications and consultancies for these law enforcement agencies must be extensive and comprehensive and include not only any criminal history of an applicant but also of the people with whom they associate. These agencies cannot continue to rely on only information provided by the applicant who may not, even unintentionally, provide full and frank disclosure of information that these agencies consider material to that person's application. This is common sense. These agencies deal with serious and often dangerous criminal activity and they need to be confident that their prospective employees, or the consultants they engage, are not at risk of coercion, exploitation or improper influence by the people they associate with—people who could seek to take advantage of an applicant's access to highly sensitive or confidential information or resources.

This bill, in accordance with this Government's commitment to providing our law enforcement and integrity agencies with the necessary powers and resources they require to properly carry out their functions, and reducing bureaucratic red tape, will limit certain matters to those absolutely necessary to ensure the good governance of these organisations. In a report by the Parliamentary Joint Committee on the Ombudsman, the Police Integrity Commission and the Crime Commission published in December 2012 the administrative difficulties of investigators of the Police Integrity Commission accessing operational equipment were highlighted.

The principal function of the Police Integrity Commission is to detect, investigate and prevent police corruption and other serious police misconduct. Its work is essential for the good governance of New South Wales and, from time to time, it is dangerous work. Presently, ensuring the commission's investigators have access to appropriate firearms and weapons has resulted in extraordinary ongoing administrative inconvenience. Indeed, the administrative requirements put in place to mitigate risk relating to the issue of weapons to Police Integrity Commission investigators has had the unintended consequence of creating a new—possibly greater—risk of compromising the identity of the officers undertaking undercover operations.

This bill addresses this by exempting appropriately trained officers of the Police Integrity Commission from the requirements of licenses or permits while performing their duties. This will eliminate unnecessary paperwork and help to ensure that the investigation and surveillance operations in which these officers are involved are not compromised. The last two changes made under this bill enable the appointment of an independent chair of the New South Wales Crimes Commission Management Committee. This change, arising as a result of a recommendation made in the report into the Crime Commission, will provide greater independence and scrutiny of the committee's decisions.

All of the amendments contained in this bill are proposed at the request of the Independent Commission Against Corruption, the Crime Commission, the NSW Police Force and the Police Integrity Commission and have their approval. They will ensure that this Government continues to provide its law enforcement and integrity agencies with as much support as possible and the appropriate tools to do their job properly. I commend this bill to the House.

**Mr RAY WILLIAMS** (Hawkesbury—Parliamentary Secretary) [9.48 p.m.], on behalf of Mr Barry O'Farrell, in reply: I have great pleasure in replying on behalf of the Government. I thank members representing the electorates of Blacktown, Cronulla, Heathcote, Vaucluse and Drummoyne for their contributions. The bill will strengthen our integrity and law enforcements agencies, and remove obstacles and red tape that inhibit the efficient discharge of their functions. The member for Mount Druitt raised concerns about the use of security vetting provisions by the NSW Police Force. The bill has been carefully drafted for consistency with longstanding and robust police vetting standards. There is no intention for the bill to impose higher integrity standards on new recruits or to make the recruitment process more difficult.

The purpose of the bill in regard to police is to ensure that access to vetting information about potential recruits, particularly in relation to information about their associates and relatives, has a sound legal footing. The New South Wales community and officers of the NSW Police Force have a very reasonable expectation that that information will form part of a risk assessment of every potential recruit. I am advised that, consistent with the NSW Police Professional Suitability Guidelines, when information of concern about associates or relatives is identified during the vetting process the applicant is invited to come before the Professional Suitability Application Review Committee.

I further understand that the committee is chaired by an independent superintendent who will question the applicant to determine if the identified association of concern is minor, irrelevant or is significant enough to prevent the application from progressing. This bill does not prevent the NSW Police Force from informing unsuccessful applicants where there are no operational reasons not to do so or the reasons that his or her application was unsuccessful. Nor does the bill require potential police recruits to be informed of sensitive criminal intelligence information about their associates or relatives that may come to light during the vetting process. The decision whether it is appropriate, or even safe, to inform an applicant about any issues of concern regarding his or her associates and relatives continues to quite properly rest with the NSW Police Force.

The bill also contains a safeguard requirement for an independent nominee of the Attorney General to conduct a review of instances in which vetting information is considered during a recruitment process. The reviewer is to make a report to the Minister for Police and Emergency Services and the Attorney General, which may include recommendations about improving the procedures of the agency. I also note that the bill is not intended to apply to internal police promotions. The legal clarification contained in these amendments was originally requested by the Independent Commission Against Corruption some time ago in order to provide a sound legal basis for its recruitment processes and to support the integrity of its operations. The advantages of extending the amendments to the initial recruitment processes of all four agencies covered by the bill were later identified.

There is no connection between this bill and the review of the police promotions system conducted by the Hon. Lance Wright, QC. I am advised that his review generally endorsed the current promotion system, with some minor improvements. The NSW Police Force and the Police Association of New South Wales were

consulted throughout the review process. As a result of the review the Government is developing some legislative refinements, and they will shortly be brought to Parliament. Until that time police promotions, including integrity checking, will continue in a way that is consistent with the longstanding requirements of the Police Act, which are unaltered by this bill. The bill is part of the Government's commitment to improving efficiency, honesty, transparency and ethical standards in public administration. It will strengthen the efficiency and integrity of the New South Wales Independent Commission Against Corruption, the Police Integrity Commission, the NSW Police Force and the New South Wales Crime Commission. I commend the bill to the House.

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

**Motion agreed to.**

**Bill read a second time.**

**Consideration in detail requested by Mr Ray Williams.**

### **Consideration in Detail**

**The ASSISTANT-SPEAKER (Mr Andrew Fraser):** Order! By leave, I will propose the bill in groups of clauses and schedules.

**Clauses 1 and 2 agreed to.**

**Mr RAY WILLIAMS** (Hawkesbury—Parliamentary Secretary) [9.52 p.m.], by leave: I move Government amendments Nos 1 to 4 in globo:

No. 1 Page 3, Schedule 1. Insert before line 4:

**[1] Section 24 Privilege as regards information, documents etc**

Insert "or a former public authority or public official" after "public official" in section 24 (3) (c).

No. 2 Page 11, Schedule 3. Insert after line 8:

**(5) Despite the *Health Records and Information Privacy Act 2002*:**

- (a) a public authority or other person or body may disclose health information (within the meaning of that Act) to the Ombudsman in response to an inquiry under this section, and
- (b) the Ombudsman may use any such information for the purposes of this section.

No. 3 Page 11, schedule 3. Insert after line 8:

**[1] Section 19C Disclosures prejudicing investigations**

Omit section 19C (1). Insert instead:

- (1) A person who is:
  - (a) required under section 18 to produce a statement of information or to attend and produce a document or other thing, or
  - (b) by a summons under section 19 required to give evidence or to produce a document or other thing,
 must not disclose any information about the requirement or summons that is likely to prejudice the investigation to which it relates.

Maximum penalty: 50 penalty units or imprisonment for 12 months, or both.

**[2] Section 19C (2)–(4)**

Insert "requirement or" before "summons" wherever occurring.

**[3] Section 21 Limits on secrecy and privilege**

Insert "or a former public authority" after "public authority" in section 21 (3) (c).

No. 4 Page 16, schedule 5. Insert before line 3:

**[1] Section 27 Privilege as regards information, documents or other things**

Insert "or a former public authority or public official" after "public official" in section 27 (3) (c).

Following a request from the Ombudsman, item [3] of schedule 3 in Government amendment No. 3 authorises former public officials to disclose information to the Ombudsman despite duties of secrecy. Similarly, amendments Nos 1 and 4 authorise former public officials to disclose information to the Independent Commission Against Corruption and the Police Integrity Commission despite duties of secrecy. In November 2012 amendments were made to the Ombudsman Act to modify the jurisdiction and powers of the New South Wales Ombudsman to allow him to inquire into Strike Force Emblems and the related crime investigation and police integrity operations that had begun more than a decade ago.

The Ombudsman's formal inquiry is named Operation Prospect. To ensure the Ombudsman had the appropriate powers to undertake the inquiry, the Ombudsman Amendment Bill 2012 extended the Ombudsman's powers, including extending to the Crime Commission and the Police Integrity Commission the Ombudsman's coercive powers to compel witnesses to attend private hearings and to produce evidence, and permitting the Ombudsman to appoint legal counsel to assist in an inquiry. The Ombudsman has now identified two further amendments that will support this important inquiry.

First, Operation Prospect has identified potential witnesses who are former public officials bound by duties of secrecy. Currently these people cannot be compelled to provide information to which a duty of secrecy attaches, as they would expose themselves to criminal sanctions if they volunteered the information. Existing provisions allow the Ombudsman when requiring information for the purposes of an investigation or inquiry to override the duties of confidentiality of a public authority, which is defined to include public servants and public officials but not a former public authority. This amendment will apply to all investigations conducted by the Ombudsman. For consistency, it is proposed to make similar amendments extending the equivalent sections in the Independent Commission Against Corruption Act and the Police Integrity Commission Act to former public authorities and officials.

Amendment No. 2, which was requested by the Ombudsman, authorises public authorities to disclose health information to the Ombudsman for preliminary inquiries. It will complement the other proposed amendment in this bill to section 13AA of the Ombudsman Act, which converts an existing exemption from the Privacy and Personal Information Protection Act, made by a direction of the Privacy Commissioner, into a legislative exemption. That exemption allows public authorities to disclose personal information to the Ombudsman for preliminary investigations. This further amendment to section 13AA of the Ombudsman Act will authorise public authorities to disclose health information to the Ombudsman for preliminary investigations. The proposed amendment removes any doubt about whether existing exemptions within the Health Records and Information Privacy Act apply to preliminary investigations.

The Ombudsman has two areas of significant special jurisdiction: one relating to the oversight of investigations of employment-related child abuse allegations, and the other to handling community services complaints. In relation to both these areas the Ombudsman needs access to relevant health information. For example, behaviour management plans, medication protocols and other health-related records are commonly of relevance to an assessment of a complaint about the "withdrawal, variation or administration of a community service". The Privacy Commissioner supports the proposed amendment, noting that "like the proposed new subsection 13AA (4), the proposed provision provides an open and transparent approach to a practical and necessary privacy exemption, in quarantined circumstances."

Amendment No. 3, which was also requested by the Ombudsman, will ensure that public authorities do not disclose information that is the subject of, or about, a requirement from the Ombudsman to provide information to an investigation if such disclosure may prejudice the investigation. Operation Prospect has identified potential witnesses who are public officials that are able to provide relevant information. The Ombudsman has two ways of acquiring information for investigations. He can summon the officials to provide that information using his royal commission powers under section 19 of the Ombudsman Act, and this will permit him to use an existing power to prohibit the disclosure of information that is likely to prejudice the investigation. This power to prohibit disclosure was inserted into the Ombudsman Act by the Ombudsman Amendment Bill 2012 with the intention of mirroring the powers that apply under the Independent Commission Against Corruption Act and the Police Integrity Commission Act.

However, if the Ombudsman uses his alternative and less coercive power to require information from a public authority the Ombudsman does not have power to prohibit disclosure about the request or the information requested. It is proposed to amend the Act to ensure that the Ombudsman's power to prohibit disclosures likely to prejudice an investigation applies equally to information provided in response to a summons or a requirement. This will more closely mirror the powers that apply under the Independent Commission Against Corruption Act and the Police Integrity Commission Act. The Government supports providing the Ombudsman with these additional powers in relation to all his investigations rather than Operation Prospect alone, as these issues could arise in any other investigation the Ombudsman undertakes.

**Mr JOHN ROBERTSON** (Blacktown—Leader of the Opposition) [9.58 p.m.]: I was handed a copy of these amendments five minutes before the Independent Commission Against Corruption and Other Legislation Amendment Bill 2013 was to be dealt with. These amendments are dated 2 May, so they have been around for three weeks. The fact that the Opposition was given a copy of these amendments five minutes before the bill was to be dealt with is a reflection on the incompetence of the O'Farrell Government. This bill deals with some of the most secretive agencies in operation in this State.

It is completely unacceptable that amendments we were told were requested by the Ombudsman for legitimate reasons, amendments that were drafted and dated 2 May this year, were handed to the Opposition only five minutes before the bill was debated. Frankly, that reflects the Government's total disregard for the way this bill is being dealt with and its absolute incompetence. I take it on face value that these amendments were requested by the Ombudsman. Nonetheless I make the point that while the Opposition will not oppose the amendments in the House, the Opposition reserves its right, when the amendments are dealt with in the other place, to oppose them. That is subject to satisfying ourselves of the way in which they will be applied and the manner in which they have been drafted, as outlined by the Parliamentary Secretary.

**Question—That Government amendments Nos 1 to 4 be agreed to—put and resolved in the affirmative.**

**Government amendments Nos 1 to 4 agreed to.**

**Schedules 1 to 6 as amended agreed to.**

**Consideration in detail concluded.**

### **Third Reading**

**Motion by Mr Ray Williams, on behalf of Mr Barry O'Farrell, agreed to:**

That this bill be now read a third time.

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

## **WALK SAFELY TO SCHOOL DAY**

### **Matter of Public Importance**

**Ms CARMEL TEBBUTT** (Marrickville) [10.01 p.m.]: Today I raise a matter of public importance, that is, National Walk Safely to School Day. This Friday 24 May is the fourteenth National Walk Safely to School Day, where primary schoolchildren throughout New South Wales and across Australia will be walking to school with their parents or carers to promote road safety, health, public transport and the environment. This annual event is an opportunity to educate children on important lessons and habits to take through their whole lives, such as reinforcing safe pedestrian behaviour in young children, promoting the many health benefits of walking and creating the walking habit at an early age, reducing car dependency and in turn pollution from vehicles, promoting the use of public transport, and reducing hazardous traffic congestion in and around schools.

In years gone past, when life was a bit simpler and many children attended the neighbourhood school, an initiative such as this probably would not have been necessary as most kids walked to school. But that is not the case now. Many children are driven to school for a range of reasons, including being taken on the way to



work with mum or dad, for safety reasons or because school is too far from home. While all these reasons may be valid, it means that children no longer experience the 10 or 15 minutes of exercise walking to and from school each day. We know that it is important to encourage our children to move more, and Walk Safely to School Day with its motto "Active Kids are Healthy Kids" does exactly this. It encourages children to achieve at least 60 minutes of exercise a day to help prevent obesity and other health problems.

A recent study by researchers at the Australian National University showed that, while both physical activity and eating habits are considered the main drivers of childhood obesity, it may be that physical activity is the more powerful factor in children maintaining a healthy weight. If children are physically active and fit, they are also much more likely to enjoy sport, which brings many other benefits, including physical strength and skills, a sense of accomplishment and social connections and friendships. The significance of exercise as part of a healthy lifestyle should be ingrained in our children as early as possible, and Walk Safely to School Day is a perfect example of this in action. Statistics consistently show that around one in four Australian children is overweight or obese, which poses serious health risks both immediately and later in life. Childhood obesity can lead to all sorts of problems, including diabetes and cardiovascular disease. It is important that we do all we can to encourage children to develop a healthy lifestyle early in life.

Of course, exercise is important but so is healthy eating. I am particularly proud of some of the initiatives that Labor took when in Government to encourage healthy eating. I can still remember the debates and the concerted effort that were put in at the Fast Food Forum back in 2010, and the many negotiations we undertook to ensure that consumers were given the information they are entitled to through initiatives such as kilojoule counters in fast food restaurants. It is taken for granted now that when one visits a fast food restaurant one will find the kilojoule content of each meal on the menu board right next to the price of the product in clear and legible font, where it is easy to understand and people can see the kilojoule value of what they are eating. That is a result of an initiative we introduced when in Government. We also introduced the Premier's Sporting Challenge and the Healthy Canteens and the Munch and Move programs at schools, which provide fruit and vegetables for children to snack on during classes to teach them healthy eating practices.

Like Walk Safely to School Day, these reforms are about educating children and families to make the best choices for a healthy life and to make a habit of those choices for the future. We know that in this day and age there are many things that compete for children's time, energy and attention. Children love to use technology and there are many opportunities for them to use it in so many different ways. It can often be difficult for parents to get their kids outside, to get them exercising and to get them involved in outdoor and physical activity. So an event such as Walk Safely to School Day is a way to encourage children to do that. I congratulate the organisers this year.

They have gone an extra step by introducing a smartphone app, which will help even the most reticent kids get involved in the fun of the event by tracking the distance they cover, how fast they walk and other statistics, and also making it safer by providing a mapping facility to choose the best route to and from school. Walk Safely to School Day teaches healthy lifestyle habits to children from a young age. I congratulate the organisers, the students, parents and carers, teachers and principals and whole school communities which will take part this year. I particularly note and congratulate schools in my electorate, including St Maroun's School and Wilkins Public School, which are taking part. I wish them all the best of luck.

**Mr JOHN SIDOTI** (Drummoyne) [10.06 p.m.]: This Friday's Walk Safely to School Day is an Australia-wide event—already in its fourteenth successful year—that encourages families to be more active more often. An initiative of the Pedestrian Council of Australia, Walk Safely to School Day encourages parents, carers and primary schoolchildren to incorporate regular walking, especially to and from school, into our daily routines. Most experts agree that children should do a minimum of 60 minutes exercise each day as part of a healthy lifestyle, not to mention the benefits that walking and regular exercise have for adults as well. This event also encourages parents to drive less and walk more, aiming also to reduce dangerous vehicle congestion and toxic carbon emissions from idling cars around primary schools.

Walk Safely to School Day provides an opportunity to remember and reinforce that exercise is important for all of us and helps our environment. Importantly, it also gives parents and carers an opportunity to emphasise to our children that they must always practise road safety, especially when they are crossing a busy street. The Department of Education and Communities strongly supports safe and active travel to and from our schools. In this regard Walk Safely to School Day supports the messages already taught as part of road safety education in our New South Wales primary schools, including that children should always stop, look, listen and

think every time they cross the road. This year a Walk Safely to School Day app is also available. It is designed to help everyone who participates to track the number of kilometres they walk to and from school, how long it takes and their average walking speed in an easy and fun way.

Walk Safely to School Day is a great event. Walking is the best form of exercise; it is free and easy and almost anyone can do it anytime. This Friday I will be walking my seven-year-old daughter to school in Drummoyne. I hope to reinforce all the positive messages about exercise, road safety, the importance of a healthy lifestyle and doing our bit to reduce pollution—if she lets me get a word in. I am a firm believer that encouraging children to be active from a young age fosters healthy habits that can stay with them into adulthood. Participating in exercise as a family also helps create quality time between parents and their children and provides the opportunity for communication to take place.

Data from the Australian Bureau of Statistics on participation in sport and physical recreation in New South Wales reveals that walking for exercise is the most popular physical recreational activity, with some 1.4 million people aged over 15 years walking for exercise. That is nearly 25 per cent or one-quarter of the New South Wales population walking for exercise. Participation rates for walking for exercise were highest for persons aged 55 to 64 years at 36 per cent, followed by persons aged 45 to 54 at 31 per cent, and persons aged over 65 at 29 per cent per cent. I encourage all students, parents and families to walk to school on Friday 24 May and to download the app at [www.walk.com.au](http://www.walk.com.au).

I commend the Minister for Education, Mr Adrian Piccoli, the Minister for Sport and Recreation, Mr Graham Annesley, and Chairman and Chief Executive Officer of the Pedestrian Council of Australia, Harold Scruby, for their work in encouraging children to lead a healthier, more active life by walking to school. I also commend Ms Carmel Tebbutt for bring this motion before the House. The Government applauds the continuing efforts of the Pedestrian Council of Australia and I hope that people across New South Wales and all the members of this House support this year's Walk Safely to School Day.

**Ms TANIA MIHAILUK** (Bankstown) [10.10 p.m.]: I am delighted to contribute to this matter of public importance and also pay tribute to Ms Carmel Tebbutt, the member for Marrickville and shadow Minister for Education and Training, for bringing forward this very important matter. Walk Safely to School Day is an annual event that first originated in New South Wales in 1999. In 2004 it became an event that was celebrated nationally and is primarily celebrated during May. The event is sponsored by the Department of Health and Ageing and is supported by all State, Territory and local governments. The Heart Foundation, the Cancer Council, Planet Ark, Diabetes Australia, Beyond Blue and the Australian Conservation Foundation have all played a role in encouraging this event. As mentioned by the member for Drummoyne and the member for Marrickville, the Pedestrian Council of Australia has championed this event since 1999 as a means of highlighting various issues. This year the theme is "Active Kids are Healthy Kids".

The theme is focused primarily on encouraging healthier lifestyles amongst children and family members. The council is also focused on encouraging safer pedestrian behaviour, improving road safety skills and development, particularly amongst children, encouraging a reduction in traffic congestion and promoting the environment. Many road safety initiatives have been introduced over the years. In 2007 the Labor Government introduced initiatives to address safety issues around schools, and there are many current programs that assist schools and parents to teach children safety road skills, particularly around school zones. In 2010, 351 children under the age of 17 were killed or injured on New South Wales roads. It is important to remember that children are impulsive, their thought processes and sensory skills are not fully developed and they do not behave consistently near roads. As adults, we play a role in ensuring that children walk safely to school. I commend this particular event and I am pleased to support it today.

**Mr GUY ZANGARI** (Fairfield) [10.13 p.m.], by leave: I make a brief contribution to this matter of public importance and thank the member for Marrickville for bringing the matter to the Chamber this evening. Walk Safely to School Day will be celebrated on 24 May 2013. As pointed out earlier this evening, it has a two-pronged approach: one, to promote healthy lifestyles and, two, to improve road safety. Parents are encouraged to leave their cars at home and accompany their children to school. They could alight from the bus a couple of stops before school and walk the remaining distance, perhaps admiring the scenery along the way.

Childhood obesity is a pressing issue in Australia. This is a great initiative to get students, little kids and maybe older kids, and their parents outside and walking. In Australia 17 per cent of children aged 12 to 16 are overweight and 6 per cent are obese. These statistics come from the 2007 National Children's Nutrition and Physical Activity Survey. According to the Schools Physical Activity and Nutrition Survey [SPANS] in 2010,

17.1 per cent of children in New South Wales were overweight and 5.8 per cent were obese, making a combined total of 22.8 per cent. This means that around 250,000 children in New South Wales are overweight or obese, so this initiative is important. Obesity is measured by determining a person's weight relative to their height. Childhood obesity is symptomatic of health conditions later in life. These include depression and decreased socialisation. Overweight or obese children are prone to bullying at school, which can contribute to low self-esteem and lack of confidence, high blood pressure, fatty liver disease, respiratory problems, and sleep apnoea.

Walk Safely to School Day is an initiative organised by the Pedestrian Council of Australia. This is the fourteenth year the event has been held. I thank the Pedestrian Council of Australia for its work in this area. The council is an incorporated not-for-profit organisation that promotes, amongst other things, walking as a legitimate mode of transport. Walking is perhaps the easiest and most effective way to exercise and helps put students on the right track for the rest of their lives. I am sure all members will be taking part in Walk Safely to School Day. I encourage all parents and students to take part, because it helps to develop healthy habits for the whole family as well as sends a message about road safety. We all tell our children to stop, look and listen before crossing the road and Walk Safely to School Day is another way to teach our children about road safety.

**Ms CARMEL TEBBUTT** (Marrickville) [10.16 p.m.], in reply: I thank all members who participated in debate on this matter of public importance. It gives us an opportunity as a Parliament to raise awareness about Walk Safely to School Day and encourage the community to participate. I pay tribute to those who have been involved in organising the event. As previous speakers have said, it gives us as a community an opportunity to take the simple step of walking to school with our children and, in doing so, take a very large step in our efforts to reduce childhood obesity and improve safety around our schools. Children adopt habits at an early age that stay with them for their whole lives. It is incumbent upon us to ensure that the habits our children adopt are good ones and will stand them in good stead throughout their lives.

Walking Safely to School Day is one way to ensure that children adopt the important and healthy habit of walking. The statistics on childhood obesity are frightening. It is most concerning to see so many children afflicted with being overweight or obese. We must take action as a community to address this problem. Walking safely to school is one small measure in a range of measures that need to be undertaken. Nevertheless, it is an important measure in which people can easily participate. I again thank all members who spoke in this debate. I look forward to Friday as a great day of community action when school communities—parents, students and teachers—across New South Wales participate in the national Walk Safely to School Day.

**Discussion concluded.**

**The House adjourned, pursuant to resolution, at 10.19 p.m. until  
Thursday 23 May 2013 at 10.00 a.m.**

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