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PARLIAMENTARY DEBATES (HANSARD)

**Fifty-Sixth Parliament
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LEGISLATIVE ASSEMBLY

Tuesday, 20 September 2016

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

The SPEAKER read the prayer and acknowledgement of country.

[Notices of motions given.]

Private Members' Statements

SOUTHERN HIGHLANDS RURAL FIRE SERVICE

Mr JAI ROWELL (Wollondilly) (12:13): It is an honour to recognise the dedicated volunteers of the Southern Highlands Rural Fire Service. As the Southern Highlands encapsulates a large swathe of bushland and national parks, it inevitably struggles regularly with large-scale bushfires and natural disasters. To ensure the safety of residents it is imperative that the Rural Fire Service [RFS] is equipped with the necessary training and technology to combat all natural disasters. The Southern Highlands Rural Fire Service consists of 42 brigades with 1,936 members and it operates a total of 74 firefighting vehicles—a highly regarded and trained fighting team. On 7 May this year I was pleased to attend the Southern Highlands Rural Fire Service awards presentation. Present at the awards were 26 members with collective service totalling 604 years. Between them those members were presented with 28 medals and clasps.

I am pleased to acknowledge the efforts of the following members for their dedication to the Rural Fire Service. Ursula Cupitt received the National Medal after 17 years of service. She became a member of both the Mittagong and Catering brigades in 1998 where she held the position of captain of the Catering brigade and secretary of the Mittagong brigade. Kathleen Radford received the National Medal after 17 years of service. Kathleen has held the positions of communications senior deputy captain in addition to communications deputy captain. John Muddle has received the National Medal after 19 years of service to the Mittagong brigade, holding the rank of captain. John has taken part in numerous deployments across Australia where he has spent time in both South Australia and Victoria.

Brian Radford has completed 20 years in the service and was awarded with the National Medal. Brian was promoted to the rank of captain in 2011. Brian has been at the forefront of firefighting in the Sydney Basin and further afield in Tumut and Canberra. Mark Sheehan has been awarded with the National Medal and Long Service 1st Clasp after 22 years of service. Mark has been the senior deputy captain as well as treasurer since 2002. In 2014, Mark was presented with the Les Lambert Award. A good mate of mine, Norman Scherer, has received the National Medal 1st Clasp after 26 years of service. He currently serves as a group officer for Wollondilly district and was presented with the National Medal in 2008. John McCrea has served in the Mittagong brigade for 27 years and was presented with a National Medal and 1st Clasp. In 2003 John was elected deputy captain. John has always been keen to pass on experience to brigade members and has been deployed to other States on three occasions.

Michael Course has been awarded the National Medal as well as the 1st, 2nd and 3rd Clasp and was presented with the Long Service 4th Clasp after 55 years of service to the Rural Fire Service. In 1961 Michael became a member of the Balmoral brigade, where he subsequently held positions of deputy captain, senior deputy captain and captain. Michael has since moved to the Mittagong brigade. Michael was also awarded with the Les Lambert Award in 2005 for his devotion to mentoring. Michael has been an amazing asset to the Southern Highlands RFS team over the past 55 years, and I thank him tremendously for his dedication. Jarrod Gould, Debbie MacDonald and Naomi Rooke are all receiving long service medals for 10 years of service. Kathryn Carter received a long service medal for 11 years of service while Michael Willis and Merrilee Russell received the long service medal for 12 and 13 years of service respectively.

John Carter, Gordon Meiklejohn and David Wyper were presented with the Long Service Medal 1st Clasp for their 20 years of service to the RFS while John Young and Darren Rolfe received the Long Service Medal 1st Clasp for 21 and 31 years of service respectively. Tracey Lawrence, treasurer of the Balmoral Village brigade, Colin Hadley, member of the Wingello brigade and former treasurer of the South Durras brigade, deputy captain Darryl McSweeney of the Picton brigade, and Martin Surrey, manager of the Southern Highlands team, and another great mate of mine, have been awarded with the Long Service Medal 2 Clasp for 30 years of service. Deputy captain Pauline O'Pray, another wonderful person in Milton, and senior deputy captain Robert Tolhurst, another great person, have been rewarded with the Long Service Medal 2nd Clasp for 31 and 32 years of service respectively. Mittagong brigade deputy captain Ian Long was awarded with the Long Service Medal 3rd Clasp

for 40 years of service. Ian joined the Mittagong brigade in 1974 and has been extremely active in interstate deployments. Over his 40 years of service he has held the positions of senior deputy captain and captain.

I thank everyone who received national and long service medals and clasps for their dedication to the wellbeing of the Southern Highlands and Wollondilly communities. The residents of the Wollondilly electorate, including me, owe much gratitude to the dedication of all RFS volunteers. I have seen firsthand many of the people to whom I have referred fully engaged in fighting fires or dealing with floods and other severe natural events in the Wollondilly shire. Time and again they have been at the forefront, volunteering their time in risking their lives to protect life and property. These very same people are those who gather in community groups to volunteer their time by assisting with barbecues and helping schools—you name it. When help is needed, they are always there. I thank each and every one of them and all of the members of our local Rural Fire Service brigades, which are 1,936 members strong.

Mr STUART AYRES (Penrith—Minister for Trade, Tourism and Major Events, and Minister for Sport) (12:18): I acknowledge the fantastic work done by the member for Wollondilly. I particularly thank him for his recognition of Rural Fire Service [RFS] groups within his community and especially in Wollondilly and the Southern Highlands. What struck me in the member's remarks about his local RFS service was the number of times he referred to members travelling interstate to provide firefighting services. Those personnel are not only giving up their personal time to look after and support their own local communities in their hour of need but also do not hesitate to leave their work and their communities to help other Australians. It is the epitome of the community recognised by the member for Wollondilly in his speech. In conclusion, I give a big wrap to the Mandemar unit of the RFS, which does a very good job of looking after the area in which my farm is located.

COPTIC ORTHODOX CHURCH

Mr EDMOND ATALLA (Mount Druitt) (12:19): As a member of the Coptic community I express my concern at the serious threat to demolish a historic church building, the first Coptic Orthodox Church in Australia. In 2015 a decision was made by the then Marrickville Council to demolish the former St Mary and St Mina Coptic Orthodox Church located in Sydenham. This building was constructed in the 1880s as a war memorial. In 1884 it was occupied by the Methodist Church and in 1969 was established as the first Coptic Orthodox Church in Australia and, indeed, the first outside Egypt.

In the mid-1960s the Coptic Orthodox Society lobbied for the formation of a Coptic Church in Australia. The society wrote to the then Coptic Pope, His Holiness Pope Kyrillos VI, asking for a church to be established in Sydney and for a priest to be ordained to serve the Sydney community. Both requests were granted, and on 10 March 1968 Deacon Edward Labib Nematalla was ordained as a priest and named Father Mina Nematalla at St Mark's Cathedral in Alexandria, Egypt. Charged with establishing a church in Australia, Father Mina arrived in Sydney on Australia Day in 1969. Soon after Father Mina's arrival, the Coptic community searched for suitable premises to serve its needs. A building in Railway Parade, Sydenham, was purchased with community funding and established as the first Coptic Orthodox Church outside Egypt. It has significant historical and cultural value to the Coptic Orthodox community both in Australia and internationally.

With the construction of Sydney's third runway at the then Kingsford Smith Airport, between 1992 and 1994, the resultant increase in aircraft noise at Sydenham led to a large portion of the suburb being deemed uninhabitable. Four and a half hectares of land and 152 homes surrounding the church were acquired by the Federal Government and demolished. The St Mary and St Mina Coptic Orthodox Church was saved from demolition by the Federal Government, which leased the building to Marrickville Council for a dollar. The Government placed on it a caveat forbidding the exchange or sale of the property for 25 years, believing it should be preserved for community use. Over that 25-year period the maintenance and upkeep of the building was neglected by Marrickville Council to the point where it deteriorated severely and required excessive funds to restore it to the state it was in when first acquired by council.

A decision was made by Marrickville Council to demolish the building rather than to preserve it. In December 2015, in a bid to preserve the building, Australian Coptic Heritage and Community Services wrote to the Minister for Heritage, who placed an interim preservation order on the building to prevent its demolition and to allow Australian Coptic Heritage and Community Services time to submit a nomination to the Heritage Council of NSW. The Office of Environment and Heritage commissioned Sue Rosen Associates to undertake a heritage assessment of the church. It concluded in its report:

The former St Mary and St Mina Coptic Orthodox Church in Sydenham is a place of immense social significance for the Egyptian Coptic community. Although occupied by the Copts for only some 30 years, the church was established in 1970 to service the increasing number of Copts leaving Egypt due to religious discrimination. As such it was their first church building in Australia and is thus possibly unique, as the founding buildings of most other faiths have not survived. The long absence of the Methodist congregation has eroded the Methodist connection to the site; nevertheless, the church has very strong associations with the establishment of the suburb of Sydenham as created by the 1881 subdivision. Construction of the church, as part of the suburban

development of the area, occurred at a time when Sydney was largely Protestant or Catholic and every suburb had churches reflecting that situation. The church, as a relic, is a rare survivor of the early suburban development of Sydenham. Despite this conclusion in favour of preserving the site, the Heritage Council of NSW, for unknown reasons, resolved not to register the church as a heritage building. Once again, the Minister for Environment and Heritage was approached in a desperate bid to preserve this historical site, but unfortunately the decision has been placed in the hands of members of the newly formed Inner West Council, who are now discussing this matter with the Australian Coptic Heritage and Community Services. I strongly urge the Minister for Environment and Heritage to intervene and confer with the Inner West Council to ensure that this building is saved, restored and preserved for community use.

RABBIT FARMING

Ms MELINDA PAVEY (Oxley) (12:24): The activists at Animal Liberation have launched yet another misguided campaign using secret video footage and emotional language to try to tell other people what to think and do, how to see something their way and to raise some funds along the way. A story was aired on Channel 7's Sunday night news and it has an effect on not only my electorate of Oxley but also across regional New South Wales. The story showed secret footage of an alleged rabbit farm in Tasmania that was covertly obtained by Animal Liberation. Putting aside for the moment the questionable morals of covert footage and also the inherent biosecurity risks, to be frank, the footage of the farm, if it was actually the farm, was not what we would like to see. It is not how we imagine a rabbit farm to be, or how it should be. But still there is no case to brand and censure all farmers for the actions of one.

This is the conclusion animal welfare activists want us to draw, but it is not a correct, measured and thoughtful response. Any animal cruelty is unacceptable and intolerable to the community, but to assume all rabbit farmers do the same misrepresents the facts and puts misguided information out to the public. This is where goodwill and best intentions can cross over the line to become activism and ideology. In this country there are laws and legal processes governing animal cruelty, as well as a range of strong animal welfare codes of practice. There are also proper channels through which to take action, not some scratchy, undated footage collected in secret that is purely aimed at drawing emotional responses from a largely unprepared and unknowing general audience.

I note that the rabbit industry in the early 2000s was encouraged by the CSIRO and the Rural Industries Research and Development Corporation with several hundreds of thousands of dollars invested in developing rabbit farming in Australia. I also note that rabbit meat is a particularly fond or unfond recollection for people throughout Australia. It was a food of the Depression and a food for families in World War I and World War II. Many families existed on rabbit meat, and some people have terrible memories of it while others have fabulous memories of it. It is a very big industry in many countries, particularly those in Europe. However, the news footage we saw on Sunday night scares me because it was aimed at highlighting campaigns that can be more about political aspirations than about animal welfare.

The program featured Emma Hurst from Animal Liberation, who was also the Animal Justice Party's candidate for Grayndler in the last Federal election. I note the current member for Sydney is mentioned in the social media concerning the story. I had occasion to talk to the member for Sydney last night about some of the other sides of this industry's story. I know from personal experience of visiting a rabbit farming enterprise and untold other farming businesses that the overwhelming majority of farmers do not go about their day doing the right things as a matter of course; they are actually brought up by their parents and trained at school, TAFE and university to do the right things by and for their animals and consciously think about their actions. In fact, one of the small rabbit farms I have visited asked the RSPCA to inspect its business. The head of the RSPCA took up the offer and was overwhelmingly supportive of the animal husbandry practices at the farm and acknowledged this small enterprise deserved the RSPCA's tick of approval. However, the high recurrent annual fees for having the farm's product endorsed by the RSPCA would have been outside the farm's budget limitations due to its size.

Good farmers are good animal managers; they go hand in hand, and there is very strong rural peer pressure for this. Of course, all this context and these facts were not presented in the Channel 7 story, which belittles its value and serves to discredit the people who obtained the footage and pushed it to a television station. If laws have been broken, the activists should lodge the film with the appropriate authorities so that a proper investigation can occur. Sadly this is not their form. They prefer to stir up the court of public opinion and collect membership subscriptions, rather than to follow proper, accepted due process. It is important that as passionate advocates for country people we call out activists who do the wrong thing, and we highlight good animal husbandry and proper processes and practices. One of the rabbits featured had no fur, but I have been informed that when rabbits are nesting it is normal practice for them to shed some of their fur to create a nest for their kittens. There are always two sides to every story, but I will always be on the side of good farmers.

Mr STUART AYRES (Penrith—Minister for Trade, Tourism and Major Events, and Minister for Sport) (12:29): I echo the comments of the member for Oxley, who has demonstrated consistently in this Chamber that she is a passionate advocate for rural jobs and farming. It is right that she raises concerns about how

various groups have been projected, in this case, rabbit farmers. As the Minister for Trade, I know that the agricultural export opportunities in this State are immense. In fact, the most recent data shows that the growth in agricultural exports from New South Wales has exceeded that of Victoria, which is a positive step. I know that many markets across Asia are looking at utilising rabbit meat. I also concur with the view expressed by the member for Oxley that we must have proper farming practices, and if someone has evidence to the contrary he or she should report it to the police.

COUNTRY WOMEN'S ASSOCIATION

Mr ADAM CROUCH (Terrigal) (12:30): I have great pleasure in speaking about the Country Women's Association [CWA], especially on the Central Coast. The CWA has just celebrated its awareness week, which is a great opportunity for the association to showcase its work and to encourage women across the State to join their local branch and get involved in their local community. Only recently I was going through the plethora of cookbooks at home, both old and new. In our previous incarnations my wife worked in publishing and I in printing. I had the pleasure of printing the CWA cookbook for the company my wife worked for, Harper Collins. I think almost every home has a copy of the blue-and-white CWA cookbook close to hand. Last weekend I asked my wife why we have the CWA book and whether she had used it recently. She said proudly said that she uses it regularly but I had not noticed.

The CWA has a fantastic history. It was formed in 1922 when women on the land felt isolated and lacked the services that most of us take for granted, such as health facilities. When this group of women registered as an association they acted immediately to establish baby healthcare centres, to fund bush nurses, to staff maternity wards and to build hospitals, schools, rest homes, seaside cottages and much more. They grew to be a formable voice for women in New South Wales and the Australian Capital Territory, taking their causes to the steps of Parliament House. They were always listened to. The CWA represented women and children in country areas who felt isolated and, in some cases, suffered harsh living conditions on the land. They wanted better services and to feel less isolated, living as they did hundreds of miles from the next town or even from their next-door neighbour. The CWA members came to be known as angels. Since the very first day their organisation was established they have created across the country a network of support, with groups meeting regularly in small townships and large cities.

The Country Women's Association of New South Wales has gone on to become the Country Women's Association of Australia and the international organisation Associated Country Women of the World. We know that when we see a table surrounded with diligent, busy ladies at a fair or a fete, or even on a Saturday morning on a shopping centre footpath, we will be invited to purchase the best scones, sponge cake or handmade knitwear in the land because it is from the CWA. We purchased some fantastic green tomato pickles from the CWA at the last local show, and without a doubt it was the best green tomato pickle I have ever eaten. I will make sure I go back to purchase more. Luckily, the person who made it is registered so I can track her down. We also know that every dollar raised by the CWA goes towards something special. It may be to provide support to women and children in country areas or to buy much-needed equipment for a hospital in the outback or in an isolated country town.

Back home on the Central Coast all our CWA branches work hard to raise money for local charities. Recently during History Week the Central Coast CWA members were recognised in our local newspaper for raising more than \$40,000 for local charities in the past year. The Northumberland Group of 12 CWA branches on the Central Coast has collaborated with the Brisbane Water Historical Society for an exhibition at the Henry Kendall Cottage and Historical Museum at West Gosford. The exhibition opened last week with the theme "Neighbours", honouring the CWA Central Coast branches with their theme of "More than Tea and Scones". The Northumberland members have been working on the exhibition for the past three months, giving a wonderful opportunity for members across all CWA branches to network and to share their successes and ideas.

The exhibition highlights the very first Central Coast branch that opened in my electorate of Terrigal in 1930, back when Terrigal was very much a country town north of a busy Sydney metropolis. The road to Terrigal, as many will remember, was a journey of miles of twisting turns and winding roads. In some respects we were considered an isolated but nevertheless beautiful town. The \$40,000 that our CWA branches have raised has been donated to chosen charities in the past year in the form of 1,016 trauma teddies, 243 premature baby items, 524 hospital emergency packs, three calico dolls, 10 mums and bubs packs, various material aid, three school packs—and the list goes on. In conclusion, I commend the Country Women's Association, especially on the Central Coast, for all the great work it does across our community.

Mr STUART AYRES (Penrith—Minister for Trade, Tourism and Major Events, and Minister for Sport) (12:35): The member for Terrigal has recognised one of the truly great New South Wales organisations in the Country Women's Association [CWA]. Members from across the political divide have a Country Women's Association operating either in their electorates or across the communities they represent. I know that the women

who are part of the CWA in Penrith are incredibly passionate and do a lot of the fundraising work that the member for Terrigal has highlighted today. Having an association operating on the Central Coast since the 1930s is a significant achievement, and one that warrants recognition in the Chamber. I listened intently to the member for Terrigal and, while I appreciate his reference to the Northumberland Group and the exhibition highlighting that there is more to the CWA than tea and scones, I must say that the Anzac biscuits from the cookbook are pretty good!

COUNCILLOR CHARLIE LOWLES RETIREMENT

Ms PRUE CAR (Londonderry) (12:36): In my inaugural speech in this place, I made special mention of someone whom many call the "mayor of Mount Druitt"—retired Councillor Charlie Lowles, OAM, to whom I pay tribute this afternoon. After an astonishing 27 years, Charlie's term on Blacktown City Council has come to an end. To put that into some perspective, I was a six-year-old when his successful and celebrated career began with the first of many resounding election victories for Labor in Ward 5 in 1989. Charlie has earned the prestigious title of Emeritus Mayor through his many terms of leadership. He was mayor from 1995 to 1999 and deputy mayor six times. He has served on almost all the council's committees, having been chairman of all the council's major standing committees at one time or another. He gave his characteristic commitment to more than 22 of the council's subcommittees during his service to the city.

In 2013 Charlie was awarded the Medal of the Order of Australia—and rightly so—in the general division for service to local government and to the community. He was nominated by his and my great friend Councillor Tony Bleasdale—who, I might add, led the Ward 5 ticket to a thumping victory last Saturday. I could stand here for an infinite amount of time and list Charlie's service and achievements to the communities of Blacktown city, but I want to share some of my reflections about his enormous contribution. To say that the name Charlie Lowles is synonymous with the communities I represent in the electorate of Londonderry, west of Mount Druitt, is an understatement. Let me be very clear and speak very plainly: Many of these communities face challenges that most parts of Sydney would never understand. These are hardworking, honest, generous people who have been often abandoned by governments of all persuasions. Public housing maintenance backlogs might be figures in a line item to many members in this place, but they are a cruel, living reality for many of these people.

If electricity or water bills rise, they are the first to feel the pinch. But they have always had a champion in Charlie Lowles. Charlie is the first person to remind us—and I am in this group as well—that a life of public service is about listening to our communities. Whether we are on Blacktown City Council or in the New South Wales Parliament, we bring the hopes, aspirations and stories of our suburbs. Without that, we are nothing. While I doorknocked the suburbs of Ropes Crossing, Whalan, Willmot, Tregear, Lethbridge Park and Emerton I found that Charlie was not only well known but also respected. Over the years he earned a legion of fans in the community because they had someone who was on their side. He calls it his patch, and it absolutely is. He is equally at home with the Tregear Public School Parents and Citizens Association as he is at the games of his beloved Mount Druitt Town Rangers, with the generous people of the Holy Family Church in Emerton or at the Whalan Action Group responding to every local issue that anyone could raise—and fixing it. I once walked the streets of Willmot with Charlie and I swear the council was fixing footpaths within the hour.

Charlie loves Blacktown with a ferocity that is matched only by the strength of his faith. He fought the ridiculous Liberal proposal to change the city's name with his characteristic energy, and he won. He is one of those fantastic, mission-driven Catholics who is inspired by a relentless pursuit of social justice. In fact, I do not think I have ever heard Charlie talk more about anything other than those two words, "social justice". He is renowned for it, as anyone who knows him will agree. Charlie has fervently pursued the creation of a multicultural and inclusive Blacktown, and played a role in almost every ethnically diverse group in the area, most especially our wonderful Filipino community, to whom he is very dear. To his beautiful wife, Alma, and his daughter, Joanne, I say thank, "Thank you for sharing him with us and for supporting him as he gave himself to our communities." I thank Charlie for teaching me so much in the few short years we have been a team. I look forward to many more years as his student as we carry on working for our communities together.

Mr STUART AYRES (Penrith—Minister for Trade, Tourism and Major Events, and Minister for Sport) (12:41): It is fair to say that Charlie Lowles and I have been on opposite sides of the odd political discussion, but there is no doubt that any person who dedicates 27 years of their life to representing their community deserves the recognition of this Chamber regardless of their political persuasion. The member for Londonderry is correct when she talks about Charlie's passion for Blacktown. I have seen firsthand his unwavering commitment to that community. During his time as mayor between 1995 and 1999 and his six times as deputy mayor he has represented his community with pride and gusto. Whilst we have often had a difference of opinion on how to go about things, there is no doubt that we have shared a strong bond to advance the lives of the people of Western Sydney.

BLAYNEY INFRASTRUCTURE AND DEVELOPMENT

Mr PAUL TOOLE (Bathurst—Minister for Local Government) (12:42): It gives me great pleasure to talk about a number of significant projects being delivered for the community of Blayney in my electorate. Blayney is a smaller town that is really punching above its weight. It has a strong council, strong communities and a real connection with the Central West. The population of Blayney is approximately 3,500 people and I am pleased that the New South Wales Government is supporting many initiatives of Blayney Shire Council. Recently I had the opportunity to visit Blayney Shire Council and the main street to launch the Blayney 2020 Master Plan, which sets out a blueprint to grow the town and the many villages within the area.

I caught up with Mayor Scott Ferguson and General Manager Rebecca Ryan at the blueprint launch. In a lot of our smaller country towns the shops are either closing down or boarded up, but in the main street of Blayney there was hardly a shop unoccupied. New businesses and industrial activity are moving into the region. The master plan will help to strengthen economic activity and ensure the viability of the region for a long time. It will also bring together people from across the region. Importantly, the plan will look at detailed design improvements to the main street, including more pedestrian crossings, and upgrades to footpaths and cycleways in and around the city; freely available internet access in the main street; new facilities in Heritage Park; a recreation and exercise trail; and the establishment of a new library and cultural hub will be investigated.

The community is also very proud that the number of events held in Blayney are continuing to increase. As I said, the master plan, which was prepared by Blayney Shire Council with New South Wales Government funding, was publicly exhibited in January this year. The plans have also been nominated for a Planning Institute of Australia [PIA] New South Wales Award for Planning Excellence. It will be presented as a case study at the Queensland PIA Rural and Regional Conference. This master plan is very important to the future of Blayney.

Whilst at Blayney I had the honour of opening the Liberty Swing in Heritage Park, which gives children restricted to a wheelchair or those with disability the freedom to enjoy a swing. We all have fond memories of time spent at parks on a swing—whether we pushed ourselves or were pushed by others. The Liberty Swing, which cost approximately \$50,000 and was supported by the New South Wales Government, Blayney Shire Council and Variety, is a great asset to the community. It will make it easier, safer and more enjoyable for children with disability who frequent the park.

The Blayney Showground is a great facility and it is the centrepiece. Lots of annual events are held at the showground. Some \$43,000 in funding was given to its hardworking committee volunteers. Part of that money will be used for the construction of accessible concrete paths and a pavilion slab, as well as the replacement of dilapidated timber bench seating with fixed aluminium benches. These improvements will assist with events such as harness racing and the annual show. These great programs that are underway at Blayney are making a big difference to the people in the region.

TRIBUTE TO BILL MCRAE

Mr ANTHONY ROBERTS (Lane Cove—Minister for Industry, Resources and Energy) (12:47): Today I recognise a truly remarkable Australian from my electorate of Lane Cove, Mr Bill McRae. Mr McRae trained French pilots before their bombing missions over Germany in 1944, but he did not leave all the dangerous work to the French. During some of the darkest days of the Second World War he also flew bombing missions for the Royal Air Force over German-occupied Tunisia and Libya in 1943. Bill McRae left Australia in 1937—he was transferred to London by his employer at the time, the Bank of New South Wales. In 1939 he joined the British forces at the outbreak of the war. He enlisted because he "thought the war would be over by Christmas." A few weeks back, and 70 years after the hostilities of that war ceased, Mr McRae was, belatedly, honoured by the French Government. He was one of five brave Australian veterans awarded the French Legion of Honour in a moving ceremony aboard a French frigate moored at Garden Island.

Of the war, Bill remembers exciting times and, of course, the fear of being shot down. He thanks the Americans and the Russians for winning the Second World War. They "toughed it out", he reckons, while the Germans were—in Bill's own words—"more technical than the Allies". This man, who saw so much, often lets his mind wander back to dark war years. He remembers the men with whom he flew and those who did not live to see the peace. Upon discharge, Bill returned to Australia in 1947, and then settled in Chatswood in 1950. Bill McRae is one of those who served our side and our nation with distinction. This worthy recipient of the French Legion of Honour is 103 years of age. He is a character and a genuinely good human being. On behalf of this House, I thank Bill for his service not only in wartime but also in the community. We wish Bill the very best of health.

Mr GARETH WARD (Kiama) (12:50): I thank the member for Lane Cove for telling us the story of Bill McRae. I know how deeply passionate he is about supporting our armed forces having served as

a peacekeeper. He constantly demonstrates his commitment to the armed forces. From my private conversations with him, I know how proud he is of the service of many people in his electorate, and particularly that of Bill McRae. The member for Lane Cove could have spoken about the many wonderful projects and the many wonderful people in his electorate, but he chose to highlight the service and sacrifice of a great Australian. The member often draws the attention of the House to important matters, and particularly to the great citizens who live in his electorate. I thank the member for drawing Bill McRae's outstanding and exemplary service to our attention.

FAIRFIELD HOSPITAL

Dr HUGH McDERMOTT (Prospect) (15:51): I draw the attention of the House to Fairfield Hospital, its fantastic staff and its support services. It is one of the most outstanding small hospitals in metropolitan Sydney, and services people to the south of the electorate of Prospect and the electorates of Fairfield, Mulgoa and Cabramatta. That is a large area to service. The hospital has 220 beds, and as such is classified as a B1 health facility. It services some 32,000 local residents, and staff perform 7,000 surgical procedures and deliver 1,800 babies each year. In addition, the hospital deals with 34,000 emergency department presentations, which is a significant number for such a small hospital. It also deals with more than 200,000 outpatient presentations.

The 882 staff at Fairfield Hospital are wonderful, and include 520 nurses, 70 supporting medical staff, and 15 imaging staff. The hospital is an integral part of the local area and wider Western Sydney. It provides services in acute care, medicine, cardiology, surgery, orthopaedics, obstetrics, paediatrics, and emergency medicine as required. It also offers subacute, geriatric and rehabilitation services through the Ambulatory Care Unit in the association with Fairfield Community Health Services and the Renal Dialysis Unit. The hospital provides level 4 clinical services as defined by the NSW Health Guide to the Role Delineation of Clinical Services, and level 3 maternity and neonatal services, supported by the obstetrics service located at Liverpool Hospital. It also offers level 3 paediatric services.

Fairfield Hospital is outstanding because it has below average waiting times in its emergency department compared to other hospitals in New South Wales. It also has a below average incidence of methicillin-resistant staphylococcus aureus infections, which are referred to as "hospital superbug" infections. It is also exceeding targets in hand sanitation, and is more efficient than average cost-wise because its national weighted activity unit cost is only \$4,000. That is amazing. The hospital also offers specialist services at the Whitlam Joint Replacement Centre and the dedicated South West Sydney Hand Unit, which was opened in 2013 but which unfortunately is housed in demountable buildings.

The master plan for this hospital was approved prior to the 2015 election, but nothing has been done since. Building at the hospital has not moved forward and in the past two budgets no funding has been provided for the required capital works. Unlike Nepean Hospital, which needs more than \$200 million, Fairfield Hospital needs only \$6 million. Tens of thousands more people will be coming into the health system in the Fairfield area over the next five to 10 years. Six million dollars would bring Fairfield Hospital to a stage where it could provide for the future growth in that area.

The priorities that have been identified in the operational plan have been aged care, complex care and internal medicine, medical imaging, enhancing surgical specialities and, in particular, women's health to ensure that mothers in the Fairfield area can access midwifery models of care and general practice care in a timely manner. Sadly, because of underinvestment in this hospital—because the Government has not spent the \$6 million required—there have been more and more problems in regard to patient care.

In December 2015 two confirmed deaths in the Fairfield hospital maternity ward were identified as due to under-resourcing—not negligence by staff but under-resourcing. The local health district board admitted concerns were raised by the Clinical Excellence Commission and, as part of the review, trainee registrars have been approved to be the second on call in response to understaffing. Unless money is spent on this hospital I have serious concerns that there will be more deaths. People in the area have considered this hospital to be superior, but now they are starting to doubt that. I request that the Minister spend the \$6 million required and that she come clean and be transparent about the processes in that hospital.

CAMDEN PRESCHOOL KINDERGARTEN

Mr CHRIS PATTERSON (Camden) (12:56): Today I inform the House of the fiftieth anniversary of the Camden Preschool Kindergarten. This community-based not-for-profit preschool recently celebrated 50 years of service to the community of Camden. Well done to the fiftieth anniversary celebrations subcommittee—Angela Best, Sarah Cleaton, Ellen Hussein, Jade Lou, Danielle Ravenscroft and Adrienne James—for organising such a successful and fitting celebration of Camden preschool's 50 years. Since 1966, many, many preschoolers have attended the kindergarten and there are now parents and grandparents of current preschoolers who also attended

the preschool. The preschool is run by a management board of volunteer parents and they have certainly done an outstanding job over the years.

The preschool began with an idea from a small group of parents who wanted a safe place for their children to play and to learn. A committee was formed and they started to doorknock businesses to raise funds to make the preschool happen. In March 1966 work began on the building, which was built by Mr Hubert and designed by Mr Clinton. In August 1966 the preschool was officially opened with only one playroom, an office, a kitchen and toilet facilities accommodating about 29 children. In 1997 another playroom was added to the building to accommodate the ever-growing Camden community, and the preschool now accommodates 40 children a day. This year the current director, Millie Birkic—who does a wonderful job—celebrated 21 years at the preschool, and Diane Wilson celebrated 20 years at the preschool. Their passion and that of all their staff has never wavered. They ensure that all the children in their care receive the best all-round preschooling possible.

I congratulate Millie Birkic, director, Kerry Caldicott, office administrator, and the staff—Maree Craven, Kate Goulder, Janelle McLachlan, Louise Peters, Rebecca Simpson, Cherie Skinner, Nadine Smith, Karen Trethewy and Diane Wilson—on the marvellous job they do educating and caring for these wonderful young children in my electorate. I also congratulate Adrian James, chairperson of the Parent Management Committee, and committee members Chris Conyers, Lillian Toovey, Joan Barnes, Suzi Neal, Deborah Brown, Rachael Caneiro, Sky Kyle, and Melanie Pearce on their hard work and dedication to the preschool. The students at Camden Preschool Kindergarten are lucky to have such caring staff, committee members and parents helping them continue to be wonderful children.

It is well known that 90 per cent of brain development occurs in the first five years of life and the provision of good quality early childhood education gives young students a head start before they go to big school. This Government is committed to ensuring our community preschools continue to provide families with access to early childhood learning. An announcement last week of an additional \$155 million will make early education more affordable and many more families will have the opportunity to access this service. An amount of \$85 million will assist preschools to reduce their fees and children will have increased access to the 600 hours of preschool education in the year before they start school.

An amount of \$30 million will be available to assist with long day care services for Aboriginal and disadvantaged children. Having access to an average of 600 hours of early childhood learning will allow children to gain the social and emotional skills they require to cope at big school. Entering big school can be a daunting experience for any child, and the nurturing they receive at preschool will allow them to be ready for any small challenges they may confront. I acknowledge all the community preschools in my electorate and I thank their highly qualified and dedicated staff for the outstanding work they do. I am extremely proud of the wonderful Camden community preschool.

Mr GARETH WARD (Kiama) (13:01): I join the member for Camden and Government Whip on congratulating and celebrating 50 years of the Camden community preschool. Preschool and early childhood education are more than child's play for the Government Whip. As he said, it is an important part of the fabric of education in this State. This Government recently announced the largest single investment in community preschool care in order to assist families and to enable young people to obtain the critical years of support prior to entering primary school. I also join him in acknowledging Millie Birkic for 21 years of service and Diane Wilson for 20 years of service. Across the State there are many wonderful, dedicated people who support young people. I take this opportunity to recognise the hardworking preschool teachers not only at Camden community preschool but also across New South Wales. I thank the member for Camden for drawing to the attention of the House the 50-year anniversary of Camden community preschool.

WERRIS CREEK

Mr KEVIN ANDERSON (Tamworth) (13:03): Last week I had the pleasure of visiting Werris Creek, a small but thriving town in my electorate with a population of 1,500 people. Whilst in Werris Creek, I noted an undeniable feeling of positivity and confidence in the town. This is not an accident. Over the past five years, I have worked with the Government to secure funding for key projects for Werris Creek. I will now put on record the amount of funding that has been provided to Werris Creek as this Government continues to invest in regional New South Wales. While other smaller towns across regional New South Wales struggle to maintain scale and capacity, Werris Creek is defying the odds. An amount of \$20,000 has been allocated for a disabled persons access lift at the Werris Creek Railway Museum. The museum, which is manned by volunteers, is possibly the most famous railway museum in New South Wales because Werris Creek was the first railway town in New South Wales.

Nearly \$20,000 was provided for the installation of a playground at David Taylor Oval, Werris Creek, which had been called for by the local community. The funding allowed the council to install new train-themed

play equipment which reflects the railway history that is strongly associated with the Werris Creek railway community. Along the main street of Signal Street in Werris Creek, \$6,000 has been granted to upgrade the toilet block and to erect a fence, and \$19,500 has been provided for the construction of a raised pedestrian kerb blister and a disability-friendly kerbed ramp from the blister to the road surface.

The main street of Werris Creek looks a picture. According to Liverpool Plains Shire Council mayor, Councillor Andrew Hope, the revitalisation of the western side of Signal Street, Werris Creek, highlights the benefits of community collaboration, effective partnerships and the clever use of resources to achieve multiple outcomes. Along the street one can see projects that have benefited from the drive of the Werris Creek community and the Werris Creek Section 355 Development Committee, which has been aimed at improving amenities and aesthetics, as well as from the careful planning and allocation of funds from the State Government and the contributions from businesses such as Whitehaven Coal and Werris Creek Mine.

These collaborations have seen the development of the Community Shed, the Rural Fire Service shed and the adjacent Lions Club park, plus associated infrastructure such as a car parking area and kerb and guttering, which will improve the aesthetics, the site useability and stormwater management outcomes. These projects, which have been funded through grants from the State Government, the Rural Fire Service and the Liverpool Plains Shire Council and other associated grants, are an excellent example of what happens when the community works together to achieve a benefit and an outcome.

The skate park and the newly developed Hoamm Park Children's Playground were developed through \$70,000 in funding from the Whitehaven Werris Creek Coal Community Enhancement Fund, almost \$20,000 from the local member's State Government Community Building Partnership program, and almost \$80,000 from the Liverpool Plains Shire Council's section 94 development contributions for community infrastructure reserves. This is just a part of the funding that has been invested in Werris Creek.

A little further north in Signal Street, works are being planned for improvements to parking facilities for the Rail Journeys Museum and the Australian Railway Monument precinct. The town's strong railway history and the embracing by locals of the growing tourism market ensure that Werris Creek's heart is beating strongly. There is a growing confidence in Werris Creek as new businesses open; an independent department store has just opened in the main street of Werris Creek. It is a pleasure to represent Werris Creek in the Tamworth electorate. The heart of this town is beating strongly, and Werris Creek has a bright and prosperous future.

BOGEY HOLE PUBLIC ACCESS

Mr TIM CRAKANTHORP (Newcastle) (13:07): On Monday this week the Minister for Primary Industries, and Minister for Lands and Water, the Hon. Niall Blair, finally came to Newcastle. This is an event for which Newcastle has waited a long time: since the Stockton service station was closed; since the King Edward Park Bowling Club site was roped off; since the Bogey Hole was closed; since the Stockton service station was burned down; and since the Pelican Marina collapsed into Lake Macquarie. In that time, the shadow Minister for Primary Industries and shadow Minister for Lands and Water, the Hon. Mick Veitch, has visited the abovementioned sites twice.

I have put many questions on notice, met with Crown Lands staff, raised the issue with another Government Minister, given notice of a motion, and taken up a petition in order to have this issue debated and for the Minister to come to Newcastle. Yesterday, after all the pressure being applied and all the media attention, speeches, meetings and discussions, the Minister found his way up the M1 to Newcastle. I am pleased to see that today's *Newcastle Herald* editorial has acknowledged my campaign. The Minister came to Newcastle to announce that \$491,000 will be allocated to fixing and reopening the Bogey Hole this summer. The reason he gave for this work was safety concerns.

The issue comes to mind because while the Minister gives safety as his reason for fixing this iconic swimming spot he managed to forget about the safety of Novocastrians for 10 months while the site was neglected. People simply jump the current fence and swim regardless. Ten months of fence jumping is too long. If this were in Bondi, Tamarama or Manly, it would have been fixed a lot sooner. Following this announcement no specific details were given on how much longer it would take to fix this swimming spot: a general time frame was given and the Minister said that \$491,000 was available. Works will involve stabilisation and strengthening of the cliff face, but no specific time frame has been given. When will we be able to dive into that pool? Many overeager bathers are climbing around the fence. After I drew up a petition on Saturday to fix the Bogey Hole, three people climbed that fence.

I am concerned about safety. The Government received a report about safety concerns with respect to the Pelican marina months before that structure came crashing down. No concerns were conveyed to residents or businesses, or to the employees and patrons of that structure. The Government has had a geotechnical report on

the Bogey Hole for months, but it has not revealed to the Newcastle community what work should be undertaken to make this swimming spot safe. I ask the Minister for Lands and Water: What promises have been made to the Newcastle community? We want something specific regarding time frames and the work to be undertaken. Will the Minister assure us that any repairs that will be done will be long-lasting? The former Liberal member for Newcastle ensured that some work was done at the Bogey Hole but it has since deteriorated.

As I mentioned before, on Saturday I drew up a petition to enable Newcastle residents to have a say about fixing the Bogey Hole. This is an opportunity for Newcastle residents to let the Government know how important this spot is to the community. The Government put it in the too-hard basket for a long time, but it must now fix this important and beloved spot. The Minister said he had the money to fix the Bogey Hole, so we will be monitoring his progress and recording each milestone to ensure this work is carried out before another summer goes by.

Yesterday the Minister announced that the King Edward Park headland would be returned to the people of Newcastle. After many months of having fences around the bowling club site they will now be partially removed. There was a condition that the headland be returned, but as there is still a native title claim relating to that site it will have to be confirmed in the future. However, the current plan of management on that site does not preclude development proceeding if someone submits a development application.

These are good announcements by the Minister but he has not provided much detail. We need that detail. It is easy to make announcements such as these but we need much more than that. Why have taxpayers been paying for temporary fences for so long? How much has it cost them? Why could these simple adjustments not have been made last year? How long will we have to wait before we know what will become of that site? I am happy to hear that the Government is finally listening to the Newcastle community, but I will not stop fighting until that work has been done—the removal of the fence at the Bogey Hole and the reopening of that site for the people of Newcastle.

EASTWOOD TAMIL STUDY CENTRE

Mr VICTOR DOMINELLO (Ryde—Minister for Innovation and Better Regulation) (13:12): On Saturday 24 September I had the honour of attending the Eastwood Tamil Study Centre silver jubilee celebrations. In 1991 a group of parents from Denistone, Eastwood and surrounding suburbs came together at the home of Mr Baheerathan in Eastwood to discuss starting a Tamil school. The group decided to establish a school to teach the language, to study the culture and to engage in the traditions of the Tamil people. Mr Baheerathan was elected president of the founding executive committee and Mr Krishnamoorthy was announced as school principal. With support and enthusiasm from the community, the classes began and were originally taught at Denistone East Public School. Parents undertook training to become qualified Tamil teachers. With enrolment growing and the need for easier access to the centre, the school moved to Eastwood Public School in 1993, where it continues to run classes every Saturday afternoon. Certified with the Department of Education, the centre aims to teach students ranging in age from four to 18 years to comprehend, speak, read and write in Tamil.

The school started in 1991 with 22 students and it now has 65 students enrolled and 10 teachers. I acknowledge the long service of Mrs Sivapalasuntharam, Mrs Durairajasinham, Ms Rajalingam, Mrs Cumarasamy, Mrs Devamanohari, Mr Vaseeharan and Mr Sivasubramaniam to the centre. I commend them for their ongoing commitment to provide time and support to the community and congratulate them on their service. Additionally, I recognise the principal Mrs Robinson and teachers Mrs Thangarajah, Mrs Niruthapalan, Mrs Selvaratnam, Mrs Sriskandarajah, Mrs Rajasundaram and Mrs Baskaran for volunteering their time to teach at the centre. Over the past 25 years students of the centre have been recognised through various awards including commendations for excellence in student achievement from the Minister for Education.

As a not-for-profit organisation the centre relies on the generosity of the community to coordinate the school curriculum, to organise the various community activities and to assist students to participate in interschool competitions. Under the guidance of an executive committee led by president Mr Ganeshan Baskaran, secretary Mr Jude Dennis and treasurer Mr Jude Ariyanayagam, the centre engages with the local community through events such as sports and barbecue days, cultural days, and performances at a number of community concerts showcasing talents developed at the centre. As the former Minister for Citizenship and Communities it gives me great pleasure to know that the Tamil community in Ryde understands the importance of sharing and celebrating one's culture. I recently attended a meeting with an Italian delegation with my good friend the member for Drummoyne, Mr John Sidoti, together with the Minister for Skills and Minister for Small Business, Mr John Barilaro. The Minister for Multiculturalism, the Hon. John Ajaka, attended briefly. We discussed the need for the Italian language to continue to flourish overseas.

Mr David Elliott: Si. Bravo.

Mr VICTOR DOMINELLO: I acknowledge the interjection of the Minister for Corrective Services who spoke in beautiful Italian prose. His knowledge of the Italian language is as expansive as mine. The member is capable of saying "si" and "bravo", but that is the extent of his language skills.

Mr David Elliott: Gelato.

Mr VICTOR DOMINELLO: Gelato and pizza. As a community we need to do more to encourage the learning of languages. It is an art and grace. It is a gift and asset for our children because it cannot be removed. In a world where borders are disappearing there must be human bridges to span the gap and to enable us to speak to our international trading partners. As Australia is an island nation it has to be able to communicate with the rest of the world.

Mr David Elliott: Molto bene.

Mr VICTOR DOMINELLO: As the Minister states, it is "molto bene" to encourage our children to learn more than one language. I am proud that the Tamil school is supporting the next generation of Australians in this endeavour. Australia will be richer for it.

OPEN HIGH SCHOOL CLOSURE

Mr RON HOENIG (Heffron) (13:18): Today I bring to the attention of the House the proposed closure of the Open High School situated at Avoca Street, Randwick. The Open High School provides a unique opportunity for students in New South Wales government and non-government high schools to study a language that is not offered as an elective by their home school. This includes many students in the eastern suburbs as well as in my electorate. The Open High School is run by the New South Wales Department of Education and offers stage five and six Board of Studies approved courses in 12 languages from year 9 upwards. Courses are run in distance education mode, which means that study is undertaken through modules. Students are invited to take part in face-to-face lessons at the Randwick facility. With the help of their parents, students may choose to study their cultural language or a language that will assist their career progression.

Open High School offers students the opportunity to study languages spoken in Australia's regional backyard such as Chinese, Japanese and Indonesian. These countries are some of our largest trading partners. I do not need to extol to the House the advantages of learning a language other than English. Not only does it make a person more employable when they finish school, but it also provides a different perspective of the world around them. The proposed closure of the Open High School also affects the students of the Saturday School of Community Languages. The Saturday School is run by the Department of Education and allows students enrolled in a public system or a private high school in New South Wales to complete the Board of Studies syllabus in one of 24 languages. It differs from the Open High School because the Saturday School delivers face-to-face lessons on Saturdays.

There are more than 3,500 students enrolled in the Saturday School of Community Languages program. In the eastern suburbs, students can undertake studies in Chinese, Polish, Siberian and Turkish. The classes are held at the Randwick Centre, which is the same facility as the Open High School. I have been advised that arrangements currently are being made to accommodate the students of the Open High School in another Department of Education facility in the inner-west. However, students of the Saturday School will have to find a space at another facility elsewhere in Sydney. It is simply not good enough for the Department of Education to close down vital educational facilities in Randwick and not offer a local alternative to many parents and their children who are students enrolled at the eastern suburbs facility.

For Saturday School students learning Turkish, the closest centre is a 40-minute journey by car to the inner-west, and that estimate of the journey does not take into account traffic or the usual Saturday road congestion, which is akin to peak hour and greater than traffic experienced during the week. Saturday School students learning Chinese would have to travel 16 kilometres to Kogarah High School. The closest centre that offers Polish is 29 minutes away by car at Ashfield Boys High School. Spare a thought for the Saturday School students who study Serbian. They will have to travel to Liverpool, which is almost an hour away by car. This is just not acceptable.

I have been advised that the fate of the Open High School is tied to the growing demand for more spaces in our local school. The Open High School is situated next to Randwick Public School. It has been brought to my attention that the Open High School is being forced to close so that Randwick Public School can take over the facilities. In recent times, to allow land to be set aside for the future expansion of schools, I have taken up the fight to halt the Government's decision to rezone land around schools to the same category of surrounding land—for example, a residential zone. I fought that because I suspect the plan is to open up the land to developers. The problem I raise in this House is the problem that we are seeing now: There is no space for the Government to expand educational facilities to cater for growing schools demand.

I note that Randwick City Council refused to adhere to the Department of Planning's practice note and has maintained the special uses zoning of school land in its council area. I call on the Department of Education to reverse its decision to close down the Open High School at Randwick because the students of Heffron and the eastern suburbs, including the Coogee electorate, deserve access to such a vital educational facility. Further, I call upon the Department of Education to have some common sense and to offer the Saturday School alternative facilities in the Randwick area.

KELLYVILLE INFRASTRUCTURE BACKLOG

Mr DAVID ELLIOTT (Baulkham Hills—Minister for Corrections, Minister for Emergency Services, and Minister for Veterans Affairs) (13:23): In my electorate of Baulkham Hills, growth in the suburb of Kellyville has exploded. For 16 years the previous Government decided to ignore the people of Kellyville time and again, leaving a disturbingly large infrastructure backlog for both the Baird Government and The Hills Shire Council with thousands of young families bearing the brunt of the Labor governments under Keneally, Carr, Rees and Iemma. A variety of new housing developments is occurring across Kellyville. The Balmoral Road estate is situated on either side of Memorial Avenue and is growing quickly. The nearby markets are due to close shortly and will be replaced by more residential growth. Both developments are expected to increase traffic flow.

With single detached dwellings forming a major part of the development of Kellyville, many young families are choosing to call the suburb home. This is spurring the redevelopment of Kellyville Park by the Hills Shire Council, creating many more sporting facilities to cater for the increased demand. All this development is increasing the pressure on transport infrastructure. The common denominator is the increased pressure on the major arterial road in Kellyville, Memorial Avenue. The condition of Memorial Avenue is the number one, two and three issue affecting my electorate, leaving even NorthConnex and the Sydney Metro Northwest behind. Numerous constituents, including Gracelands Early Education Centre, have expressed concerns about the safety of motorists and pedestrians on Memorial Avenue, highlighting the need for an urgent upgrade. The upgrade will include widening the road to four lanes, installing traffic lights at two intersections, implementing bus priority at traffic lights and creating a shared footpath for cyclists and pedestrians on this two-kilometre road that connects Windsor Road and Old Windsor Road.

I am pleased to inform the House that there are other transport infrastructure projects nearing completion that will serve the growing number of Kellyville residents. The Sydney Metro Northwest, on which Opposition members performed more backflips than Cirque du Soleil, will be opening in 2019. I recall that a former Minister for the Environment, one Robert Carr, announced that the north-west railway would be built in 1985. Two new stations, Kellyville and Bella Vista, will be serviced by the major thoroughfare of Memorial Avenue, which is why its upgrade so badly needed. The Skytrain will be the jewel in the crown of the Sydney Metro Northwest, carrying commuters above ground for the four-kilometre trek between Cudegong Road, in the electorate of Riverstone, and Bella Vista, one of the jewels in the crown of the Hills Shire. This will be a wonderful testament to the infrastructure vision of this Government. I know my colleagues from Riverstone, Castle Hill and Seven Hills are looking forward to it as much as I am.

As Kellyville's population continues to expand naturally and because of the beautiful new homes being built, I look forward to working with the Hills Shire Council to ensure that the growing north-west continues to enjoy the best possible infrastructure. That includes Memorial Avenue. Unfortunately, we are playing catch-up after 16 years of ignorance under a Labor government, but we will work hard to ensure that Hills residents can finally enjoy the benefits of modern infrastructure delivered by the Baird-Grant Government.

Mr ADAM MARSHALL (Northern Tablelands) (13:26): I acknowledge the passionate advocacy of the member for Baulkham Hills for his electorate in the wonderful Hills district. As everyone knows, I am a resident and passionate supporter of country New South Wales, but if I had to live in Sydney Kellyville sounds like the place to be. It is a booming area with a very strong local member and a good local council working hand in hand to deliver a veritable infrastructure boom to cater for the growing community. That includes the upgrade of Memorial Avenue and everything that comes with that, and the redevelopment of Kellyville Park. The residents of that area are well served in this Parliament. I commend the Minister and member for Baulkham Hills for his advocacy. I thank him for enlightening the House on the wonderful aspects of Kellyville. Why would more people not be moving there?

WESTCONNEX PROPERTY ACQUISITION

Mr JAMIE PARKER (Balmain) (13:27): I bring to the attention of the House alarming proposals to acquire land in the suburb of Leichhardt for the WestConnex project. The areas under consideration are Blackmore Oval and 7 Darley Road. Blackmore Oval is a very well used sporting and community recreation facility in my electorate. Number 7 Darley Road is a site that has been the subject of much legal dispute. Most recently it was approved by the Land and Environment Court as a development site for Woolworths to build a Dan Murphy's

bottle shop. Yet these are the sites that the Sydney Motorway Corporation has been examining to determine a place for the midpoint of stage three of the WestConnex tunnel, to remove spoil and to make sure that boring can take place.

Local residents are alarmed. The sporting clubs and residents who use Blackmore Oval and the residents of Darley Road are alarmed at the potential number of trucks that will be travelling along local streets to remove spill from the site. The original intention of the Sydney Motorway Corporation was to examine Blackmore Oval. I have made my opposition to that clear. That location, to my mind, would be inappropriate. In the inner-west, and in my electorate in particular, there are very few sporting fields. There is an incredible demand for sporting clubs. Many clubs are capping the number of young people who can join because of the lack of sporting facilities where they can train.

As a result of the concerns expressed by me and members of the community, the Sydney Motorway Corporation is now examining 7 Darley Road. The site is on a very busy road connecting Leichhardt to the Westlink via Parramatta Road through Darley Road. It is clear that both of these proposals, even though we understand either one or the other will be chosen, would have very significant and unacceptable impacts on the local community. Other suggestions that have been floated by people in the community include using the light rail corridor. I am not in a position to design the Sydney Motorway Corporation's polluting and disastrous tollway, but I am here to say that both of those locations are unacceptable.

It is clear that the community is concerned about these proposals. In stages one and two contracts were granted before the environmental impact statement [EIS] was approved. Residents are concerned when they are told by the Sydney Motorway Corporation to wait for the EIS to check the plans. We are concerned that contracts will be granted before the EIS process is concluded and that decisions will be locked in. Many people in my community said they would be happy to put up with some discomfort if the project had great merit. However, we know from past experience—whether that be reports commissioned by the City of Sydney and the New South Wales Auditor-General or the current inquiry by the Auditor-General at the Commonwealth level—that this is not always the case.

There are questions about WestConnex and, while this Government strongly supports the project, The Greens oppose it. We know that Labor wants part of it—the parts not being protested against are supported by Labor, but if there are any concerns Labor has proposals for different routes. However, if stages one and two are built then stage three is the logical conclusion. My community, led by Leichhardt against WestConnex, is coming together for a rally on Saturday 24 September to express the strong views of the community. Community members believe if the Government is intent on continuing with this folly of a project, we should ensure that the location of such large-scale construction is more appropriate. In my electorate many people live in houses measuring 200 square metres or in multi-unit apartment blocks, and their homes are very close to those of their neighbours. The imposition of this project therefore concerns residents.

The Government needs to release a clear and transparent process for this project. Residents do not need to second-guess the process. The Government needs to bring the community with it on these types of issues. I think this project is a folly designed to fleece the people of Western Sydney. It will not be supported by the community and it will not provide the type of service that the community needs. In fact, we believe the money should be invested in the provision of world-class public transport. We need to make sure that if the Government is intent on continuing with this project, we minimise the impact on our local community. I commit myself to doing everything I can do to make sure these proposals are not proceeded with and that we work with the Government to find a sensible solution if it is intent on proceeding.

SCARBOROUGH-WOMARRA SURF LIFE SAVING CLUB

Mr LEE EVANS (Heathcote) (13:32): I bring to the attention of the House the plight of one of my local surf life saving clubs, the Scarborough-Womarra Surf Life Saving Club. This small club has had some bad luck over the past 12 months, with a fire in the clubhouse. Any surplus funds have been used in recovering from that fire. Last year a new club president was elected and discussions were pursued about the club's all-terrain vehicle [ATV], which was reaching the end of its serviceable life. As voluntary organisations have to do, the club put off applying for a new vehicle through Surf Life Saving NSW, which manages the replacement of these vehicles, because the club thought its ATV had one more year left in it. Unfortunately, when club members returned this year to start preparations for the approaching season they discovered the ATV had deteriorated to such an extent that it is now unserviceable. They desperately contacted my office for assistance.

I contacted Surf Life Saving NSW and discovered that applications for new ATVs had to be made 12 months ahead of receiving a vehicle. In the Heathcote electorate I have eight surf life saving clubs protecting swimmers in some of the wildest surf in our State. Volunteers are on the beaches weekend after weekend, watching over us. Working inside the box was not going to work this time. I asked the club to start a petition for the urgent

replacement of the ATV. This tiny coastal community was mobilised, led by Scarborough-Womarra Surf Life Saving Club President Bindi Adams, collecting signatures and pleading for any possible funding. I request on behalf of Scarborough-Womarra Surf Life Saving Club the consideration of an urgent funding request for the purchase of this vital equipment so that the club can start the 2016 season on 25 September confident that its members can carry out their duties and protect our community without risk.

TEMPORARY SPEAKER (Mr Adam Crouch): I will now leave the chair and the House will resume at 2.15 p.m.

Visitors

VISITORS

The SPEAKER: I extend a very warm welcome to the Consul General of Italy Mr Arturo Arcano and his colleagues: Senator Claudio Micheloni, Chairman of the Committee of the Senate of the Republic of Italy for the Italian Communities Abroad and Member of the Foreign Affairs Committee; Mr Francesco Giacobbe, member of the Committee for Finance; Mr Pippo Pagano, member of the Committee for Labour; Mr Vito Roasario Petrocelli, member of the Foreign Affairs Committee; Dr Federico Pommier, International Affairs Services of the Senate; and Ms Annakisa Fezza, guests of the Parliamentary Secretary for Transport, Roads, Industry, Resources and Energy and member for Drummoyne.

I also welcome student leaders and parents attending the Ryde electorate school leadership program from Epping Boys High School and St Therese Primary School, guests of the Minister for Innovation and Better Regulation and member for Ryde. I also acknowledge and welcome Daniel Siratkov, a student from Baker College, guest of the member for Ku-ring-gai. I welcome students and teachers from Lawrence Public School, guests of the member for Clarence. I also welcome to the gallery the former member for Byron and Murwillumbah Mr Don Beck and his wife Lynne.

Commemorations

CENTENARY OF THE FIRST WORLD WAR

The SPEAKER (14:19): While the tragedy of the fighting on the Somme continued, Australian troops were also active in the campaign against the Ottoman Turks in the Middle East, especially after Allied success at the Battle of Romani had secured the Suez Canal. On 16 and 17 September 1916, a reconnaissance to Bir el Mazar was carried out by the 2nd and 3rd Light Horse Brigades along with the unique 1st Battalion of the Imperial Camel Corps, of which Australians constituted around one quarter. Together with troops from New Zealand, Hong Kong and Singapore—the far reaches of the Empire—they so effectively disrupted Turkish operations that the Turks shortly thereafter abandoned their strong positions. This was a turning point in the Sinai Campaign and opened the way for subsequent Australian forces' involvement in the Battle of Beersheba and the decisive Battle of Maghaba in the few months that followed.

These successes inspired the romanticised depictions of the glorious Australian Light Horsemen mounted astride their unique Waler horses. Some 121,000 of these locally bred horses, which were originally called "New South Walers" were sent overseas in the Great War, including 40,000 to the Middle East conflict; hence the famous "forty thousand horsemen" still remembered today. Sadly, because of costs and quarantine concerns only one Waler was ever returned to Australia: "Sandy", the mount of Major-General W. T. Bridges, who fell at Gallipoli. With an understandable focus on the terrible conflict on the Somme, Australia's war effort in the Middle East and the role of our Light Horsemen is too often overlooked. Lest we forget.

Members

REPRESENTATION OF MINISTERS ABSENT DURING QUESTIONS

Mr MIKE BAIRD: The Assistant Minister for Health will today answer questions in the absence of the Minister for Health.

Governor

ADMINISTRATION OF THE GOVERNMENT

The SPEAKER: I report the receipt of the following message from the Administrator:

M J BEAZLEY
Administrator

Government House
Sydney, 14 September 2016

The Honourable Justice Margaret Joan Beazley, AO, Administrator of the State of New South Wales, has the honour to inform the Legislative Assembly that, consequent on the Governor and the Lieutenant-Governor being absent from the State, she has assumed the administration of the Government of the State.

*Governor***ADMINISTRATION OF THE GOVERNMENT**

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

T F BATHURST
Lieutenant-Governor

Government House
Sydney, 16 September 2016

The Honourable Thomas Frederick Bathurst, AC, Lieutenant-Governor of the State of New South Wales, has the honour to inform the Legislative Assembly that, consequent on the Governor of New South Wales, His Excellency General The Honourable David Hurley, AC, DSC (Ret'd), being absent from the State, he has assumed the administration of the Government of the State.

*Question Time***HOSPITAL CHEMOTHERAPY TREATMENT**

Mr LUKE FOLEY (Auburn) (14:24): My question is directed to the Assistant Minister for Health, representing the Minister for Health. Given that by the Chief Cancer Officer of NSW's own admission today we do not know exactly how many Central West cancer patients were subject to chemotherapy underdosing, why will the Government not conduct a special commission of inquiry?

Ms PRU GOWARD (Goulburn—Minister for Mental Health, Minister for Medical Research, Assistant Minister for Health, Minister for Women, and Minister for the Prevention of Domestic Violence and Sexual Assault) (14:24): As the Leader of the Opposition is no doubt aware, the Minister for Health along with the Secretary of Health and Chief Cancer Officer of NSW David Currow released a report into the prescribing of chemotherapy to western New South Wales cancer patients. The report is available in full online, as are the two reports preceding the one released today. The report has confirmed underdosing of a small number of patients in the Central West. Using the records available to the district at this time, the report found that the treatment of 28 of Dr Grygiel's western New South Wales patients involved underdosing. However, the effect of this practice on individual patient outcomes cannot be determined.

Professor Currow has made a number of recommendations, which the Secretary of Health and the Minister for Health accept in full and which they will implement. The New South Wales Government will allocate \$6 million over three years to roll out new software in public hospitals to ensure that chemotherapy prescribed in electronic prescribing systems is delivering evidence-based treatment. This will allow clinical practice to be monitored with particular emphasis on any changes in the first doses of chemotherapy. In addition, \$1.5 million has been allocated to enhance rural cancer services in the Western NSW Local Health District.

The western New South Wales report comes six weeks after the release of Professor Currow's inquiry into head and neck cancer patients treated by Dr Grygiel at St Vincent's Hospital. The findings of the report are concerning and, as has been mentioned, NSW Health is implementing the recommendations in full. Following this report the Health Care Complaints Commission [HCCC] is continuing its independent investigation into Dr John Grygiel and a Legislative Council select committee will now begin its inquiry. The Government has full confidence in the inquiry conducted by Professor Currow and the two concurrent investigations by the HCCC and the select committee. As such, the Government does not support the calls for a special commission of inquiry. Western New South Wales patients or families who have ongoing concerns about their treatment under Dr Grygiel should contact the local Cancer Inquiry Line on 6369 8808 for a confidential conversation.

SYDNEY INFRASTRUCTURE

Ms ELENi PETINOS (Miranda) (14:27): My question is addressed to the Premier. How is the Government transforming Sydney and the way people move around the city?

Mr MIKE BAIRD (Manly—Premier, and Minister for Western Sydney) (14:27): The member for Miranda is obviously very interested in good government and is doing a great job in her electorate. She is also a Sharkies fan. What have Opposition members got against the Sharkies? We all wish the Sharkies well in their upcoming match. I know the Opposition will not believe it but this is another day and another opportunity to announce new infrastructure that will be delivered in this great city. When the Minister for Transport and Infrastructure got up today he got out of his PJs and said, "Another ripper day." Then he got dressed—so that helps—and came out of his house to deliver more infrastructure to the people of Sydney. He was so proud to do it. He loved it and we all loved it. This is just another day because wherever people go across this great State they see cranes in the sky. There are cranes everywhere. The member for Keira goes around and counts them on his abacus. When he finishes he gets to 320 cranes across New South Wales.

It is a fantastic achievement—namely, 50 per cent of all infrastructure construction in this country is being undertaken in New South Wales. Everyone is excited by that, including those opposite. All portfolios—

whether in Education, with 66 major school building projects announced and more than \$1 billion in funding delivered since 2011 under Minister Piccoli, who is doing a fantastic job; in Health, at the end of this term of government \$10 billion will have been invested in hospitals across this State; in Transport—those opposite do not like public transport and I do not know why—we are investing more in public transport than any other city in the world, including New York and London, and we are very proud to be delivering it; and today we had the official opening of the Wynyard Walk, which will provide accessibility from Wynyard to Barangaroo. This growing precinct will provide not only more than 23,000 jobs but also transport for the 50,000 visitors to the precinct each day—no doubt those opposite will also be delighted to use it.

When a city is being built for tomorrow accessibility must be provided with links to transport. Those opposite did not want transport links to Barangaroo, but we will be delivering the Metro to Barangaroo. Indeed, under this Government there will be more public transport in this city. I was trying to picture what it would look like under those opposite. Now we all like the shadow Treasurer, but when I try to imagine what his budget would look like for infrastructure and services I am slightly concerned. Last week in a debate in this place he said, "You know you talk about record spending, well basically what I am referring to is inflation and that means that every year there is record spending."

Instead of the shadow Treasurer saying to the Minister for Education, "What are the enrolment pressures? What do we need for our schools?" He says, "Inflation". He sits down and does his budget with his arms crossed because the consumer price index [CPI] does all the work for him. But it is actually a little bit harder than that; we have to do a little bit more than that. One needs an understanding of enrolments or of how many patients are coming into hospitals to make decisions to provide for that. This Government is delivering record infrastructure and record services well in excess of CPI. [*Extension of time*]

The good news for the people of this State is that they are not relying on the budgetary work of the member for Keira; they are relying on the budgetary work of the Treasurer, the Cabinet and every member of this Government. Everywhere one goes in this State there is record investment in infrastructure, and we are proud to be delivering it. For future generations this city will be very different due to these investments—whether it be the Sydney Convention and Exhibition Centre; the \$20 billion investment in the Sydney Metro, which those opposite are against every step of the way; the M4 or the M5; the duplication of the Pacific Highway; and the investment in our hospitals across metropolitan and regional New South Wales. This Government is very proud to be delivering for the people of New South Wales. The opening of the Wynyard Walk is yet another example of our understanding of the needs of this city and we will continue to deliver for the community.

HOSPITAL CHEMOTHERAPY TREATMENT

Mr MICHAEL DALEY (Maroubra) (14:34): My question is directed to the Assistant Minister for Health. Given that the Chief Cancer Officer of New South Wales has conceded that the number of patients known to be impacted by chemotherapy underdosing could rise by one-third, why will the Minister and her Government not agree to a special commission of inquiry?

Ms PRU GOWARD (Goulburn—Minister for Mental Health, Minister for Medical Research, Assistant Minister for Health, Minister for Women, and Minister for the Prevention of Domestic Violence and Sexual Assault) (14:34): The Government and all members in this place appreciate the sadness of those patients, but I have already answered the question.

EMPLOYMENT AND COST OF LIVING

Ms MELANIE GIBBONS (Holsworthy) (14:35): My question is addressed to the Treasurer. How is the New South Wales Government helping to grow jobs and to ease the cost of living for residents?

Ms GLADYS BEREJIKLIAN (Willoughby—Treasurer, and Minister for Industrial Relations) (14:35): I thank the member for her question. I know how important jobs growth is to her community and I also know how much she cares about the cost of living. In fact, the member for Holsworthy and I recently visited some local businesses in her electorate to discuss these very issues. When it comes to the New South Wales economy the good news just keeps rolling in. In August we had new figures to show that the unemployment rate in New South Wales is the lowest in the nation—it has fallen an extra 0.2 per cent to be just 5 per cent. As I said, this is the lowest unemployment rate in the nation and, proudly, it has been for 15 consecutive months. The unemployment rate in New South Wales has been at or below the national average for 33 months. That means more jobs for the good people of this State, more economic activity and more security for everybody. More than that, it means our Government is able to keep delivering the services and the infrastructure this great State needs.

Let us compare that record to the record of those opposite, who want us to forget what they did when they were in government. For 40 of the last 48 months those opposite were in government unemployment was above the national average. For a decade under Labor this State had the lowest jobs growth of any mainland

State—they would not know a job if they fell over one. Under Labor when it came to jobs growth New South Wales was last, last and last. Let us not forget the absolute incompetence of those opposite in these matters. Pleasingly, the most recent data from the Australian Bureau of Statistics about jobs growth showed that over the past 12 months to July in Greater Sydney 61,500 jobs were created, and almost 30,000 extra jobs were created outside of Sydney, which is great news.

None of this has happened by accident; it takes hard work, focus and discipline. As the Premier said, cranes can be seen everywhere on the skyline as they help to build roads and rail projects, schools and hospitals. What those opposite fail to understand is that building and investing in infrastructure creates jobs and ensures extra private investment. Not only have we got great jobs growth in New South Wales but we also have a low unemployment rate—those opposite do not like this good news about jobs creation, low unemployment and record investment in infrastructure.

The SPEAKER: Order! The Treasurer has the call.

Ms GLADYS BEREJIKLIAN: We build projects and create jobs; they cancel projects and cost jobs.

The SPEAKER: Order! I call the member for Hornsby to order for the first time. I would appreciate a reduction in the number of interjections. There is too much audible conversation taking place across the Chamber.

Ms GLADYS BEREJIKLIAN: I am pleased to remind the House that—

The SPEAKER: The member for Rockdale will stop being a little dobber. I will find out who the offending members are without his help.

Ms GLADYS BEREJIKLIAN: Normally he is dobbing on his own side, but he is dobbing on us today. I am also pleased to remind the House that in the budget we managed to cancel a number of taxes on business. Now businesses in New South Wales can afford to create more jobs. We are also offering our businesses incentives through the Jobs Action Plan. Why do those opposite not support jobs? Why do those opposite not support growth? In addition to the Jobs Action Plan, which is allowing businesses to create jobs, we are making sure we keep an eye on the cost of living, because whilst we are creating jobs and whilst we are growing the economy we are also making sure that people have affordable bills. That is why the Minister for Industry, Resources and Energy would have been very pleased today with the draft determination. [*Extension of time*]

While the other side of the House is the enemy of the hip pocket, we have an eye on the cost of living. I know the Minister for Industry, Resources and Energy was very happy today to see the Independent Pricing and Regulatory Tribunal's draft determination, which showed that residential customers are able to save between \$250 and \$445 a year by switching retailers.

The SPEAKER: There are too many rude and unnecessary interjections coming from Opposition members.

Ms GLADYS BEREJIKLIAN: While we are putting downward pressure on prices, under those opposite electricity prices went up by 60 per cent. Under this Government Sydney residents have the lowest water bills in the nation. In Labor's last five years in government, water and wastewater prices went up by more than 50 per cent. We also know that through the great work of the Minister for Early Childhood Education people will have relief from early childhood education fees. We are really pleased to be making that additional contribution and putting downward pressure on early childhood education fees. No matter where one looks in New South Wales this Government is creating jobs and putting downward pressure on prices because it appreciates what the good people of this State need. They know they will never get it from those opposite.

HOSPITAL CHEMOTHERAPY TREATMENT

Ms TRISH DOYLE (Blue Mountains) (14:41): My question is directed to the Assistant Minister for Health. Given that Dr Grygiel operated in the Central West for more than a quarter of a century, does the Assistant Minister stand by the report's claim that only 28 patients were affected?

Ms PRU GOWARD (Goulburn—Minister for Mental Health, Minister for Medical Research, Assistant Minister for Health, Minister for Women, and Minister for the Prevention of Domestic Violence and Sexual Assault) (14:42): Those were the findings of Dr David Currow. I repeat: There are two concurrent inquiries subsequent to that—the inquiry of the Health Care Complaints Commission [HCCC] and the parliamentary inquiry—and that is why we do not see the need, at this stage, for any further inquiry. We have the HCCC and the parliamentary committee doing exactly that.

LOCAL GOVERNMENT AMALGAMATIONS

Mr MARK COURE (Oatley) (14:42): My question is addressed to the Minister for Local Government. How are the Government's Fit for the Future reforms delivering for local communities?

Mr PAUL TOOLE (Bathurst—Minister for Local Government) (14:43): I thank the member for Oatley for his question, a member who is concerned about local government in New South Wales.

The SPEAKER: The member for Macquarie Fields will come to order.

Mr PAUL TOOLE: The member for Oatley is a member who understands that if we have strong councils in New South Wales we have strong communities.

The SPEAKER: The member for Prospect will come to order. The member for Port Stephens and the member for Strathfield will come to order.

Mr PAUL TOOLE: The member for Oatley is a member who understands that his community deserves and needs both infrastructure and services. The New South Wales Government continues to make strong progress in delivering an efficient and effective system of local government in this State. We are creating councils of the twenty-first century. The Government will not turn away from the reforms required to ensure that the people of New South Wales get the best outcomes across the State. That is what communities deserve and that is what we are delivering for those communities.

The SPEAKER: The member for Summer Hill and the member for Port Stephens will come to order.

Mr PAUL TOOLE: We have seen four years of research and consultation. We have engaged with the local government sector and we have spoken to stakeholders, and all reports showed clearly that change was needed in the local government sector. This research and consultation has been accompanied by the most generous financial support that has ever been given to local government in this State.

The SPEAKER: Members will cease interjecting.

Mr PAUL TOOLE: It is the highest financial support we have ever seen in this nation. This Government has invested close to \$1 billion in supporting councils across this State with the reforms that it has undertaken.

The SPEAKER: I call the member for Port Stephens to order for the first time.

Mr PAUL TOOLE: The reforms the Government has undertaken will ensure that councils can continue to deliver the services and infrastructure that communities both need and deserve—not only for today but also into the future. Following a decision from the Court of Appeal on 2 September, I announced the new Bayside Council, merging the former City of Botany Bay Council and Rockdale City Council. The Bayside Council has hit the ground running, and is already working to provide improved services and infrastructure for residents while maintaining services. I welcome the decisions today of the Land and Environment Court in relation to a further five merger proposals: Hornsby Shire and Ku-ring-gai councils; Hunters Hill, Lane Cove and City of Ryde councils; Shellharbour and Wollongong city councils; and Burwood, City of Canada Bay and Strathfield councils.

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

Mr PAUL TOOLE: As well as Mosman, North Sydney and Willoughby councils.

The SPEAKER: The member for Kiama and the member for Shellharbour will cease arguing across the table.

Mr PAUL TOOLE: The New South Wales Government will consider the judgement from the court before responding in due course. Woollahra, Oberon and Cabonne councils are still engaged in legal action with the New South Wales Government. In the meantime, our new councils have been getting on with the job of identifying savings, and delivering new and improved services to their residents and ratepayers. We have already seen these councils reducing duplication, getting rid of red tape, putting in place new contracts, consolidating systems and making savings that will be passed back to residents.

The SPEAKER: I call the member for Summer Hill to order for the first time.

Mr PAUL TOOLE: Members opposite said, "Name them."

The SPEAKER: I call the member for Kogarah to order for the first time.

Mr PAUL TOOLE: I will name a couple of councils. Northern Beaches Council has already achieved savings of \$4 million over the past four months. That is \$26,000 a day and \$182,000 a week. That is money that will be reinvested in those communities. The City of Canterbury-Bankstown Council has set up a system where people can return their library books to any library across the council area.

The SPEAKER: I remind the member for Summer Hill that this is not a debate.

Mr PAUL TOOLE: The member for Oatley is going to ask for an extension of time because he wants to know about the Georges River Council. [*Extension of time*]

I know the Opposition does not want to hear it, but Georges River Council has saved \$250,000 by tendering for roadworks contracts as a single entity. The 3,000 pensioners of the former Kogarah area will receive an additional \$75 a year to assist them in paying their council rates. This is a council that is making savings that are passed on to those communities. The MidCoast Council, for example, has stepped in to provide Centrelink services to those in Gloucester. Had Centrelink closed, local people would have had to travel 75 kilometres to access services. Dubbo Regional Council has been able to secure additional flights from Dubbo to Newcastle. It has a grants officer who is now assisting community groups in applying for grants. We have also seen benefits that have been delivered.

None of this would have happened had we sat back and done nothing as those opposite did. Labor's policy was to sit back and watch councils crumble and infrastructure fall apart rather than provide them with financial support. Labor watched councils become dysfunctional. We are equipping councils to make the right decisions. I pay tribute to the administrators, to the interim general managers and to council staff. I also pay tribute to the advisory committees that are working hard on behalf of their communities. In four months they have made huge savings that have been passed on to their communities and they have built community confidence. This Government is doing what is right for residents across this State, and it is building stronger councils.

HOSPITAL CHEMOTHERAPY TREATMENT

Ms TRISH DOYLE (Blue Mountains) (14:50): My question is directed to the Assistant Minister for Health. Given that there are possibly hundreds of families affected by chemotherapy underdosing in the Central West, what measures is she taking to support them, other than offering a phone number and an email address?

Ms PRU GOWARD (Goulburn—Minister for Mental Health, Minister for Medical Research, Assistant Minister for Health, Minister for Women, and Minister for the Prevention of Domestic Violence and Sexual Assault) (14:51): The member did not listen to my first answer in which I outlined what measures have been taken. Let me remind the member that David Currow's report was based on the records available to the district and, as I said, the report found the treatment of 28 of Dr Grygiel's western New South Wales patients involved underdosing. Professor Currow made a number of recommendations.

Mr Michael Daley: Point of order: My point of order is taken under Standing Order 129. The Minister is simply reading from a press release.

The SPEAKER: Order! The Minister is being relevant to the question.

Ms PRU GOWARD: Professor Currow made a number of recommendations which the secretary and the Minister accept in full and which they will implement. They include the allocation of \$6 million over three years to roll out new software in public hospitals to ensure chemotherapy prescribed in electronic prescribing systems is delivering evidence-based treatment. That will allow clinical practice—

Ms Jodi McKay: Point of order: My point of order is taken under Standing Order 129. The question related specifically to the help provided to patients and their families. Rather than an email address—

The SPEAKER: Order! The Minister remains generally relevant to the question. The member for Strathfield will resume her seat.

Ms PRU GOWARD: I do not recall mentioning an email address. I did mention \$6 million.

The SPEAKER: Order! The member for Strathfield will come to order and stop shouting.

Ms PRU GOWARD: I did mention—and I will repeat it for the benefit of those opposite—\$6 million that will be provided over three years to roll out new software in public hospitals. It is for patients to ensure that chemotherapy prescribing in electronic prescribing systems is delivering evidence-based treatment. And that allows clinical practice to be monitored.

The SPEAKER: Order! Members will cease interjecting. The Assistant Minister for Health has the call.

Ms PRU GOWARD: This will allow clinical practice that, for the benefit of those opposite, involves patients being monitored with particular emphasis on any changes in the doses of chemotherapy. In addition, \$1.5 million has been allocated to enhance rural cancer services in the Western NSW Local Health District. The findings of the report produced by Professor David Currow are concerning. As mentioned, we are implementing the recommendations in full and, as I have previously advised the House, there are now two concurrent inquiries, one by the Australian Competition and Consumer Commission [ACCC] and another by the select committee.

The SPEAKER: Order! The level and nature of interjections were inappropriate during such a subject.

STATE TRANSPORT INFRASTRUCTURE

Mr LEE EVANS (Heathcote) (14:54): My question is addressed to the outstanding Minister for Transport and Infrastructure. How is the Government transforming the State through its transport infrastructure priorities?

The SPEAKER: Order! The member for Strathfield will come to order. The Minister for Transport and Infrastructure has the call.

Mr ANDREW CONSTANCE (Bega—Minister for Transport and Infrastructure) (14:55): I thank the member for his question. I could not help but notice, upon arriving for Question Time, that the seating arrangements in the Labor Party remain exactly the same despite the Opposition Whip being referred this morning to the Electoral Commission by the Leader of the Opposition. It struck me that he has not moved seats.

Mr Jihad Dib: Point of order: Very clearly, my point of order is under Standing Order 129. The question is about transport.

The SPEAKER: Order! It is not very clear to me; perhaps it is to the member for Lakemba. The member for Lakemba will resume his seat.

Mr ANDREW CONSTANCE: It seems that the member for Cabramatta is staying put, despite a referral by the Leader of the Opposition. The only person who seems happy is the member for Prospect. He has been updating his curriculum vitae [CV] before being promoted—not that he has ever done that before.

Ms Jodie Harrison: Point of order: My point of order is taken under Standing Order 73. Any attack on a member of this House should be done via a substantive motion.

The SPEAKER: Order! I will listen further. I imagine that the Minister will return to the leave of the question. I thank the member for Charlestown for the way in which she presented her point of order.

Mr ANDREW CONSTANCE: It is the Leader of the Opposition who made the referral, not us. And why is he not sitting on the cross bench? Why is he not doing the right thing?

The SPEAKER: I ask the Minister to return to the leave of the question. The member for Kiama and the member for Bankstown will come to order. If I cannot hear the Minister I will not be able to rule on the point of order.

Mr ANDREW CONSTANCE: The member asked about transport. I thank him and acknowledge him for the work he is doing the Heathcote electorate.

The SPEAKER: Order! I remind the member for Kogarah that he is already on a call to order.

Mr ANDREW CONSTANCE: It is pleasing to see the 70 extra commuter car parks at Engadine, the upgrade at Heathcote and the ongoing work that he is undertaking for his community. It was a real pleasure to open Wynyard Walk this morning with the Premier. This piece of connectivity in the heart of our city, the first step in tomorrow's Sydney, was well received this morning by the mass of pedestrians who wanted to move through that tunnel when it was opened at 9 o'clock. We are in the midst of the golden years when it comes to infrastructure in this State. We have work on the Metro, the light rail, WestConnex and NorthConnex. In regional New South Wales we have work on the Newell Highway, the Pacific Highway and the Princes Highway—it is all happening.

I could not help but compare the golden years of this Government to the golden years of those opposite—2007, 2008 and 2009. We had a young bloke by the name of Ryan running transport; we had a young bloke by the name of John running Unions NSW, wrecking everything; We had a young bloke by the name of Luke who was out to lunch with another guy by the name of Ian down at Sussex Street and, of course, it is owned by another guy by the name of Sam who really enjoys Chinese hospitality. They are Labor's years in office. That is what Labor was up to in office. Labor's golden years cannot compare to the level of infrastructure build presently occurring in this State.

The SPEAKER: The member for Blacktown and the member for Cessnock will come to order. The Minister was talking about transport and being relevant to the question.

Mr Clayton Barr: Point of order: My point of order is taken under Standing Order 129. Meetings at Sussex Street have nothing to do with the Minister, but I do appreciate his detailed knowledge of the Labor Party. I only wish the Minister knew as much about his portfolio.

The SPEAKER: There is no point of order. The member for Cessnock will resume his seat. Opposition members will cease interjecting.

[Extension of time]

Mr ANDREW CONSTANCE: This Government has invested \$73 billion in infrastructure and \$40.5 billion in public transport and roads. It is a record spend for any government. Those opposite have no interest in infrastructure. I note that a new company was set up by the Labor Party with Luke Foley as a director. It is called NSW Labor Campaign Investment Pty Limited. That company invested in Macquarie Funds Management, which in turn invests in infrastructure.

Ms Jodi McKay: Point of order—

Mr ANDREW CONSTANCE: As a party, Labor was prepared to invest in infrastructure, but not as a government.

Ms Jodi McKay: Sit down.

Mr ANDREW CONSTANCE: That is not very nice.

Ms Jodi McKay: Neither are you. Go to Canberra.

The SPEAKER: The member for Strathfield will cease shrieking and direct her remarks through the Chair.

Ms Jodi McKay: The Minister has been directed to return to the leave of the question.

The SPEAKER: Yes, he has. The Minister has the call.

Mr ANDREW CONSTANCE: While this Government invests in infrastructure, Labor continues to oppose it. Labor did not build it when in government and now opposes it in opposition. The shadow transport Minister suggested night works be commenced on WestConnex. That proposition will add three years and an extra \$3 billion to the build. Does the member for Strathfield want more trucks in her electorate? If not, she should support the project that will benefit the community of Western Sydney.

The SPEAKER: The member for Summer Hill will cease interjecting.

Mr ANDREW CONSTANCE: The constituents of Western Sydney need to know that Labor's plan is to delay WestConnex. This Government is succeeding where those opposite failed.

The SPEAKER: The members for Cessnock, Prospect and Kiama will come to order. Members will cease interjecting. The Minister has the call, and he has the right to be heard in silence.

HOSPITAL CHEMOTHERAPY TREATMENT

Dr HUGH McDERMOTT (Prospect) (15:02): As the Assistant Health Minister is not answering any questions, I direct a question to the Premier.

The SPEAKER: That is a ridiculous introduction to a question.

Dr HUGH McDERMOTT: Why is it that the Government is prepared to hold a special commission of inquiry into dog racing but it is not prepared to hold a special commission of inquiry into chemotherapy underdosing across six New South Wales hospitals and clinics?

The SPEAKER: Opposition members will cease interjecting. The member for Londonderry will cease interjecting.

Mr MIKE BAIRD (Manly—Premier, and Minister for Western Sydney) (15:03): That question deserves a medal.

The SPEAKER: The member for Bankstown will cease shouting.

Mr MIKE BAIRD: As the Opposition knows, this is a serious issue.

The SPEAKER: Members will cease interjecting.

Mr MIKE BAIRD: The Minister for Health has considered all the facts. The Minister has also asked a number of professionals to look at this issue, including Chief Cancer Officer of NSW Professor Currow, who is well respected within the sector. He is an esteemed professional. Professor Currow has considered the circumstances surrounding this issue and has made a number of recommendations. The Government has accepted all of those recommendations. It is clear that the Government has to do better. The families were identified and spoken to prior to the announcement. Professor Currow makes it clear that the records were not perfect, and that

recording-keeping has improved significantly. There is still some uncertainty within the community. Anyone who has any concerns about any treatment received from that doctor, or any other, should approach the health district officers, and those professionals will endeavour to allay any of their concerns.

Ultimately, the Opposition must understand that new protocols have been established, clinical teams have determined the appropriate dosage, and there has been significant investment in systems to ensure that in the future any difference between dosage and protocols is identified. The Government will continue to rigorously oversee everything it does. It is a difficult issue. The doctor concerned is being investigated. This Government is appreciative of Professor David Currow's comprehensive work and the subsequent recommendations. The Government will continue to work with the affected patients. Notwithstanding that improvements to the health system are ongoing, all members would agree that this Parliament should be proud of the nurses and doctors protecting those in desperate circumstances and looking after the community. The Government will continue to support them in any way it can.

INNOVATION, INFRASTRUCTURE AND SKILLS

Mr JOHN SIDOTI (Drummoyne) (15:06): I address my question to the Minister for Skills, the Minister for Regional Development and the Minister for Small Business.

The SPEAKER: Opposition members will cease interjecting. The member for Drummoyne has the call.

Mr JOHN SIDOTI: How is the Government boosting innovation, building infrastructure and investing in the skills for tomorrow's Sydney?

Mr JOHN BARILARO (Monaro—Minister for Regional Development, Minister for Skills, and Minister for Small Business) (15:07): I thank the member for Drummoyne for his question. The member is passionate about his electorate, Sydney and this State. While conversing with the visiting dignitaries from the Italian Parliament it became apparent that the member may be more suited to the flair of Italian politics. The House has heard from the Premier, the Treasurer and the Minister for Transport about the infrastructure being built in this city. Anyone walking down the stairs of Parliament House, driving across the bridge or traversing the State will see cranes on the skyline. It is testament to the Government's commitment to build infrastructure in this State. It was not too long ago that Premier Carr declared Sydney "full".

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

Mr JOHN BARILARO: The Carr Government had no plan or vision for this great city. I will paraphrase the former member for Wollongong—Labor was "lazy, lazy, lazy". I will quote from the book titled, *From Carr to Keneally. Labor in office in NSW 1995–2011*. The quote clearly captures the situation, "Everyone accepts that Labor's greatest failure was public transport. It was best summed up in the phrase, 'Swedish prices for a Mongolian level of service.'" We know the Opposition's track record on growing the economy, creating jobs and building infrastructure. We are investing in the infrastructure of this great city to make Sydney a global city of the future.

The SPEAKER: Opposition members will come to order.

Mr JOHN BARILARO: When the Government invests in enabling infrastructure, it grows the economy. The Government is supporting businesses and growing jobs. Look at our track record on jobs. The Treasurer touched on the recent unemployment data. We have the lowest unemployment rate in Australia.

The SPEAKER: The member for Londonderry will come to order.

Mr JOHN BARILARO: Look at jobs growth since the 2011 election. More than 330,000 jobs have been created in New South Wales.

The SPEAKER: Opposition members can leave early if they wish. They are not listening and they are trying to make trouble rather than showing respect for the Chamber.

Mr JOHN BARILARO: That number of people, 330,000, would fill the Sydney Football Stadium and the Sydney Cricket Ground multiple times, especially during an AFL grand final featuring the Sydney Swans. The Government accepts that to build a strong economy and infrastructure we need a strong and skilled workforce. I have spoken previously about Barangaroo and Darling Harbour. We are reforming the workforce through Smart and Skilled. We are addressing skills shortages and meeting needs. We are building a workforce for today and for the future. When we look at the apprenticeship data for New South Wales we are seeing positive numbers.

When compared to what is happening nationally, in every other State there is a decline in vocational education and training and especially in apprenticeships. Again New South Wales is leading the way. To build a strong economy we need to support business; we need to support the businesses and entrepreneurs of the future;

and we need to support innovation. The Minister for Innovation and Better Regulation is doing a fantastic job, using data provided by the Data Analytics Centre. That work is just as important as the work we are doing in partnership with the university sector through our Boost program. The Boost program is a \$12 million investment.

The SPEAKER: Opposition members will come to order.

Mr JOHN BARILARO: We are working with the university sector, with its great reputation for research, and we are linking that to start-ups and creating ecosystems, incubators and shared workplaces.

The SPEAKER: I call the member for Kogarah to order for the second time.

Mr JOHN BARILARO: We are giving young people in this State the opportunity to be involved in emerging industries, the industries of the future. We want Sydney to be not only a global city but also a start-up city. Through Jobs for NSW, we are investing in opportunities and supporting emerging industries and businesses.

The SPEAKER: The member for Bankstown will come to order.

Mr JOHN BARILARO: This is about making sure that we continue to grow the economy. Most importantly, we are supporting the infrastructure plan of this Government by building the workforce of the future.

Committees

PUBLIC ACCOUNTS COMMITTEE (PAC)

Government Response: Examination of the Auditor-General's Performance Audit Reports September 2013-July 2014

The CLERK: I announce receipt of the Government response to Report No. 2/56 of the Public Accounts Committee entitled "Examination of the Auditor-General's Performance Audit Reports September 2013-July 2014", received 15 September 2016.

LEGISLATION REVIEW COMMITTEE

Report: Legislation Review Digest No. 25/56

Mr MICHAEL JOHNSEN: As Chair: I table report No. 25 entitled "Legislation Review Digest No. 25/56", dated 20 September 2016. I move:

That the report be printed.

Motion agreed to.

Mr MICHAEL JOHNSEN: I also table the minutes of the committee meeting regarding Legislation Review Digest No. 24/56.

Petitions

PETITIONS RECEIVED

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

Powerhouse Museum Ultimo

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

National School of Art

Petition requesting that a long-term lease be provided to the National School of Art for its site, that it remain independent and that the Government continue its funding, received from **Mr Alex Greenwich**.

Safe Schools Coalition

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

Light Rail Station, Surry Hills

Petition requesting the construction of a second light rail station in Surry Hills at the Wimbo Park/Olivia Gardens site, received from **Ms Jenny Leong**.

Route 389 Bus Service

Petition requesting more reliable 389 bus services, received from **Mr Alex Greenwich**.

Ferry Services

Petition requesting new inner city ferries, received from **Mr Alex Greenwich**.

Social Housing

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

Inner City Social Housing

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

Local Government Amalgamations

Petition requesting that the Government reinstate the councils of Great Lakes, Greater Taree City and Gloucester Shire, received from **Mr Jamie Parker**.

Pet Shops

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

RESPONSES TO PETITIONS

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

The Hon. Adrian Piccoli—National School of Art—lodged 25 August 2016 (Mr Alex Greenwich)

Business of the House

BUSINESS LAPSED

The SPEAKER: I advise the House that, in accordance with Standing Order 105 (3), General Business Notices of Motion (General Notices) Nos 856 to 861, 863 to 871, 873 to 879, 881 to 885, 887 to 890 and 892 to 906 have lapsed.

Motions Accorded Priority

JOBS AND INVESTMENT

Consideration

Dr GEOFF LEE (Parramatta) (15:14): My motion should be accorded priority because New South Wales has had the lowest unemployment rate of any State for 15 straight months, as confirmed recently by the Australian Bureau of Statistics. Earlier we heard some statistics from the Treasurer, Gladys the Great.

Ms Gladys Berejiklian: I will be supporting your motion after that.

Dr GEOFF LEE: Thank you, Treasurer. Members are listening. This Government supports jobs growth in New South Wales.

Ms Melinda Pavey: We love you, Geoff.

Mr Mark Coure: We are listening.

Dr GEOFF LEE: I thank members for their comments. The Opposition is silent on jobs. I remind the Opposition that in August this year the unemployment rate in New South Wales fell by 0.2 per cent to 5 per cent. As at August this year, full-time jobs in New South Wales had increased by 8,100. New South Wales has the lowest unemployment rate in the nation. The State with the next best rate is Victoria, at 5.5 per cent. I congratulate the Treasurer, Gladys the Great, and the Premier on their outstanding leadership. I also congratulate the Minister for Planning, Mr Rob Stokes. I congratulate all the Ministers on the front bench, especially Minister Hazzard, who has a vision to reform social housing. Well done, Minister. Minister Stokes is doing wonderful work in Western Sydney, rezoning land and helping to build future homes for the people of New South Wales. The good news keeps coming.

It is no wonder that New South Wales is the number one State. But do not take my word for it. The member for Bankstown may want to deny this, but let us look at third-party validation. CommSec's *State of the States* economic report for 2016 confirms that the New South Wales economy remains number one. Further, the ANZ Stateometer shows that the New South Wales economy continues to outperform the rest. The St George

Bank economic outlook shows that New South Wales is one of the star performers in Australia. We on this side of the House know that jobs are important. Jobs allow people to pay their rent, to put food on the table and to fulfil their dreams. That is why this motion should be accorded priority. We understand that a fantastic economic performance allows us to invest \$73 billion in vital infrastructure over the next four years. I commend the motion to the House and ask that it be accorded priority.

REGIONAL HOSPITALS

Consideration

Ms JENNY AITCHISON (Maitland) (15:18): I defend my motion to ensure that we debate health care in this State. We are at the thin end of the wedge. I urge Government members who represent regional areas to stand with the Opposition to protect public health care in our State. Their communities, like mine, are at risk of losing their public hospitals under the Baird-Grant Government. Last week in this Chamber, after five years of the promise being on the table, the Minister for Health finally revealed that public-private partnerships would be implemented for Wyong, Shellharbour, Bowral, Goulburn and Maitland.

For the past five years the Government has promised to build a new lower Hunter hospital. Government members are not interested in this debate; they just watch and do nothing while their communities are sold out. The Minister for Health has refused to meet with me to discuss health care in my electorate. I have made 12 representations to her about Maitland Hospital and on every occasion she has failed to answer me. In fact, in my first question in this place I asked the Minister when the first patients would be seen at Maitland Hospital. In a typical display of Baird Government arrogance, she said, "When it is built." The Minister for Health does not have a plan for the hospital except to sell it off. The Premier should make sure that his Ministers are accountable to our communities. It is no wonder that our communities do not trust this Government because it lies.

We want these hospitals to be public and we want mandated staffing ratios. This is about ensuring that when people go to hospital it does not matter whether or not they are presenting their Medicare card. We want full public accountability in our hospitals. We do not want a two-tiered Americanised system of health care, which is what this Opposition is offering our communities. We will have a two-tiered system, as we know from discussions about this issue in Frenchs Forest on the Northern Beaches. They talked about special little services for private patients at extra cost. This is about \$15 million worth of funding cut by the Federal Government and \$3 billion cut by the State Liberal-Nationals Government, and the Government expects that a private operator will be able to screw even more profit out of patients in this State. It is a disgrace.

[Interruption]

The DEPUTY SPEAKER: For the three minutes the member for Maitland spoke she directed her comments across the Chamber. I place the member for Prospect on three calls to order.

The question is that the motion of the member for Parramatta be accorded priority.

The House divided.

Ayes48
Noes34
Majority..... 14

AYES

Anderson, Mr K
Baird, Mr M
Bromhead, Mr S (teller)
Constance, Mr A
Dominello, Mr V
Fraser, Mr A
Gulaptis, Mr C
Hodgkinson, Ms K
Kean, Mr M
Marshall, Mr A
Patterson, Mr C (teller)
Petinos, Ms E
Roberts, Mr A
Speakman, Mr M
Toole, Mr P

Aplin, Mr G
Barilaro, Mr J
Brookes, Mr G
Coure, Mr M
Elliott, Mr D
Gibbons, Ms M
Hazzard, Mr B
Humphries, Mr K
Lee, Dr G
Notley-Smith, Mr B
Pavey, Ms M
Piccoli, Mr A
Rowell, Mr J
Stokes, Mr R
Tudehope, Mr D

Ayres, Mr S
Berejiklian, Ms G
Conolly, Mr K
Crouch, Mr A
Evans, Mr L
Goward, Ms P
Henskens, Mr A
Johnsen, Mr M
Maguire, Mr D
O'Dea, Mr J
Perrottet, Mr D
Provest, Mr G
Sidoti, Mr J
Taylor, Mr M
Upton, Ms G

AYES

Ward, Mr G

Williams, Mr R

Williams, Ms L

NOES

Aitchison, Ms J
 Car, Ms P
 Crakanthorp, Mr T
 Doyle, Ms T
 Greenwich, Mr A
 Haylen, Ms J
 Kamper, Mr S
 McDermott, Dr H
 Mihailuk, Ms T
 Parker, Mr J
 Smith, Ms T
 Watson, Ms A

Atalla, Mr E
 Catley, Ms Y
 Daley, Mr M
 Finn, Ms J
 Harris, Mr D
 Hoenig, Mr R
 Lalich, Mr N (teller)
 McKay, Ms J
 Minns, Mr C
 Piper, Mr G
 Warren, Mr G (teller)

Barr, Mr C
 Chanthivong, Mr A
 Dib, Mr J
 Foley, Mr L
 Harrison, Ms J
 Hornery, Ms S
 Lynch, Mr P
 Mehan, Mr D
 Park, Mr R
 Robertson, Mr J
 Washington, Ms K

PAIRS

Davies, Ms T
 Skinner, Ms J

Zangari, Mr G
 Smith, Ms K

Motion agreed to.**JOBS AND INVESTMENT****Priority****Dr GEOFF LEE (Parramatta) (15:28):** I move:

That this House:

- (1) Notes that for a decade under the previous Government, New South Wales had the lowest employment growth of any mainland State.
- (2) Notes that under the current Government, New South Wales has had the lowest unemployment rate of any State for 15 months straight.
- (3) Acknowledges that since the March 2015 election, New South Wales has been responsible for half of all jobs created across Australia.
- (4) Supports the Government's record \$73 billion investment in infrastructure over the next four years. Our great Treasurer shared with the House the exciting news that under this Liberal-Nationals Government we have had the lowest unemployment rate of any State for 15 months. It is very different from the situation under those opposite, who mismanaged the economy and gave us a decade of the lowest jobs growth of any mainland State. There is more good news. The Australian Bureau of Statistics employment report comes after the Westpac—Melbourne Institute confirmed that New South Wales consumers are the most optimistic in the nation. Why is consumer confidence so important? As any economist will say, it is important because it measures how confident people feel about their income stability. Their confidence impacts their economic decisions such as their spending activity. As a result, consumer confidence is a key indicator of the overall shape of the economy.

Mr John Robertson: Is that how you used to lecture? Did you deliver your lectures as articulately as that, because you've lost me?

Dr GEOFF LEE: I hear the member for Blacktown chirping in the background. I know that he secretly admires this Government for delivering jobs in Western Sydney and throughout the State. He looks like a disappointed man, but deep down he understands the importance of jobs and relishes how well New South Wales is doing. He cannot hide his enthusiasm for jobs growth. He may try to act like he disagrees, but I know deep down he is a good person who really does like jobs. It is no accident that we have done so well. Since March 2015 half of the jobs created in Australia were created in New South Wales because this Government is committed to a plan that works. The Jobs Action Plan is one of our key priorities. Members opposite oppose it because they do not understand business or employment.

Members on this side understand that private enterprise leads to jobs growth. We know that a government must do all it can to set the levers so that local small, medium and large businesses can employ more people. We

are targeting the creation of 150,000 jobs over the next four years and we have made that commitment. Members opposite may laugh. Clearly, they do not appreciate jobs. We know that jobs matter because they mean people can pay their bills, put food on the table, pay their rent, buy a house, send their kids to the schools they choose, and realise their dreams. Members on this side of the House support working people who want to do better for themselves and they should be rewarded for their efforts. We have a wonderful plan that is working already.

Part of the motion calls on this House to support our \$73 billion investment in infrastructure over the next four years. That investment does not include Rebuilding NSW commitments of \$9.8 billion, to be funded from the partial leases of Ausgrid and Endeavour Energy. The Government has committed to so many projects, including the Sydney Metro City and Southwest, the Broken Hill long-term water supply, Western Sydney stadia in my electorate of Parramatta, the Northern Beaches Hospital roads network, Grafton bridge, water security for the regions, regional tourism infrastructure, and Fixing Country Roads. Our infrastructure program goes beyond Sydney and spreads throughout the State. We support country and rural areas because we know they are as important as the city. We are delivering jobs and we have made New South Wales the number one State. Members opposite left New South Wales to languish at number eight. We had a plan and fixed that. I commend the motion to the House.

Mr RYAN PARK (Keira) (15:33): The member for motions accorded priority—he does more of them than anyone else on his side—has been given the script and told to read it. Unfortunately, the script is wrong. The member for Parramatta talked about his Government's record. Let us look at the general record according to Australian Bureau of Statistics data before Labor took over. I am happy for him to criticise Labor, but it is important that we operate in a factual environment for once. In March 1995 the unemployment rate under the then Liberal Government was 8.2 per cent. When Labor left office in March 2011 the unemployment rate was 5.1 per cent. That is our record on jobs and I will stand up for it any day of the week. That is the first thing. Another fact that members opposite do not like to talk about is that under Labor we had the lowest rate of unemployment at 4.3 per cent.

Mr Mark Coure: You can thank John Howard for that

Mr RYAN PARK: Calm down. As a government, we created more jobs than the members opposite ever will. It gets worse. This motion is about jobs, but I am sure that in just the last week or two this Government gave South Korea one of its largest employment boosts in an incredibly long time. The people of South Korea are delighted with the Baird Liberal Government because it has created thousands of jobs in South Korea by awarding it the procurement contract to build our intercity trains.

The member for Parramatta wants to talk about jobs when the Government has contracted out thousands of jobs to South Korea, and the unemployment rate when the Liberals were last in government was appalling. Even the latest statistics show that our friends in Victoria created more than 20,000 jobs while New South Wales lost 9,000. I know the Government is light on for legislation. I am surprised it has not brought the library bill back for amendment. But to bring up the topic of jobs a fortnight after announcing that 1,200 jobs will be going to South Korea is nothing short of offensive.

The DEPUTY SPEAKER: I call the member for Oatley to order for the first time.

Mr RYAN PARK: It gets even worse. I note the member for Parramatta was happy to criticise the member for Blacktown. I do not know why, because the reality is in 2011 under the Government that included the member for Blacktown youth unemployment was at 7.7 per cent in Blacktown. Unfortunately, it is now 11.7 per cent. What about in Ryde? In Ryde in 2011 the youth unemployment rate was 13.6 per cent. In 2016 it is 15.7 per cent. What a great result. I cannot understand why members opposite do not talk about this more, so I will do it for them. What is the situation in outer south-western Sydney, which is an area they love talking about? Youth unemployment there is 12.5 per cent under this Government. Under our Government it was 7.8 per cent. It is incredible that members opposite would raise this matter. Members on this side are happy to talk about jobs every day of the week. We have a strong steel plan that will help to support jobs in the Hunter, western and south-western Sydney, and the Illawarra.

The DEPUTY SPEAKER: I call the member for Oatley to order for the second time.

Mr RYAN PARK: We are happy to debate members opposite on this topic any day of the week.

Mr GREG APLIN (Albury) (15:39): The member for Keira has just subjected us to a flight of fancy—in the industry, they call them mystery trips. Let us look at the record. Very few targets that a government sets itself, wherever they might be in this great State, can be more important than creating employment opportunities. Since March 2015, 50 per cent of new jobs created in Australia have been in New South Wales. In our first term in office, New South Wales accounted for 38 per cent of new jobs nationally. Contrary to what we just heard from the member for Keira, Labor created just 21 per cent of jobs in its last two terms in office. What was Labor's

commitment going into the last election? Mr Deputy Speaker, it will come as no surprise that it was not to support jobs. In fact, Labor proposed to pay for infrastructure through \$5.1 billion in taxes on business. Guess what? Business creates jobs, so a tax on business is a tax on jobs. Unfortunately, that concept is totally lost on those opposite. Labor's infrastructure strategy relied on deferring this Government's abolition of a range of business taxes, including duties on mortgages, intangible assets and unlisted securities.

Mr John Barilaro: Robbing the mums and dads.

Mr GREG APLIN : I am pleased to inform the House—as the Minister said—that Labor has gone and business is thankful. Let us turn to the Government's record. For 15 consecutive months the 5 per cent unemployment rate in New South Wales has been the lowest of any State, and 0.5 per cent lower than the next best State—Victoria; that unemployment rate has now been at or below the national average for 33 consecutive months. There is a target to reach! Since April 2015, 134,500 jobs have been created in New South Wales; since April 2011 around 319,000 jobs have been created in New South Wales, which is more than any other State. For a decade under Labor we had the lowest employment growth of any mainland State, and the New South Wales unemployment rate was above the national average for 60 of Labor's 68 last months in office.

What about the regions? In the regions 29,400 jobs were created outside Sydney in the 12 months to July; in the past year New South Wales has accounted for almost 90 per cent of the total regional jobs created across Australia; and jobs growth in New South Wales was more than three times the result in regional Victoria through the year to July. Who were the beneficiaries? Places like the Greater Hunter, Richmond-Tweed and the Greater Illawarra region are seeing a huge increase in jobs under this Government. [*Time expired.*]

Mr Mark Coure: Take that, guys.

The DEPUTY SPEAKER: Order! I remind the member for Oatley that he is already on two calls to order.

Ms JODIE HARRISON (Charlestown) (15:42): The people of my electorate and I are absolutely sick and tired of the self-congratulatory patting on the back of this Government in relation to job creation and its supposed history. It is an absolute smokescreen for job creation by this Government and a completely lacklustre performance. Now we are once again wasting the time of this Parliament with backslapping.

Mr Mark Coure: Well, sit down then.

Ms JODIE HARRISON: The member for Oatley's colleague moved this priority motion, not a member on this side of the Chamber. Let us look at the facts. The shadow Treasurer referred to the current state-wide percentages—in the Hunter Valley the unemployment rate is 6.5 per cent; and in Newcastle and Lake Macquarie the unemployment rate is 6.2 per cent. Compare that to March 2011 when this Government came to office: in the Hunter Valley the unemployment rate was 4 per cent, 2.5 per cent less than what it is now; and in Newcastle and Lake Macquarie the unemployment rate was 4.9 per cent, 2.2 per cent less than what it is now. No matter what those opposite say, the figures speak for themselves. Labor left this Government with a much better legacy and in a better situation than this State has been in over the past five years. At our peak, between 1999 and 2003, Labor created 242,000 jobs. In that time BHP's Newcastle steelworks closed, yet the Labor Government was still able to create those jobs. On average we created 200,000 jobs—

Mr Mark Coure: That was Howard.

Mr John Barilaro: BlueScope down in the Illawarra, 500,000 job losses.

Ms JODIE HARRISON: It is called Beyond 2000 and it was a Labor initiative. Those opposite need only refer to the history books to see what we did in that area at that time. We created 200,000 jobs in each and every one of our terms in office. Let us take a look at this Government's supposed massive spend on infrastructure. It is not massive spending; it is blowouts. For example, the Tibby Cotter Bridge could have been built for \$10 million but ended up costing \$38 million; the CBD and South East Light Rail has blown out from \$1.6 billion to \$2.1 billion; the intercity train fleet renewal has blown out by \$1.1 billion because the trains do not fit the platform—what a joke! This Government has no commitment to either jobs or infrastructure. Those opposite should state the facts and they should be ashamed of themselves.

Dr GEOFF LEE (Parramatta) (15:45): In reply: The members for the electorates of Keira and Charlestown clearly do not understand the importance of jobs. They tried to argue about statistics, but I can assure the House they were fabricated statistics. The good member for Blacktown has reminded me of those good days at university when as a lecturer I had little stress and a much better lifestyle, and of the Benjamin Disraeli quote "Lies, damned lies, and statistics." The Opposition has just exemplified that saying. Those on this side of the House know that jobs are important to a strong economy and that a strong economy is essential to the delivery of the infrastructure that the people of New South Wales deserve. For far too long we have had to put up with

congestion and not enough hospitals, but this Government is setting things straight. Those on the other side live in the past and believe everything will be rosy under them. Our Jobs Action Plan is delivering results, but those on the other side of the House have a Clayton's policy. The member for Charlestown referred to Labor's track record. How much did those opposite waste on the Rozelle metro? Some \$500 million was wasted—

Mr John Barilaro: For a brochure.

Dr GEOFF LEE: Not only a brochure, a glossy brochure and not a centimetre of track. Those opposite should be ashamed of themselves—\$500 million. In my electorate infrastructure will provide wonderful developments such as the Parramatta Light Rail; the first government vertical high school—a 14-storey high school with 2,000 students—a flagship state-of-the-art high school and flexible learning space; \$1 billion for improvements to Westmead Hospital, and I congratulate the fantastic Minister for Health; and for WestConnex, a project that those opposite keep decrying. Why do those opposite condemn the people of Western Sydney to be stuck in traffic for hours? That is just appalling. We are also getting the Powerhouse Museum. I commend the motion to the House.

The DEPUTY SPEAKER: The question is that the motion as moved by the member for Parramatta be agreed to.

The House divided.

Ayes48

Noes32

Majority..... 16

AYES

Anderson, Mr K
Barilaro, Mr J
Conolly, Mr K
Crouch, Mr A
Evans, Mr L
Goward, Ms P
Hazzard, Mr B
Humphries, Mr K
Lee, Dr G
Notley-Smith, Mr B
Pavey, Ms M
Piccoli, Mr A
Roberts, Mr A
Speakman, Mr M
Toole, Mr P
Ward, Mr G

Aplin, Mr G
Bromhead, Mr S (teller)
Constance, Mr A
Dominello, Mr V
Fraser, Mr A
Greenwich, Mr A
Henskens, Mr A
Johnsen, Mr M
Maguire, Mr D
O'Dea, Mr J
Perrottet, Mr D
Piper, Mr G
Rowell, Mr J
Stokes, Mr R
Tudehope, Mr D
Williams, Mr R

Ayres, Mr S
Brookes, Mr G
Coure, Mr M
Elliott, Mr D
Gibbons, Ms M
Gulaptis, Mr C
Hodgkinson, Ms K
Kean, Mr M
Marshall, Mr A
Patterson, Mr C (teller)
Petinos, Ms E
Provest, Mr G
Sidoti, Mr J
Taylor, Mr M
Upton, Ms G
Williams, Ms L

NOES

Aitchison, Ms J
Car, Ms P
Crakanthorp, Mr T
Doyle, Ms T
Harris, Mr D
Hoenig, Mr R
Lalich, Mr N (teller)
McKay, Ms J
Minns, Mr C
Robertson, Mr J
Washington, Ms K

Atalla, Mr E
Catley, Ms Y
Daley, Mr M
Finn, Ms J
Harrison, Ms J
Hornery, Ms S
Lynch, Mr P
Mehan, Mr D
Park, Mr R
Smith, Ms T
Watson, Ms A

Barr, Mr C
Chanthivong, Mr A
Dib, Mr J
Foley, Mr L
Haylen, Ms J
Kamper, Mr S
McDermott, Dr H
Mihailuk, Ms T
Parker, Mr J
Warren, Mr G (teller)

PAIRS

Davies, Ms T
Skinner, Ms J

Smith, Ms K
Zangari, Mr G

Motion agreed to.

Bills

FAIR TRADING AMENDMENT (COMMERCIAL AGENTS) BILL 2016

Second Reading

Debate resumed from 13 September 2016.

Ms YASMIN CATLEY (Swansea) (15:57): I lead the Opposition's response to the Fair Trading Amendment (Commercial Agents) Bill 2016. The bill repeals the Commercial Agents and Private Inquiry Agents Act 2004 and transfers responsibility for the regulation of commercial agents from New South Wales police to NSW Fair Trading. Commercial agents are more commonly referred to as debt collectors, although the Act also covers the activities of process serving and the repossession of goods. Under the current Act, a commercial agent or private inquiry agent business operator must hold a master licence and employees must hold an operator licence. Licensees must undertake prescribed training, be fingerprinted and be considered a fit and proper person. That is an important part of the current regulatory approach, and I will address those principles later.

Before I do so, I believe it is appropriate to look at the issues we are dealing with, define some of the concepts and reflect upon the gravity of some of the real-life situations we are contemplating. What is debt? Debt refers to moneys owed by one party, the debtor, to another party, the creditor. Debt may arise through a variety of transactions including a business extending credit to a customer for the supply of goods or services; a financial agreement, such as a loan or credit card; or the outcome of a compensation claim, such as for a car accident. Debt is a major issue for the community and a leading contributor to homelessness. What is debt recovery? Debt recovery, or debt collection, refers to the steps taken by a creditor to recover the money they are owed by a debtor. In-house debt collection refers to creditors who undertake to recover debts themselves.

Outsourced debt collection refers to debt collection undertaken by a third party, such as an agent or debt buyer. It is common for a creditor to attempt in-house debt collection first, resorting to outsourced debt collection if the debt is not recovered within a certain period of time. Outsourced, or third party debt collection, is undertaken by two main groups: contingent debt collectors, also known as mercantile or commercial agents, act as an agent for and collect debt on behalf of the original creditor, for a fee but where the debt is still owned by the creditor; and debt purchasers, who buy the outstanding debt from the original creditor at a discount from the original value of the debt. The original creditor ceases to own the debt once the debt has been purchased.

There are more than 900 debt collection businesses in New South Wales, with many businesses conducting a mix of contingent debt collecting and debt purchasing. Contingent debt collection accounts for 68 per cent of the debt collection market. However, debt purchasing is becoming increasingly common and accounts for 22 per cent of the market. Debt recovery is a complex process in New South Wales. In their submission to the Legislative Assembly's Legal Affairs Committee Inquiry into Debt Recovery in NSW, Legal Aid NSW pointed out the complexities of the debt recovery process in this State. Many consumers have become overwhelmed by the complex nature of the debt recovery process, particularly when it intersects with the justice system and they are a disadvantaged consumer.

In Legal Aid's casework experience, disadvantaged people are less likely to attempt to represent themselves in legal proceedings; more likely to be involved in proceedings that proceed to default judgement; more likely to be eligible to make a claim for redress, including financial hardship; but less likely to be aware of or act upon their rights of redress. On this side of the House we are left with cause for concern regarding the ramifications of deregulating the debt collection industry in New South Wales. We are concerned that disadvantaged people may find themselves at the rough end of the stick if rogue cowboy operators are allowed to infiltrate the debt collection industry.

While we are concerned about the deregulation of the industry, we can find some common ground with the Government around some aspects of this bill. The transfer from New South Wales police to Fair Trading is a sensible move as it removes the regulation of commercial agents away from the police, which enables them to focus on matters of greater importance and matters which impact on public safety. Whilst there are provisions in Federal law regarding the activities and behaviour of debt collectors and other commercial agents, it is left to the States to monitor and regulate the day-to-day activities of these agents.

In 2014 the Legal Affairs Committee in this House undertook an inquiry into debt recovery and made a number of recommendations, some of which this bill will give effect to. But there is one critical issue where this bill departs from the committee's recommendations. The Opposition believes that the 2014 inquiry was a thorough and wide-ranging review of the current system and its recommendations should not be taken lightly. The inquiry,

with members from both sides of this House, recommended that the activities of commercial agents who did not undertake face-to-face contact with debtors should be subject to what is known in policy circles as a negative licensing scheme. I have that Legal Affairs Committee report here and I will read to the House the committee's recommendation No. 1:

The committee recommends that the NSW Government introduce negative licensing for commercial agents who have no face-to-face contact with debtors, while positive licensing is retained for field agents.

What we are seeing is more like a Clayton's scheme: the licence you have when you do not actually have a licence. A negative licensing scheme works by enabling a commercial agent to undertake his or her activity without a licence, but with the threat that if there are breaches, as set out in the legislation, the person can be excluded from the industry. On the most important part of the bill—the regulation of commercial agents in the field—in its wisdom, the Government has decided to depart from the recommendations of the Legal Affairs Committee. Labor believes that this is presently unwarranted and that an insufficient case has been made and—even worse—that a case for a totally negative licensing scheme is an attempt to reduce costs of a regulatory scheme under the guise of cutting red tape.

We should always be suspicious of the Government and its red tape mantra, which has been exposed for the spin that it is by the Auditor-General who reported that many of the red tape savings were unsubstantiated and that, on the evidence, this Government had actually added to the cost burden of business and the community to the tune of \$16 million. I return to the bill. The Government is proposing the effective deregulation of debt collection in New South Wales. I believe this fails the pub test. If one were to suggest to the average person that debt collectors, who are on the street knocking on people's doors, should not have any prequalification licence, I think they would be very concerned. Yet here we have the Government saying that anyone can start practising the trade of debt collection without a licence. All they have is the threat of being excluded from the industry.

Given the emotive and highly charged nature of the role, as well as the fact that debt collection can involve some of the more vulnerable sections of our community, the case for retention of a positive licensing scheme in face-to-face work is clear and justified. This is why it formed an important aspect of the Legal Affairs Committee's recommendations and why organisations such as Legal Aid and the Financial Rights Legal Centre strongly recommended the retention of a positive licensing scheme for face-to-face agents. It is for these reasons that I am foreshadowing amendments for consideration in detail. The Minister, in his second reading speech, outlined the reasons why the Government has ignored the recommendation of the Legal Affairs Committee, saying:

A positive licensing scheme for face-to-face agents would place unnecessary costs and regulatory burden on the commercial agent industry and on government, given the small number of commercial agents who undertake face-to-face work in New South Wales. But, following further scrutiny, the Minister's arguments do not hold up. The Minister claims that the small number of face-to-face debt collectors—between 200 and 300—as well as the low level of complaints, justify a negative licensing scheme. The positive licensing scheme is the main reason why there is such a small number of complaints and breaches. It equates to saying that because of the low level of plane crashes, a government should deregulate aviation safety requirements.

Further, Fair Trading will receive no more resources for the added role of regulating debt collection in New South Wales. The bureaucracy must be fed up with the Government's mantra of do more with less. Too often the Government's call for red tape reduction is either hollow spin or code for further contraction of the public service and erosion of existing safeguards for many sections of the community. A lack of resourcing through budget and job cuts is forcing departments to experiment with options such as negative licensing schemes. The Opposition believes that in the field of face-to-face debt collection the risks and community standards do not warrant the price of deregulation.

I came into this place to protect the most vulnerable in our society, not to rubber stamp legislation that will water down regulations aimed at making it more difficult for debt collectors to intimidate or harass people who are already in a very difficult and vulnerable position. Barriers to the debt-recovery process for the people in our community who are vulnerable to the actions of unfettered debt collectors can include: a lack of information or understanding about the process, including legal processes, and how to engage with the system; a lack of support to meaningfully engage with the process, or a lack of awareness of where to go to get support; and a lack of options for debtors who acknowledge the debt, but cannot afford to repay the debt in full or in large instalments.

The Brotherhood of St Laurence and the Consumer Action Law Centre report to the committee made a number of key recommendations to address these barriers. The recommendations were endorsed by Legal Aid NSW. The Government should consider these recommendations. These peak organisations recommend that resources should be provided to increase awareness of debt and financial issues and appropriate referral pathways among professionals and support workers. Those support workers include health professionals, Centrelink and employment services workers, family violence workers and family lawyers. The organisations that provide support and information to tradespeople and self-employed individuals such as those issuing trade licenses, apprenticeship training organisations, superannuation funds and trade events must be educated on the issue.

Resources must be allocated to community legal education targeting groups at risk of financial vulnerability, such as home owners in urban growth corridors. It must address the rights, obligations and processes relating to consumer debt, and continued support should be provided to both face-to-face and telephone financial counselling services. Telephone financial counselling must be more widely promoted, particularly in regional and rural areas where distance may be a factor in disadvantaged debtors not seeking face-to-face advice and assistance. They are all worthy recommendations for the Minister to consider.

I do have some good news for the Government. The Opposition supports the introduction of a negative licensing scheme for activities that do not involve face-to-face contact. The Opposition supports the introduction of a negative scheme for this part of the industry that now entails 75 per cent of the business. This work is generally carried out in call centres and the activities are not as confronting, potentially explosive or threatening as face-to-face work. The Opposition believes that a watching brief must be maintained. It will seek that the effectiveness of the negative licensing scheme be reviewed within two years of the enactment of the legislation. That commitment from the Government may be embedded in the legislation or covered elsewhere.

There are complaints concerning the behaviour and tactics of some of these call centres. I have received complaints from some of my constituents over the way in which some of these debt collection organisations go about their business. The stance of the Opposition is consistent with the bipartisan Legal Affairs Committee and the hybrid system implemented in Queensland. This is a first. I ask the Government to look at the approach taken by the former Campbell Government in Queensland. The Campbell Government was not a model of public policy rectitude—more reckless than anything else. Yet, in its approach to commercial agents it was balanced, moderate, and sensible. When it came to deregulating debt collection, process serving, and repossession "can do" became "would not do".

This approach deserves recognition and should serve as a warning for New South Wales. The Queensland Government adopted a hybrid system by maintaining positive licensing requirements for face-to-face debt collectors and other commercial agents in the field, whilst introducing a negative licensing scheme for non face-to-face agents in call centres and the like. This made sense. It is why the Legal Affairs Committee proposed a hybrid system. The explanatory notes and associated material of the Debt Collectors (Field Agents and Collection Agents) Bill 2013 state:

In licensing, registering and regulating the conduct of commercial agents and commercial subagents, the PAMD Act [Property Agents and Motor Dealers Act 2000] (the previous Act) aimed to strike an appropriate balance between the need to regulate for the protection of consumers and the need to promote freedom of enterprise in the market place.

That sounds like something this Government would agree with. Further:

Similar to the objects of the Property Agents and Motor Dealers Act 2000, a key object of the bill is to provide for a system for licensing and regulating debt collectors and subagents that achieves an appropriate balance between the need to regulate for the protection of consumers and the need to promote freedom of enterprise in the market place.

The Queensland legislation was subject to extensive consultation. The Baird Government could learn something from the Campbell Government—apart from how to blow a large majority in a short time frame. A comprehensive red tape reduction review of the four draft bills to emerge from the Property Agents and Motor Dealers Act 2000 was conducted in 2013. The objective of the review was to identify opportunities to reduce red tape and regulation while maintaining effective consumer benefits. The red tape reduction review was informed by a six-week public consultation process that commenced in February 2013.

Stakeholders were encouraged to make submissions to remove unnecessary legislative obligations. Targeted consultation on an exposure draft of the amended bill was also conducted in October 2013. Stakeholder feedback on the amendments was positive and further amendments to improve the operation of the provisions in the Act were made subsequently. The Baird Government's approach could not be more different. The bill and the way it was produced bear the hallmarks of this Government—no consultation and a "we know best" approach. That was also the Government's approach to local government, the destruction of TAFE and the shutting down of the greyhound industry.

In this case, the Government's attitude is, "Let us remove licensing requirements for agents who knock on people's doors until 9.00 p.m. demanding repayment or the repossession of goods. Who cares about the human cost? Let us throw this to Fair Trading with no budget. Let us deregulate the industry and dress it up as a reduction in red tape." The only consultation that was undertaken—through the then Legal Affairs Committee—was ignored in part. The committee consulted widely with stakeholders on both sides of the debate. Its recommendations were considered. The committee took time to make them and sought to strike an acceptable balance. That is why recommendation No. 1 strongly advocated for the retention of a positive licensing scheme. I encourage all members to read for themselves the report of the Legal Affairs Committee. It took a bipartisan approach to this contentious and delicate public policy issue.

The Government has sought to rush this legislation through, without allowing adequate time for consultation. Deregulation should be undertaken only after careful consideration and when the case for it is clear and beyond question. The Liberals have a nasty reputation for deregulating for the sake of it. The deregulation of debt collection, process serving and repossession of goods when carried out face to face—with all the risks and associated dangers—is the latest example of the hands-off approach the Government takes to safe, civil and decent society. When we look to the Queensland Government under Campbell Newman as a model for how to do things better, we know the Government is in a real mess. The Government has lost all sense of balance in dealing with the emotional, sensitive and potentially dangerous circumstances surrounding the collection of debt, the serving of notices and the repossession of goods in New South Wales.

The Government has lost sight of the vulnerability of many people who are caught up in that terrible situation. But, as with the greyhound industry, as with TAFE students and as with public housing tenants, the Government does not care. Our approach strikes the right balance. It matches the recommendations and the considered work of the Legal Affairs Committee. We think it is in accord with community expectations. If somebody in the street was told that the Government was deregulating debt collectors, they would respond with a smirk, an expression of shock or an eye roll to say, "With this Government, why am I not surprised?" That is why I have foreshadowed that the Opposition will move amendments for consideration in detail to retain a positive licensing scheme for debt collectors, process servers and repossession agents who deal face to face with the community. This will finally give effect to the broad consultation and well-considered recommendations of the Legal Affairs Committee outlined in its 2014 report. I will read recommendation No. 1 again because it is so important:

The Committee recommends that the NSW Government introduce negative licensing for commercial agents who have no face-to-face contact with debtors, while positive licensing is retained for field agents.

Labor will also move amendments to require in legislation a review of the effectiveness and impacts of the negative licensing scheme for commercial agents who do not engage in face-to-face contact with members of the community. We hope that the Government will consider our important changes to the bill that ultimately aim to increase protection for the vulnerable in our society.

Mr JONATHAN O'DEA (Davidson) (16:25): I speak in debate on the Fair Trading (Commercial Agents) Bill 2016. The New South Wales Government is committed to reducing red tape and to making it easier to do business in New South Wales. The Government is also committed to appropriate consumer protection. The Fair Trading (Commercial Agents) Bill 2016 will reduce red tape for commercial agents by replacing the current outdated licensing system with a negative licensing system that is more in step with modern industry. Debt collectors in New South Wales are currently regulated by the Commercial Agents and Private Inquiry Agents Act 2004. The Act requires a commercial agent or private inquiry agent business operator to hold a master licence and employees to hold an operator licence. A licensee must undertake prescribed training, be fingerprinted and be a fit and proper person, as defined.

I sat on the Legislative Assembly Legal Affairs Committee when it inquired into debt recovery in New South Wales. The report of that inquiry was released in November 2014. I am glad that on this occasion, unlike the previous occasion when that report was discussed in this House, the Opposition has read the report. In debate on that report it was clear that the Opposition had not read it. I commend the Opposition for reading the report. The Opposition has raised some issues that I am sure will be considered by the Minister. It must be said that that inquiry discussed how the current requirements imposed on the industry are, to a large extent, unnecessary. The costs and delays that currently exist are out of step with modern debt collection industry practice.

I will talk further about the findings of that committee inquiry. The committee recommended a negative licensing system for telephone agents and a positive licensing system for agents who have face-to-face contact with debtors. They are often called field agents. Under a negative licensing system a person does not need a licence to work in an industry, but that person can be excluded from the industry on specified grounds. It is not open slather. In Queensland there is a hybrid scheme. The shadow Minister is correct in identifying that. In 2012 in Victoria a negative licensing scheme was introduced for all debt collectors; so this is not unprecedented—the practice has worked successfully in Victoria. One could argue for the Queensland model, as the committee did, or the Victorian model, which the Government has seen appropriate to pursue on this occasion. That is not to say that one model is evil or that one model indicates a lack of care or concern for people and the other does not.

It is not the case, as two models have been implemented by other States. Dare I say that some of the language used by the shadow Minister was inappropriate, scaremongering and, quite frankly, not quite hysterical but bordering on inappropriate, or offensive in terms of imputing government motives that are not reasonable. Upon further examination of the evidence presented to the committee on which I sat, the Government looked at various issues. In light of seeing the numbers of complaints against debt collectors, and the costs and benefits of

the committee's recommendation, the Government decided it would be more appropriate to introduce a negative licensing scheme for all debt collectors, like the Victorian model.

The evidence to the inquiry provided no examples of inappropriate or harmful conduct towards consumers by field agents. Both the NSW Police Force and NSW Fair Trading received very low numbers of complaints about commercial agents. There are also estimated to be between only 150 and 300 field agents operating in New South Wales. Given those facts, the Government as a whole considers that the cost to industry and government of a positive licensing scheme for field agents would outweigh the benefits. I will not discount all the arguments made by the shadow Minister, but I sat on the committee and indeed I was part of the bipartisan committee that recommended more along the lines of the Queensland scheme. I also recognise that the executive arm of government, supported by the parliamentary system, has made a decision that in light of those due considerations it has decided to go more with the Victorian model, and I support that approach. It is not as polarised as the Opposition would have us believe.

As I said, given those facts the Government considers that the cost to industry and government of a positive licensing scheme for field agents would outweigh its benefits. In its evidence to the inquiry the NSW Police Force stated that it views the commercial agents industry as having a low-risk profile, suitable for negative licensing. Other Australian jurisdictions have been moving away from requiring licensing of all commercial agents, albeit more so in Victoria than in Queensland. Whichever model is pursued one would hope that over time there would also be a move towards more of a harmonised approach across all jurisdictions, which is something that in general government should consider. Some greater degree of jurisdictional harmony is in the interests of business, government and consumers.

Approximately 80 per cent of debt collectors now work in call centres and have no face-to-face contact with debtors. The Legal Affairs Committee considered that there were other laws applying to debt collectors to provide consumers with a significant degree of protection. I want to talk about those consumer protection provisions because again the Opposition wants us to believe that if we went down a negative licensing scheme there would be no protections, but that is not the case. Under the Australian Consumer Law [ACL] and the Australian Securities and Investments Commission Act 2001 [ASIC] commercial agents undertaking debt collection are prohibited from engaging in deceptive or misleading conduct, unconscionable conduct, physical force, undue harassment or coercion.

The National Consumer Credit Protection Act 2009 [NCCP] requires commercial agents who collect debts arising out of consumer credit and who own the debt, including debts bought from another person, to obtain an Australian credit licence and comply with the Act's requirements in relation to training, standards of conduct and internal dispute resolution procedure, and membership of an external dispute resolution scheme. Approximately 75 per cent of the debt collection market relates to consumer credit and much of the rest of the market relates to utility debts. In relation to utility debts the communications, energy and water industries have codes of conduct that cover complaint procedures and debt collection practices, and are required to belong to external dispute resolution schemes such as the Telecommunications Industry Ombudsman or the Energy and Water Ombudsman. Industry members and any debt collectors that they employ are required to comply with those codes, in addition to the conduct requirements under the ACL and the Australian Securities and Investments Commission Act. In this context, an onerous and costly licensing scheme for commercial agents is an unnecessary imposition of red tape. [*Extension of time*]

Under the negative licensing system that is introduced by this bill, commercial agents would no longer be required to hold the licence, be fingerprinted or undertake prescribed training or, indeed, to pay the cost of purchasing licences. There is a cost to government, but the cost to businesses is a five-year master licence under the current Commercial Agents and Private Inquiry Agents Act, which is \$480 for an operator with no employees; \$910 for an operator with one to 10 employed licensees; and \$1,9140 for an operator with 11 or more employed licensees. The cost for an operator licence is \$130 for a one-year licence and \$480 for a five-year licence. Those costs to business are also relevant in the considerations.

Some stakeholders told the committee on which I sat that the current training requirements are also overly onerous—more costs and more time that is ultimately passed on to consumers. Those training requirements are also limited in availability, not based on current industry practices and are mismatched with the requirements of the modern industry, especially for call centre based debt collection. I welcome the fact that the Opposition at least supported the prospect of negative licensing for call centre based debt collection. Stakeholders saw these requirements as a significant impediment to the ability to employ staff and unnecessary when employers are responsible for the conduct of their employees. Stakeholders also cited the length of time that it takes to obtain a licence as a barrier to employment of staff. Under a negative licensing system commercial agents will no longer be required to hold a licence to act as a commercial agent, but will be able to be excluded from the industry on

specified grounds. Indeed, the bill will continue to prohibit people who are not fit and proper persons from practising as commercial agents at all.

Dr Hugh McDermott: How are you going to do that?

Mr JONATHAN O'DEA: How? I will explain the detail. The bill provides that a person must not act as a commercial agent if that person is a disqualified person. A person is a disqualified person if that person is under 18 years of age; is an undischarged bankrupt or taking advantage of bankruptcy laws; is a corporation being wound up for which a controller or an administrator has been appointed; has been convicted of a disqualifying offence, being offences involving violence, fraud, drugs or dishonesty punishable by imprisonment for three months or more; or breaches of consumer law, harassment and coercion provisions within the past five years for which a prison sentence or a \$500 fine was imposed.

The bill also includes a person subject to an exclusion order or a controlled member of a declared organisation within the meaning of the Crimes (Criminal Organisations Control) Act 2012. The bill also provides for the making of rules of conduct for commercial agents in the regulations—another protection. If a person breaches the provisions in the bill or the rules of conduct, the Commissioner for Fair Trading may issue that person with a notice to show cause why that person should not be excluded from the industry. After considering the person's submissions, the commissioner may make an order that excludes a person from the industry or places conditions on their carrying out commercial agent activities.

There are protections and this has been thought through. It is not a rushed consideration. As I said, I sat on the committee, which made recommendations in a certain way. The Government has gone a little bit further but certainly not in a reckless way, as has been suggested. There is room for debate and the Opposition can put forward its arguments for consideration. This bill reflects the Government's desire that consumers continue to be protected while also providing for a less costly and burdensome regulatory regime for commercial agents. I support the bill.

Dr HUGH McDERMOTT (Prospect) (16:39): The Fair Trading Amendment (Commercial Agents) Bill 2016 seeks to repeal the Commercial Agents and Private Inquiry Agents Act 2004 and amend the Fair Trading Act 1987. Essentially, the bill seeks to change the commercial debt collection system in New South Wales so that licences will no longer be required for debt collectors, especially those who undertake face-to-face debt collection. Currently, to get a licence both the debt collection agency and the agent must be licensed. Licensees must undertake prescribed training, be fingerprinted and be considered as a fit and proper person as defined by the Act. Considering the nature of the work, the current regulatory framework is very reasonable. Without doubt this legislation raises serious concerns, especially relating to its impact on the debt collection process and face-to-face collection in particular.

My biggest concern is this Government has ignored the number one recommendation of the inquiry into debt recovery performed by the Legislative Assembly Legal Affairs Committee, which was to retain licences for field agents. The point of the legislation was to reduce business costs for the 80 per cent of debt recovery workers who work in call centres. That is fair enough. Legislation to help reduce business costs is a good thing because it leads to jobs. Instead, this Government seems to want to open the floodgates and remove licensing for those involved, including face-to-face recovery agents. The Parliamentary Secretary spoke about the protections that have been put in place so that prescribed persons and organisations will not be able to be recovery agents in face-to-face situations. However, I see these changes as a bonanza for organised crime.

The reality is that the people the Parliamentary Secretary spoke about, such as those who have been imprisoned for more than three months and other prescribed persons, will be able to get enforcers to harass people so that they can basically become face-to-face recovery agents without any licensing requirements. Organised crime groups such as the Gypsy Jokers in Horsley Park and the Comancheros and others have plenty of members with no criminal convictions who are not on the radar. Those people could easily be put in place to become debt recovery agents. Let us be honest, with the lockout laws, who needs to be making money in Kings Cross nightclubs when you can get a debt collection business up and going? There will be an organised crime jobs boom in debt collection if this bill is passed.

The amendments in the bill are opposed by Legal Aid NSW and the Financial Rights Centre, with good reason. Both agencies raise a very reasonable concern that people who are visited by debt collectors in their home or place of business are often vulnerable. A physical licence can add a degree of confidence that a debt collector is an authorised person, just like a police officer or a Fair Trading official showing their badge. Without the requirement for identification, how would somebody being visited by a debt collector actually know that the person is a debt collector and not a scam artist?

Even the Baird Government's grounds for removing the licensing system seem unreasonable to me. The belief was that licensing was not required because of the small number of complaints of misconduct. Such a belief is self-contradictory. The reason for the low number of complaints regarding misconduct was because of the licensing system, which the NSW Police Force is responsible for. By the Baird Government's flawed logic it could abolish the driving, liquor, gambling, firearms, tradesperson and environmental licensing systems for the same result. In addition, there is no evidence of red tape savings by introducing this bill. In fact, costs for businesses may increase and cost the community \$16 million.

Not all of this legislation is bad. For example, shifting the licensing responsibility for debt collectors from the NSW Police Force to NSW Fair Trading will free up resources for the police, who would rather be protecting our community. However, it is essential that serious amendments are made to this legislation to ensure it is reasonable and in the best interests of this State and its people. The first amendment I suggest would be adequately resourcing of NSW Fair Trading for the extra work it will have to do when accepting responsibility for debt collection regulation—something that is completely off the Baird Government's agenda. How can the Government transfer all of this work to Fair Trading and not resource that department?

The removal of licences, otherwise known as a negative licensing scheme, could be amended to only apply to the 75 per cent of the industry that comprises the 80 per cent of agents who are not involved in face-to-face work. Even then, call centre workers cannot be let off the hook because complaints already exist as to the conduct of debt collection call centres. Furthermore, the Baird Government must keep a close eye on the change in legislation to ensure that it is reviewed within two years.

After some consultation, the community in Western Sydney and I have decided that if this bill passes we will open the Prospect Community Debt Collection Company. Here are a few debts I will be collecting from the Baird Government: \$6 million for overdue upgrades to Fairfield Hospital; \$5.1 million to fulfil the public schools maintenance backlog in Prospect; and \$12 million to start the Toongabbie station easy access upgrade. In fact, under this legislation I could get the 50,000-plus residents in Prospect, who are being short-changed by this Government, to become employees of the debt collection company. As firsthand victims of the Baird Government's underinvestment in our community, they will be more than keen to collect what they are owed. In conclusion, this bill butchers the recommendations of the inquiry into debt recovery in New South Wales and must be amended to meet the expectations of the community.

Ms JULIA FINN (Granville) (16:47): I make a contribution to debate on the Fair Trading Amendment (Commercial Agents) Bill 2016 and raise concerns about removing the requirement that commercial agents operating face to face or door to door no longer be licensed. The performance of commercial agents and private inquiry agents is governed by the Commercial Agents and Private Inquiry Agents Act 2004 and regulation. Those laws were designed to lift the industry's competence, integrity and accountability to a higher standard by requiring any individual or business conducting commercial agents and private inquiry activities to hold a licence for those activities. That is entirely proper. To ensure that appropriate persons receive licences enabling them to work in the industry, the current system includes mandatory refusal of licence applications for persons convicted of prescribed offences within the past 10 years and mandatory refusal of licence applications for persons found guilty, with no conviction recorded, of prescribed offences within the past five years.

As we know, in 2014 the Legal Affairs Committee inquired into the debt recovery framework in New South Wales, including the effectiveness of current legislation and administrative arrangements. The committee recommended "that the NSW Government introduce negative licensing"—where anyone can operate in an industry but can be excluded on specified grounds—"for commercial agents who have no face-to-face contact with debtors, while positive licensing"—where traders or agents cannot trade without a licence—"is retained for field agents." However, this Government has chosen to amend the Act so that persons who carry out commercial agent activities—being debt collection, repossession and process serving—are no longer required to hold a licence. That is, field agents who have face-to-face contact with debtors will not be licensed.

This can only result in a minefield, and it could be incredibly traumatic for those who are visited by unlicensed debt collectors. The only discipline in the industry—which involves collectors persuading debtors to pay their debt—is that a debt collector may be barred if a debtor complains. There being only around 300 field agents in New South Wales, the move to negative licensing is not justified. Debt is a major issue that affects thousands of people every year, many of whom who seek legal aid. In a submission to the 2014 inquiry, Legal Aid NSW stated:

Consumer law matters constitute the largest category of the civil law advice and minor assistance work undertaken by Legal Aid NSW, a significant proportion of which relates to debts and debt recovery processes. In 2013, we assisted 8,558 clients with consumer law advice and 6,885 clients with non-consumer debt issues. Consumer law and non-consumer debt matters also represented a significant proportion of the legal aid civil law grants.

Even though there are not many field agents involved in collecting debts, the debt problem in New South Wales has escalated to the point where thousands are seeking legal advice and assistance. It is a sensible requirement that only fit and proper persons be allowed to approach people at their homes to recover debt and that they show identification. In fact, because of the vulnerability of consumers, Legal Aid NSW has called for all debt collectors, including telephone operators, to be licenced. All members know about risky door-to-door sales. Although this type of marketing is highly regulated, people are still pressured into entering contracts they do not want. We know that this has happened with electricity and gas contracts and in the shambles that is the private vocational education and training sector.

Some training providers have deliberately targeted vulnerable people to exploit the VET FEE-HELP student loan scheme. They have doorknocked in lower socioeconomic status areas and have used high-pressure sales tactics to get people to sign up for a VET FEE-HELP loan. Some agents have doorknocked at housing estates, approached people outside Centrelink offices, and harassed people in the privacy of their homes in order to boost enrolments. If these high-pressure door-to-door sales tactics are replicated in other industries people will not be able to defer their debt through a scheme such as VET FEE-HELP.

The member for Davidson referred to information collected by the Energy and Water Ombudsman NSW [EWON] in relation to debt in the energy industry. Contrary to his comments about duplication, it is my belief that the volume of complaints to EWON is indicative of how bad things can get and how important it is for this work to be highly regulated. This bill will mean that people could be contacted at their home by agents who are not licensed and who have not been independently verified as being fit and proper people to collect debt. These consumers are arguably more vulnerable to high-pressure tactics and less likely to complain as they may feel partially at fault for incurring a debt in the first place and embarrassed because they are unable to pay their bills.

Legal Aid NSW and the Financial Rights Legal Centre, formerly the Consumer Credit Legal Centre, made numerous submissions to the Legal Affairs Committee supporting the retention of the current licensing arrangements. A number of submissions also called for the creation of a debt recovery industry code of practice, with mandatory membership for all agency and third party collectors. That code of practice would reflect the updated debt collection guidelines, international best practices and Australian consumer law. Disappointingly, this bill is silent on the code of practice. My suspicion about these arrangements in part comes from my own experience with debt collectors. About three years ago David Jones informed me that it was transitioning its card services and I would have to replace my store card, which had a \$500 limit, with a new one. Having received the new card, I continued to make purchases and to make monthly payments.

I then started to receive letters and phone calls suggesting that I had missed payments and that I would be referred to debt collectors. I was quite distraught. I went to customer service at the Market Street store to ask why my payments were not being credited. It turned out that two accounts in my name had been created. My purchases were listed in one account and another account had been created for my new card, which meant that one account was hundreds of dollars in credit and the other in default. It was entirely the fault of David Jones. David Jones staff apologised and promised to transfer the debt and to waive the missed payment charges. But that did not happen. A month later I received another menacing letter. On calling David Jones, the person I spoke to saw the undertaking on my account and noted that nothing had happened. The staff member apologised and promised to undertake those actions. I then went overseas for six weeks thinking it had all been resolved.

On my return, I found that my account had been referred to debt collectors and I then received letters and menacing calls from them. The duplicate accounts were still in place; nothing had been rectified. I immediately paid the debt and rang David Jones to complain. I demanded an undertaking that it would issue a written apology so that my credit rating would not be affected. I was promised that that would occur. I indicated that I would not shop at David Jones until I received the letter. I am still waiting. I used to shop at David Jones a lot but not anymore. David Jones is now out of pocket hundreds of dollars each year. Its behaviour was disgraceful and the behaviour of the debt collectors was not much better. The debt collectors I spoke to were not at all sympathetic; they were from a call centre and were unlicensed. I can only imagine how much worse it would have been if they had come to my home.

This small debt, which had been incurred through no fault of my own, had been referred to a debt collector. In fact, I had been making the required payments to David Jones regularly but they had been credited to a different account. The situation is far worse for someone who is struggling to pay multiple large debts and who is embarrassed and unlikely to complain. Field agents should be licensed. The Federal Government's oversight of debt collectors provides for some level of training but it does not address non-compliance. Indeed, that is why the States and Territories retain regulatory oversight of the industry.

Under this legislation, there will be no oversight and no clear accountability. The Commercial Agents and Private Inquiry Agents Act tries to strike a balance between the enforcement of creditor's rights and the protection of vulnerable consumers. Making the debt recovery process fairer and more efficient is a worthy

objective. However, implementing negative licensing will not give confidence to vulnerable people who may have fallen into a cycle of debt. In fact, it will make them more likely to be unreasonably harassed by debt collectors.

Ms TAMARA SMITH (Ballina) (16:55): On behalf of The Greens I speak to the Fair Trading Amendment (Commercial Agents) Bill 2016. My contribution will be brief because Mr Justin Field will speak further in this debate in the other place. The Greens oppose the bill because, far from being a simple transfer of regulatory responsibility from the NSW Police Force to NSW Fair Trading, there will be a deregulation of the operation of commercial agents in New South Wales. People have a right to fair process and privacy. There must be high standards of regulation for commercial agents, including debt collectors, and a clear and accessible path to dispute resolution for people subject to debt collection processes. I can indicate that The Greens will be supporting the Opposition's foreshadowed amendments to the bill.

The Greens acknowledge that the bill seeks to address red tape but the deregulation of debt collectors is well beyond that ambit. We contend that positive licensing is the best protection for a debtor. It is reasonable that people undertaking this type of work should be required to be licensed. Indeed, this provides the best chance to ensure that the regulator—NSW Fair Trading—prevents unsuitable people from engaging in face-to-face debt collection activities. I was persuaded by the member for Davidson as to who can become a debt collector, but the cost involved in obtaining a licence is not prohibitive. Indeed, when vulnerable people are involved, we would prefer the Government to undertake a positive licensing scheme.

Legal Aid NSW and the Financial Rights Legal Centre support the licensing of commercial agents, as a number of members have already said. Both of those organisations have cited the opportunity for inappropriate behaviour by debt collectors. Legal Aid NSW and community legal centres such as the Redfern Legal Centre assist people who have been mistreated or harassed by debt collectors. The member for Granville referred to the statistics. When I worked for the Aboriginal Legal Service, I saw firsthand the compounding effect on people interfacing with the criminal justice system and the incredible financial trouble they faced. The most disempowered in our society are often the ones who interface with debt collectors, but, as we have just heard, people from a quite empowered space and the highly educated can also become involved. There is no way that my clients would have been aware of the dispute resolution processes, let alone be able to wade through them. Those people will not follow these procedures.

The Government has recognised that there are about only 300 face-to-face debt collectors operating in New South Wales. Maintaining positive licensing for that number of agents does not seem onerous. The Greens support the call of the Financial Legal Rights Centre for commercial agents to be regulated to have mandatory membership of an Australian Securities and Investments Commission [ASIC] approved external dispute resolution scheme. We agree with the Government's suggested amendment that deregulation of debt collectors in call centres may be appropriate.

Certainly, in relation to training in external dispute resolution or in managing people who are not only vulnerable but incredibly stressed and at risk, these ASIC-approved skills and training are vital. Debtors and consumers must have access to redress if the standards of conduct are breached, and currently it is unclear to many which pathway to dispute resolution is appropriate for them. The Greens believe the bill contains inadequate protection for debtors. It is important that we, as representatives of the public, prioritise the safety and privacy of the people of New South Wales over the commercial interests of debt collection agencies.

Mr ALEX GREENWICH (Sydney) (17:00): I am concerned that the Fair Trading Amendment (Commercial Agents) Bill 2016 will reduce consumer protections in debt collecting activities, affecting the most vulnerable people in our community—that is, those who are welfare dependent and struggling to make ends meet. The bill removes the need for debt recovery and repossession agents to be licensed, essentially allowing anyone, other than certain disqualified agents, to carry out debt recovery and repossession activities.

I have consulted with the Redfern Legal Centre, which does a significant amount of work with vulnerable and disadvantaged people who are under pressure from debt. Many of its clients have a low prospect of full-time employment, of earning more than their welfare payments, or of improving their future financial position. Their debts can be from utilities, telecommunication companies, consumer credit for products, or other living expenses. Some people live day to day trying to pay their expenses, with little or nothing left. They may get into debt at times as costs exceed income. Many have complex needs because of drug and alcohol problems, trauma, mental illness, homelessness or intellectual disability, and their debt adds to their cycle of disadvantage.

The Redfern Legal Centre reports that the debt recovery process has serious impacts on vulnerable and disadvantaged people who are under financial hardship. They experience stress and anxiety and often do not have the opportunity to seek advice about their rights when they are contacted by debt collectors. Removing the requirement to license debt collectors and agents will reduce consumer protection by removing what is already a very minimal regulatory intervention that provides basic transparency and accountability in the debt collection

industry. The Redfern Legal Centre informs me that without licensing there will likely be more "second tier" debt collection agencies, many of which are not members of the Financial Ombudsman Service of the Credit and Investments Ombudsman. As a result, it will be difficult to make complaints against such agents.

Furthermore, I understand these agencies do not have a public reputation to maintain and that they are inherently less scrupulous. A quick internet search will show promises such as "no collection, no commission". The Redfern Legal Centre has reported harassment which involves some agencies calling family, friends or employers and threatening to commence litigation. I have heard about debt collectors dealing with debtors in an authoritative way, purposely making their rights unclear and discouraging them from investigating their rights. People who are disadvantaged and experiencing financial hardship can be less likely to consider all their options—or even know they have any—and are especially vulnerable to this sort of harassment. By the time people in debt contact community lawyers, such as at the Redfern Legal Centre, they are often acutely anxious.

Harassment by debt collectors is widely acknowledged, with the Australian Competition and Consumer Commission and the Australian Securities and Investments Commission [ASIC] releasing reports on this issue in 2009. ASIC has guidelines to prevent misconduct and malpractice, but those guidelines do not apply across the board. The Opposition has flagged amendments to retain the licensing scheme for debt collection and repossession agents who deal with the community on a face-to-face basis. The Legal Affairs Committee has recommended that this is preferable as there are greater risks in face-to-face dealings. I will support the amendments.

I hope that the new role of NSW Fair Trading to establish rules of conduct, industry education and investigation of complaints will address the concerns about reduced protections, and I ask the Minister to monitor debt collection closely and work with advocates of vulnerable people in debt. A number of organisations made recommendations to the Legal Affairs Committee on ways to improve accountability in the debt recovery process. I understand the committee made consumer protection recommendations, none of which has been implemented. A key recommendation was to protect Centrelink payments from garnishee enforcement—that is, where the creditor takes money directly from someone's wages or bank accounts. Centrelink payments provide a very minimal fallback income for the most disadvantaged so that they can pay for the most minimal basics such as food, rent and utilities. Without those payments, already poor living conditions can become dire.

I understand that Commonwealth social security law includes broad protection of social security income from recovery or law enforcement, but that is being undermined by lax consumer protections in our State debt collection laws. The State Debt Recovery Office and Housing NSW can garnishee money directly from a social security recipient's bank account without a court order. The Redfern Legal Centre has reports of vulnerable consumers who have had their bank accounts cleaned out. The NSW Office of State Revenue can take a vulnerable person's Commonwealth social security payments, leaving the person in need of emergency assistance from their local charity. This situation is absurd. I understand other States protect social security payments, and I call on the Government to follow their lead. Rather than remove the basic level of oversight of the debt collection industry, the Government should be looking at ways to resolve disputes through dispute resolution schemes that help those who are vulnerable to reduce their debt.

Mr DAVID HARRIS (Wyong) (17:05): The objects of the Fair Trading Amendment (Commercial Agents) Bill 2016 are to repeal the Commercial Agents and Private Inquiry Agents Act 2004 so that persons who carry out commercial agent activities, being debt collection, repossession and process serving, are no longer required to hold a licence, and to amend the Fair Trading Act 1987 to provide for a negative licensing scheme that permits anyone, other than certain disqualified persons, to carry out commercial agent activities.

As has been said earlier by the shadow Minister and by members of the Labor Opposition, the Opposition does not oppose the bill in the Legislative Assembly but will seek to move amendments both in this place and in the Legislative Council. We believe those amendments are very important. They are to retain a positive licensing scheme for commercial agents operating in the field in a face-to-face capacity with debtors, and to review the effectiveness of the negative licensing scheme for non-face-to-face commercial agents within two years. Industry stakeholders have indicated that licensing requirements should be retained. Those stakeholders include Legal Aid NSW and the Financial Rights Legal Centre, formerly the Consumer Credit Legal Centre. It was considered by those groups that there was value in retaining positive licensing for agents who visit people—often vulnerable people—at their home or place of business, as a physical licence can add a level of confidence that the agent is a licensed and authorised person.

I understand that Victoria has introduced a negative licensing scheme and that Queensland has a hybrid scheme that retains licensing for face-to-face collectors. My research indicates that in the United States of America most States have either a licence system or a bonding scheme where people, before they are able to engage in collection activities, have to put up a bond which is forfeited if they do the wrong thing. So there are different approaches not only within Australia but also overseas. I understand licensing is currently under review in the

United Kingdom, where it also has been said that licensing means that agents are able to show identification to those they are visiting and those people can feel confident that they are dealing with an authorised person.

I, thankfully, have not had a debt collector knock on my door, but friends of mine have by mistake. The member for Granville spoke about a similar situation. In one case, a person had a similar name and lived in the same area as a debtor. The debt collection agency went through the telephone book trying to find the debtor and knocked on the door of this person with a similar name. It so happened that both this person and the debtor had engaged in business with the same company, but the name of the debtor was Robert and this person was known as Bob. They had simply gone through the phone book.

It was stressful because straightaway other members of his family became worried because they were not sure whether the person was telling the truth or not and it caused consternation. I am concerned that under the proposed regime untrained people will take up short-term employment in the debt collecting industry. It would be possible for overseas students to be employed on a short-term basis to engage in such activities. I am concerned that unqualified people could be knocking on the doors of people and asking delicate questions in the already charged environment of debt collection.

The Government says that its intention is to reduce red tape for business. However, there are areas that require regulation where corners cannot be cut. A scheme should not be introduced which would allow debt collectors to do the wrong thing and to then be fined. Often the damage is already done. A concern raised by stakeholders about these changes is that many of the businesses involved in debt collection are small. An article in the *Sydney Morning Herald* on 3 July 2016 stated:

Australia's debt collecting industry has done much to clean up its act in the past five years. But there are still small debt shops that act like cowboys, the Financial and Consumer Rights Council says.

The debt collection industry in Australia is relatively competitive, with more than 500 businesses offering some form of debt collection service. While the industry is dominated by a few large players, the sector mainly comprises small businesses, with 63 per cent generating less than \$200,000 in revenue and 95 per cent employing fewer than 20 people. Such a divergence has created an interesting competitive dynamic. The major users of debt collection services tend to favour the larger debt collection businesses that have the necessary scale and sophistication to meet their needs. The number of small players with relatively few employees creates the potential for difficulty in application of regulation by the State Government, even more so by the Federal Government, which has its own regulations that have limited crossover within the State framework.

Most small debt collection agencies operate in smaller niche markets and service smaller creditors. Smaller creditors and debt collection agencies are the source of most misconduct complaints. The Australian Competition and Consumer Commission [ACCC] has also found that technology has improved record keeping and compliance but also noted that the smaller players do not have the scale to apply the technology in a way that notably improves compliance. Because of this, small players are heavily reliant on training and regulation to ensure compliance with regulation. The ACCC has also identified that debt collection practices, specifically in the energy sector, have had many complaints relating to the management of hardships.

Other members have spoken about the Energy and Water Ombudsman NSW [EWON], the rise in debt and the ways in which energy companies chase those debts. It is an important argument. Licensing for those in the field provides an important regulatory role in ensuring debt collectors are aware of the broader context in which they operate. Collectors should be aware of how to identify people who are facing hardship and who have not been appropriately dealt with by their creditors. The energy industry and similar industries are highly transactional in nature and people often fall into debt. If negative licensing comes into effect, debt collectors in the field may not be adequately trained and educated in how to deal with such situations. A charged situation where untrained people are knocking on debtors' front doors could lead to violence, not just against the person who owes the debt but also the person who is attempting to collect. If they do not have the necessary skills to be able to impart the message that they are there to deliver, collectors may use language that would appear threatening and cause consternation.

Agents who operate face to face may incorrectly judge a debtor to warrant additional financial penalties for failure or partial failure to pay. This has been identified by the ACCC as a key concern, even in the existing framework. The crux of the argument we are making is that this will make already vulnerable people more vulnerable to exploitation in an industry that has already had its fair share of horror stories. The other side of the argument is that the companies that want the debt recovered will have less certainty about the people they are employing to recover the debt. It works both ways: when you deregulate the system and do not have a strict licensing scheme, it creates uncertainty all round. For those reasons I support the Opposition amendments to the Fair Trading Amendment (Commercial Agents) Bill 2016.

Ms TRISH DOYLE (Blue Mountains) (17:15): I speak today on the Government's proposed Fair Trading Amendment (Commercial Agents) Bill 2016. This is an amendment that will repeal Labor's 2004 legislation that introduced protections for consumers and vulnerable people from aggressive and harassing debt collectors. This amendment will have the effect of abolishing altogether any licensing regime for debt collectors operating in New South Wales. Twelve years ago Labor introduced new legislation to regulate and licence the commercial agents and private inquiry agents industry—that is, the industry of process serving, debt collection, repossession of goods, surveillance of persons and investigation of persons. This legislation came about in response to national competition policy reviews and in response to community concerns about industry overreach and exploitative practices by industry against vulnerable people.

In an industry where there is a long history of intimidation, harassment and thuggish behaviour, it is crucial that the character and standing of individuals and businesses engaged in this type of work is checked and double checked against specific licensing criteria. Today the Baird Government, under the guise of cutting red tape, is busily abolishing what little protection the working poor and vulnerable people have against bullying and harassment by debt collectors. The Government and all of us in this place should be discussing what extra protections could be extended to consumers and the working poor, rather than smoothing the way for thugs and stalkers to come after young families, workers, single mums and pensioners.

It is worth noting too that this bill represents a transfer of power away from the Minister for Justice and Police—the failed Deputy Premier—that is a first. As members would be aware, it has been the practice of this Government to vest undue power in the office of the Minister for Justice and Police and to give him far-reaching oversight of the Justice, Police and Attorney General's departments. It is a pity that when the Liberal-Nationals finally realised their mistake, they decided to remedy it by throwing vulnerable people to the wolves, with legislation like this that strips the community of key protections from harassment and exploitation.

We have heard that advocacy groups and legal aid organisations have grave concerns about the impact of this legislation and the deregulation of the debt collection industry. We can be sure that self-regulation will open up the industry to abuse. Legal Aid NSW has reiterated its preference for the existing licensing model over the so-called negative licensing scheme that this bill seeks to introduce. Negative licensing is a system that assumes all people are suitable to hold an imaginary licence but that some people might be excluded after being caught engaging in bad behaviour. This is an absurd failure of logic, given what we know of the history of the industry and some of the people it attracted in the years before Labor cleaned it up. Indeed, it is important to note that Legal Aid NSW has written recently of improvements in the conduct of the industry, which highlights that the existing licensing regime—the one which Labor implemented back in 2004—is effective and is promoting good behaviour.

The opinion of Legal Aid NSW is that New South Wales has made progress toward an ethical, sustainable and cooperative industry. The Government's proposal for a deregulated industry puts this progress at risk. The Financial Rights Legal Centre, formerly the Consumer Credit Legal Centre, has called for external regulation and oversight of the industry, mandatory standards of conduct, and mandatory compliance regimes, rather than deregulation. It is the opinion of the Financial Rights Legal Centre that oversight by the Australian Securities and Investments Commission [ASIC], or some other body, should be accompanied by investigative and sanctioning powers to discipline rogue operators and revoke licences on an individual level, as well as dealing with systemic or industry-wide malpractice.

In 2013, Legal Aid NSW assisted more than 15,000 individuals with debt issues. A significant proportion of Legal Aid civil law grants related to debt recovery matters. This informs us that there are a great many people affected by this area of law who would meet the criterion of vulnerable citizens. Legal Aid noted in its submission to the Legislative Assembly's Committee on Legal Affairs Inquiry into Debt Recovery in NSW that it is very common for clients who bring debt matters to them to also have housing, mental health and drug or alcohol problems. The Government is proposing a system that causes people with prevailing pressures in their lives to face the prospect of harassment and intimidation by unscrupulous, unlicensed debt collectors. It is proposing to deregulate debt collection. It is absurd.

As a rule, conservative governments who champion the abolition of red tape are to be treated with caution, as the motive is to benefit big business and big capital. Red tape means something is getting in the way of profit-making. Groups such as the Environmental Protection Authority are considered red tape; industry assistance is red tape; local environment plans are red tape; heritage orders are red tape; the Threatened Species Conservation Act is red tape; likewise, the licensing of debt collectors is red tape. Anything that stands in the way of business maximising its profits at the expense of the community, the environment or a healthy society is red tape. That is why members should be sceptical of Minister Dominello's promise to do away with red tape. Doing so will remove key protections for society's voiceless and vulnerable.

The evidence given by Legal Aid NSW to the debt collection inquiry is supported by the Financial Rights Legal Centre evidence to the same inquiry. In its experience, the vast majority of debtors are diligent and honest people that do not wilfully ignore or avoid the payment of their debts. They are most often forced into a position of being unable to pay due to illness, unemployment or other factors beyond their control. It also notes that New South Wales presently has the lowest level of statutory protections for consumers experiencing debt recovery action by a creditor. The lack of statutory protections places pressure on welfare, community services, health services, and charities. It steers struggling debtors towards bankruptcy, which is a lose-lose situation for all concerned. The Financial Rights Legal Centre goes on to make a series of recommendations to reform the industry and introduce legislative protections for consumers.

There is also an imperative for this House to debate and consider additional protections or regulations in other industries that will prevent people from accumulating debts they cannot hope to service. Predatory lending in the form of banks pushing financial services products or retailers selling consumer goods at sky-high interest rates must be curtailed. Debt collection action on behalf of state-owned corporations or essential infrastructure operators should be eliminated. It is absurd that private tollway operators refer debts of less than \$10 to debt collection agencies. It is absurd that energy retailers providing an essential public service should need to engage debt collection agencies when expert testimony to parliamentary inquiries informs Government that the majority of debtors intend and are willing to pay off the amounts owing.

These are the issues members should debate, not this absurd proposal to deregulate an industry that has the potential to ruin the lives of vulnerable people if unscrupulous and unethical people rejoin its ranks. This bill amounts to an ideological legislative change that will punish the vulnerable and reward unethical lenders. I note that the Opposition will be moving amendments to this legislation in the Legislative Assembly and in the other place. I will be supporting those amendments. I implore the crossbench of the Legislative Council to support our amendments and in doing so safeguard vulnerable people from the thuggish behaviour that will flourish if the Baird Government's current bill is passed.

Ms JENNY AITCHISON (Maitland) (17:25): I contribute to the debate on the Fair Trading Amendment (Commercial Agents) Bill 2016. Let us be clear, people who owe money are often the most vulnerable in the community. As previously stated by the members representing the electorates of Granville, Swansea, Wyong and the Blue Mountains, all members have a responsibility to protect the rights of the vulnerable in our community—those with mental health issues, addiction issues, those suffering housing stress, homelessness and illness. Often the most vulnerable people in our community go into debt against their wishes.

This bill will affect another vulnerable group: those that have acquired sexually transmitted debt, or relationship debt. If a person were to assist their partner to purchase an item or service because that partner cannot afford it, or does not have a credit rating enabling them to increase their own debt, they will be threatened by this bill. One scenario is a young woman who assists her partner to purchase a mobile phone because he has a terrible credit history and cannot purchase it himself. He states he requires it for work and she takes on the debt as her own. A few months later the relationship breaks down due to domestic violence and the woman is left with the debt, the physical intimidation of her ex-partner, and a debt collector at her door intimidating and bullying her in order to extract money from her.

Presently, the Commercial Agents and Private Inquiry Agents Act 2004 requires commercial agents, or debt collectors as they are commonly known, to hold an operator licence. It provides consumers and other members of the community with reassurance that the person identifying themselves as a debt collector is a fit and proper person who will undertake their duties in a fair and proper manner. Currently, licensees are required to undergo training and be fingerprinted. When 20 per cent of this work is undertaken face to face these are important requirements to ensure public safety. A debt collector will often arrive on a person's doorstep unannounced to recover a debt. Debts have the potential to create significant financial hardship for all parties involved in a dispute. The process of debt recovery must be fair, effective and efficient. It is vital that the process balances the rights of creditors and debtors and ensures that those most vulnerable in the community are treated with respect.

It is with this aim in mind that the terms of reference for the Legislative Assembly Legal Affairs Committee provided a succinct explanation of what the industry and sector needed to ensure that the debt recovery process became more efficient. The committee received more than 30 separate submissions from government departments, non-government organisations, legal centres and collection agents. The committee made 22 recommendations designed to overhaul the sector. Recommendation one stated that the New South Wales Government should introduce negative licensing for commercial agents who have no face-to-face contact with debtors while positive licensing be retained for field agents. This does not seem unreasonable.

For many people in my community, and in communities across New South Wales, a level of reassurance and confidence can go a long way, particularly when an unknown person arrives on the doorstep saying that they are a debt collector. The committee recognised that. Many submissions recognised that. The Opposition

recognises that. It is a pity that the Government does not also recognise it. So many scams are taking place in the community at the moment. There are burgeoning internet scams where people are told they have debt, whether for parking infringements, for speeding or for tax matters. These scams are limited to the internet because people can hide behind it. They do not have to go to someone's house and prove that they are an authorised representative of the organisation seeking to recover the debt. Imagine the number of people who are taken in by these kinds of scams and how that number will increase when anyone can arrive on the doorstep and demand money.

How will that work in a situation where a family member has not told the rest of the family that they are in debt? The debt collector may try to collect money from someone who has no knowledge of the debt. Positive licensing must be retained for those agents who work face to face with people, consulting with individuals in their own front yards. Those agents need a physical licence. We expect police officers, tradespeople and property agents to have a licence to identify themselves. Why is it different for debt collectors? Legal Aid has publicly voiced concerns about some debt collectors. It says it has "ongoing concerns about the tactics employed and behaviour directed towards vulnerable consumers by debt collectors". This industry does not work at the normal end of commerce. It works at the gritty end. This is where people are the most vulnerable and have the most to lose. This is where people are subjected to violence and intimidation.

I am concerned about what the impact of this legislation will be on vulnerable people in our community. As shadow Minister for Small Business I recognise that there is a move in the business community to reduce red tape. This Government, despite its claims to the contrary, is not very good at that. Again we see here the removal of red tape to help business bypass a licensing regime, but it puts at risk the protection of those in our community who owe money. If a debt collection agency, like any small business, is operating efficiently, effectively, ethically and with compassion then it should have no problem complying with the rules. We need to ensure that we retain regulation that protects the most vulnerable people in our community.

I call to the attention of Government members the significant concerns this legislation will raise for people across New South Wales who get into financial trouble. We see that happen often through predatory lending practices. We see it happen to young people who do not understand contracts. There are programs in our schools to alert young people to how easy it is to get into debt. I urge Government members to think about what they are doing to those people. We hear of people being sent to jail for unpaid fines. People who owe money can get into terrible situations. Once a person gets into debt it escalates. The fees increase. The charges levied by these agencies contribute to greater debt. We need to ensure that we provide protection. Allowing someone to go unsolicited, unannounced, at any time of the day, to someone's door to demand money from them is not the kind of deregulation that we want to see in any small business. I urge the Government to consider the Opposition's amendments and to support our position.

Ms JO HAYLEN (Summer Hill) (17:33): The Fair Trading Amendment (Commercial Agents) Bill 2016 repeals the Commercial Agents and Private Inquiry Agents Act 2004 and shifts responsibility for the regulation of commercial agents from the NSW Police Force to NSW Fair Trading. "Commercial agent" is a somewhat innocuous term for a debt collector. Worryingly, this bill removes the need for commercial agents to be licensed, exposing vulnerable people to risk at a time of crisis. This bill effectively deregulates debt collection in New South Wales. It is done under the guise of cutting red tape, but I believe it is at the expense of people who are struggling with debt.

I have spoken in this place before about the destructive power of debt for vulnerable people in this State. As the cost of living increases—most notably the cost of renting or owning a home—more and more people are put under financial pressure. People are susceptible to even the smallest change in the cost of living, and a minor debt can spiral into long-term financial hardship. The Bureau of Statistics noted that total household debt stood at \$1.84 trillion in 2013. That is a staggering \$79,000 for every Australian. It is getting worse. Household debt continues to rise. In 2015 Barclays chief economist for Australia, Kieran Davies, put Australia at the top of the international list for household debt.

Obviously, the threat posed by debt is more severe for poorer households and the most vulnerable in our community, including the elderly, the disabled and the chronically ill. The community accepts that the Government has a responsibility to protect the most vulnerable in our society. Ensuring that those entrusted with managing and collecting debt are properly licensed and subject to the highest levels of accountability and transparency is the very least that we can do. Under the current system, a commercial agent or private inquiry agent business owner must hold a master licence and an employee must hold an operator licence. To keep a licence, an agent must undergo specific training, be fingerprinted and prove that they are a fit and proper person for the job. I am concerned that this bill, which removes the need for licences, will create cowboy collectors, empowered to hassle and harass people over debt.

Transferring the regulation of commercial agents from the NSW Police Force to NSW Fair Trading is common sense. The last thing our police need to be wrapped up in is the collection of debt, but it is imperative

that we continue to enforce strict parameters on who collects debt and how they do it. In 2014 the Legislative Assembly Legal Affairs Committee recommended that a negative licensing scheme be implemented for call centre based debt collection. A negative licensing scheme allows anyone to participate in an industry but allows for some to be excluded if they engage in behaviour that undermines the integrity of the industry. The committee resolved that a negative licensing scheme would serve to reduce the regulatory burden on the 80 per cent of the debt collection industry operating from call centres. That means that this measure alone will reduce the vast amount of red tape in the industry. Most importantly, the committee upheld the primary importance of keeping a positive licensing scheme for the 300 or so debt collectors engaged in face-to-face collection—that is, the people who knock on people's doors to collect debt should be properly licensed and trained to manage that sometimes very sensitive interaction.

I am disappointed that the recommendation to retain a positive licensing scheme for face-to-face debt collectors has not become one of the provisions in the bill. Positive licensing puts the onus on professionals to prove their fitness to deal with debt collection and to interact with the public. It facilitates training to deal with these highly fraught and complex interactions. That is only right. Here in Parliament it is our burden to ensure that we protect the most vulnerable. Positive licensing would be a simple way to do that. It would protect people at a very difficult time in their lives. No-one is saying that debt collectors should be social workers, but understanding the complexity and sensitivity of the work they are engaged in should be a principal part of the job. One need not search far to hear horror stories about debt collection, such as residents being intimidated and harassed about overlooked utilities bills. At the other end of the scale are people who lose their homes because of compounding errors that mount until they are strong-armed out of their homes.

In March this year, Fairfax reported on a Melbourne family that lost its business due to the global financial crisis, and their credit card debt spiralled. They were snowed under by debt until they lost everything. Debt collectors drilled their lock and smashed in their door. The family was left homeless because their debt got away from them. That family's debt had been purchased by a third party debt collection agency and their house and property were seized without a warrant. Debt purchasing accounts for roughly 22 per cent of the debt collection market in New South Wales, and it is growing. Introducing a third party in this way, I believe, changes the nature of the work debt collectors are engaged in. They are no longer collecting debt for another party, but rather clawing back debt that they have taken on themselves. It changes the nature of the interaction, and distances debt collectors from debtors and their circumstances. It depersonalises them. It exacerbates the worst impacts of debt collection on vulnerable people.

Unsurprisingly, Legal Aid NSW, the Financial Rights Legal Centre and other stakeholders argue strongly for retaining the current licensing system. Retaining current positive licensing schemes for those agents involving face-to-face debt collection is common sense. Commercial agents must have a very difficult job. They see people at their most vulnerable and they are often part of an enveloping crisis, like the family I described earlier. It cannot be easy work, and I am sure the majority act with the highest levels of integrity. But we as a society surely want the right kind of people to engage in this work, and we surely want to make sure that there is accountability and transparency.

This bill amounts to the Government kicking them when they are down because it makes them vulnerable. We should not be in the business of encouraging intimidation against people who are already in a tough situation. We know that people in debt often do not understand their rights. We know they do not often know how to get help or where to go for support. We know that in many cases they are just flat out of options. I support the shift in responsibility for the regulation of commercial agents to NSW Fair Trading, but express strong concerns about this bill. I support cutting red tape, but when red tape is the only thing for protecting vulnerable people who are in a financial crisis I think it is a step too far. Labor will move amendments to protect a positive licensing regime, which I support. I commend the amendments to the House.

Ms JODIE HARRISON (Charlestown) (17:41): I speak to the Fair Trading Amendment (Commercial Agents) Bill 2016, and support members on this side of the Chamber who have spoken in this debate. The purpose of the bill is to repeal the Commercial Agents and Private Inquiry Agents Act 2004 so that people who undertake commercial agent activities—that is, debt collection, repossession and process serving—are no longer required to hold a licence. The bill also amends the Fair Trading Act 1987 to provide for a negative licensing scheme that allows anyone other than disqualified persons to carry out commercial agent activities.

We on this side of the Chamber do not oppose the bill in its entirety; however, we do have significant concerns in relation to some aspects of the bill that have already been identified by multiple speakers, but I will also address some of those concerns. We will be moving amendments to deal with our concerns, to ensure that vulnerable people can trust there is a system that ensures that debt collectors are good and proper people, and fit to do what they are purporting to do—that is, to collect outstanding actual debts. This bill transfers the responsibility for the regulation of commercial agents from the NSW Police Force to NSW Fair Trading. We have

no issues with this. We also have no problem with reduction in red tape. But some aspects of red tape exist to protect people. It is due to this need that we have particular concerns with the proposal for a negative licensing system across the board.

The Legal Affairs Committee report published in November 2014 when it undertook an inquiry into debt recovery in New South Wales. The members of that committee were: as Chair, Mr Bryan Doyle, a member of the Liberal Party at the time; as Deputy Chair, the member for Davidson who has spoken on this bill; the Minister for Finance, Services and Property and member for Hawkesbury; the member for Cessnock; the member for Myall Lakes; Mr Robert Furolo; and the member for Wallsend. The committee found that the existing licensing system imposed unnecessary costs and delays on a system where 80 per cent of debt collectors work was based out of call centres and no face-to-face contact occurred with debtors.

The committee recommended a negative licensing scheme for the majority of debt collection agencies with no face-to-face contact. A negative licensing scheme means that anyone can operate in an industry but can be excluded from the industry on specified grounds prescribed by the legislation. First, the committee recommended that the New South Wales Government introduce negative licensing for commercial agents who have no face-to-face contact with debtors, while positive licensing is retained for field agents. The committee membership was clearly better represented by members of the Liberal-Nationals Government. It begs the question why the Government would not take the recommendation of a committee in effect controlled by its own members.

The committee heard a number of examples of poor practices by debt collectors and the debt collection industry, which is why positive licensing of field officers is so important. In its submission to the inquiry, the Australian Securities and Investments Commission [ASIC], which is one of the Federal regulators of debt collection activities, highlighted some examples of poor practices and potentially unlawful conduct of debt collectors in recent years, including action taken by ASIC in the Federal Court against ACM Group Limited in 2011. The submission stated:

ASIC alleged the ACM Group Limited had engaged in misleading or deceptive conduct and undue harassment or coercion while carrying on a debt collection business.

The Court found the conduct to be 'widespread' and 'systemic'. It found the ACM debt collector training manual made it very plain that debtors should be threatened with litigation. It also found that the tone of one of ACM's supervisors was rude, condescending and vicious.

The Financial Rights Legal Centre provided the following examples of some of the poor debt collection practices that it had encountered:

- a. A rental company for whitegoods and household items chasing consumers for statute barred debts. These leases purported to be indefinite, and some consumers were being chased more than a decade after the last lease payment was made. The lease company made threats to refer debtors to police for larceny by bailee, presumably alleging some kind of dishonesty in the disposal of damaged items or after the item's lifespan ...
- d. A debt collector telling a debtor to go steal things to pawn, to get the money to pay the loan.
- e. Car park companies chasing fees using notices that resemble official fines.
- f. A major bank using bankruptcy proceedings against homeowners for small unsecured credit card and personal loan debts.

Redfern Legal Centre advised that it often encountered clients who had complaints about debt collection practices and the conduct of individual debt collection agents. It advised that the scope of complaints was wide-ranging, noting that they included the use of threats, intimidation and false claims about enforcement powers. Its submission stated:

When we speak with clients experiencing financial hardship, we are regularly told about threats and intimidation over the phone, particularly in relation to inflated enforcement rights. We are told about thinly veiled threats about powers to 'send the Sherriff around' to seize property and false claims about powers to cancel driving licences and vehicle registration. Our clients' common experience is a fear that debt collectors will disclose information about debts to their partner, their family and friends and their workplace. We regularly hear of conduct, which is designed to exploit these fears, to intimidate and humiliate. Our clients tell us that they are ashamed about being in debt and are reluctant to complain about this conduct because they fear that debt collectors will follow through on threats to make these debts public knowledge. We note that some debt collection practices are working towards improving their 'customer service' but unfortunately, there is still some way to go.

We also have experience of improper practices in 'letters of demand' and other correspondence. Again, the central concern is related to claims about inflated enforcement powers. We regularly see correspondence, which claims an indemnity for legal costs arising out of threatened litigation. These types of claims are misleading and do not have any proper basis at law. Legal Aid similarly provided a number of examples of the poor practices that had been encountered in the industry. It said:

... our lawyers do continue to encounter debt collectors who engage in improper practices with clients, and with the lawyers themselves.

Legal Aid gave as an example:

A senior Legal Aid NSW solicitor assisted a client after they received a number of threatening phone calls from a debt collector. The client has recently arrived in Australia and speaks limited English. The client did not know what the alleged debt related to. Not only did the debt collector refuse to give her any information about the debt, he threatened to visit her at home the next day to seize property if she did not agree to pay the debt. The client was so worried that she went straight to her TAFE English teacher who contacted Legal Aid NSW immediately for urgent advice. It became evident that the credit card was applied for and used by her violent ex-husband without her knowledge.

It gave as a second example:

A specialist consumer lawyer from Legal Aid NSW was assisting a client who was receiving rude, threatening phone calls from a debt collector which involved swearing, yelling and threats to take her home if she does not pay her debt. The client gave the Legal Aid lawyer's contact details to the debt collector and they had a number of phone conversations. The debt collector was very rude and antagonistic when speaking to the lawyer. On request, the lawyer resent a previous written request for documentation about the alleged debt to the debt collector, and asked him for time to provide appropriate advice to the client once documentation is received. The debt collector stated that he would ignore her requests because he had already referred the matter to the legal team. When the lawyer asked to speak to the legal team to discuss the matter, the request was rudely refused. The debt collector also refused to inform their legal team about the legal aid lawyers request for documents, and stated that he would be instructing the legal team to file a statement of claim immediately. The lawyer lodged an urgent complaint on behalf of her client to the Financial Ombudsman.

I note the comment of the committee at the end of its report:

There still appear to be a minority of debt collectors who exhibit poor practices and fail to comply with legislation and the guidelines set out by the Australian Competition and Consumer Commission (ACCC) and the Australian Securities and Investments Commission (ASIC).

The Committee is of the view that existing consumer protection laws ... provide sufficient protection for consumers against poor practices by debt collectors, as well as providing appropriate guidance to debt collectors on how to carry out debt recovery activities. It is important, however, that these laws continue to be enforced and that consumer protection agencies ... continue to provide mechanisms for the oversight of debt collection industry.

Vulnerable people should be protected from dodgy practices of debt collectors. A strong licensing system is essential for this. I commend our amendments to the House and encourage the Government to incorporate them to protect vulnerable people.

Mr RON HOENIG (Heffron) (17:52): In debate on the Fair Trading Amendment (Commercial Agents) Bill 2016 I endorse the remarks of the member for Swansea and commend the amendments she proposes, which have great substance. I am somewhat bemused to see a bill like this from the Minister for Fair Trading or whatever his portfolio is called these days. It has some fancy name like Innovation and Better Regulation. Generally speaking, the Minister has brought a number of important consumer protection provisions to this House. They have been akin to the sorts of policies one would expect a Labor Minister to introduce. In fact, I thought it was the kiss of death when I said that to him in a recent debate. The Minister has reverted to Tory type and introduced this bill.

The Minister has been extremely successful in consumer protection. I am disappointed that he now comes to this House with a bill that has no intellectual rigour and that he has not applied his mind to the need for reform in this area. I ask members—and the Minister, if he utilises his mind and not some Tory philosophy—to ask themselves why commercial agents and private inquiry agents have to apply for licences from the police and give them their fingerprints before a licence is issued. Is it just a mistake of history? Debt collectors are effectively outsourced contractors. When a civil debt, not a criminal debt, is owed commercial agents are engaged to collect the debt. They are also engaged for the repossession of what can be colloquially referred to as hire purchase goods or to serve a court process.

If the debt is not paid the person who is owed the money can issue a statement of claim and proceed civilly. Ultimately, debt collection is a bureaucratic process. It involves somebody saying, "You owe money. Pay the money. If not, we will sue you." If a person wants to argue it the person waits for the statement of claim and has a defence. That seems to be a rather civilised way of engaging in business. So why would a debt collector need a police licence and why would a person have to give the police his or her fingerprints? Why are the police involved in the collection of civil debts? Did our forefathers in this House have some bureaucratic reason to require it? The answer is that it is to keep criminals out of the debt collecting process. You do not have to be a genius to work that out.

Criminals have to apply to the police for a licence to become a debt collector and have their fingerprints checked because, as we can imagine, nobody wants the Hells Angels to embark upon the business enterprise of collecting debt. I can just imagine one of my poor public housing tenants from Waterloo who has not paid her electricity bill having a series of bikies turn up at the front door saying, "Please, ma'am, you owe money." If she had it she would probably pay it straightaway. That is the real reason the measures are in place. Organisations such as Legal Aid NSW were quite subtle in their submissions to the Committee on Legal Affairs. I will read what Legal Aid said in its submissions because we must read between the lines. We know the people who run Legal Aid have to be pretty subtle in their approach, and I thought they were somewhat when they said:

All third party debt collectors should be required to hold a licence either under the National Consumer Credit Protection Act or a separate act that imposes the same conditions ... We consider that this licensing requirement should extend to all debt collectors and not just those who collect debts arising from credit. We have assisted a number of clients in relation to issues with collection of debts for school fees and medical bills and it is our experience that the collection of these types of debts can involve the same issues as the collection of debts in relation to the provision of credit.

We do not support mandatory exclusion requirements in this area given the high potential for mistreatment and harassment of consumers in a self-regulated industry. We consider that the imposition of licence conditions, such as mandatory training requirements, is likely to be more effective with external regulation.

We can read between the lines: Legal Aid NSW is talking about organised crime being involved in this industry. The negative regulatory approach that the parliamentary committee recommended and the Minister adopted in this legislation exempts people—I suppose lawyers and public servants are not criminals—from being engaged in this industry if they have a criminal record. How many members of the Rebels outlaw motorcycle gang have criminal records? Probably very few. That is why they are riding around on their motorbikes carrying out the legitimate businesses that I know they carry out because some of them have been my clients.

The reality of the situation is that someone not having a criminal record is not the test. When somebody applies to the police for a commercial agents licence the police do not only have access to criminal records; they also access their own criminal intelligence before they decide whether a person can be licensed. There are appeals against their refusal. This is all about protecting the public. In his second reading speech the Minister said that there is a need to have a standard national practice of dealing with these sorts of licensing arrangements. I support a national licensing regime. That is an immensely eminent suggestion, but to throw the baby out with the bathwater in this self-regulated industry is lunacy. He said further:

Under the Australian Consumer Law and the ASIC Act, commercial agents undertaking debt collection are prohibited from engaging in deceptive or misleading conduct, unconscionable conduct, and physical force, undue harassment or coercion.

Do members really think that the trade practices legislation will control the conduct of debt collectors? It cannot even control the anti-competitive conduct of major grocery stores. Do members really think it will worry about people knocking on the doors of those who cannot pay their doctor bills or their ambulance fees, which is a classic for debt collectors? The trade practices legislation, just like the anti-trust legislation and consumer protection legislation, is a wonderful piece of consumer protection providing there is someone to enforce it.

How is somebody on the bones of their backside who cannot pay their bills going to access the Australian Consumer Law protections that are contained in this legislation? Who are they going to see about it? They are not going to be able to access it. The Minister wants to have a national licensing regime. The industry has changed: A lot of call centres now ring up and intimidate people into paying, and a lot of people are engaged on a face-to-face basis, but there must be a legitimate licensing regime and oversight. It was this Parliament that decided that police should licence, take fingerprints and check people's backgrounds. Has this Parliament been wrong in requiring that over a long period of time? [*Extension of time*]

The reality is that the Parliament has not been wrong and technology may well have changed with computerisation and call centres. The report of the parliamentary Legal Affairs Committee noted there was not much of a problem under the current licensing arrangements, but it complained that it was taking police four to eight weeks to provide licences. There have been no complaints because they are operating under a licensing regime supervised by the police, who have their fingerprints. The Government wants to deregulate everything without going back to the mode of reasoning of an industry that requires control. And this industry, which deals with people who owe only civil debts, requires control.

NSW Fair Trading is not the right organisation to supervise this industry because this regulatory regime existed in the past. I am not a critic of this department. I was so impressed with the service provided by NSW Fair Trading in a private matter that involved my son. In fact, I wrote a letter to the Minister congratulating his department. Its staff are immensely helpful and they have been extremely successful in the consumer protection area. I know what the department was like 10 and 20 years ago, but I have the highest regard for the way in which the department is currently conducting its affairs. Whilst the department's performance in helping consumers is impressive, this is not its function.

It is not equipped to deal with an industry in which organised crime will find its way because in this area the legislation can be bypassed by people with no criminal record. Throughout the history of New South Wales some very famous people engaged in organised crime have never had a criminal record. I apprehend that police intelligence is probably full of the activities of those particular people. One of the amendments foreshadowed by the member for Swansea is that those who engage in face-to-face dealings in debt collecting require a licensing regime. Again, I do not accept that NSW Fair Trading is amply qualified to deal with what can be a recipe for organised crime. The commercial interest of people who utilise debt collectors is to have their debts collected. They are concerned about nothing other than success.

The presence of people at one's front door that would cause them to pay a debt that they disputed might indicate that the debt collectors are successful. I urge members to carefully consider the reasoning for police licensing and fingerprints for commercial agents. I also remind members that the Legal Affairs Committee had before it every conceivable vested interest that wanted to get rid of regulation. I repeat: This industry requires a measure of regulation and control by law enforcement agencies. Once organised crime infiltrates this area we will never get it out—it will be like the difficulties faced in the security industry and Kings Cross establishments prior to the introduction of the lockout laws—without making extreme decisions, which will result in the closure of legitimate operators.

Ms TANIA MIHAILUK (Bankstown) (18:07): It is always difficult to follow the member for Heffron in a debate. If only the Government would listen, he has all the answers. I preface my remarks by stating I make these comments as a former shadow Minister for Fair Trading. The Fair Trading Amendment (Commercial Agents) Bill 2016 will repeal the Commercial Agents and Private Inquiry Agents Act 2004 to provide for people to undertake commercial agent activities without the need to hold a license. I draw the attention of the House to a couple of things that happened prior to the last election. First, the Government decided to water down licensing systems in a number of different areas; so it comes as no surprise that the arrogance of this Government continues. For example, if it commissions a review it tips the scales to get the recommendations it wants and if it does not it does what it wants anyway. That is what has happened in this legislation.

We do not have to look far to find examples of shonky work in an unregulated industry. When I was the shadow Minister for Fair Trading I saw a number of these sorts of initiatives undertaken by those on the other side of the House. In January 2016, a short six or seven weeks prior to the State election, the Baird Government—as it always does in undertaking major decisions because it can always attract the best sort of consultation with stakeholders in January—undertook to water down licensing requirements for home builders for work up to the value of \$5,000, which exposed consumers in New South Wales to unqualified and unskilled labour.

As the member for Port Stephens might recall, when she was a candidate for the seat of Port Stephens we met with a number of painters who were also very distressed about the fact that the Government removed the requirement for internal paintwork to be licensed at all. That decision was made after no consultation with the Master Painters Australia NSW Association Inc. I remember meeting with the Master Painters Association and many of its members in January 2015. They were not notified at all about the decision this Government made in January 2015. With the stroke of a pen the Baird Government exposed consumers to unregulated bricklaying, carpentry, decorating, plastering, excavation, fencing, concreting, joinery, metal fabrication, and kitchen, bathroom and laundry renovations—and the list goes on.

The effect was obvious: The number of instances of shoddy work blew out, with the Minister just one month later—right before the State election—rushing to assure consumers that, should they fall victim to a shonky operator, they should approach NSW Fair Trading to ensure that the operator was licensed. That was just one month after watering down those licensing requirements. A year later, we saw the bitter fruit of the Government's harvest: Fair Trading swamped with complaints and staff finding themselves unable to deal with the number of grievances in those areas.

We continue to see this lack of regard for industry stakeholders. Among the submissions to the 2013 Legislative Assembly Legal Affairs Committee inquiry into debt collection that supported the retention of a positive licensing scheme were submissions from the Australian Collectors and Debt Buyers Association; the Collection House, a publicly listed multinational debt collection agency; American Express; the Australian Creditors' Alliance; Legal Aid NSW; and the Financial Legal Rights Centre. I will quote Mr Alan Harries from the Australian Collectors and Debt Buyers Association. In his submission he wrote:

We believe there is still a requirement that when people knock on a door a debtor is entitled to understand who it is that is knocking on his door: is it a fit and proper person? For that reason, we think there should be positive licensing when you have a face-to-face dealing with debtors. That is about making sure that you look after the public interest. We all live in a home, we are all a little bit anxious when somebody knocks on the door after hours; we want to know what their bona fides are. That is the reason we are suggesting that field agents should be positively regulated.

He continued to stress the argument for differentiation between field agents and those who do not conduct debt recovery on a face-to-face basis:

For Collectors using technology to make collections demands, consumers/debtors have much more control over how they wish to manage the situation and can choose to negotiate or terminate the call, as they see fit; and

For Field Agents, a physical licence allows consumers/debtors to be confident they are dealing with someone authorised to make field calls, repossess goods and physically collect debts ...

There is clearly a distinction between the two. It has been clearly articulated by many members on this side of the House that face-to-face collection is a very different matter from receiving a call and so is the way that an individual can handle that matter. The arguments made by the industry in the submissions are strong; the

Government's arguments are simply not. Some of the arguments we have heard from across the Chamber are just ridiculous. I was listening to the member for Davidson earlier. He was a member of the committee that passed the recommendation that the positive licensing scheme should remain, and he then stood in this Chamber and said, "Well, we don't actually have to do that." It is absurd to be a member of the committee that passed that recommendation—and I think he must have had some role in preparing that report—and then stand in this Chamber and say we do not need to go ahead with one of the key recommendations. Why was he on that committee? Why did he prepare a report? Why did he even conduct an inquiry into debt collection in the first instance?

Another point the member for Davidson raised in this Chamber is that, effectively, there is a low number of complaints in relation to debt collectors. It is absurd to suggest that if there is a low number of complaints we should abolish an entire licensing system. Nor is the fact that there is a small number of face-to-face debt collectors an argument for deregulating that industry—that is absurd as well. A large number of people would be affected by such a change, and that should be at the front of the minds of everybody in this Chamber.

The current requirement for employers and employees of commercial service agencies to hold a positive licence is wholly appropriate. That is the point that the Opposition is making. We are not opposing this bill but we are seeking that a number of amendments be adopted. Amendments that clearly agree with the original committee's recommendations in relation to the positive licensing scheme should be ones that the Government would support, given it was a Government committee that set up and conducted that entire inquiry, interviewing many stakeholders, conducting its own research and coming up with what I thought were some sound recommendations.

The certificate III course will no longer be required, given that the positive licensing scheme will be abolished, which is indicative of what the Government did with painters in January 2015—initial training is now no longer required. It is again removing all these training requirements. Sadly, I was listening intently to the member for Davidson when he argued that the training is no longer necessary, is onerous and does not apply to current industry expectations or standards. One would have thought that there could perhaps have been some assistance in modifying these certificates and talking to the relevant training organisations as to what changes were required to better align the training with industry expectations and standards. I would not have thought that you would take away the requirement for training. I think that is absurd. It might be possible to entertain the abolition of the licensing scheme if the training was not an element of the licensing process, but in this instance the training must be undertaken. I quote from the NSW Police Force website on debt collection operator licences:

Operator licences are required for any person that engages in Commercial Agent and/or Private Inquiry Agent (CAPI) activities including Process Serving, Debt Collection, Repossession of Goods, Surveillance of Persons and Investigation of Persons.

It further states:

The holder of a Master licence for debt collection must produce documentary evidence of the debt, on being asked by a person from whom they are requesting, demanding or collecting money due under a debt.

This is critical. Without the need to, first, prove the debt or, second, operate under a licensed scheme, the potential for abuse is rife. Unregulated debt collectors could wander door-to-door—

TEMPORARY SPEAKER (Ms Anna Watson): The member's time has expired.

Ms TANIA MIHAILUK: I ask for an extension.

Mr Adam Marshall: Point of order: I do not believe that question can be put to the House after the member's time has expired.

Ms TANIA MIHAILUK: I did try to seek an extension of time.

TEMPORARY SPEAKER (Ms Anna Watson): By leave, the question is that the member's speaking time be extended.

[Extension of time]

Ms TANIA MIHAILUK: Unregulated debt collectors could wander door to door and make ambit claims for debts without an onus to prove the validity of that debt or even under what authority they make the claim. This goes to the heart of what Mr Harries said in his submission to the inquiry, that it is in the public interest for consumers to have some certainty about the process by which debts are recovered, and I reiterate that point. I again emphasise the fact that I find this whole process quite unnecessary. If the Government does not want to amend the bill in this House, I hope that some consideration is given to amending it in the upper House.

Perhaps the Government will listen to cross-parties there and other wiser counsel within the Liberal and National parties who might advise the Minister that this change in regard to a positive licensing scheme is perhaps

unwarranted, particularly in light of some of the things that the shadow Minister, the member for Heffron, and the member for Swansea have raised in relation to the concerns of the industry. I would have thought that, given the number of stakeholders—including Legal Aid and others—who have raised concerns about that particular licensing scheme being removed, it would be very important for this Government to support the amendment that we are proposing.

Ms KATE WASHINGTON (Port Stephens) (18:20): I make a contribution to debate on the Fair Trading Amendment (Commercial Agents) Bill 2016. With this bill we are seeing yet another cost-saving measure being introduced by this Government. Cost saving, of itself, of course is not a bad thing. However, when the cost saving has the potential to hurt vulnerable people when consumer protections are being eroded we should be questioning if it is a path we should be travelling down. This bill will see the transfer of responsibility for the regulation of commercial agents from the NSW Police Force to NSW Fair Trading. In itself, this is a positive step. Commercial agents are the people who enforce steps by making phone calls or by knocking on people's doors. They are the people who can repossess goods or serve court documents.

Essentially, a commercial agent's job is to recover money from people—people who find themselves in a situation where they cannot repay a debt or pay a fine, their school fees, their skyrocketing electricity bills or even their child maintenance. These people are often very vulnerable—I know because I have very many people in my community who find themselves in such a situation. I am reminded of a young woman I know who was injured through no fault of her own. She sustained physical injuries and the trauma of her experience meant she also suffered significant mental illness. She had a husband and young children. Understandably, she was not able to cope; she could no longer work or care for her children, and her husband had to leave his job to care for her and the family. They, like many of us, had a mortgage and other debts and their finances went pear-shaped very quickly. Their school fees could not be paid so they borrowed money to make sure their kids did not miss out and to maintain the appearance that they still had things under control.

Debts continued to accrue and a family that once had everything they could possibly want had nothing. They ended up with multiple debt collectors seeking to recover money from them over the phone and at their door. The young woman's health worsened because ultimately she could not leave her own home and she could not answer the door or the phone. This was a frightening and isolating experience for a young woman and a family and it is just one of many, many sad examples where a family's finances spiral out of control very quickly, often due to unforeseen and uncontrollable circumstances. If people in this scenario can overcome their shame and embarrassment and seek support they might then try to contact a financial counselling service. Unfortunately, even that service is so overstretched in my community it is difficult to obtain timely, or even any, advice.

In 2014 the Legislative Assembly Legal Affairs Committee conducted an inquiry into debt recovery in New South Wales. The committee identified delays and costs in the licensing system for commercial agents, particularly in light of the fact that 80 per cent of debt collectors' work is based out of call centres—that is, they are not collecting debts face-to-face—which means that 20 per cent of the work of debt collectors is face to face. That is an important point, and I will return to it shortly. The parliamentary committee—a bipartisan committee—recommended that a bizarrely named licensing scheme called a negative licensing scheme apply to commercial agents doing their work on phones, in order to reduce costs. A negative licensing scheme means, essentially, anyone can do the job: there are no licensing requirements and no checks to see whether or not, as the member for Heffron suggested, the debt collectors themselves have a criminal record. The only penalty for not doing the job properly is to be excluded from the industry.

For the 20 per cent of debt collection that is undertaken face to face—the people who knock on doors—the bipartisan parliamentary committee recommended that positive licensing schemes apply; that is, that there is an obligation for a debt collector to obtain and retain a licence to do the job. To obtain a licence a debt collector has to demonstrate their fitness to carry out the job, and I would think a fundamental requirement for that is to determine whether or not they have a criminal background themselves, as the member for Heffron so clearly pointed out. For no other reason than to save costs, this Government has rejected the recommendation of the bipartisan parliamentary committee: the Government has opted not to retain this fundamental consumer protection. Under this bill, in its current form, anyone can be a debt collector, whether they are debt collectors doing their work on the phones or debt collectors knocking on people's doors at nine o'clock at night. There is no obligation to obtain a licence and there is no obligation to demonstrate their fitness to collect a debt.

Groups who work regularly with people who find themselves with debts they cannot repay—such as Legal Aid, the Law Society of New South Wales and the Financial Rights Legal Centre—all have grave concerns about the deregulation of the debt collection industry and they have voiced those concerns to the Government. They are rightly concerned about the tactics employed to recover debts. When one considers that the debt collectors may feel their own roles to be at risk unless they are doing their job and recovering money, one can easily imagine that stressful situations could lead to harassment and mistreatment of already vulnerable people.

Why is the Government headed down this path? Because it will save money. There is no other driver than cost saving. In its current form this bill does not even reflect the bipartisan committee's recommendations. No-one could reasonably think that the unregulated debt collecting scenario being proposed by this Government is not fraught with danger.

The Opposition will be moving amendments to see that the important consumer protection is preserved; that is, that debt collectors who are knocking on people's doors are appropriately licensed and that they have demonstrated their fitness to do the job. Just because people have found themselves in a situation of financial hardship does not mean we should value them any less. Removing licensing requirements for debt collectors is a step too far. Saying that though, we should not be surprised; this is not the first time we have seen this Government either not understand or not care about the impact of its decisions on vulnerable people, such as with the complete privatisation of disability services that is currently underway. I urge the Government to seriously consider the amendments we will be moving in this House. The Government should be acting in the interests of the public and this bill does not currently meet that obligation.

Ms PRUE CAR (Londonderry) (18:27): I make a brief contribution to debate on the Fair Trading Amendment (Commercial Agents) Bill 2016. As the member for Londonderry I cannot stand by and let this piece of legislation pass this House without making a contribution on behalf of my communities, based on the feedback that I get from constituents within my electorate. The concept of debt collectors coming to people's doors without any licence and without any check—and based on feedback I get from residents in my communities on a range of issues—I find incomprehensible. Let me put it plainly: There are very many vulnerable people in many electorates across this State, mine included, who will be potentially completely victimised by this piece of legislation. While I was working away in my office this evening, I was listening to the always characteristically passionate contribution of the member for Heffron. Only he could put it this plainly: Organised crime will find its way through.

That is the potential repercussion of this legislation. As a local member I am inundated every day with stories from constituents who are in disastrous debt spirals. Allowing unlicensed debt collectors to approach those people in their homes will encourage even more people to fall into that downward spiral. I will provide the House with a hypothetical example of what happens to some of my constituents. An elderly female pensioner in Tregear is struggling to pay her electricity bill, which is not uncommon because of the rising cost of living in Sydney. A scammer comes to her door pretending to be a debt collector and she is mortified, so she pays the bill. However, the bill is still unpaid. As the member for Heffron said, the unlicensed debt collector could be a member of the Bandidos.

A middle-aged man in my electorate told me that he has cashed in his superannuation to buy a van in which to live. He has experienced one disaster after another and he is now homeless. I will deal with the reasons for that at another time, but they involve his inability to secure public housing. I challenge members not to cry when a constituent relates such a story. How many more people like that will we see if unlicensed debt collectors are allowed to come to the door to confront vulnerable people? Criminals will be able to knock on the door and extract money from the most vulnerable, downtrodden, and disadvantaged people in New South Wales. If that happens, it will be this Government's responsibility. People living in public housing who cannot pay overwhelming bills and who are confronted by scammers at their front door will pay up.

Like so many other things this Government does, this legislation will hurt the most vulnerable people in our community. I am talking about people with mental health issues and disabilities, and others who are struggling to keep their head above water. The most ludicrous aspect of this is debate is that a bipartisan committee recommended that negative licensing be allowed for telephone debt collection but that door-to-door debt collectors should still be licensed. Cutting red tape is one thing, but this is absolutely the wrong thing to do. I am proud that the Opposition, lead by shadow Minister Catley, will move amendments to this bill. This is the wrong thing to do for people in our community who cannot afford one more blow landed on them by this Government.

Mr STEPHEN KAMPER (Rockdale) (18:33): As the shadow Minister stated, the Opposition does not oppose the Fair Trading Amendment (Commercial Agents) Bill 2016, but it will move amendments to it. I have grave concerns about a negative licensing scheme for debt collectors. This legislation will open the door to undesirable operators in this industry. If this bill is passed unamended, a debt collector will simply require a business card and an Australian Business Number [ABN], which we all know are fairly easy to obtain. This is not the type of start-up business that our State needs, and we do not need to lower the barriers to entry into this industry.

Unfortunately, this legislation will result in the industry attracting operators who can scare people into paying a debt on the spot. People suffering real hardship could be confronted by hoods who scare the hell out of them. God knows what could happen. We must consider the potential result of the passage of this legislation. There will be an abundance of shady operators in the debt collecting industry, and the Government will have to

deal with that. Why get ourselves into this position? Why create a mess that will need to be tidied up? It will be like the Wild West. The typical debt collector will be six foot seven inches tall and as wide as a tank. Is that the type of person we want confronting people with overwhelming debt?

When I was in practice, my colleagues and I tried to divorce ourselves from debt collection by engaging organisations that took a much more clinical approach to our clients. However, when there is no prospect of future business with a debtor who has caused a great deal of frustration and wasted time, emotions run high. In that case, businesses become more willing to engage people who will work harder to collect the debt. However, having an appropriate licensing regime ensures that industry participants work within the rules. Without such a regime, we will not know how many people are working as debt collectors. The only way we will be able to establish who is debt collecting will be by examining the ABN register. We might be able to ascertain that "Wild West Collectors", or "Hard and Horrible Collectors" are debt collectors. As I said, we should not create a mess that we will have to tidy up in years to come. I urge the Government to consider the Opposition's amendments and to make the right decision.

Mr VICTOR DOMINELLO (Ryde—Minister for Innovation and Better Regulation) (18:38): In reply: As members have heard, the purpose of the Fair Trading Amendment (Commercial Agents) Bill 2016 is to repeal the Commercial Agents and Private Inquiry Agents Act 2004, and to provide for the transfer of responsibility for regulation of the activities undertaken by commercial agents in New South Wales to NSW Fair Trading. The reforms will introduce a less costly and burdensome regulatory regime for this occupation. I thank the members representing the electorates of Swansea, Davidson, Prospect, Granville, Ballina, Sydney, Wyong, Blue Mountains, Maitland, Summer Hill, Charlestown, Heffron, Bankstown, Port Stephens, Londonderry and Rockdale for their contributions to this debate.

Members have raised concerns, which I will address in reply. The first is in relation to potential organised criminal organisations coming into the debt collection industry. I understand that those opposite are coming from a good place when they raise these concerns but I clarify that members of bikie declared organisations will be specifically prohibited from being field agents. I draw those opposite to new section 60A (1) (f), which states:

A person is a *disqualified person* for the purposes of this Part if:

(f) the person is a controlled member of a declared organisation—

I will put in brackets "including any bikie organisation that has been declared"—

—within the meaning of the *Crimes (Criminal Organisations Control) Act 2012*.

A breach of this section carries a maximum 12 months in prison and up to 200 penalty units. Regardless of licensing, intimidation, threatening behaviour, violence or damage to property are fully covered by the Crimes Act and the NSW Police Force has full jurisdiction to find and prosecute those individuals. Whether licensed or not, any behaviour that is intimidatory or threatening also would constitute a breach of the Australian Consumer Law, the National Consumer Protection Act 2009, the Australian Securities and Investment Commission Act 2001, the code of conduct that will apply to commercial agents regulated under the bill and the various codes of conduct that apply to utility providers, such as those found under the Telecommunications Industry Ombudsman legislation.

Another issue relates to the proof of identity for field agents. The member for Prospect raised this as an issue, and I will address it. The bill allows the regulations to prescribe rules of conduct for commercial agents, including prohibiting certain practices. Commercial agents must comply with any rules of conduct and each director of a corporation must take all reasonable steps to ensure that the corporation complies with the rules. Harsh penalties apply for non-compliance. Following discussions with the Christian Democratic Party in relation to field agents, the Government has agreed to include within the rules of conduct a specific provision which would require field agents to present photographic proof of identification to debtors who are subject to approach from a field agent. This is a sensible suggestion by the Christian Democratic Party and will add another layer of protection.

The member for Ballina raised the issue of a public register. Section 60D (3) of the Act provides that the secretary has the power to publish the names of individuals who are the subject of an exclusion order. The Government will regularly publish the names of individuals who are subject to an exclusion order on the Fair Trading website to ensure that consumers are aware of those individuals who are excluded from operating as commercial agents under the Act. An issue raised during the debate was whether field agents could visit one's place of business. Under the national code of conduct for debt collectors issued by the Australian Securities and Investment Commission [ASIC] and the Australian Competition and Consumer Commission [ACCC], field agents cannot attend one's place of business at any time for the purpose of collecting a debt. I thank members who have made a contribution to the debate. I understand their concerns and trust that they have been addressed in the bill. There is also a series of regulatory protections that are afforded under the national framework that provide

another layer of protection in relation to field agents. I commend the Fair Trading Amendment (Commercial Agents) Bill 2016 to the House.

The ASSISTANT SPEAKER: The question is that this bill be now read a second time.

Motion agreed to.

Consideration in detail requested by Ms Yasmin Catley.

Consideration in Detail

The ASSISTANT SPEAKER: By leave: I will propose the bill in groups of clauses and schedules. The question is that clauses 1 and 2 be agreed to.

Clauses 1 and 2 agreed to.

Ms YASMIN CATLEY (Swansea) (18:45): I move Opposition amendment No. 1 on sheet C2016-073:

No. 1 **Retention of positive licensing scheme**

Page 2, section 3, lines 6–12. Omit all words on those lines. Insert instead:

3 Amendment of Commercial Agents and Private Inquiry Agents Act 2004

(1) Section 4 Definitions

Omit the definition of *Commissioner* from section 4 (1). Insert instead:

Commissioner means:

- (a) the Commissioner for Fair Trading, Department of Finance, Services and Innovation, or
- (b) if there is no person employed as Commissioner for Fair Trading—the Secretary of the Department of Finance, Services and Innovation.

(2) Section 4A

Insert after section 4:

4A Act does not apply to remote commercial agent activities

Despite any other provision of this Act, this Act does not apply to a commercial agent activity if that activity is carried out remotely such as by way of mail, telephone, email or internet.

This is the first of two amendments that the Opposition will be proposing that will retain a positive licensing scheme for debt collectors, process servers and repossession agents who deal face to face with the community. The moving of this amendment gives the Opposition no pleasure, but the advice from the Parliamentary Counsel office is that, given the short time frame and the rushed way in which the Government is approaching the bill, it is the only way to provide certain protections and adequate regulation around what is an emotive, contentious and potentially dangerous situation in which members of the community, many being from the most vulnerable parts of our community, will find themselves.

I ask members to picture a single mother who has, for some reason, got behind in repayments—a lot of them. At any time of the day up to nine o'clock in the evening, there could be a knock on her door and she could be faced with someone—most likely a male, probably of a much larger frame—who purports to be from a debt collection agency. Where is his identification and licence? How can he be traced? What surety is there that the debt collector is a fit and proper person? Under the Government's bill, there is none. The only protection, if we can call it that, is that if something does go wrong that person and/or their organisation can be prevented from practising again.

The Opposition is moving this amendment in order to retain the licensing scheme under the current Act. The Government has not left the House with many options. This amendment omits new section 3 on page 2 of the bill, which deals with the repeal of the Commercial Agents and Private Inquiry Agents Act 2004 and the regulations under that Act. If the Government were serious, if it were genuine in its zeal for red tape reduction, if it were concerned about striking the right balance between efficiency and fairness, as sought by the Legal Affairs Committee in its 2014 report, it would return to the 2014 report and present a revised bill that enabled the repeal of the existing legislation by adopting a hybrid system that recognises the need for effective regulation without recklessly ripping out fairness and protections for members of our community. This amendment stops the repeal of the current Act and redefines the term "Commissioner" as set out in section 4 of the Act. The amendment omits the current definition of the "Commissioner" as the "Commissioner of Police" and inserts instead that "Commissioner" means:

- (a) the Commissioner for Fair Trading, Department of Finance, Services and Innovation, or
- (b) if there is no person employed as Commissioner for Fair Trading—the Secretary of the Department of Finance, Services and Innovation. Amendment No. 1 adds a new section. New section 4A follows on from section 4. New section 4A ensures the Commercial Agents and Private Inquiry Agents Act does not apply to remote commercial agents, which is debt collectors, process servers and repossession agents that do not engage in face-to-face activities. This will ensure that 75 per cent of the agency can be regulated in accordance with the bill before the House.

Mr VICTOR DOMINELLO (Ryde—Minister for Innovation and Better Regulation) (18:50):
I will put the position of the Government relating to all amendments in globo.

The ASSISTANT SPEAKER: The question is that Opposition amendment No. 1 on sheet C2016-073 be agreed to.

The House divided.

Ayes32
Noes47
Majority.....15

AYES

Aitchison, Ms J
Car, Ms P
Crakanthorp, Mr T
Doyle, Ms T
Greenwich, Mr A
Haylen, Ms J
Lalich, Mr N (teller)
Mehan, Mr D
Park, Mr R
Robertson, Mr J
Washington, Ms K

Atalla, Mr E
Catley, Ms Y
Daley, Mr M
Finn, Ms J
Harris, Mr D
Hornery, Ms S
Lynch, Mr P
Mihailuk, Ms T
Parker, Mr J
Smith, Ms T
Watson, Ms A

Barr, Mr C
Chanthivong, Mr A
Dib, Mr J
Foley, Mr L
Harrison, Ms J
Kamper, Mr S
McKay, Ms J
Minns, Mr C
Piper, Mr G
Warren, Mr G (teller)

NOES

Anderson, Mr K
Baird, Mr M
Bromhead, Mr S (teller)
Coure, Mr M
Elliott, Mr D
Gibbons, Ms M
Hazzard, Mr B
Humphries, Mr K
Lee, Dr G
Notley-Smith, Mr B
Pavey, Ms M
Piccoli, Mr A
Rowell, Mr J
Stokes, Mr R
Tudehope, Mr D
Williams, Mr R

Aplin, Mr G
Barilaro, Mr J
Conolly, Mr K
Crouch, Mr A
Evans, Mr L
Goward, Ms P
Henskens, Mr A
Johnsen, Mr M
Maguire, Mr D
O'Dea, Mr J
Perrottet, Mr D
Provest, Mr G
Skinner, Ms J
Taylor, Mr M
Upton, Ms G
Williams, Ms L

Ayres, Mr S
Berejiklian, Ms G
Constance, Mr A
Dominello, Mr V
George, Mr T
Gulaptis, Mr C
Hodgkinson, Ms K
Kean, Mr M
Marshall, Mr A
Patterson, Mr C (teller)
Petinos, Ms E
Roberts, Mr A
Speakman, Mr M
Toole, Mr P
Ward, Mr G

PAIRS

Hoenig, Mr R
Smith, Ms K
Zangari, Mr G

Hancock, Ms S
Grant, Mr T
Sidoti, Mr J

Amendment negatived.

The ASSISTANT SPEAKER: The question is that clause 3 be agreed to.

Clause 3 agreed to.

Ms YASMIN CATLEY (Swansea) (18:57): I move Opposition amendment No. 2 on sheet C2016-073:

No. 2 **Retention of positive licensing scheme**

Page 3, Schedule 1 [1], Insert after line 4:

59 Application of Part

This Part does not apply to a commercial agent activity for which a licence is required under the *Commercial Agents and Private Inquiry Agents Act 2004*.

Note. This Part therefore regulates commercial agent activities that are carried out remotely such as by way of mail, telephone, email or internet.

The second amendment follows on from the first. We must ensure that remote commercial agent activity is not affected by the retention of the Commercial Agents and Private Inquiry Agents Act 2004. It does so by inserting a new section 59 into the Act, which states:

This Part does not apply to a commercial agent activity for which a licence is required under the Commercial Agents and Private Inquiry Agents Act 2004.

This ensures that the new bill will apply to remote commercial agents, but not to face-to-face debt collectors, process servers and repossession agents, which will remain licensed under the provision of the retained Act. As the Opposition maintains, the Government has presented a completely unsatisfactory bill to the House.

The ASSISTANT SPEAKER: Order! I remind members of Standing Order 52. The member for Swansea should be heard in silence.

Ms YASMIN CATLEY: It fails to meet the commonsense test, the pub test and any test that measures decency and balance. Why did the Government ignore a critical part of the Legal Affairs Committee? I note that one of its members is the member for Hawkesbury, who obviously contributed to the sage recommendations of this report. He is looking to jump from the sinking SS Mike Baird.

When the Government ignores sensible, balanced reports such as the one proposed it is no wonder members are looking to bail. Retention of a positive licensing scheme is critical. If the Government refuses to support these amendments the Opposition will have no choice but to oppose this bill in its totality. The only advice I can give the Government is to go back to the drawing board and give effect to the bipartisan recommendations of the legal affairs committee. The price for the vulnerable is too high.

The ASSISTANT SPEAKER: The question is that Opposition amendment No. 2 on sheet C2016-073 be agreed to.

The House divided.

Ayes32

Noes47

Majority..... 15

AYES

Aitchison, Ms J
Car, Ms P
Crakanthorp, Mr T
Doyle, Ms T
Greenwich, Mr A
Haylen, Ms J
Lalich, Mr N (teller)
Mehan, Mr D
Park, Mr R
Robertson, Mr J
Washington, Ms K

Atalla, Mr E
Catley, Ms Y
Daley, Mr M
Finn, Ms J
Harris, Mr D
Hornery, Ms S
Lynch, Mr P
Mihailuk, Ms T
Parker, Mr J
Smith, Ms T
Watson, Ms A

Barr, Mr C
Chanthivong, Mr A
Dib, Mr J
Foley, Mr L
Harrison, Ms J
Kamper, Mr S
McKay, Ms J
Minns, Mr C
Piper, Mr G
Warren, Mr G (teller)

NOES

Anderson, Mr K
Baird, Mr M
Bromhead, Mr S (teller)
Coure, Mr M
Elliott, Mr D

Aplin, Mr G
Barilaro, Mr J
Conolly, Mr K
Crouch, Mr A
Evans, Mr L

Ayres, Mr S
Berejiklian, Ms G
Constance, Mr A
Dominello, Mr V
George, Mr T

NOES

Gibbons, Ms M
Hazzard, Mr B
Humphries, Mr K
Lee, Dr G
Notley-Smith, Mr B
Pavey, Ms M
Piccoli, Mr A
Rowell, Mr J
Stokes, Mr R
Tudehope, Mr D
Williams, Mr R

Goward, Ms P
Henskens, Mr A
Johnsen, Mr M
Maguire, Mr D
O'Dea, Mr J
Perrottet, Mr D
Provest, Mr G
Skinner, Ms J
Taylor, Mr M
Upton, Ms G
Williams, Ms L

Gulaptis, Mr C
Hodgkinson, Ms K
Kean, Mr M
Marshall, Mr A
Patterson, Mr C (teller)
Petinos, Ms E
Roberts, Mr A
Speakman, Mr M
Toole, Mr P
Ward, Mr G

PAIRS

Hoenig, Mr R
Smith, Ms K
Zangari, Mr G

Sidoti, Mr J
Hancock, Ms S
Grant, Mr T

Amendment negatived.

Ms YASMIN CATLEY (Swansea) (19:05): I move Opposition amendment No. 3 on sheet C2016-073:

No. 3 **Review of negative licensing scheme**

Page 6, Schedule 1 [1]. Insert after line 24:

60G Review of Part

- (1) The Minister is to review this part to determine whether the policy objectives of the part remain valid and whether the terms of the Part remain appropriate for securing those objectives.
- (2) The review is to be undertaken as soon as possible after the period of 2 years from the commencement of this part.
- (3) A report on the outcome of the review is to be tabled in each House of Parliament within 12 months after the end of the period of 2 years.

The final amendment to be moved by the Opposition requires a review of the impacts and effectiveness of the negative licensing scheme. The negative licensing scheme removes up-front licensing requirements for those individuals and organisations that do not engage in face-to-face contact with debtors. Whilst much of the potential danger is removed when one communicates via phone, email or letter, there are still considerations around the manner in which such communication is undertaken. Many complaints and media stories concerning less scrupulous commercial agents do involve the behaviour and actions of remote commercial agents. Parliament must be vigilant when it adopts innovative ways to regulate commercial activity. The nature of debt collection includes serving notices and the repossession of personal property. This amendment proposes a review of the negative licensing scheme by inserting a new section 60G in schedule 1 to the bill.

The amendment requires, first, the Minister is to review this part to determine whether the policy objectives of the part remain valid and whether the terms of the part remain appropriate for securing these objectives; secondly, the review is to be undertaken as soon as possible after the period of two years from the commencement of this part; and, thirdly, a report on the outcome of the review is to be tabled in each House of Parliament within 12 months after the end of the two-year period. Regardless of the fate of the first two amendments, this is a vital amendment. If members are to contemplate the deregulation of debt collectors, repossession and other commercial agents the effectiveness and fairness of the scheme must be assessed as to whether it still meets the objectives of the Act. If this House agrees to introduce a wholly negative licensing scheme a review will be even more important.

Mr VICTOR DOMINELLO (Ryde—Minister for Innovation and Better Regulation) (19:07): The Government opposes the amendment. Those opposite have raised a number of issues with regard to criminal organisations in the debt collection industry. I draw attention to the Crimes (Criminal Organisations Control) Act and the fact that declared bikie gangs are specifically disqualified from licensing under this bill. Any suggestion that they would be licensed as field agents is erroneous. I draw Opposition members' attention to new section 60A (1) (f), which states:

(1) A person is a disqualified person for the purposes of this part if:

...

- (f) the person is a controlled member of a declared organisation within the meaning of the Crimes (Criminal Organisations Control) Act 2012. A breach of this section carries a maximum sentence of 12 months in prison and up to 200 penalty units. These strident penalties would apply in the event of a breach of these provisions. Furthermore, in the event that somebody, whether licensed or not, engages in intimidatory or threatening behaviour, violence, or damage to property they will be dealt with under the Crimes Act. The police have jurisdiction to prosecute. There are added protections in the Federal jurisdiction, including the Australian Consumer Law, the National Consumer Credit Protection Act 2009, and the Australian Securities and Investments Commission Act 2001. The code of conduct that will apply to commercial agents regulated under this bill will set a framework. There are also various codes of conduct that apply to utility providers, such as those found under the Telecommunications Industry Ombudsman. In conclusion, the Government will no doubt consider the amendments more fully in the upper House, when there will be further debate on them.

Ms YASMIN CATLEY (Swansea) (19:09): I thank the Minister for Innovation and Better Regulation for his response, although I am disappointed that it was not related to the amendments, which was rather odd. I think it is most remiss of the Government not to recognise the importance of licensing for this group of people, which it has identified will number 200 to 300. The legislation allows for a person who comes to someone's door to have no licence or identification. That is not the way our community works; it is not what people expect in our community. The Minister says that the legislation will cut red tape and reduce costs. The Government has been telling us about cost-cutting for a while now but the Auditor-General says that the Government has increased costs by \$16 million.

The ASSISTANT SPEAKER: The question is that Opposition amendment No. 3 on sheet C2016-073 be agreed to.

The House divided.

Ayes32

Noes47

Majority..... 15

AYES

Aitchison, Ms J
Car, Ms P
Crakanthorp, Mr T
Doyle, Ms T
Greenwich, Mr A
Haylen, Ms J
Lalich, Mr N (teller)
Mehan, Mr D
Park, Mr R
Robertson, Mr J
Washington, Ms K

Atalla, Mr E
Catley, Ms Y
Daley, Mr M
Finn, Ms J
Harris, Mr D
Hornery, Ms S
Lynch, Mr P
Mihailuk, Ms T
Parker, Mr J
Smith, Ms T
Watson, Ms A

Barr, Mr C
Chanthivong, Mr A
Dib, Mr J
Foley, Mr L
Harrison, Ms J
Kamper, Mr S
McKay, Ms J
Minns, Mr C
Piper, Mr G
Warren, Mr G (teller)

NOES

Anderson, Mr K
Baird, Mr M
Bromhead, Mr S (teller)
Coure, Mr M
Elliott, Mr D
Gibbons, Ms M
Hazzard, Mr B
Humphries, Mr K
Lee, Dr G
Notley-Smith, Mr B
Pavey, Ms M
Piccoli, Mr A
Rowell, Mr J
Tookes, Mr R
Tudehope, Mr D

Aplin, Mr G
Barilaro, Mr J
Conolly, Mr K
Crouch, Mr A
Evans, Mr L
Goward, Ms P
Henskens, Mr A
Johnsen, Mr M
Maguire, Mr D
O'Dea, Mr J
Perrottet, Mr D
Provest, Mr G
Skinner, Ms J
Taylor, Mr M
Upton, Ms G

Ayres, Mr S
Berejiklian, Ms G
Constance, Mr A
Dominello, Mr V
George, Mr T
Gulaptis, Mr C
Hodgkinson, Ms K
Kean, Mr M
Marshall, Mr A
Patterson, Mr C (teller)
Petinos, Ms E
Roberts, Mr A
Speakman, Mr M
Toole, Mr P
Ward, Mr G

NOES

Williams, Mr R

Williams, Ms L

PAIRS

McDermott, Dr H
Smith, Ms K
Zangari, Mr G

Grant, Mr T
Hancock, Ms S
Sidoti, Mr J

Amendment negatived.**The ASSISTANT SPEAKER:** The question is that schedules 1 and 2 be agreed to.**Schedules 1 and 2 agreed to.****Third Reading****Mr VICTOR DOMINELLO:** I move:

That this bill be now read a third time.

The House divided.

Ayes47
Noes32
Majority..... 15

AYES

Anderson, Mr K
Baird, Mr M
Bromhead, Mr S (teller)
Coure, Mr M
Elliott, Mr D
Gibbons, Ms M
Hazzard, Mr B
Humphries, Mr K
Lee, Dr G
Notley-Smith, Mr B
Pavey, Ms M
Piccoli, Mr A
Rowell, Mr J
Stokes, Mr R
Tudehope, Mr D
Williams, Mr R

Aplin, Mr G
Barilaro, Mr J
Conolly, Mr K
Crouch, Mr A
Evans, Mr L
Goward, Ms P
Henskens, Mr A
Johnsen, Mr M
Maguire, Mr D
O'Dea, Mr J
Perrottet, Mr D
Provest, Mr G
Skinner, Ms J
Taylor, Mr M
Upton, Ms G
Williams, Ms L

Ayres, Mr S
Berejiklian, Ms G
Constance, Mr A
Dominello, Mr V
George, Mr T
Gulaptis, Mr C
Hodgkinson, Ms K
Kean, Mr M
Marshall, Mr A
Patterson, Mr C (teller)
Petinos, Ms E
Roberts, Mr A
Speakman, Mr M
Toole, Mr P
Ward, Mr G

NOES

Aitchison, Ms J
Car, Ms P
Crakanthorp, Mr T
Doyle, Ms T
Greenwich, Mr A
Haylen, Ms J
Lalich, Mr N (teller)
Mehan, Mr D
Park, Mr R
Robertson, Mr J
Washington, Ms K

Atalla, Mr E
Catley, Ms Y
Daley, Mr M
Finn, Ms J
Harris, Mr D
Hornery, Ms S
Lynch, Mr P
Mihailuk, Ms T
Parker, Mr J
Smith, Ms T
Watson, Ms A

Barr, Mr C
Chanthivong, Mr A
Dib, Mr J
Foley, Mr L
Harrison, Ms J
Kamper, Mr S
McKay, Ms J
Minns, Mr C
Piper, Mr G
Warren, Mr G (teller)

PAIRS

Grant, Mr T
Hancock, Ms S
Sidoti, Mr J

Hoenig, Mr R
Smith, Ms K
Zangari, Mr G

Motion agreed to.**CRIMINAL PROCEDURE AMENDMENT (SUMMARY PROCEEDINGS FOR INDICTABLE OFFENCES) BILL 2016****Returned**

The ASSISTANT SPEAKER: I report receipt of a message from the Legislative Council returning the abovementioned bill without amendment.

*Business of the House***SUSPENSION OF STANDING AND SESSIONAL ORDERS: ORDER OF BUSINESS**

Mr ANTHONY ROBERTS: I move:

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

- (1) Not call on private members' statements.
- (2) Permit the House to sit past 10.00 p.m.

Motion agreed to.*Bills***LAND AND PROPERTY INFORMATION NSW (AUTHORISED TRANSACTION) BILL 2016****Second Reading****Debate resumed from 13 September 2016.**

Mr CLAYTON BARR (Cessnock) (19:18): I lead for the Opposition in debate on the Land and Property Information NSW (Authorised Transaction) Bill 2016. I note from the outset that the New South Wales Labor Party will oppose the bill and I note, for the information of members, that my contribution will be lengthy—and quite timely. I appreciate that members might want to grab something to eat, and I encourage them to do that. In keeping with the importance and significance of this topic, I feel it is only right that I offer my full and undivided attention to the matter at hand.

It is difficult to know where to start in this debate. I begin by offering a fundamental explanation of the matter at hand. I will use an analogy to explain. All things about Land and Property Information [LPI], such as titling and registry, valuation services and spatial data, are complex. The scenario that I present is this: Imagine you go to the airport to fly to a dream destination. When you arrive at the airport you are offered two distinctly different planes. The first plane is offered as a government service, with all profits going to society. The servicing and maintenance are guaranteed and are carried out regularly. There is an absolute guarantee of your safety and your seat on that plane. That is your first option.

The second option is a privately owned plane. There are no requirements for servicing and maintenance to be undertaken. Given that it is a cost that eats into the profits, it is undesirable to spend money on maintenance. There are very few staff on hand to assist you, as staffing has an impact on profits. Your seat is not guaranteed, despite the fact that you purchased it. You are also encouraged—possibly even forced—to take out personal insurance in case you do not reach your destination. The question I pose to members is this: Which of those two aeroplanes are you getting on? To me, the answer is obvious. The first plane, the current model, is the one that we offer in Titling and Registry Services in New South Wales today, that we have offered for the past 150 years and that we can offer into the future. With this bill, the Government is choosing the second plane as the only plane on offer to customers of Titling and Registry Services in future.

I pay tribute to the former Senior Conversion Officer, Training Officer and Plan and Title Adviser of the NSW Land Titles Office, Mr Ian McCormack, for that aeroplane analogy. Mr McCormack gave almost 50 years of his life to land titling and registration. He worked for the broader public good. He took pride in his work, knowing that he was making a massive difference to society. He was not driven by profit; nor was the government business that he worked for. To return to his aeroplane analogy, Mr McCormack and the LPI were an airline service that was a world leader in efficiency, cost per service, reliability and delivery. Customer satisfaction was

all but guaranteed at almost 100 per cent. Operators from other countries have travelled to New South Wales to see how our LPI system works. Aeroplane number two is not what this State needs, not what the people of New South Wales need and, ultimately, not what the wider population wants.

The bill before the House is a bill to privatise the titling and registry services of the land and property information entity of New South Wales. From the start, some people will be asking, "What is Land and Property Information?" They might also ask, "What are titling and registry services?" Many people in New South Wales have a vague concept or absolutely no concept of those entities. It is a fact that the titling and registration of land is fundamental to any civilised society anywhere in the world. How important is it? One may well ask. I offer this fact. Anywhere in the world, since the titling and registration of land began, in times of war the invading force has typically sought out the land and title registry as a means of ransom and control of the land it has invaded. For instance, when the British Army went into Basra in southern Iraq in 2003 the first building that it took was the land registry.

Titling and registry is used to establish and define ownership. Ownership and land title is used to underpin our financial institutions, their investments, their activities, their risk and their reliability. Title defines property assets. Title defines ownership and rights. Title is fundamental to our rule of law. The registration and title of property is our Australian dream. This dream is known to us by another turn of phrase. We more commonly refer to the Australian dream as the chance to own your own home. The idea that you own your own home relies on the registration of title. If the title is not registered in your name or is not registered accurately then you do not own anything. Much is made in this Parliament of housing affordability and unaffordability, but that debate is pointless if we are unable to define registration and title for proof of ownership. If we cannot have a reliable titling and registry service then why would we in this place pretend to care about affordability? Unreliable title makes owning your own home a myth, not a reality.

For those lucky enough to enter the housing market, it is likely to be the biggest investment of their life. One would hope that the only risk to ownership would be in a person's own hands, in their ability to repay the mortgage. But what if the title of the property the person purchased, the title that is intended to prove their ownership, were itself faulty and worthless due to the failure of the registration and titling services of the State, and through no fault of their own a person lost their home? What position would a financial institution take in deciding whether to lend a person money if they thought that there were now two risks of loss: one being the possible failure to pay back the money and the second, a new risk, being a failure of title? What would that new risk mean to businesses, property owners, governments and investors across the State? What would it mean to people interstate and internationally who invest in New South Wales?

I cannot overemphasise the importance of integrity and accuracy in our land title and registry services in New South Wales. Every piece of land, every boundary, every easement, every commercial property, every title, every plan and every strata needs to be registered by the Titling and Registry Services of LPI. This bill creates—unnecessarily, I might add—a fork in the road for the people of New South Wales. The path chosen on this night, in this Chamber, is irreversible. Down one road is a proven, reliable world leader, trusted and guaranteed. The other is uncertain. Given the amending provisions in this bill, it seems expected to fail. It is likely to expose the people of New South Wales to additional risk and additional fees and charges. It will be driven by profit, not the broader good that people like Ian McCormack spent 50 years of their lives working towards.

With that in mind, why would we possibly be considering the other path through this bill? The answer is quite simple. It is a short-term injection of money into the State's coffers at the expense of the longer-term impacts on everyone. I am reminded of the 1993 movie *Indecent Proposal* starring Woody Harrelson, Demi Moore and Robert Redford. In that movie, a multimillionaire, who is played by Robert Redford, offers a struggling young couple \$1 million if he can sleep with the man's wife for one night. But this bill is not about making that offer. This Parliament is not the Robert Redford character in this case. This bill is about accepting the offer. It is a perverse, desperate and irreconcilable bill that has no conscience, and guarantees unthinkable potential for regret that will be played out and paid for for decades to come.

With that in mind, what is the right price for which to sell out the structural foundation of our society in New South Wales? In the current context I do not think the price is even relevant. I do not think it would matter what was offered to this Government. Whatever was offered would be accepted, regardless. Recent history has shown that this Government is hell-bent on a fire sale of every State asset. It is racking up the credit card. It is signing off on generations of debt. It is simply incapable of constraining its addiction to sugar hits of cash. As this bill proves, there is nothing—literally nothing—that is not for sale in the State of New South Wales.

It is estimated that privatisation of the Titling and Registry Services of Land and Property Information will bring approximately \$1 billion to the New South Wales Government. At that price, I offer this suggestion: It is a steal. Even at \$2 billion, it is a steal. The business of titling and registry services is an absolute monopoly in New South Wales. There is no option for a customer and there is no other store or different provider or competitive

alternative to it. Titling and registry services offered by LPI in New South Wales is an absolute monopoly. Until 1 July 2016 LPI was broken into three distinct units: Firstly, titling and registry services; secondly, valuation services; and, thirdly, surveying, mapping and spatial information and related services.

In the most recent Office of Finance, Services and Innovation's annual report—the 2014-15 report; the 2015-16 report is yet to be published—the revenue generated from those three different LPI units was as follows: Titling and Registry Services revenue was reported at \$183,216,000; Valuation Services revenue was reported at \$21,224,000; and, finally, surveying, mapping and spatial information and related services revenue was reported at \$3,394,000. The total income from those three business units was just short of \$208 million during that single financial year. Expenses for each of those business units are far less clearly spelt out. Despite a number of questions being placed on notice for the Minister and the department by me, to date they have refused to respond with any detail, claiming falsely, or naively, that the detail is in the annual report.

Time and again I have read the annual report and the detail is not in there. That tells me that the person preparing the answer for the Minister either is poorly informed or is knowingly misleading me. What is the secret? Why am I not allowed to know what the expenses and costs are of running those three particular business units? Apparently I am allowed to know what the income is but I am not allowed to know what the expenses are. The reason I asked for that information is clear, obvious and simple. I just want to know how profitable the single entity known as Titling and Registry Services is. When we understand how profitable that business entity is, we will have a better sense of the value of that business entity. But what the annual report does tell us is that the ultimate return to the Crown after collating those three businesses and subtracting the single line item operating costs of those three businesses—not broken down into three different businesses but just a single line item—was \$68,841,000.

We can deduce from that that the operating costs of those three business units within LPI was some \$140 million for that particular year. If revenue is \$208 million and \$68 million is returned to the Crown, the gap in the middle is \$140 million. I emphasise that the Government has been asked for detail in relation to these matters, but refused to provide it. For the sake of members and *Hansard* enthusiasts, I refer to my question on notice No. 3353. I asked for that information. Let us suppose that the three business units cost approximately the same to run for each financial year, which is arrived at by dividing \$140 million by three units. I realise that is a crude assumption. I appreciate that entirely, but the Government has left me with no other option. Based on that rough assessment, let us assume that Titling and Registry Services costs \$47 million a year, Valuation Services costs \$47 million a year, and the surveying, mapping and spatial information services costs approximately \$47 million for the year.

Let us cast our minds back to the revenue generated by Titling and Registry Services, which was a little more than also \$183 million for the year. From that figure let us deduct \$47 million that I suggest, based on crude deduction, was the running cost. We are left with a roughly calculated profit of \$136 million per annum from Titling and Registry Services. We now get to a sense of the value. We now may understand why I said that \$1 billion for this business would be an absolute steal. Indeed, at \$2 billion, if I could raise the capital, I would buy it. But I will not buy it because I do not have that kind of cash. The Government will use the word "concession" because it knows that the word "privatise" or "sale" would be unpalatable to the community. The Government's using the word "concession" highlights the trickery and treachery. It underscores the Government's treatment of the wider community as a bunch of dummies. It brings into plain sight for all to see how embarrassed the Government is by its own philosophy and ideology and brings into focus the fact that the Government would be unelectable if it was honest.

This Government should be condemned for its secrecy, arrogance and self-humiliation. I will concentrate on that secrecy just for a second or two. The sale of parts or all of Land and Property Information was not an unknown option for this Government. In 2012 the then Treasurer and now Premier floated the idea. The first scoping study was undertaken in 2013. It is likely that only the change of leadership, and all of the ICAC hoo-ha that happened during 2014, prevented the sale of LPI during that previous term. It needs to be noted that the 2013 scoping study was never released or made available to the public for scrutiny. Insiders and media types suggest that that 2013 scoping study recommended against privatisation, but we will never know.

In any case I call on Treasurer Berejiklian, who introduced this bill, or Finance, Services and Property Minister Perrotet to table the 2013 scoping study today. Let us face it, a debate in this Chamber should be embarked upon with full knowledge. This is a generally applicable logic that becomes all the more important when the stakes are as high as they are today with this bill. As the two Ministers, the Premier and the rest of the Cabinet, and probably the entire Coalition joint party room know full well, today's debate will not be conducted with full knowledge of and access to all of those documents because the 2013 scoping study was not the only scoping study; it was the first of two.

The second scoping study was undertaken during 2015 and, again, that scoping study is not available for public scrutiny or comment. Yet the Treasurer, in her second reading speech and her public comments made through the media in her media releases, has claimed that the second scoping study clearly highlights the case for the privatisation of Titling and Registry Services. I say to the Treasurer: If the case for privatisation is so compelling, conclusive and irrefutable then table the scoping study. Let us all look at this irrefutable evidence. Publish the document for the sake of public discourse, transparency, scrutiny and review. But the Treasurer will not do that. I know that and everyone in this room, watching on their screens upstairs or reading *Hansard* knows that that will not happen.

The secrecy that is demonstrated is embarrassing. Quite frankly, the people of New South Wales are sick of it. Members of the Government have seen the polls which highlight their plummeting popularity and electability. Those who are sitting opposite me now mock my contribution while knowing that the polls are suggesting that they are in dire straits. They might consider that it is the greyhound issue, the council amalgamations, the wider sell-off of public assets or some other single policy idea that has caused the public to turn. But it is both none and all of those things. It is a case of Schrödinger's cat. Those opposite are politically alive and dead.

Most importantly for the Government, public opinion has turned because people no longer trust it. To underscore that lack of trust, in this debate today the Government has refused to release the scoping studies which it says so profoundly support its position of privatisation. The Government has bloodied its nose with its own flapping gums. We are debating the most fundamental element of our society—as fundamental to our society as carbon is to our universe—and the Government still refuses to release those details, that information and those studies. I ask the Government to release the scoping studies right now. Let us suspend the debate and take heed of those studies, paid for by the taxpayers of New South Wales at a cost presumed to be in the millions of dollars. Let us take heed of those studies in the public domain of this debate, but the Government will not do that.

I will continue to attempt to deconstruct the secrecy without actually having access to the information that the Government has. I refer to when the Government first started talking about this sale and the time line that ensued. Privatisation was first on the cards in 2012, a scoping study was undertaken in 2013 and even early in 2014 this privatisation model was mentioned in the media by then Treasurer, now Premier, Mr Mike Baird. However, late in 2014, after a change of Premier, and early in 2015 no mention was made of this intention to privatise property and title. One must wonder what happened late in 2014 and early in 2015 to cause such silence.

I remind people that the most recent State election was held in March 2015. The Government went to the people with a policy to privatise the poles and wires of New South Wales and undoubtedly with a concern that the privatisation of property and title might have been just a little too much to risk at the time. Everything went very, very quiet for months after the March 2015 election. During April, May, June and July the silence continued. But as early as August, September and October 2015 the rumblings about privatisation were heard once more. With the knowledge that the voters of New South Wales would not be able to cast the Liberal-Nationals Government out for at least the next 3½ or more years, the conversation turned back to privatisation of property titling and registry services.

The truth is that this Government was well aware at the time of the 2015 election that it intended to sell parts of the LPI but it chose not to reveal that to the public; it chose to go silent on it. This is what is behind the changing public support for this Government across New South Wales. It is a question of trust. Can we trust the Government? If it had gone to the election and openly stated and identified that it was going to privatise LPI it might be able to claim some of that trust. But the Government spent two years talking about its privatisation, then went silent about it for the election and six months later it talked about it again. The Government has commissioned two scoping studies on which it has spent millions of dollars and it will not release them. The secrecy is simply unpalatable.

It is embarrassing that those opposite cannot stand in their communities or at the lectern and show their pride in what they believe in, if they believe the privatisation model to be so good. It is embarrassing that they did not campaign on the platform of how wonderful the privatisation model is. Unfortunately, this Government seems to be constantly at pains to wear a mask and hide its true self. It is hiding from the community what it really believes. Even in the nice word "concessions", as opposed to privatisation, that disguise continues. Not one member of this Government on the hustings during the election campaign in 2015 talked about the great opportunity to privatise titles and registry services in New South Wales. But today we are debating this bill in this House to make sure that that happens. Every single member of the Government at the time of the 2015 election would have known that it was on the cards.

Since 2012 the then 1,000 employees of LPI have been left living in a state of fear and uncertainty. They have not known whether they would have a job in the future and if so for how long, employed by whom and under what conditions. I wonder if those opposite have the heart and soul to reflect on this state of limbo that has been

imposed on those employees and their families. I did not hear an apology to these employees in the Treasurer's second reading speech. I have neither seen nor heard any comment, concern or concession offered to those wonderful public servants who have had their lives put on hold for four years. There has been not a single acknowledgement of their plight. This smacks of arrogance and contempt; it smacks of disdain and scorn. We should place ourselves, if we can, in the position of just one of those 1,000 employees or their families during the past four years. They have been unable to make decisions about what schools to send their children to, whether or not to buy a new car, whether or not to move house or take a holiday, enrol in further training, seek a promotion or take another job offer—all of these have been unanswerable questions for more than 1,400 days.

I have a few questions for the Government on that front. First, does the Government reflect on the impact that it has had on these public servants? If so, does it care, is it aware and will it apologise? I referred earlier to wonderful public servants, and public servants by and large are wonderful people. Their work involves bringing about a broader good for our society. The work that they do is primarily selfless, albeit something of which they are, hopefully, immensely proud. This is in stark contrast to the greedy corporate profit proposed by this bill. This bill proposes that the current employees of the titles and registry services office of the LPI have no choice as to whether or not they transfer to the new private owner. They will be offered no certainty beyond two years of employment. The Treasurer offered the following in her second reading speech in three short sentences commenting on the hundreds of people and their families affected by this decision. She said:

The Government has also moved to ensure that the rights of employees affected by the transaction are protected—as we always do when it comes to private involvement in the operation of public assets. Award employees will be provided with an employment guarantee of two years after transferring their employment to the new operator.

The arrogance and sanctimony of the tone in this short statement underline the lack of care and empathy that this Government models every day. It is almost as though the Treasurer is expecting a few bouquets of flowers, thank you cards and applause for her efforts in condemning the future of these public servants. It is a cruel irony that these public servants have been left in limbo for four years but will only be offered two years of certainty into the future. Security of employment for two years is simply unacceptable. The Treasurer must amend this element of the bill. I foreshadow that the New South Wales Opposition will move an amendment to the effect that the transferred employees be offered an employment guarantee of five years. It must also be noted that the Treasurer then went on to say the following:

Transferring employees will of course also have continuity of entitlements, including those relating to superannuation, annual leave and long service leave.

What is missing from this statement and what is abundantly unclear are the terms upon which entitlement to redundancy would be transferred. I put it to the Treasurer that the five-year guarantee for the staff should be entrenched in this bill, and that in instances where the five-year guarantee is not met, unwanted employees should be offered a full redundancy with entitlements for redundancy transferred from the public to the private sector. We cannot, we should not and we must not steal these entitlements from public sector employees. Through many decades of industrial relations negotiations, the terms and conditions of redundancy have been negotiated along with wages and other conditions.

There have undoubtedly been times when employees through bargaining would have forgone higher wage increases in return for improved conditions such as redundancy. To deprive these workers now of those entitlements is to steal directly from them. Could any of us imagine the Chief Executive Officer of Westpac Bank signing up for an annual salary of \$10 million with the guarantee of a million shares at the end of the contract only to get to the end of that contract and be told, "Sorry, we decided that you should only get 50,000 shares, not the million we promised"? That negotiation in good faith for the CEO of Westpac is no different from the negotiations over decades by public servants for their entitlements around redundancy. We cannot steal those entitlements from them; that would be a crime.

While on the subject of public servants, their loyalty, knowledge and skills, let us not lose sight of the total and complete abandonment of the field of titles and registration that will happen if this bill becomes law. What will be wiped out will be a specialist skills set that cannot be found anywhere else in our society. As was the case for Humpty Dumpty, once pushed off the wall the titles and registry services cannot be put together again. Let us think through the logical progression in some detail to see where it takes us. The Government is proposing to privatise the titles and registry service of the LPI. Collectively these staff have thousands of years of cumulative knowledge and skills, which are about to be transferred to a new private entity. The new private operator will offer the same services for between one and 35 years, depending on how and when the government of the day satisfies itself that the performance of the new operator has been appropriate, in which case it will get the full 35 years, or the performance is hopeless and the Government needs to step in and terminate this privatisation.

At this time the Government would have to choose to re-establish its own title and registry unit or privatise to a new operator. In either of those cases it is highly unlikely that the older, wiser, more experienced

staff would transfer from one failed private entity to a new private entity or possibly a re-established government entity. After a failure—and a failure by definition suggests that the title and registry service will be in disarray—a small army of cleanskin employees will be called in to fix an incredibly complex and detailed system. During that chaos there is no doubt that the vultures will swoop. Let us consider the best possible outcome where the operator fulfils the entire 35-year privatisation. This bill predetermines that an extension or renewed term cannot be offered to that same operator.

Again, after 35 years the Government will either have to re-establish its own titling and registering service with an army of cleanskin employees or offer a new contract to a new provider that will also have to start from scratch. That option will also require legislative amendment. Is it just me or is there a logical lacuna here? There appears to be a gaping hole in the strategy and in the bill. When asked by the Institute of Surveyors of NSW what would happen at the conclusion of the 35-year period of privatisation, the response from Treasury officials they met with on the day was, "Planning is not looking that far ahead". Did I say that right? Planning is not looking that far ahead. We are debating a bill with a 35-year term and Planning is not looking that far ahead. We are not looking to the end, we are only considering the start. At the start is where the money is.

After two scoping studies, both of which are secret, four years of planning and developing this proposed model and choosing this seemingly random figure of 35 years, when asked what happens at the end the response was, "Planning is not looking that far ahead." I go back to my earlier point that over the past 150 years we have built and developed the land title and registration services office and renewed and retrained its staff over and over again. We have expanded capacity time after time and decade after decade. Under this proposed model it is a 35-year, blow the whistle, full-time term.

Think of it as building a sandcastle on a beach, having a wave wash in completely levelling the sandcastle and having to start all over again in 35 years. What is the Government's response? "Planning is not looking that far ahead." Please! The idea that it will take 35 years for the wave to wash in and completely level our sandcastle, or our title and registry services that underpin our society, is a best case scenario. It is optimistic. There is every likelihood that the disaster will come much sooner. In fact, it is so likely that the Government has written allowances into this bill for it. The expectation of failure starts in part 4 of the bill under proposed section 15 (1) where it is written:

The authorised operator has no liability for loss or damage referred to in section 120 (Proceedings for compensation) of the *Real Property Act 1900* that arises from any act or omission of the authorised operator ...

That begins the preparation for the authorised operator to make a mess of it all and have no liability. I will return to that shortly. Proposed section 16 also prepares for failure of the new privatised operator in that it allows for penalty provisions when failure occurs. Proposed section 18 allows for a re-tender when the original private contract is terminated due to failure of the authorised operator. To make satire of this farce, proposed section 18 (5) allows for endless re-tendering of the failed re-tendering of other failed tenders. It hardly fills one with confidence, does it?

It does not end there. Part 6 of the bill, titled "Emergency step-in powers", dedicates pages of terms and conditions as to when, where, how and why the Government might need to step in when this new model is failing. Again, it hardly fills one with confidence. What will the terms and conditions be and how will we know when the new owner is failing? Treasury refers to some key performance indicators [KPIs] being established for the new operator. Does anyone suppose those KPIs will be made public? The scoping studies certainly were not. Of course the KPIs will not be made public. There is absolutely no chance that the public will know on what terms the new operator will be judged. But here is a known fact: If the track record is anything to go by the people of New South Wales should have exceedingly low expectations. Why would I make such a comment? Members may well ask. On 7 December 2015 the Treasurer said in the *Australian Financial Review*:

Any potential future private sector involvement in LPI will only proceed should the scoping study conclude that it is in the best interest of the people of NSW and the agency's workers ...

"In the best interest of the people of New South Wales" is a phrase worth holding on to. One must wonder how exactly putting at risk the title and registration of all 3.5 million titles in New South Wales is in the best interest of the people. How is a change from public servants, who serve for the broader good, to a private entity that serves for profit in their best interest? How could this change be said to be in their best interest when experts in the field such as surveyors, the Law Society, business groups and developers are up in arms? How is selling off a world-class system and leader in its field that is recognised for innovation, efficiency and pricing in the best interest of the people of New South Wales?

How could the removal of our society's safety net, our long record and history of knowledge and skills of title and registration possibly be considered in the best interests of the people of New South Wales? How is an assurance of two-year's employment possibly in the best interests of the New South Wales workforce? It is all

right for the member for Willoughby to put up the argument that two years is okay because she will never be voted out of this Parliament. The two-year question might be more relevant for some of the backbenchers who will face the ire of the electorate at the next election—for example, with a swing of up to 10 per cent, 25 members on the Government benches have a two-year tenure on their employment in this place. How do those members feel about that?

How is placing a massive increase on fees and charges of title and registration—some fees increasing by 700 per cent prior to sale—in the best interest of the people of New South Wales? How is it when fees and charges that are increased and ultimately passed on to consumers, at approximately \$5,000 per unit developed, in the best interest of the people of New South Wales? How is the imminent and irresistible need for people to take a title insurance with an insurance company, at a cost of approximately \$500 per annum for a \$700,000 home, in the best interest of the people of New South Wales? Who decides on that phrase? Who decides what is in the best interest of the people of New South Wales? Is it the Treasurer or one of her advisers or bureaucrats? What measures were used? What outcomes were measured against? It is arrogant to make such assessments and assumptions as to what is in the best interest of the people of New South Wales. It is completely out of touch and false.

In summary, in using the phrase "in the best interest of the people of New South Wales" and in debating this bill today the Treasury is essentially saying, "The higher costs, the greater risks are better for all of you." The Treasurer is also saying to the workforce, "Job insecurity is good for you." We know that because the Treasurer has said we would not go through this process if it were not in the best interest of the people of New South Wales and the agency's workforce. One wonders if Government members are truly informed on this issue. From the rumblings I have heard they have only been given part of the information in the party room. In fact, some of that information is completely false. This must be festering as a major concern for all.

What of the Tories on the other side of the House backing in a monopoly business? I am left to wonder how that sits with their free market ideology? I wonder if any of those opposite are remotely familiar with the work of Rod Sims from the Australian Competition and Consumer Commission? I wonder if any of those opposite are familiar with the work of the Hon. Dr Peter Phelps, MLC, on free market ideology and monopolies? Indeed, I wonder if any of those opposite care about the impacts on their business developer mates? That brings me to the infamous little story about the most recent fee structure change at Land and Property Information [LPI] title and registration in fattening the pig for sale. It involves senior staff of LPI, ministerial sign-off of an adjusted fee structure and a small developer named Harry Triguboff.

In getting the pig ready for market the Government released proposed changes to fees in May 2016. There is nothing unusual about that; draft fees are generally released around that time for comment. At the same time the Treasurer was assuring the community that once the title and registration services were privatised existing LPI fees and charges would be limited to the consumer price index [CPI] over the tenure of the privatisation. One can imagine the interest in the Government's last-ditch effort to implement a fee cash grab through the fees and charges of LPI. I will go into detail about those increased fees shortly, but I will highlight two changes that infuriated this particular developer.

When land is developed one needs to establish title for each new block created. For example, 20 hectares of farmland with a single title might be changed into 500 individual small building lots and 500 new titles must be created. In the case of a new high-density high-rise building, which might sit on land with one or two titles, if one is going to establish 400 units then 400 new titles must be established. Under the old fee structure, which expired on 30 June this year, for the types of developments I have referred to—the 500 residential lots or the 400 units—it would have cost \$1,563 for a pre-examination by LPI of the deposited plan or strata plan. However, under the new fee structure released in May it would have cost \$473.50 per lot or \$236,750 for the housing blocks—an increase in fees of 15,000 per cent. Under the old fee structure 400 units would have cost \$1,563, but under the new fee structure 400 units would cost \$189,400, which is a blowout of 12,000 per cent.

It is little wonder that Mr Triguboff stormed into the LPI offices and let off a significant amount of steam. By all reports the walls were shaking and the volume of the conversation on a scale of 1 to 10 was 11. Strangely and quietly, after this blow-up, when the finalised fee structure was published the decision had been made to reduce the per lot fee for a small and humble developer like Mr Triguboff from \$473.50 per lot to \$315.70 per lot; that is, a 33 per cent reduction on the proposed new model. Mr Triguboff will still pay \$157,850 for the pre-examination of his 500 residential lots instead of the old fee of \$1,563, so it is now just a 10,000 per cent increase, but Mr Triguboff has saved \$80,000 following his approach to LPI. Under the new adopted model Mr Triguboff will still pay \$126,280 for the 400 units—a smaller increase of only 8,000 per cent—but it is \$60,000 less than the fee proposed in May.

One wonders about the soul and spine of a government where a single individual who is an incredibly wealthy developer can storm into the office of the Registrar General, blow off some steam and have such an enormous impact on the fee structure while at the same time in New South Wales millions of people are deprived

of democracy at recent council elections, thousands of people engaged in the greyhound industry are refused a future and hundreds of Land and Property Information workers can achieve nothing similar by way of influence for their future careers with this Government.

What will be the outcome of this fee change in response to Mr Triguboff's and, presumably, other developers' approaches? The truth is that the pig will not be quite as fat when it goes to sale, and this will impact on the profitability of the business being sold, which will impact on the purchase price at the point of sale, which will impact on every taxpayer and resident of New South Wales. So this process is anything but a shiny, transparent process that is genuinely in the interests of the people of New South Wales. It is not squeaky clean and it is not without controversy. Nevertheless, the Government marches on. Which brings me back to who knows what about this whole circus of this Government decision. I wonder who on the Government benches knew that a pre-examination for a developer like Mr Triguboff would have risen from \$1,563 to \$157,850. Who was told?

It increases the necessity for us all to see the scoping study. The scoping study must be released to the public at large because there can be no doubt that it must be either full of erroneous and erratic assumptions or that people are deliberately misleading this Parliament. I do not believe that for one second about the good Treasurer, so I am assuming that the scoping study is full of erroneous and erratic assumptions. I ask the Government to release the document so that we can have the public debate. Interestingly, over the past 12 months, Great Britain has also been considering the privatisation of its title and registry services. Great Britain also went through a scoping study process, but its Parliament chose to put it on public display—the Parliament opened it up for interrogation and feedback. As a result of that scoping study being put out on public display and as a result of the feedback from the wider community, the Conservative Government in Great Britain has stepped back and has decided not to pursue the privatisation of registration and title. That is what should have happened here.

We have had the container deposit scheme put out for public consultation and we have had changes to the Fisheries Act put out for public consultation. This is good process when a government is making change, but those two examples pale into insignificance when one compares them to the potential to privatise title and registry services in New South Wales and how this scoping study should have been put out for public examination. I will give the House another example of some misinformation that has been provided to this debate thus far. On the matter of the fee rises, the Minister for Finance, Services and Property has said that the changes introduced on 1 July 2016 are revenue neutral. That is absolute poppycock, and I will tell the House why in the simplest and briefest of terms.

There are exactly 101 line items in the fees of Land and Property Information title and registration. Of the 101, two of them are new, 10 of them have no change, eight of them are reductions in fees ranging from 4 cent to 70 per cent, and 81 of them have increases in fees ranging from 3 per cent to 740 per cent. That 740 per cent cap applies only to the individual line item as it is listed on the fees and charges schedule because—a little earlier I gave the example of when some of these increases are applied to a large development such as a 500-block land release or 400 units—those costs can blow out to thousands of percentage points of increase. The Minister claims that the increases are revenue neutral. The Minister claims to have had a report done to this effect. I say table the report and prove to this place that the changes to fees and charges, mooted in May and implemented in July—albeit with the Triguboff amendment—are revenue neutral. They are not.

I will give the House one simple example. To have a title registered under the old fee structure cost \$109 through Land and Property Information. There was a 25 per cent increase on that and it now costs \$136.30, from memory—a \$27 increase. How many of those occur each year? Close to a million—it is a little bit under, but close enough to call it a million for the sake of the mathematics. Twenty-seven dollars times one million is a \$27 million increase to the revenue of this entity. I said earlier that the annual report refers to this entity as having a revenue of \$183 million in the 2014-15 financial year. The Government has just increased the revenue with a single line item by \$27 million, which means that the entity now has a business with a revenue of \$210 million instead of \$183 million.

The overwhelming majority of fees and charges and products offered through title and registration have quite a flat fee structure. In the previous financial year most of them were charged at \$109.50 and most of them have been increased to \$136.30 for the new financial year. That is a 25 per cent increase in preparation for the sale of the business. But, rest assured, at the very same time the Minister was increasing the fees by 25 per cent, the Treasurer was assuring the public that from privatisation forward they would be linked to the consumer price index. There can be no doubt that this was a last-gasp effort to fatten the pig for sale. But there are some very interesting anomalies that are something other than just that standard 25 per cent increase. I will refer members to some examples. The line item known as a primary application under section 14 of the Real Property Act used to be charged at \$1,421 and it will now be charged at \$2,050—a single increase in a single year of 45 per cent.

The line item known as "primary application" under section 31A of the Real Property Act used to be charged at \$225 and is now charged at \$370—a 68 per cent increase. The "recording or registering of any

instrument in the general register of deeds" used to be charged at \$105.50 and is now charged at \$136.30—a 30 per cent increase. "Community land, lodgement for examination" used to be charged at \$141 per lot and is now to be charged at \$615 per lot. A "deposited plan or strata plan, lodgement for examination" used to be charged at \$141 a lot and is now charged at \$287 a lot—a 103 per cent increase. What about this little chestnut? A "plan of consolidation for each title consolidated" used to be charged at \$18.60 and is now charged at \$136.30—a 740 per cent increase to the fee.

I could continue with this list ad nauseam. Of the 101 on the list, 80 have increases. Most of those, a significant number, have increases of 25 per cent, and well in excess of 20 of them have increases beyond 30 per cent. This was the Government's effort to fatten the pig for sale. While one Minister was fattening the pig, another Minister was assuring the community that they need not fear privatisation. One of the great fears of privatisation is the increase in fees, charges, costs and expenses, but the Minister said he would make sure that they were linked and capped to the consumer price index, as he has done in this bill. But no-one wanted to talk about the enormous and significant cash grab that was happening at the same time.

For the people of New South Wales the pain does not end there because one of the primary customers of Land and Property Information [LPI] services is the Government itself. For example, the NSW Police Force at times will need to acquire information from LPI for the purpose of investigating who owns what. I can say with confidence that in the previous financial year, at a cost of \$55 per application, the NSW Police Force made more than 580 applications to LPI for information. It cost the Police Force \$32,000. Under the new model, that \$55 fee has risen to \$370 per inquiry. Assuming police activity is the same and there is still a requirement for some 580 applications, suddenly the Police Force needs to pay \$130,000 for the same information.

That money is coming out of the bottom line of the NSW Police Force across to the new private owner of LPI. That is \$100,000 of the Police budget that could have been allocated to a more significant need. Indeed, at the very least, it is close enough to the amount needed to employ an extra police officer on the beat. I would stick my hand up for that officer to be stationed in Cessnock. But that money is now going to be handed from the NSW Police Force across to a private entity and new owner of LPI. I note the presence in the House of the Minister for Education. I asked the Minister a question on notice about the number of transactions his department conducted with the LPI in a single year. I asked whether he had done any forward projections about the future cost of those transactions or had been briefed about the increase in fees and charges and whether that had been factored into his future budgets.

Mr Adrian Piccoli: Have you mentioned it in your speech tonight?

Mr CLAYTON BARR: I am mentioning it right now.

TEMPORARY SPEAKER (Mr Bruce Notley-Smith): Members will address the Chair and not converse across the Chamber.

Mr CLAYTON BARR: The response from the Minister was, "This is all factored into normal budgetary conditions". I read that as: one, "I do not know"; two, "I do not care"; or, three, and the more likely answer, "Those projections have not been done, the truth of this change has not been told and the modelling is not available". I asked the same question of the Minister for Health, the Minister for Emergency Services, the Minister for Family and Community Services, of all the Ministers. Only one Minister was able to provide any detail and data about the number of transactions that had taken place in the past and the number of transactions projected in the future and showed any understanding of the future cost of this exchange. I thank the Minister for Emergency Services for that. The answer can be found in the questions on notice under my name.

The information about the cost to the Police Force is quite striking. There will be an increase from \$30,000 to more than \$130,000, just for Land and Property Information searches so that the police can go about their job of catching criminals. It means increased costs in the future to access information through the Government Information (Public Access) Act, known as GIPA, or freedom of information applications by the Independent Commission Against Corruption [ICAC]. Information about title registrations allows the ICAC to investigate the crimes of people such as Eddie Obeid by pursuing them through their property ownership and investments. Across government departments—which are funded out of the budget bottom line of this State—there will be a significant increase in the amount of money that will be paid for this information. That money will no longer go to frontline services or to the communities who need it. As a result of the fees and charges having been fattened by this Government in preparation for the sale, that money will now go directly across to the new private owner. That is the model that has been set up in this bill and that we are debating.

The massive price gouge does not end there. At least three significant amendments that are proposed in the bill will ensure wide scope for the introduction of new fees. Along with the additional costs and fees to be collected by the Minister, should the privatisation or the debt being drawn against the Torrens Assurance Fund

need to be supplemented and replenished, these three proposed changes give what I would call open slather to both the Minister and the authorised operator for future profits. The changes can be found at section 134 (2) (a) and 134 (4), as well as the proposals in the suggested insertion known as section 134A. While the Treasurer, the Minister and no doubt the rest of the ill-informed chorus line of Government members will talk today about this wonderful opportunity, they will not tell us about the manner in which the fees are capped at the consumer price index.

The Government cannot explain whether or not this bill places a limitation on other new fees and charges and it cannot explain whether there is a limitation on the ministerial-imposed fees and charges. The 2014 revenue of Titling and Registry Services is \$183 million. I suggest the revenue for that particular business has skyrocketed since that time due to a structural fee change by this Government that was frequently in excess of 30 per cent. I earlier put to the House that the 2014-15 figures for the total profitability of that business unit might have been in the vicinity of \$136 million, but I would suggest, with the help and assistance of the Government, that might be closer to \$200 million per annum, effective at the time of implementation of this bill. I am confident that Government members in their contributions will fail to acknowledge the massive increases in fees and charges of up to 740 per cent that were imposed just prior to this sale.

I will now turn my attention to specific details of the bill. The stark and frightening reality can be found early in the bill. This side of the Chamber understands that the Liberal-Nationals Government ideology allows it to sell off a profit-making asset for the sake of a short-term cash injection. Part 2 of the bill, under the heading "The authorised transaction", draws attention to the Government's embarrassment with its own ideology. As I mentioned earlier, a privatisation is a privatisation. It is embarrassing for the Government that it cannot acknowledge or face the "privatisation" word. Every Government member knows that this is because the people of New South Wales hate the very idea that they will be required to pay the fees and charges through toll rises and the introduction of new duties. Some members opposite will say, "We all need to make sacrifices". That is typical neoliberal language.

The Government is selling off other potential sources of income to the State's economy. I remind members that since the \$136 million profit in 2014-15, fees and charges have increased by up to 740 per cent so as to ensure the future of this business will be more profitable tomorrow than it was yesterday. Measuring, testing, determining or projecting the profitability of this business is entirely in the hands of this Government. Without access to Treasury accounts, it is impossible to predict, and members fly by the seat of their pants in this debate tonight. The Government rolls out the old chestnut "It is okay, just trust us" as a catchcry for its bills. No-one on this side of the Chamber trusts the Government and increasingly fewer people in New South Wales trust the Government.

I wonder how many developers such as Mr Triguboff are staring down the barrel of a fee increase from \$1,005 to lodge a plan for pre-examination to a figure closer to \$150,000? Members will now have a clear picture of the massive price gouge that has been delivered with future expansion in sight. Who will ultimately pay the price of these rising fees and charges? Do members believe that the extra fees and charges will be absorbed by the developer and they will scale back their expected profit margin? Only a fool would think that way. There is absolutely no doubt that any increase in cost to the developer will be passed on to the consumer, the purchaser, the homebuyer and the people who, in political terms, are often referred to as the mums and dads.

Do not limit the idea of passing on to the mums and dads increased fees, the developer's pre-examination or lodgement line item. Consider that every interaction between a surveyor and Land and Property Information NSW will now increase. The cost of insurance required for surveyors will increase as the insurance companies have less confidence in the titling system and the increased price of the surveyor's per annum insurance will be passed on to the customer. The cost of service for a conveyancer or a solicitor will be passed on to the customer, the purchaser and the mums and dads. The list is endless. The extra cost or burden created by this bill and placed on anyone within the chain goes up and the final price will be paid by the customer.

In short, who is going to pay back the suggested \$1 billion sale price? Essentially, a new debt for the State is being created and someone has to pay that back. Members are kidding themselves if they think that this burden or debt is going to be borne by anyone other than the mums and dads in New South Wales—the voters. Not only will they have to pay back the original up-front \$1 billion investment but they will pay it many times over during the 35 years of privatisation. The Government speaks of the price of housing and the cost of living and making life better for the mums and dads in this State. But the truth is that it seeks to drive down, eliminate or get rid of these fearful things known as taxes. What actually occurs is the creation of increased costs, fees and charges in other ways in the community. This is one example. At times they are called fees, tolls or insurance. It does not matter what they are called.

To function, the State requires a certain amount of money. The privatisation of Titling and Registry Services is, in fact, a new debt for the State. I will hand it to the Government, they have chosen a nice word—

concession—to describe privatisation. Part 2 of the bill provides another alarming feature that defies logic. I refer to the language in the bill to highlight the means by which the privatisation will be terminated after 35 years. The bill makes clear that privatisation to the first operator cannot be extended beyond the 35-year term, nor reoffered to the same provider. I made that point earlier, but it is worth repeating. Instead of building on the hundreds of years of experience, during the 35 years of privatisation the bill dictates that all knowledge, experience and skill must be terminated at the 35-year point. In 2051 a new entity, a government or private provider, will be forced to start from scratch.

I offer this guarantee to employees in 2051: you will not be offered any transfer of entitlement when you are forced out by the private operator. Let us take a moment to think through this problem. I know the member for Kiama is a deep thinker, so he will be interested in what I am about to say. Our land title and registry services will be extinguished in 35 years and a new model or business will need to start from scratch. It is written into the bill. We are not talking about the lease of Governor Macquarie Tower. We are not talking about a toll. We are not talking about a hamburger shop or a car yard restarting somewhere else. We are talking about our land title system, the fundamental platform on which civilisation is built. In 35 years' time—boom!—it will be gone.

TEMPORARY SPEAKER (Ms Melinda Pavey): Order! The member has the right to be heard in silence.

Mr CLAYTON BARR: Part 2 of the bill also refers to the proceeds from the sale of titling and registry services. Here again is another populist campaign lacuna in the Government's philosophy. The proposal was to sell the titling and registration services for approximately \$1 billion. The intention was to add the \$1 billion to the \$600 million already allocated to the stadium strategy in the 2015-16 budget. The reason for this required injection was the calamitous negotiations over stadiums that took place in late 2015 and early 2016. The cost of the proposed strategy for stadiums at that time blew out from \$600 million to \$1.6 billion, and it is still rising. It is a small matter of a 160 per cent blowout, but we are debating this bill today because of that blowout.

As the Opposition has known since the stadium strategy was announced and its connection with the privatisation of the LPI was revealed, allocating the proceeds of that sale to Restart NSW ultimately means that there will not be \$1 billion for stadiums. That is because Restart NSW requires a 70:30 split between city and country. If the sale goes ahead at \$1 billion, that will leave a nagging \$300 million hole in the stadium strategy. People might ask about that hole sooner rather than later. I will not spend too much time prosecuting that case, because at \$1 billion the Government is massively undervaluing the titling and registry service. It is a monopoly that, thanks to the Government's recent changes to fees and charges and this bill, guarantees that the new owner will be able to print more than \$200 million in cold hard cash profit every year. The figure of \$1 billion is a massive undersell and failure. To my mind, that puts the lowest possible figure at \$2 billion. If the Government cannot get \$2 billion for this service then it is being ripped off. It exposes the Government's desperation—a desperation that puts ego first and the people of New South Wales a distant second.

At part 3 we are reminded of exactly what this privatisation bill is about. Despite the LPI falling under the auspices of the Minister for Finance, Services and Property, it has been handled by the Treasurer. Not only that, but the bill also ensures that the Treasurer remains a senior partner in future decision-making. That clearly tells us that this bill is about cash, not policy. That tells us that this bill is about arrogance and not the good of the people. That tells us that this bill will continue the Baird Government tradition of robbing from the poor to give to the rich. The Premier is not Robin Hood; he is the anti-Robin Hood. On this occasion he is sending the Treasurer in as the Sheriff of Nottingham. I again emphasise that this bill has nothing to do with good policy or practice for the people of New South Wales. It is 100 per cent about the ego of the New South Wales Liberal Party and its ideology, which is to sell every public asset it possibly can.

Part 4 introduces the expectation of failure by the authorised operator. It introduces the concept by cleverly referring to a re-vesting of the service. "Re-vesting" is another of those words that sounds much nicer than the truth. The rest of us would call it re-privatisation. What does part 4 do exactly? In simple terms, it expects the first privatisation model to fail and ensures that, when it fails, the agency will be re-privatised again and again. The old saying goes, "If you do what you have always done then you will get what you have always got." I am sure we have all heard that. This bill enshrines in legislation a model of privatisation that, when it fails, the Government will insist we keep using. Apart from the obvious question about why one would keep doing that if it failed the first time, when the former public servant experts transferred from the government agency to the new agency, why would one expect it to be successful a second, third or fourth time when none of that expertise is available anymore? If failure is expected then why allow for it at all? I ask that seriously in response to part 4 of the bill. Why would the Government enshrine in legislation the obligation to pursue a model on an unlimited number of occasions if the model continues to fail?

Part 4 also provides for the establishment of the authorised concession arrangement. In plain language, that means the terms and conditions under which the new private operator would operate. I offer another prediction

that reflects the secrecy and arrogance of this Government: One can bet that those arrangements will never be made public. The citizens of New South Wales will never know what is expected of the new private operator. We will be unable to judge when, if or how the operator has met or failed to meet the standard. As a member of Parliament from the Hunter Valley, my mind immediately springs to the privatisation of the ports. Prior to the privatisation of our three ports—Botany, Kembla and Newcastle—the role of each port was clear. Containers came into Port Botany. Cars were transferred to Port Kembla. Coal was shipped from the Port of Newcastle. The key was that once Port Botany had reached its capacity for containers Newcastle was to become the second container terminal.

What happened with the port privatisations was, in essence, that the conditions that would deprive, rob and prevent the Port of Newcastle from having shipping containers in the future were a secret part of the negotiations and agreement between the Government and the new operator at Port Botany. All that information was kept secret. It is that secrecy that frustrates people about this Government. The lack of transparency about the ports was convenient for the Government, but catastrophic for the people of New South Wales. Ultimately, the Treasurer was dragged, kicking and screaming, to the table of honesty. At budget estimates this year she finally admitted the container limits and the impact that would have on the potential for the Port of Newcastle, an impact that affects an entire valley of 600,000 people.

The arrangements under this bill are certain to be similarly secret and protected. It is a good deal for the new private operator who will receive government protection, but it is a bad deal for the community that will be offered no such protection, even for their title. Another alarming element of this bill is in part 4, under the headings of Delegation and Liability. In summary these proposed sections will ensure that the Registrar General will continue to have the ultimate responsibility for the success and failure of the privatised titling and registry services. By failure I mean liability, and by liability I mean financial costs and expenses. So this part of the bill seeks to ensure that the people of New South Wales, the taxpayers and property owners, will carry the can for all risks and errors of the new private operator. Can members believe that? What a business model.

Imagine going to a poker game and the Government saying, "Here's your seat. Here's your cash and your poker chips. If you win, keep all the profits. If you lose, don't worry, we'll pick up the tab." That is the business model in this bill that we are debating. Make no mistake, I understand the intent of the Government underwriting the business. The Government is seeking to minimise the loss of confidence and the perceived risk. The crux of the matter is that the Government knows that the bill will diminish confidence in the titling and registry services system and it defines it by underwriting the new private entity. It does so to seek to minimise the perceived risk, the perceived lack of confidence in the new scheme.

Who cares about risk? Think back, think insurer, which leads us to the inevitable outcome of this bill, that is, property title insurance. If there is reduced confidence in the titling and registry service there are those, such as banks and financial institutions, that will want some certainty, and sitting in the wings offering this certainty will be the insurers. Make no mistake, right now two agencies are offering property title insurance and there is one bank that already demands it. Over time the very idea of government guarantee and the Government underwriting the whole industry will diminish. As that happens, insurers will swoop and the financial institutions will insist that property title insurance is taken out. Who will carry the cost for that? It will be the mums and dads.

Let us think through the scenario in the example of a person taking on a mortgage to buy a commercial property. When there is no confidence left in the titling system the scenario will work like this: The purchaser needs to take out property title insurance for the sake of the mortgage. They also need to take out property title insurance for their own sake. As the owner of the commercial property, they enter into a lease with the new operator who might want to fit the shop out to be a café or a butchery or something like that. The new operator takes out a mortgage to fit out the shop and, of course, has the business as an entity in its own right and property title insurance could well be required for both of those.

The Concerned Title Group of New South Wales has done some fairly crude and rough estimations. It estimates that the value of property title insurance going forward could be as high as \$1 billion per annum to the people of New South Wales. No-one really knows the size, scope and potential of the new enforced property title insurance as a consequence of this decision tonight. The question is: is it likely? The answer is "extremely". One may ask on what grounds I make that statement. There are some international examples to reflect on. In places like the United States of America and at least two provinces of Canada this privatised model of titling and registry has been tried and tested and has led to the requirement for home owners and property owners to take out property title insurance.

The rate of insurance is approximately \$75 per annum for each \$100,000 of property value. At that rate a \$500,000 property would carry a property title insurance premium of approximately \$400 per annum. I, for one, do not want to sign up for that, and I am sure I am supported by the 3½ million property title owners across New South Wales. The society of New South Wales is not so different or distinct from those regions in North

America. To think that things would operate any differently here in the future is entirely absurd. Part 4 of this bill also goes into significant detail about the requirements to re-privatise time after time, no matter how badly the privatised model fails. Part 5 of the bill allows for the transfer of staff from the LPI titling and registry service to other public or private agencies.

Mr Gareth Ward: Point of order: I submit that the member for Cessnock is now in breach of Standing Order 59. We have been listening to him for more than 1½ hours and it is tedious repetition. It is nothing that the House has not heard already. I ask that if the member has points to make he should address the leave of the bill but not repeat himself as he has done now for almost two hours.

TEMPORARY SPEAKER (Ms Melinda Pavey): There is no point of order. I acknowledge that the member for Cessnock has been speaking to the bill for an extraordinarily long time and has made his points very clear repeatedly. I encourage the member to talk to the bill in a more thorough and efficient manner.

Mr CLAYTON BARR: I am appalled at this scenario that has become commonplace through multiple pieces of legislation and privatisation under this Government when workers are transferred to private entities. I think at last count there were 77 examples of privatisation under this Government. It has allowed the thousands of employees who once worked as public servants for the broader good to be sold to a private entity as though they were a piece of furniture or garden hose that was included in the sale, without their having any choice in the matter. It is just appalling. I recall that in the 2011 State election campaign Barry O'Farrell promised public servants, "You have nothing to fear under a Liberal-Nationals Government." He went to say how he supported public servants and the work that they do and how their jobs would be safe. What a falsehood we now know that to be. We now have tens of thousands of public servants who have either been sacked or sold.

Mr John Barilaro: Sold?

Mr CLAYTON BARR: Yes, you should have been listening earlier. Apart from this savage attack on the public sector being ideologically convenient it is also incredibly cruel and unconscionable. The cold black heart of this Government does not care. I am sure that those on the Government benches do not spare a second thought for the lives that they destroy. If they do, they might like to address their demeanour in this Chamber during debates like this where instead of speaking with sombre and genuine concerns about the implications they instead choose to mock the debate and mock those who seek to stand up for the protection of our public servants. I appreciate the interjection of the member for Kiama earlier which highlights that point.

I mentioned earlier the four years that preceded this bill; the four years of uncertainty and fear for public servants of the LPI. I ask members to keep those affected at front of mind during this debate. We will all have our ideological and philosophical position but we are dealing with people's lives. It is plain and simple. People's livelihoods are in our hands, as is their future and prosperity and that of their families. I flag to the Government that the Opposition will be moving amendments to this part of the bill to say that public servants who are forcibly transferred to the new private operator should have, as a minimum, five years protection, not just two years. I wonder how those opposite who will be voted out of this place in 2019 feel about their two-year limit. I am sure they would agree that it is not a pleasant feeling and not something to look forward to.

Part 6 of the bill deals in great length with the Government's expected failure of the model. The section is titled "Emergency step-in powers". Again, it is evidence of an expectation of failure. No doubt the Government will say that this is a safeguard, a protection from failure. Pre-empting this response I offer this: We do not need safeguards or emergency powers today, nor have we needed them for the past 150 years. The fact that they will be needed is evidence of a backwards step, not progress.

Part 7 brings us to another sneaky action of the Government for the purpose of avoiding Australian Competition and Consumer Commission [ACCC] scrutiny. That might sound like a familiar tactic for the Government and it is. The Government has form on this front. Media watchers will recall that the same Treasurer who is introducing this bill was ultimately outed on the terms and conditions of the ports privatisation which I referred to earlier. It was deemed by most to be contrary to competition. In short, it provided and protected a monopoly. We are again today considering legislation that will circumvent the powers of the ACCC. I refer specifically to e-conveyancing and the amendments in the bill that will seek to make e-conveyancing compulsory as opposed to optional.

Let us take stock. E-conveyancing is undoubtedly the way of the future. Governments across Australia have been trending in this direction since 2010. I am a massive fan. I have no doubt that if all things were left as they are e-conveyancing would have built momentum and become the standard practice over the coming five to 10 years. There is nothing surer. Six years ago the Victorian, Queensland, Western Australian and New South Wales governments agreed to national harmonisation on e-conveyancing and set up PEXA to provide a platform for it. The various State governments took that position as a means to overcome inertia. There was quite a deal of

risk up front and significant investment. Longer terms were required for returns to be realised. In essence, a private entity would not have found the option attractive and it was reasonable for government to establish the industry.

However, in recent years, government has allowed private investment in the industry. We now find PEXA is a business in part owned by Macquarie Capital, Link Market Services, Little Group, the Commonwealth Bank, Westpac, National Australia Bank and ANZ. They have joined government in ownership of the company. We also find PEXA as a single operator without any peer or competition in the same sphere. In essence, PEXA is a monopoly. A monopoly or singular operator is neither here nor there when people have an option to use or not use its service. That is the essence of the amendment in part 7 of the bill and the reference to the idea of competition, the Competition and Consumer Act 2010 and the Competition Code of NSW. The reason those things need to be addressed is because the bill will remove from legislation the ability to enter lodgement of "paper" documents for the purpose of Titling and Registry Services.

If the option of paper documents is removed e-conveyancing is effectively forced. If e-conveyancing is forced we must consider the providers. If there is only one provider people are being forced to engage with a monopoly. Some might say it would be bad enough if the monopoly was government owned, but what right and what role does government have in forcing business to be channelled through a monopoly operator that is in part government owned and in part privately owned? Surely that is worthy of consideration by the ACCC. But, as the Treasurer found when privatising the ports and creating monopolies, if one creates a monopoly by legislation before enacting the monopoly then the ACCC is powerless to act. That is when at the time of the legislation it is a government entity as opposed to a private entity.

Again I emphasise that I have no problem with PEXA and e-conveyancing. I welcome and applaud the 6 per cent of title registrations that currently go through PEXA. I warn though that only 4 per cent of that 6 per cent go through without fault or error. In speaking to the proposed amendment in this bill I offer my support for the 94 per cent of customers who do not currently choose e-conveyancing through PEXA. There are myriad reasons why they have not begun e-conveyancing yet. One of the major barriers is the training, equipment and gradual building of expertise that is required. This will grow and accelerate naturally, and the efforts of this bill to force it on all instantly are unreasonable. It will negatively impact businesses and will not immediately lead to a utopia of problem-free registration. Again, this smacks of arrogance and deafness on the part of the Government. The Labor Party is opposed to the bill and will be moving amendments.

Mr DOMINIC PERROTTET (Hawkesbury—Minister for Finance, Services and Property)
(21:15): I support the Land and Property Information NSW (Authorised Transaction) Bill 2016, which was introduced by the Treasurer because this is a Treasury bill. My question is where is the shadow Treasurer, the member for Keira? This is finals time not just on the football field. This is a major transaction and tonight the Opposition brings in reserve grade in the member for Cessnock. Sometimes it is good to give the rookies a run. Sometimes it works and sometimes it does not. Tonight it did not work. His argument was lost in I do not know how many words. Like many tonight I had the misfortune of hearing the shadow Minister for Finance, Services and Property speak. Unfortunately, his big audition for shadow Treasurer fell flat. Those who were listening when he began more than two hours ago, and I was—

Mr Clayton Barr: My mum was.

Mr DOMINIC PERROTTET: She would have heard a great story. Her son started with a fable about a well-run government airline and a big, bad private sector airline. In essence, the moral of his fable was that the government airline was much better. Forget *Aesop's Fables*. Tonight we had Clayton's Fables. I will begin my contribution with a fable of my own. Once upon a time there lived a little government-run airline called Qantas. People might have heard of it. Qantas was a nice little airline but it was highly inefficient. One day there came a knight in shining armour. His name was Prime Minister the Hon. Paul Keating and in 1993 he privatised little Qantas. The hero of our fable said at the time that he wanted to give Australians cheaper seats, better service, a better airline and financial compensation to the Commonwealth of a very large sum. Today little, inefficient government-run Qantas has become one of the safest and most respected airlines in the world. And guess what? We all lived happily ever after. The difference is that this story is true but, just like Aesop, the Labor Party continues to live in a world of fairy tales and fables.

As the Minister responsible for Land and Property Information I support the introduction of the bill, which enables the private sector to invest in and operate the titling and registry business of Land and Property Information, known as the LPI transaction, for a concession of 35 years. Australia is the birthplace of the Torrens system of land registration. From its beginnings in South Australia in the 1850s, it has been successfully translated to all Australian States and exported to the world. The first Torrens register was introduced in New South Wales on 1 January 1863, and since that time it has been closely overseen by the NSW Registrar General. The first registers were kept as bound manuals and updated by hand after every transaction. Over the decades the register

has evolved to a modern, secure digital system that records all interests in land and provides a reliable base upon which thousands of land transactions can be made every day.

Now, 150 years on from the first Torrens register, our society has access to rapidly changing technologies, which is shifting community expectations around access to information, speed of service and service quality. As the Treasurer correctly outlined, we are operating in a new digital environment and, where appropriate, we should harness opportunities to use the private sector to innovate and improve delivery of government services and, in the context of e-conveyancing, the need to innovate and make use of technology remains even more important and relevant today. The concession of the titling and registry services operational arm of LPI is an opportunity for the State to ensure a better service is provided to New South Wales citizens by taking advantage of the innovation and efficiency offered by the private sector.

We expect to see accelerated digital capabilities and efficiencies driven in business through the private sector's investment in new technology, which will improve the services provided to consumers. While governments are typically slow to innovate, and have little incentive to improve their services to citizens, the private sector must constantly refine and improve its services to keep customers happy. This means the private sector is better placed to invest in new technology, which will have major benefits for consumers with the potential for faster processing times and, importantly, the introduction of new services.

Given the benefits of the concession, it is disappointing tonight to see the scare campaigns launched by those opposite, as they seek to derail these reforms by any means possible. After so many years it is disappointing that the term "private sector" is still a dirty word for those opposite. The member for Cessnock said repeatedly in his two-hour contribution that the Government is not using the word "privatisation" in this transaction. We are not using the term "privatisation" because this is not a privatisation; it is a concession—a long-term lease—to the business community. I draw the member's attention to what his leader, the member for Auburn, has said in the past, and I quote:

The issue is not whether the public sector or private enterprise should own assets and provide services—the issue is what is in the best interests of the people of New South Wales. For me, what matters, is what works."

This transaction works. Despite this, it is disappointing that the biggest obstacle to meaningful reform in this State continues to be the NSW Labor Party. This is not out of any concern for our citizens, who will be the major beneficiaries of this deal; it is driven by concerns over public sector unions. It would be fair to say that the Labor Party has become the party of public sector union workers and it is willing to sacrifice what is best for our citizens so that the union influence can remain—an influence that is clearly detrimental to the delivery of high quality public services.

In many ways, Labor has become the eternal guardian of the status quo—defending legacy systems, processes and practices to protect a dwindling union base. This approach, of placing union interests over those of the majority, is short-sighted and misguided and is also a fundamental disservice to the community at large. This is typical Labor putting its union mates ahead of what is in the best interests of the State. Tonight they will line up, one after the other, and tell us stories and fables but it is smoke and mirrors for one thing—namely, the protection of their public service union mates. That said, the titling system is and always will be the very foundation of property ownership in New South Wales, and maintaining and improving the integrity of that system is paramount. The ongoing integrity of the titling system has been at the forefront of the design of the concession model embedded by this legislation.

From 1 July this year we strengthened the governance of LPI by implementing a structural separation of LPI's operational and regulatory arms, which is considered best practice. This has also removed any potential for a conflict of interest that previously existed, where the operator of the titling system effectively was a self-regulator, and has led to the creation of the Office of the Registrar General to be headed up by the Registrar General. Essentially, the integrity of the titling system today is maintained through legislation, regulation, the Government guarantee of title and rigorous processes that ensure the register is efficiently and accurately maintained, and as far as possible fraud and mistakes are prevented. Specifically, the processes are set out in the operating procedures manual and business rules, known as the "Registrar General's Directions". The codified processes and rules currently in place will be passed to the operator, who will be required to operate within them—in that regard there is no change.

To ensure the Government maintains effective ongoing oversight of the operations, the role of the Registrar General will be an important position within my department. New provisions have been introduced to enable the Registrar General to monitor and enforce performance standards in accordance with clearly defined service levels, key performance indicators and legislative and contractual obligations. I will also have the power to give directions to the Registrar General in order to protect the integrity of the titling system as a whole.
[Extension of time]

LPI currently employs skilled personnel who are specifically trained to review land title documents and plans. This skilled workforce provides a further safeguard against erroneous information being entered in the register. As the Treasurer has said, this skilled workforce will be transferred to the operator so the experience and expertise is retained. The Government will continue to guarantee the Torrens titling system, backed by the Torrens Assurance Fund. All applications for compensation from the Torrens Assurance Fund will continue to be made to the Registrar General. This will ensure the continued strong backing of the Torrens system by the State's guarantee of title. The Torrens Assurance Fund is funded by a user-pays levy that is currently set at \$4 and incorporated within the price of relevant products. There will be no change in this arrangement under a private operating concession. In both the current and the future private operating concession model, the New South Wales Government stands behind the Torrens Assurance Fund as the ultimate guarantor of title security.

Importantly, the operator under any concession will be scrupulously regulated and held to account. I am advised that the current considerations for the commercial model between the operator and the State will permit the Office of the Registrar General to recover compensation from the private operator under the concession deed for errors or failures to meet performance standards. At present the New South Wales Government cannot recover from failures of LPI to perform, so it can be argued that the Government will be in a stronger position under the private operating concession model. Under a concession, data will also remain securely held and protected. We must bear in mind that the land title register is a public register. Anyone can currently conduct a title search, for a fee, to access information stored on the register, including information relating to any encumbrances on a property, lot and deposited plan and ownership details.

While the information is publicly available, it is owned by the Government and under a concession that will continue to be the case. The Government will retain full ownership of all land title data and that data must be stored in Australia. Property sales information will continue to be available from the Government, for free, under the open data policy. The private operator will be required to maintain strict technical and organisational measures to continue to safeguard the security of the titling system. It will also be required to comply with stringent requirements in respect of data security, data integrity and compliance with privacy requirements. Earlier this year we also introduced changes to LPI's pricing framework to create a simpler pricing framework that is more equitable and provides a more transparent customer experience.

It is simpler because we have reduced product price points from 44 to 20 and it is more transparent because for each service users will now know what they will pay. We have removed most time-based fees enabling users to understand the up-front cost payable to LPI, which will create greater pricing transparency. These changes were designed to be revenue neutral to government. Those opposite, unsurprisingly, do not understand what revenue neutrality means. So let me spell it out for the shadow Minister with a finance 101 lesson.

Compared to the old pricing framework, and using 2014-15 transaction volumes, the net effect of the price changes meant that the business would not have received additional revenue. If revenue is not being added to the business, it follows that the total value of the business is not being increased as a result of those changes. In fact, recent analysis indicates that on last year's volumes, LPI would have earned slightly less revenue under the new pricing framework compared with last year's pricing framework, based on the same volumes.

It is also worth noting that I am advised, again based on 2014-15 title transfer and registration figures and applying the new pricing framework, that at least 83 per cent of homebuyers would now pay less using the new pricing framework. Interestingly enough, the shadow Minister also spoke a lot about property developers. We are more concerned with the working families who are aspiring to home ownership. As a result of the pricing changes, more than 90 per cent of users lodging plans with LPI, particularly small developers and mums and dads subdividing blocks, will pay less than they did previously.

As the Treasurer outlined, this transaction relates only to the titling and registry services of LPI. The valuation services, and spatial and mapping divisions of LPI will be retained within my department and, therefore, are not part of this transaction. I echo the Treasurer's appreciation of the valuable input from key stakeholder groups, including the Law Society of New South Wales. I provide my support for the concession of the operational parts of LPI and I am confident that this transaction will benefit the citizens and businesses using the service, and the taxpayers of New South Wales. I commend the bill to the House.

Mr DAVID HARRIS (Wyong) (21:30): I make a contribution to debate on the Land and Property Information NSW (Authorised Transactions) Bill 2016 and reaffirm that the Opposition will move amendments in this place. I commence by quoting from a newspaper article:

Selling public assets has created unregulated monopolies that hurt productivity and damage the economy, according to Australia's consumer and competition tsar, who says he is on the verge of becoming a privatisation opponent.

Rod Sims, Chairman of the Australian Competition and Consumer Commission, went on to say in the Melbourne Economic Forum:

I've been a very strong advocate of privatisation for probably 30 years; I believe it enhances economic efficiency. I'm now almost at the point of opposing privatisation because it's been done to boost proceeds, it's been done to boost asset sales and I think it's severely damaging our economy.

Here we have another example of this Government privatising a monopoly. There is sometimes justification for privatisation when there is competition and where there are multiple players, but when a government privatises monopolies where there is no competition it is not doing the State any good at all and the residents of the State are the ones who end up footing the bill. That is what Mr Sims is saying. He spoke about the sale of the ports, which are a monopoly and the sale of electricity poles and wires, which are a monopoly, and I think his words would very strongly come into play with this process in which, again, the Government is taking a monopoly when there is only one player and privatising it.

Title offices protect consumers from fraud and they keep a record of any changes to property size. While most Australians will do business with a title office only a few times in their life, about 900,000 land dealings, such as transfers and mortgage discharges, and 53,000 new titles were lodged in the 2014-15 financial year. Australia's stable and reliable property market is a key contributor to the nation's economy. Title offices underpin billions of dollars of economic activity every year. The robust titling systems in Australian States and Territories are one of the reasons Australia was among the least-affected countries during the global financial crisis. The titling system is a simplified land registration method that guarantees the ownership of a property if it is recorded in the title office. It is one of the most efficient and effective systems in the world.

Title offices do not cost the Government money; they generate revenue through the provision of land-related services, and selling land and property-related information. This leaves the Government liable, as it should be, for the sale of this information. The private sector may not act with as much diligence in this regard because it is not as accountable. The problem when services like this are privatised is that the private sector is not as accountable as governments. The Government has guaranteed that all data and information will remain in Australia. However, it is doubtful that any provider in Australia has a better capacity to deliver this service than Land and Property Information.

For the average person, a property is the most valuable asset they will own. Although the Government has stated that it will continue to guarantee titles, the profit-motive doctrine could lay the groundwork for the private sector to negotiate a more profitable alternative, such as the insurance-based title system that operates in the United States. Subsequently, some have criticised this bill as the start of a move away from government guaranteed land titles. Land information that is created in the process of titling is accurate, assured and authoritative. That could be undermined by any mistakes made as a result of cost-cutting or skill-stripping by a private provider. Land information generated and maintained in title offices has a legally valid audit trail. That is key to the property market and land development, and critical to many public services, such as infrastructure, engineering, emergency management, and property services.

New property owners will be required to pay 25 per cent more in application fees to register land and property as a result of the passage of this legislation. Land and Property Information generates more than \$60 million in revenue each year. A Government member speaking on this legislation said that the Labor Party is trying to protect its union mates. However, Gary Ulman, the President of the Law Society, has criticised the sale. He said that "Any failure by a private operator to maintain the reliability and integrity of the Torrens register to could undermine public confidence in the land titling system". He went on to state:

This raises important issues around adequate protection of sensitive data, the continued implementation of best practice anti-fraud measures, and the potential loss of expertise of LPI personnel.

The Secretary of the Public Service Association, Anne Gardiner, said that she was concerned about the protection of sensitive information and the potential increase in the cost of insurance for land title owners if the Government no longer controlled the titling system. The shadow Minister for Finance dealt with that issue in detail. Ms Gardiner went on to state:

Cuts to the Independent Commission Against Corruption's budget also meant that there would be diminished oversight of the privatisation of government assets, including LPI, prisons, the disability sector and TAFE.

The eminent members of the Concerned Titles Group wrote an open letter to all members of the New South Wales Parliament stating:

Dear Members,

The Government's proposal to privatise the New South Wales Land Title system represents the most momentous change to the Torrens system since its inception.

Let us be perfectly clear about the Government's intentions. It is the **NSW Torrens land title system** that is firmly in the Government's privatisation sights. Clearly, this is because it is only the Title Service component of LPI which is profitable.

What is at stake? The simple Government Guarantee of ownership under the Torrens Title system which since its inception in 1863 is at the heart of sound economic developments in New South Wales.

All that is needed to prove ownership of our own property is Certificate of Title issued by the Titles Office. This single document detailing **what** land is owned by reference to a survey plan, **who** owns the land and **what** affects it, provides the security required by the purchasers, lessors and lending authorities for the purchase or lease of land, homes and businesses.

The New South Wales land title system is the envy of the world. The agency is recognised for its leading role in the provision of cheap efficient land registration services and has proudly developed:

- The first ever automated title and land dealing registration system;
- Electronic access to plans of land subdivision and dealings such as transfers and mortgages of land;
- An electronic plan lodgement service; and
- The Registrar General's Directions for Plans, a bible for land developers and surveyors. Over many years the staffing structure of the office has been streamlined and numbers reduced to the bare minimum required to deliver an excellent level of service. The Government's plan to privatise the land titles office of LPI will yield a short-term monetary fix with no long-term benefit to the public. It makes no sense at all when one considers that the service is self-financing with an excellent record of reducing costs and keeping fees to a minimum. In 2014-15 the titling and associated services produced a \$47 million profit—sufficient to fund 400 teachers or nurses in the State's schools and hospitals. This profit was achieved after taking into account the cost of non-profitable government services provided by organisations, including the Valuer-General's Department Land and Information Centre. [*Extension of time*]

The letter says that this is a bad deal for the State. Land and Property Information is an efficient government organisation that generates profit after paying for its own operation yet, in its wisdom, the Government will sell a monopoly business to the private sector—a business that makes a profit that could be used in other areas of the State. It makes no sense for the Government to do that. In some industries privatisation might work because there is competition. However, when there is only one player, all that handing it over to the private sector will do is push up costs to the consumer.

Consumers are charged double; once when they lose the asset and again when they continue to use that asset. At the same time, as that eminent group of people suggested, there is a danger that when mistakes are made public confidence is undermined. The Government is so focused on privatisation that it has lost common sense about what should remain under government ownership. Land and property titles should not be touched under any circumstances but should be left under government control. That is the only way to ensure they are maintained properly so that people can be sure the structure is sound and without error.

This Government has over-promised in its infrastructure delivery and it is now looking to sell anything it can to make up the difference. In my electorate the community is unhappy about the proposed privatisation of the local hospital, which again is a monopoly. The Government should understand that the people of New South Wales are sick and tired of privatisation. When I travel throughout my electorate people ask me, "What on earth are these guys doing? What is going on? Why do they want to sell everything in this State?" At the next election the Government will learn the hard way—as we did in 2011. Those opposite will find that they will face the consequences of their actions. Unfortunately the damage will be done and the State's assets will have been moved into the private sector at great loss to the people of New South Wales.

Members opposite arrogantly mock members on this side of the House when we talk about these things but we are not alone; we have the backing of a group of eminent people such as the Law Society of New South Wales and the Institution of Surveyors NSW. People involved in this industry understand the importance of our title system. They know that it should not be moved into private hands. That is recognised all around the world. In Canada a couple of states have partially privatised land and property information but have maintained control over authorising titles.

Members on this side of the House will say this is a bad mistake and members opposite will laugh arrogantly as they always do. But the polls are already showing that when it comes to the ballot box Government members will be looking for new jobs because the wrath of the people of New South Wales will be great. This is another step too far and it adds to the people's perception that this Government is all about helping its big business mates; it is not about improving services for the people of New South Wales. I oppose the bill. However, I support the amendments that will be moved to try to make this bill more acceptable. Unfortunately, the people of New South Wales will be the big losers as a result of this legislation.

Business of the House

SUSPENSION OF STANDING AND SESSIONAL ORDERS: ORDER OF BUSINESS

Mr ANTHONY ROBERTS: I move: That standing and sessional orders be suspended to:

- (1) Provide for the continuation of the second reading debate on the Land and Property Information NSW (Authorised Transaction) Bill, up to and including the putting of the question.

- (2) Provide that no motions for the adjournment of the debate on the Land and Property Information NSW (Authorised Transaction) Bill be entertained for the remainder of this sitting.
- (3) Provide that for the remainder of this sitting, no divisions be conducted or quorums be called.
- (4) Provide that any division called on the question "That this bill be now read a second time" be postponed and conducted tomorrow.

Motion agreed to.

Bills

LAND AND PROPERTY INFORMATION NSW (AUTHORISED TRANSACTION) BILL 2016

Second Reading

Mr JOHN BARILARO (Monaro—Minister for Regional Development, Minister for Skills, and Minister for Small Business) (21:46): I contribute to debate on the Land and Property Information NSW (Authorised Transactions) Bill 2016. At the start of this debate I read that the Government had announced its intention to grant a 35-year concession but, after the address by the member for Cessnock, we have lost 10 years so it will now be a 25-year concession. The member for Cessnock and the member for Wyong provided us with an insight of the Labor government it is proposing after 2019. They talked about the polls and the swings against this Government, which clearly shows that Labor will be a government based on politics and not policy. This policy is about the betterment of this State, not only for today but also for the future. After a comprehensive scoping study into the business it was concluded that the private sector is in a better position than the Government to operate the titling and registry services of Land and Property Information [LPI]. We have announced that the spatial and valuation functions of the LPI and the Registrar General will remain with the New South Wales Government.

The bill authorises the granting of a concession to operate the titling and registry services of the LPI. Of course, titling and registry services administer the land title register in New South Wales. The land title register is a public register. Currently anyone can conduct a title search for a fee to access information stored on the register. This includes information relating to any encumbrances on a property, lot and deposited plan and ownership details. Investment from the private sector in the titling and registry operations of the LPI will provide better outcomes for the State, which is what underpins this policy—better service and better delivery from the private sector. The member for Wyong and the member for Cessnock talked about government jobs but they forgot to talk about the private sector jobs that have been created since 2011. More than 330,900 jobs have been created in this State. We believe that as a partner of government the private sector can deliver prosperity for the State because sometimes the private sector can deliver better services than government.

The private sector will also be better placed to invest in new technology, which will have benefits for consumers with the potential for faster processing times and the introduction of new services for customers. The integrity of the titling system will be protected by a strong regulatory framework. This will include government oversight of any private operator and the continuation of the State's guarantee of the Torrens titling system backed by the Torrens Assurance Fund. The Government will retain ownership of all data and require that the data be housed in Australia. The bill establishes the mechanism for the Registrar General to be the regulator of the titling and registry business. The Registrar General will be a public sector employee. The Registrar General will monitor and enforce the authorised operator's performance through clearly defined service levels, key performance indicators and data security requirements. The bill stipulates that the authorised operator must adopt appropriate data security and fraud detection practices. The Registrar General will have the regulatory oversight of these matters through the concession documents.

The bill includes additional statutory stepping powers that can be exercised where there is a threat or a likely threat to the integrity of the register and will allow the Government to operate the business if this becomes necessary in emergency circumstances. The Government will continue to guarantee the Torrens title system, backed by the Torrens Assurance Fund. All applications for compensation from the Torrens Assurance Fund will continue to be made to the Registrar General. The Government is committed to ensuring transparent and stable prices for regulated services provided by the Land and Property Information NSW Titling and Registry Services. The Government will monitor and regulate the price of services so the prices of regulated services will only be permitted to increase by up to the consumer price index.

Those opposite spoke of the lack of benefit in proceeding down the path of looking to the private sector in offering this service. This transaction will see a significant amount of money become available for government to invest in other programs. The money will be paid into the Restart NSW Fund, the Government's fund for infrastructure to support economic growth and productivity. Restart NSW delivers a commitment to our regions that 30 per cent of all proceeds of this transaction will be invested in regional projects. Restart NSW has helped

to deliver vital infrastructure for regional communities. The Resources for Regions program is funded from Restart NSW. It is a formula put in place when the Government was elected. The Hon. Mick Veitch has said he wished that those opposite had a Resources for Regions fund. That program is funded by the recycling of assets such as the Land and Property Information NSW transaction.

Resources for Regions has delivered \$230 million to communities impacted by mining. To date, 32 projects have been delivered across the State. Funding has revitalised mining community infrastructure and relieved the specific burdens that mining-related activities can have on regional towns and cities. Last month, together with the member for the Upper Hunter, I opened a tertiary education facility that had received a \$6.1 million investment from funds available through Restart NSW. The Cobar water treatment plant and Broken Hill Civic Centre were projects funded through Resources for Regions. Restart NSW is part of a formula put in place off the back of recycling assets.

It is not just Resources for Regions that is funded through Restart NSW. The \$110 million Regional Tourism Infrastructure Fund will receive investment across regional New South Wales. Of that \$110 million investment, \$70 million was invested in regional airports. The Government understands how important connectivity is for prosperity and economic growth in the regions. There were upgrades to Lismore, Tamworth, Wagga Wagga and Cooma-Monaro airports. Due to investment by this Government in that airport, Regional Express is once again flying to Cooma-Monaro. The Port of Eden received a \$27.5 million upgrade investment and the Rosewood-Tumbarumba rail trail will receive \$5 million.

Other programs funded through the 30 per cent set aside by Restart NSW for the regions are infrastructure projects such as Fixing Country Roads, stage 3B of the Lismore Base Hospital, water security for the regions, and Restart Illawarra. Restart NSW is the vehicle that this Government is using to fund projects across the State. The projects in Sydney include roads, hospitals and schools. The Land and Property Information transaction will allow further investment into Restart NSW, with 30 per cent going to regional New South Wales. These communities will benefit from strong leadership and policies. The Government is making decisions that are important to the prosperity of the State today and for generations to come.

The transaction will allow this Government to do what we have done best, that is, to invest in regional communities so that they can share in the prosperity. We recognise that regional New South Wales should be front and centre of the decision-making in this State. Programs will be funded by the Restart NSW Fund from the carve-up. We look forward to this transaction, which will make sure that regional communities benefit from the policies of this Government. In coming months I will look forward to hearing more about the regional projects that will be funded by this transaction. Members on this side of the House are committed to delivering for regional New South Wales. The Nationals are very proud to partner with our Liberal colleagues to ensure regional New South Wales survives and thrives. We can only ensure that happens if we are willing to make tough decisions.

Unlike members opposite who play politics and follow polls—just look at how they sandbag their seats, as we saw for 16 years—members on this side of the Chamber make decisions based on good policies. For 16 years the Government of this State was driven by politics, not by policies. My view is clear: if one gets the policy right the politics will sort themselves out. If we invest in our communities, grow the economy, create jobs and present opportunities for future generations, then we have done the right thing. Sometimes that takes strong leadership and tough decisions.

Through good policies we will deliver better outcomes. With regard to Land and Property Information NSW, good policy will deliver better services to the sector. The transaction will give us the benefit of the dollars and the good policy will relate to where we invest those dollars. Through Restart NSW we are investing in community infrastructure to build facilities. That enabling infrastructure will grow the economy in regional New South Wales. I commend this bill to the House.

Mr GREG PIPER (Lake Macquarie) (21:56): I make a contribution to debate on the Land and Property Information (Authorised Transaction) Bill 2016. I note that the Treasurer is in the House. I also note that around 30 minutes into the speech of the member for Cessnock he almost had the Government in agreement. But the member overcooked his speech and we are now looking down the barrel of this transaction occurring, just to spite the member for Cessnock. Along with many New South Wales residents, I have grown increasingly concerned about the privatisation agenda of the Government. The member for Wyong mentioned this as well. This transaction, I believe, represents an unnecessary sale of an asset that provides a solid, recurrent dividend to the Government and, of course, the State's residents.

I have no doubt that there are lazy public assets out there. While I have no problem with the Government searching for the best deals for taxpayers and testing those deals, this asset clearly is not one of them. The titling and registry arm of Land and Property Information [LPI] was the most profitable arm of the department before it was fragmented in recent years. Why on earth would we sell off such a profitable government service—one which

makes a regular and solid return to taxpayers—to the private sector and then keep the unprofitable parts, which are a strain on the public purse? I guess we will see about those with respect to future transactions.

The titling and registry business, as we have heard previously, returned some \$47 million to taxpayers in 2014-15. That is \$47 million which not only subsidises the department's unprofitable sectors but also goes towards funding teachers and nurses and building new infrastructure. While I accept the word of the Treasurer that the scoping study commissioned by the Government found long-term benefit to consumers and taxpayers, we have not seen the detail in that study. It is okay to say that privatising the LPI will deliver faster processing times and a better investment in technology and better services, but where is that detail and what is the real cost to taxpayers?

The Government is looking to cash in this profitable business for an immediate windfall, with at least some of that money going to new sporting stadiums. There is an economic argument that some assets can give a better return to the community by being sold and the proceeds put into economy-growing infrastructure. On the other hand, there is a very good argument for holding onto entities, which, by any standard, are good little earners—the kind of earners that provide funds to maintain assets such as stadiums. The sale of the LPI is effectively cashing in on the good work of previous governments and LPI administrations for a short-term gain.

My concerns extend beyond the financial case. The current Torrens title system is among the best of its type in the world. I am told that it may indeed be the best in the world. It is a system that offers great integrity and probity to titles management and therefore gives great confidence to the market. LPI is highly regarded for its probity and strength. I have significant concerns that that strength will be lost or watered down by a private operator down the track, despite the safeguards the Government is building into the proposed sale. The system has been central to providing a fair, streamlined and relatively cheap service since 1863. More than anything, it is a trusted and secure service. I accept that the Treasurer truly believes what she said in her second reading speech about safeguards being built into any future operation by the private sector, but there also needs to be a high degree of public confidence in the system.

The taxpayers of this State—particularly those who hold land titles—along with the development industry and other stakeholders, need confidence that the system will provide security and integrity. The system, an institution in New South Wales for 150 years, has provided surety about the integrity of property records that is second to none. Government enterprises such as this give stability and confidence to markets. Our Torrens title system has been invaluable in providing that stability and confidence for the people of New South Wales. I fear that, if privatised, the value of our property records system could be diminished, along with the confidence it brings to the market, purchasers and landowners—not overnight but in the long term. Over the long term New South Wales has benefited from the integrity and stability of the property records system.

I note the Treasurer's assurance that the Government has been committed to building security into the legislation, to protect data and information held by Land and Property Information. I also accept the Government's intention to protect and promote competition and innovation among those in the business and those in downstream businesses, but that cannot be guaranteed. I accept that the Government has built in a new safeguard that will allow it to intervene or even terminate a private contract if the system's integrity is questioned, but at what point does that happen and where will today's corporate knowledge be then? What level of breach would allow the Government to step in and take back control? What if that response comes after the horse has bolted?

My thoughts on the privatisation of public assets are well known in this Chamber. In a recent survey of people in my electorate, privatisation ranked very highly in their concerns. They did not want their poles and wires sold off, they do not want their health services privatised and they do not want their prisons privatised. They do not want any further erosion of public assets. There may be cases where some government operations are better off in the hands of a private operator. The public should give the Government a degree of social licence before it sells off assets acquired or built up over many years. A large degree of approval and public confidence should exist before that happens. I do not believe that that is the case with this legislation and proposed transaction. I do not believe that the titling and registry services of Land and Property Information are lazy assets. I oppose the bill.

Mr RAY WILLIAMS (Castle Hill) (22:03): It gives me great pleasure to speak on behalf of the Government in debate on the Land and Property Information NSW (Authorised Transaction) Bill 2016. The bill will authorise the transfer to the private sector of operations relating to the titling and registry services of Land and Property Information NSW [LPI] for a period of 35 years. Net proceeds achieved from this transfer will be used to fund new infrastructure, in particular new stadiums. On 20 May 2016 the Government announced its intention to grant a 35-year concession to the private sector to manage Land and Property Information's titling and registry services. Until 1 July this year Land and Property Information comprised three main divisions—Titling and Registry Services, Spatial Services and Valuation Services.

The spatial and valuation functions of LPI and the Registrar General will remain with the New South Wales Government. The Government will invest the net proceeds of the transaction into new infrastructure across

the State, including the stadia package, which will in turn help boost economic growth and productivity throughout New South Wales. Investment from the private sector in Land and Property Information's titling and registry operations also will allow the private sector to invest in new technology. This will have benefits for consumers with the potential for faster processing times and the introduction of new services for customers.

The land title register is a public register. Anyone can currently conduct a title search for a fee to access information stored on the register. This includes information relating to any encumbrances on a property, lot and deposited plan, and ownership details. The integrity of the titling system will be protected by a strong regulatory framework, to which the Treasurer already has alluded. This will include government oversight of any private operator and the continuation of the State's guarantee of the Torrens titling system backed by the Torrens Assurance Fund—which is the foundation stone of private property rights across the nation.

The bill establishes the mechanisms for the Registrar General to be the regulator of the titling and registry business. The Registrar General will be a public sector employee. The Registrar General will monitor and enforce the authorised operator's performance through clearly defined service levels, key performance indicators [KPIs] and data security requirements. To ensure transparency, the price of regulated services will be permitted to increase only by increases in the consumer price index [CPI] over the term of the concession. The regulator will have powers to direct the operator to implement measures when it is in the public interest to do so. Importantly, the Government will retain ownership of all the data and will require that the data be housed solely in Australia.

Award employees will have two years of employment guaranteed after transferring their employment to the new operator. Transferring employees also will have continuity of entitlements, including those relating to superannuation, annual leave and long service leave as per other transactions. The subsequent transfer of the Land and Property Information [LPI] titling registry services not only will provide opportunity for private sector investment but also will lead to greater efficiencies through advanced technologies for consumers registering property titles in the future. The eventual funds achieved through the transfer of LPI to the private sector will no doubt be enhanced by the current increase in property transactions being experienced right across New South Wales. On behalf of families seeking a home this Government continues to increase housing stock to ensure there remains an adequate supply of housing to meet current demands. Evidence of the increased housing stock can be seen in the record number of new dwelling approvals in the 2015-16 financial year of some 70,077 homes or approval for homes in total, according to the Australian Bureau of Statistics [ABS].

There is also potential uplift in property title transactions in the future due to many self-managed super funds that now are purchasing property within the funds to support retirees in pension phase. I have noted previously that I have personally engaged in this practice, which makes good sense as does any property purchase. Owning a home remains the great Australian dream and also is one of the most effective means of wealth creation through investment in property. However, one point I would make in regard to any property transaction is the importance of ensuring careful due diligence on behalf of purchasers. While it is essential to engage a professional such as a solicitor to undertake the property transaction, it remains the responsibility of any new property purchaser to ensure the details of the sale and title are correct prior to the registration of the property.

I found out the hard way that failure to check and recheck the final details of a property title can be very costly. Almost a decade ago my wife and I purchased an investment property. As we had done previously when purchasing investment property, we informed the solicitor to register the property in a 99:1 per cent joint shared title, with myself having the 99 per cent share and my wife having the 1 per cent. This was done so as to obtain the benefit of negative gearing since at the time I was earning the only full-time wage in our family. As it turned out, the title was incorrectly registered in a 50:50 partnership share. Some years later, it was picked up by the Australian Taxation Office [ATO] because the incorrect amount of taxation had been assessed against my yearly income. We were then charged additional stamp duty, a penalty and interest—in total, more than \$7,600—for allegedly providing misleading information to the Office of State Revenue whereas in fact the misleading information had been provided by the solicitor we had engaged.

The moral of the story is as I have already stated: To always ensure due diligence in the process of purchasing property. The last thing anyone wants is to unnecessarily incur costs over and above what already is an expensive investment. This Government has a proud record of recycling public assets of which the proceeds are reinvested into essential infrastructure on behalf of our communities. That is similar to what will occur through the transfer of Lands and Property Information. This Government's legacy will be record spending in the roads, rail, hospitals and schools that are so desperately needed following 16 years of underinvestment by our Labor predecessors.

Mr DAVID MEHAN (The Entrance) (22:09): On 8 May 1794, 28 former members of a private consortium known as Ferme générale were guillotined on the streets of Paris. They had been the beneficiaries of the decision of another conservative regime to outsource the most basic functions of the State, namely tax collection, which the farmers pursued with a brutality and selfishness which ultimately brought them and the

conservative regime of Louis XVI undone. The Land and Property Information NSW (Authorised Transaction) Bill 2016 seeks to privatise and outsource one of the most fundamental obligations of the State, the maintenance and recording of land ownership and boundaries. The object of the bill is to privatise by grant of a concession to a private sector entity, the provision of the services currently very well provided by the Registrar General in the exercise of the Registrar General's titling and registry functions.

The bill provides for the following for the purposes of the privatisation: the transfer to the private sector of assets, rights and liabilities of the people of New South Wales that are deployed in the exercise of the titling and registry functions of the Registrar General—this is the authorised asset transfer; the grant of the authorised concession to the private sector entity—the authorised operator—to which assets, rights and liabilities are transferred pursuant to the authorised asset transfer with a maximum term of 35 years; the re-vesting of assets, rights and liabilities on termination of the authorised concession; arrangements for the transfer of public sector staff to employment by the new operator under the authorised concession; step-in powers of the portfolio Minister to take control of the authorised operator's business if necessary to protect the integrity of the register; amendments to the Real Property Act 1900 and other Acts to facilitate and support the transaction; and payments of the proceeds to the Restart NSW Fund. In relation to the bill, the Treasurer said:

In May this year the Government announced its intention to proceed with this transaction after accepting the recommendations of a comprehensive scoping study into the business. The study found that the involvement of the private sector would be of long-term benefit to consumers, to industry and to taxpayers generally.

This glowing study into the benefits of selling off of the registry service is so compelling that the Government does not want anyone to see it. Today I called for the scoping study to be made available to the Legislation Review Committee. The study was referred to in the draft digest tabled by the chair of that committee. The draft digest of the committee had noted that the bill:

... follows a comprehensive scoping study into land and property information, with expected benefits including faster processing times, the introduction of new services for customers, better business to business experiences and greater investment in technology and innovation.

As the committee was reminded, its meetings are private under Standing Order 295 (1) to promote open and informal exchange. The meeting was confidential and not open to the public. However, instead of scrutinising the legislation and its supporting documents, as the committee should, the Government majority on the committee voted to remove reference to the scoping study from the digest and wave the bill through without further consideration. Clause 6 of the bill provides that the authorised transaction, the privatisation, is to be effected by the Treasurer in any manner the Treasurer considers appropriate. What a remarkably open power to grant to the Treasurer. There is no obligation to report to Parliament the detail of the transaction or the terms of the arrangement with the operator. I will be happy to hear the Treasurer in reply advise the Parliament that the full details will be tabled. A secret study and a secret arrangement. When it comes to this Government's privatisation agenda public sector employees are always first in the firing line.

Clauses 20 and 21 provide for the transfer of the public servants concerned without consent. Giving two-year guarantees of employment is this Government's way of making sure that it can wash its hands of any responsibility once the private entities are given the opportunity to negotiate new contracts with new staff. New contracts rarely consider the skills set, knowledge and expertise of our public servants. Long-serving public service employees who now have a reasonable expectation of ongoing employment will be subject to the competing imperative of the authorised operator to reduce the wages bill and boost profit margins.

Clause 39 deems the authorised operator to be a public sector agency for the purpose of the Privacy and Personal Information Protection Act 1998. What a precedent this creates. In future no State employee's job will be safe and all State employees will face the prospect of forced transfer to private sector operators deemed to be public sector agencies. The whole public service will be outsourced, the next best thing to no public sector employees at all for those opposite. Clause 16 makes the Registrar General liable for any compensation arising out of mistakes made by the operator. Just like the Ferme générale, the operator's biggest incentive will be profit, not service. This Government's privatisation agenda has another purpose, and that is the raising of money to fund its Sydney-centric infrastructure agenda. In preparing the department for sale the Government has reduced staff numbers and significantly increased the charges for services offered, in many cases by more than 20 per cent.

Ms Gladys Berejiklian: Does he live near Gosford Hospital? Wyong Hospital, okay.

Mr DAVID MEHAN: Another privatisation, that of Wyong Hospital. How much privatisation should we talk about tonight? This drastic increase in charges and fees makes schedule 4.4 of the bill, pertaining to the regulation of fees linked to the Consumer Price Index [CPI], a hollow gesture and a simple guarantee to the operator of a minimum real return on the operator's investment. The New South Wales land titles system is the

envy of the Western world. It provides cheap and efficient registration and has been at the forefront of developing and integrating automated and electronic land title systems.

The Land and Property Information service is deeply involved in the work of government at many levels. There is not a single department involved in upgrading and building public infrastructure that does not work hand in hand with the LPI to deliver projects. It is an effective and efficient government body that has shown time and again its worth to the taxpayers of New South Wales. Before I came to this place I worked as a consulting geologist and I recall the efficiency of the LPI when I sought land information to help me in my work. This information was delivered in a timely and cost-effective fashion. There is no guarantee that this will be the case in the future under a private operator whose incentive is profit and not service.

The proposed privatisation of the LPI adds to the 77 other privatisations this Government has foisted upon the people of New South Wales. This bill ultimately boils down to being another cash grab by the Baird-Grant Government to pursue its privatisation agenda. Proceeds from this are estimated to be close to \$1 billion and have already been flagged to fund the Government's Sydney-centric stadium upgrades package. It smacks of another case of this Government deciding on what it wants to spend and then gutting whichever public asset it thinks is available to front up the cash.

Ms Gladys Berejiklian: A third of it goes into roads maintenance, so that gets rid of it.

Mr DAVID MEHAN: Let us get rid of privatisation—I agree. Just like the conservative regime of Louis XVI, this Government's obsession with big infrastructure bought with the proceeds of privatisation at the expense of basic public services will bring it down. This is a dog of a bill. I am opposed to it. The House should reject this bill.

Ms KATE WASHINGTON (Port Stephens) (22:18): I contribute to the debate on the second reading of the Land and Property Information NSW (Authorised Transaction) Bill 2016. In its current form, the New South Wales land titles system is a world-recognised leader in the provision of inexpensive, efficient land title registration services. The land titles office is self-financing and has a track record of implementing cost efficiencies. Thanks to the commitment of many hardworking public servants over many years, it is a system that inspires confidence in New South Wales residents—a system that few people know about or understand because its work is carried out in a manner that is rarely questioned.

The system provides certainty of ownership, area, easements, mortgages and burdens on the land. Despite all this, and really because of it, the Baird Government is choosing to sell it off. Why? It is because it is a good offering. The Government can see a fat pig on its farm that will sell well at market, but at what cost to the residents of New South Wales? What is at stake with the sale of yet another asset and public service? This service has only ever been delivered, and delivered to the highest standard, by the Government. Since its inception more than 150 years ago, government guarantee of ownership or land title has underpinned our entire property system and economy. It is the land title deed that provides security of title and in turn confers value on land to landowners. Banks issue mortgages against title deeds.

Placing the extraordinarily important responsibility of the New South Wales land title system in the hands of a private operator will have serious repercussions. The accuracy of the land title system is paramount. A single failure to maintain the reliability and integrity of the Torrens register by a private operator would undermine public confidence in the system. This system has not been questioned in the past due to its reliability. President of the Law Society of New South Wales, Gary Ulman, has criticised the sale of Land and Property Information [LPI], raising the issue of the management of sensitive data by a private provider. He has said:

Our land titles system protects the property interests of all NSW land owners and it is simply not in the public interest for the LPI to be sold off to private enterprise.

This raises important issues around adequate protection of sensitive data, the continued implementation of best practice anti-fraud measures, and the potential loss of expertise of LPI personnel.

Under a private land title system how will sensitive information be protected? There will be diminished oversight of the transfer of land titles, which will lead to greater opportunity for land title fraud. I cannot imagine that New South Wales residents will be feeling confident about the privacy and protection of sensitive land title data if the Government chooses to do with the LPI what it did recently with train manufacturing. This Government recently invested in job creation in South Korea instead of in the Hunter or the Illawarra. It is not a stretch to think that workers for the newly privatised LPI or the new private entity itself—

Mr Andrew Fraser: Point of order: I refer to page 356 of Erskine May, which I suggest is the *Bible* of Westminster parliaments.

Ms KATE WASHINGTON: Deputy Speaker, I suggest this is time-wasting to take up my time.

Mr Andrew Fraser: It is not time wasting. The member for Port Stephens has only been here the length of a cigarette; she should listen to some rules of the place. Erskine May states:

A Member is not permitted to read his or her speech, but may refresh his or her memory by reference to notes. A Member may read extracts from documents, but such extracts and quotations should be reasonably short. The purpose of this rule is to maintain the cut and thrust of debate, which depends upon successive speakers meeting in their speeches to some extent the arguments of earlier speeches ...

I put it to you that the member has obviously prepared this speech beforehand and is referring to other items that are not relevant to this legislation. I ask that you direct her to stop referring to her speech. She may use copious notes, but Erskine May has set the precedent for Westminster parliaments

The DEPUTY SPEAKER: The *NSW Legislative Assembly Practice, Procedure and Privilege* at chapter 11.1.3—

Ms KATE WASHINGTON: Deputy Speaker, I am losing time.

The DEPUTY SPEAKER: Order! I will make a ruling about the member's speaking time when I am finished. If the member for Port Stephens respects me, I might respect her. The member will take her seat until I have ruled on the matter.

Mr Nick Lalich: Could you hold the time?

The DEPUTY SPEAKER: Order! I said that I will make a decision about the time when I have ruled on the matter. The *NSW Legislative Assembly Practice, Procedure and Privilege* states in the chapter on debates:

Not all honourable members are equipped with the oratorical ability to deliver speeches without referring to notes.

Ms Jenny Aitchison: And some of them cannot deliver them with notes.

The DEPUTY SPEAKER: Order! The member for Maitland will come to order. It continues:

Some members are so intent on a particular subject that they prepare their material and do not want to deviate from it so that whatever they say ... will be correct and in accord with their thinking.

I direct the Clerk to reset the clock so that the member for Port Stephens has five minutes and 30 seconds remaining. The member will remain within the leave of the bill.

Ms KATE WASHINGTON: Other international jurisdictions have already gone down this path of privatising property title services, and the Government should have taken their experiences into account. In Canada and the United States similar privatisation of land titling and registry services has led to the introduction of products such as title insurance or property risk policies. In these jurisdictions landowners are paying insurance premiums to protect the security of their title on their land. This is a direct result of the undermining of public confidence in a system in which we can least afford any jitters. It is a direct result of the increased risk of placing such important and sensitive data in the hands of a private operator.

Aside from the prospect of potentially paying more insurance, other additional costs to residents will undoubtedly flow from the privatisation of the LPI. Indeed, we are already seeing an increased cost for people purchasing land. A recent 25 per cent hike in fees and charges on most services offered by Land and Property Information has been instigated by this Government to plump up the already fat pig for sale. Make no mistake, this is a great investment because there will be no competition to drive down the cost to consumers. There are no other players in the market.

What do we think will happen once the land titles service of the LPI is sold off? Do we think the nice, new private provider will reduce fees and charges? Do we think they will put increased resources into ensuring the quality and integrity of the new service? Bearing in mind that this is a private, deregulated monopoly, I think not. Fees will rise and staff will be cut. As we know—and as this Government knows all too well—it is the obligation of company directors to maximise shareholder return. That is the bottom line. The integrity of land ownership across New South Wales will no longer be the focus of the service. Do not think for a moment that any additional fees or costs charged by the new private provider will not impact on people if they do not own property. Losses will not only be borne by landowners and developers; almost every level of government, business and individuals will bear the additional cost of a privatised land titles service. We will all bear the burden of this Government's appallingly short-sighted push for privatisation.

I have come to the realisation that the Baird Government thinks the average punter in New South Wales is stupid. We saw it recently when people in the greyhound industry were described as having "low levels of literacy" in a brief by an adviser to the Government. Does the Baird Government seriously think people cannot see through the language being used to hide privatisation? Today's privatisation comes in the guise of a 35-year

"concession". It is worth asking: What is that? It is privatisation, and the good residents of New South Wales can see right through the cute language.

Shareholders across the country and internationally might be loving the Baird Government because everything is up for sale. The Premier may not have grasped what is happening outside Manly or the North Shore yet, but I am happy to say that the punters are not happy. The punters can see through the pretence. They have a good grasp of what is happening. They have their finger on the pulse and they can see the arrogant, short-sighted Government that is more interested in big-noting itself and patting itself on the back instead of making responsible decisions in the interests of the public. They are not seeing the decisions they want to see from the Government of New South Wales.

The people of New South Wales are not stupid—they are very savvy and they know when they are being lied to. They know when the truth is not being told and, quite rightly, it makes them cranky. They know that today's bill is not a "concession"—whatever that is. They know that this Government is seeking to privatise the LPI. They know that this is just another privatisation in a long list of this Government's service sell-offs. Under this Government we have seen more than one sell-off each month since it was elected in 2011. Courtesy of the Baird-Grant Government, New South Wales has seen the sale of poles and wires; the sale of the Port of Newcastle, Port Kembla and Port Botany; privatisation of public transport in Newcastle whilst ripping up the existing, functional heavy rail line; and the destruction of TAFE and the sale of multiple campuses, with more to come.

We have seen the sale of sport and recreational camps and, most recently, the intention to sell-off regional public hospitals. We have also seen the disgraceful privatisation of Ageing, Disability and Home Care NSW—the State provider of quality disability care, the provider of last resort in the disability sector—and the privatising of Home Care by stealth, with a job-lot, one-off transfer to a private operator. Under this Government, in addition to this long and yet incomplete list, we have seen the removal of democratic rights with forced council amalgamations and how can we forget the shutdown of an entire industry without any notice or regard for industry participants?

The Baird Government must come clean on its true motivation for selling off the LPI—namely, to make cold hard cash quickly. Instead of allowing a good service to continue delivering a reliable property title service, this Government is yet again opting for the irresponsible course. Regardless of what its constituents want, and value, those opposite continue to build in Sydney and say, "How good are we?" Along with my colleagues on this side of the House I strongly oppose this bill and I have one message for the Premier: Stop selling off this State!

Ms PRUE CAR (Londonderry) (22:30): This evening I make a contribution to debate on the Land and Property Information (Authorised Transaction) Bill 2016. Another day, another privatisation in New South Wales will be the shameful story of this Government. To date 77 privatisations have been forced onto the people of New South Wales—one privatisation every 26 days since those opposite came to office in 2011. The Baird Government has a ruthless agenda of privatisation at any cost, and its newest victim is the land titling and registration office. This Government knows the price of everything but the value of nothing. If the Baird Government listened to the people of New South Wales, instead of riding roughshod over communities across this great State, perhaps it would hear the message that Opposition members and the media are hearing: The public is sick and tired of seeing more and more of our public assets being flogged off to private enterprise.

I am commonly asked, "What will be left in 2019?" Indeed, there is not one asset that the Government does not see as a potential profit. Some public assets must stay in public hands and in this case, in particular, there is no justifiable reason for the sale of the land and titling registration office. The land titling and registration office is the management body responsible for managing the State's title system. In the remit of New South Wales government agencies, the land titling and registration office has one of the most important jobs in managing and recording property interests in New South Wales. Its operation ensures the stability and reliability of the New South Wales property market as people and businesses rely on the Torrens title system of registration, which has stood the test of time as the most stable property registration system in the world.

Historically, the responsibility of managing and recording land title is something that has been kept in government hands, and rightly so. This role is one of the foundations of our property law system, it underpins our legal system and our economy. Privatisation and land title registration do not mix. Experiences overseas show that the privatisation of land title bodies has resulted in huge price increases, as well as additional costs such as title insurance. In New South Wales every property has a land title, which underpins the concept of property ownership. It is one of the most serious functions of government and it beggars belief that something so important would be outsourced to a private company. Land title and registration requires absolute precision and accuracy, and the experts at the land title office carry the responsibility of managing the system. When something goes wrong with land title, the process that follows can be extremely cumbersome and expensive so outsourcing this important function could potentially have disastrous consequences.

We have heard throughout this debate—and I will also state it in my contribution—that this Government has fattened the pig for the sale, cutting back staff numbers and increasing the fees for services offered by the land, titling and registration office. In some circumstances, fees have been increased by up to 20 per cent. The Land Titles Office is the most profitable component of LPI, producing around \$60 million a year for the State Government. Unfortunately, it is another example of profitable assets being flogged off by the Baird Government. New application fees for title registrations and title boundaries will rise from \$109.50 to \$136.30 for each transaction, costing up to \$27 more each time this is required. This will apply to anyone who uses the Land Titles Office. The attack on the property law system to which I have made reference has drawn criticism even from the Law Society of New South Wales President, as we have heard other members refer to. In the *Sydney Morning Herald* he said:

There are some state owned assets that should remain in public hands ...

Our land titles system protects the property interests of all NSW land owners and it is simply not in the public interest for the LPI to be sold off to private enterprise.

Privatisation for privatisation's sake is not good policy. Privatising something as important as the land titling and registration office is almost unheard of. The Baird Government cannot possibly know the impact that this pointless privatisation will have on New South Wales. It puts at risk the fundamentals of our property law system and risks passing on more costs to the taxpayers of New South Wales. I am proud that the Opposition is once again standing up against the Baird Government's ruthless privatisation agenda in New South Wales—another sell-off forced onto the people of New South Wales. I am proud that my side of the Chamber will vote against this and will continue to fight sell-off after sell-off, because, like all the other sell-offs, this is not in the interests of the people of this great State.

Ms JULIA FINN (Granville) (22:36): I oppose the Government's Land and Property Information NSW (Authorised Transaction) Bill 2016. The bill will transfer the assets and the staff of the Titling and Registry Services Division of Land and Property Information NSW and provide a concession for the operation of titling and registry services by the private sector for up to 35 years. This is a critically important service, a core role of government and a monopoly service that should only ever be administered by government. It is also privatisation number 77 for this Government—a shameful milestone. A land title is an official record of who owns a piece of land. It can also include information about mortgages, covenants, caveats and easements. It is a basic function of the State to ensure that we have accurate and secure ownership of land, and this is why the State guarantees land titles.

Torrens title was introduced into New South Wales in 1863, such that a register of landholdings maintained by the State guarantees an indefeasible title to those included in the register. Land ownership is transferred through registration of title instead of using deeds. Going back to the earliest days of New South Wales, a land grant register was commenced under the instructions of Governor Arthur Phillip, and no land grants in the name of the Crown were to bind the Crown until enrolled before an officer appointed for that purpose. The first land grant of 30 acres was made to James Ruse of Rose Hill—close to my home and close to the Granville electorate—in March 1792. The first woman to be granted land was Ann Robinson in August 1794. Both were recorded in the Grant Register.

Since then, surveyors general, registrars general, the Supreme Court, the Department of Lands, the Land Titles Office and the Land and Property Management Authority have variously been responsible for maintaining the property records across New South Wales. In all of its incarnations, restructures and name changes the agency has been the guardian of land information across the State and is recognised as a world leader in land information and management. Following the water management reforms of the previous Labor Government, the agency has also been responsible for maintaining the water access licence register. It has a proud legacy, and one that will be forever undermined by privatising or contracting out its management.

The current Government established Land and Property Information in , and has cut staffing numbers enormously and increased user fees for its services, making it far more attractive to future purchasers. Clearly, the Government's intention for some time has been to privatise Land and Property Information, but why did the Government not disclose this 18 months ago when it wanted to be re-elected? Why was the Government afraid of the scrutiny of New South Wales voters and landowners? Why would the Government not promise that their land title will be as secure as ever before? In the second reading speech the Minister claimed:

The study found that the involvement of the private sector would be of long-term benefit to consumers, to industry and to taxpayers generally. The private sector will have strong incentives to invest in new technology, resulting in significant improvements to the system, and benefits for consumers.

However, the Minister did not identify a systemic problem with the existing Land and Property Information systems, the failure of existing technology or an unresponsive system requiring privatisation—because there is

not one; it is a system that works exceptionally well. I am not convinced by the financial rationale put forward by the Treasurer. She said:

In addition, the transaction would free up valuable government funds to invest the net proceeds of the transaction into new infrastructure across the State, including a stadia package.

If I recollect correctly, the stadia package was supposed to be funded by electricity network privatisation, along with everything else. But since the highest bidders have been ruled out, we are selling off Land and Property Information. Why not privatise Premier and Cabinet? It already looks privatised. So while consumers pay more for Land and Property Information transactions and may even be encouraged to take out insurance against the private operator making a mistake in the future, some of the proceeds may fund the stadia package. This is a package in which the Minister for Sport confirmed at budget estimates that the bigger Parramatta Stadium requires the demolition of the Parramatta and District War Memorial Swimming Pool. He said:

I don't think that creates an obligation on the New South Wales Government to fund the complete relocation of the pool.

So we are considering privatising Land and Property Information in part to fund the demolition of Parramatta pool and to short-change the 170,000 people who swim at that pool every summer on both their pool and the security of their land title at home. In September 2015 the Government promised that any "future private sector involvement in Land and Property Information will only proceed should the scoping study conclude that it is in the best interest of the people of New South Wales". Why have the results of that study not been released? Why have Government members decided to keep the report secret?

Only this morning at the meeting of the Legislation Review Committee my colleague the member for The Entrance moved that the committee be provided with a copy of the scoping study into Land and Property Information; however, it was voted down by Government members. It is not the first time that this Government has prepared reports at considerable expense to the taxpayer and used them to support its decision-making, only to keep it secret. It is a very concerning trend that the Government is not open, transparent and accountable.

The Treasurer said nothing about the public interest or ensuring that Land and Property Information users receive value for money, and nothing has been presented to this House to assure the public that they will not be worse off. Nor has the Government addressed the very real issue of conflict of interest. The privatised model eliminates independent operation of the title system, reduces trust in its operation and opens up the opportunity for commercial decisions to override other considerations. Currently there is no incentive for Land and Property Information to delay or erroneously record details in its registers. However, what guarantee is there that in future a concessionaire is unable to delay or erroneously record transactions of its commercial competitors?

Since Torrens title operates on the basis of the register of land holdings being evidence of ownership, if an innocent mistake is made by the concessionaire there may be lengthy and expensive ramifications of the mistake. For example, a home is usually the single largest purchase we ever make. We need to be confident that ownership is recorded accurately, otherwise why would anyone spend hundreds of thousands of dollars on an asset which may be legally taken by someone else, or an easement not properly identified? Similarly, if the Government itself cannot have secure title to its own landholdings, how can it properly plan future infrastructure across the State?

Interestingly, the United Kingdom Government has been considering privatising its Land Registry. On 24 March 2016 the United Kingdom Government launched a public consultation on moving Land Registry operations to the private sector. The Conservative Government's view was that there was no compelling case for keeping the Land Registry in public ownership and that privatisation would deliver a capital receipt for government and could support the Land Registry in being run more efficiently and effectively. The public consultation closed on 26 May 2016. A number of organisations and individuals strongly opposed the proposal.

The Public and Commercial Services Union strongly opposed the proposal because of a range of potential negative impacts on public trust, impartiality, service quality, fees and access to data. A petition to stop the privatisation of the Land Registry gained more than 300,000 signatures. It is worth quoting from a recent debate in the House of Commons on 30 June 2016. Conservative members were very concerned about the proposal to privatise the Land Registry. Mr Bernard Jenkin, Conservative member for Harwich and North Essex, and Chair of the House of Commons Public Administration and Constitutional Affairs Committee said about the registry: It is a part of our critical national infrastructure. It is an absolutely fundamental function of any civilised state. It is how disputes are resolved ...

I have three main concerns about the present proposal ...

... the quality of service provided to the public by the Land Registry must be prioritised above realising capital gains or transferring risk from the Government's balance sheet. The primary concern must be to ensure that an accurate record of land use and ownership is maintained in public hands.

The Land Registry's core services should be protected from any real-terms price increases, and their quality must not suffer as a result of any transfer of operations to the private sector ...

In public policy terms, it is important to understand the value of open data to the economy as a whole. Research commissioned by the Open Data Institute found that public sector open data will provide more economic value every year, equivalent to as much as 0.5 per cent of GDP, than data that users have to pay for ...

If the Land Registry is privatised, the land register itself-the actual data-must stay in public ownership. It is crucial that the Government preserve for themselves a substantial degree of policy flexibility with regard to any agreement made with a privatised organisation, and if they decide that the public interest is best served by a change in data policy, they must remain free to effect this and to do so without excessive Cost.

These are not the words of a Labour member of Parliament; they are the words of the Conservative chair of the House of Commons Public Administration and Constitutional Affairs Committee. His concerns about the privatisation of the Land Registry contributed to the British Government dumping the privatisation. The New South Wales Government could learn a lesson from the United Kingdom, where Conservative members warned that privatisation could make it harder and more costly to access information, leading to a lack of transparency with regard to property ownership. The conservatives in this Parliament do not have answers to Mr Jenkins' three concerns, and against the better judgement of many are continuing with another privatisation. So let us keep Land and Property Information in public hands where it belongs, and keep land title secure. It is a fundamental responsibility of government and should never be outsourced.

Mr TIM CRAKANTHROP (Newcastle) (22:46): I speak in this debate from a Novocastrian perspective with regard to the Land and Property Information NSW (Authorised Transaction) Bill 2016. The Government has flogged our port and our poles and wires, and it is continuing to flog our public transport system. It seems to know no bounds. It has privatised the electricity network, the Sydney Metro Northwest, and it is starting to privatise the rail network. It is using the National Disability Insurance Scheme as an excuse to shut down publicly-run disability services, and it has privatised the ports of Newcastle, Port Kembla, and Port Botany. It is even privatising education and training in prisons. It is also outsourcing the operation of school and recreation facilities, and it intends to privatise five regional public hospitals. In fact, it is now establishing a competition and contestability unit to come up with even more ways to privatise public services.

However, none of that seems to be enough. This legislation provides for the privatisation of the land titles system, which will have far-reaching consequences not only for the people of Newcastle but also for people throughout New South Wales. Land titling and registration is the means by which we have divided the State into 3.5 million parts, each of which has a title. The land on which our homes stand is the subject of one of those titles. The land registry established in 1863 used the Torrens title system. It has evolved from the historic granting of land in the convict days to the more modern, clear and precise register of land title that we have today. For the past 16 years, the Land Titles Office has been one of three government business units: Titling and Registration within Land and Property Information; Valuation Services; and Spatial Survey Data. In 2014-15, Titling and Registration generated \$183 million in revenue.

The cost of running the titling and registration service seems to be a government secret but it can be crudely worked out to be approximately \$47 million per annum, making a net profit of approximately \$136 million per annum. However, in fattening the pig for sale, the Government subsequently cut back the staffing numbers and significantly increased fees for each service offered, in many instances by 20 per cent and more. They can be seen in the recent circular on fee increases. The Government also introduced some brand-new fees and charges that have never been seen before, which presumably will not be limited by the consumer price index [CPI] as they did not historically exist. The bill allows for other new charges to be introduced by the private owner, again presumably not limited by the CPI. That could mean profits to the new owner could get up to some \$200 million a year.

In 2013 the Government undertook a scoping study, but it must not have produced the right answers because another one was needed in 2015. The Government has not made these documents available. Nonetheless, the Treasurer claims that the 2015 study gave a glowing endorsement of the privatised model. The key concern is that land title is the structure upon which our society is built; there is nothing that comes close. Land title and registration relies on absolute and precise accuracy and detail and requires experts with many years of experience to interpret and control that detail. Our legal and financial institutions rely on the certainty of land title. Every property in the State carries a title and the accuracy of this system and its standards is paramount.

The future cost to the New South Wales Government should not be underestimated. Almost every department of government has interactions with the Land and Property Information [LPI] to check, verify and establish or dispose of property title. One should consider, for example, the necessary transactions between Roads and Maritime Services [RMS] and the LPI when building roads, footpaths and road reserves and also when establishing or disposing of rail lines, light rail and commuter car parks, installing easy access for infrastructure,

and so on. Consider the transactions of Health and Education when establishing new hospitals and schools, expanding car parks and bus bays, and so on. I have a very simple example.

In the 2015-16 financial year, the NSW Police Force requested about 580 title searches at \$55 each, totalling \$32,000. Under the new fee structure, the same 580 searches at \$370 each will cost about \$215,000. The alarm bells sound because the privatisation of these types of services in the United States of America and Canada have led to title insurance and property risk policies. Similar products will soon be offered here in New South Wales. With this 35-year concession, it is expected to bring approximately \$1 billion—money that is earmarked for the Government's stadia strategy. We saw the sale of the Newcastle port, with the majority of those funds going to Sydney. The local media, the poor old *Western Advocate*, talks about "pain for no gain". It says:

Plans to privatise the state's Land and Property Information services to fund upgrades at major Sydney sporting venues is a classic case of robbing Peter to pay Paul. Unfortunately for Bathurst, we're Peter.

Newcastle knows that scenario only too well; the Government has been robbing Newcastle for a long time. The Government also did the dodgy deal on the sale of our port where for every ship that comes in over the first 30,000 containers they have to pay back a million dollars as compensation to the other ports. The Government's dirty behind-the-scenes deals are outrageous. It is disgraceful. The *Western Advocate* stated: The writing has been on the wall ... the state Government commissioned its second scoping study ... The second study was ordered just two years after another study found retaining the service in public hands was the best option. Clearly that wasn't the outcome the Government wanted and you can be sure it's not the outcome they'll get a second time around. You can hardly blame local staff for being a little sceptical of past claims that their jobs were safe regardless of whether LPI was privatised or not.

No private company has ever taken over a government agency with the intention of increasing staff numbers and expenses.

And no private operator would list maintaining existing service levels as a priority—making money must be their aim.

And so Bathurst community looks certain to suffer the pain associated with privatisation of the LPI while enjoying none of the benefits that will come with the upgrades of major Sydney sporting facilities.

That's a pretty bad deal for our region.

The story about Bathurst in the *Western Advocate* is a story that Newcastle knows only too well. The *Daily Telegraph* reported on the big boost going to Sydney Stadiums. This Government will splash all this money around while we wonder if it will ever reach the regions. We only have to look at the Broadmeadows sporting precinct and the huge amounts of money it needs. We have to wonder about the Government's priorities and hope that it looks to the regions. Alarm bells should also ring when we look at what the Tories are saying about the proposal to sell off their land property system. In their opposition to the British Government's plans for a parliamentary debate, Tory members of Parliament said that it is "a privatisation too far". In an article published on 1 July 2016 the Press Association reported:

In a sign of potential rebellion, Tories warned of the registry's impartiality being undermined and the creation of another private sector monopoly.

Tory MP for Colchester said:

I share the concern of many that privatising the Land Registry would undermine impartiality, lead to fees for customers increasing and act as a considerable risk to the integrity of the organisation.

I've not heard from any stakeholders in the property industry calling for this change or even warmly welcoming it. In fact, they all criticise it.

Another Tory MP stated:

With all that's going on now in the country I very much hope this can be shovelled into the side grass.

That is what needs to be done here. The only winners out of this will be the private operators who buy the LPI, and they will be pocketing big profits that should be going into the pockets of New South Wales taxpayers via this Government.

Mr STEPHEN KAMPER (Rockdale) (22:56): I speak in opposition to the Land and Property Information NSW (Authorised Transaction) Bill 2016 and bring to the attention of the House my serious concerns about the process and implementation of yet another Baird Government ideological privatisation. It is becoming abundantly clear to the people of New South Wales that the Baird Government is not a fit custodian of our State's assets. This Government is not driven by desire to achieve value for money. It simply has an ideological drive to strip New South Wales of its assets at the expense of future generations. It is short-sighted in the extreme to sell off one of the most robust land titles regimes in the world when our economy and our State budget are dependent on the success of the property market.

The Treasurer has introduced a bill that asks us to sign off on a sale that does not provide a price or value, let alone the reasoning behind the sale. The Government claims it is acting on the recommendations of the scoping study in seeking to proceed with this transaction, yet the Treasurer has not seen fit to release this supposed study to the public. Every consumer and player in the property industry stands to lose as a result of this transaction. The empty assurances provided by the Treasurer will not compensate for the loss of confidence in the Torrens title system when a private operator is operating this registry behind closed doors. Increased costs and a loss of surety will undoubtedly follow. Any possible benefit is likely to be drastically outweighed by the need for self-insurance against defects of title coming about as a result of a poorer standard of service.

We do not live in a banana republic and the business of government should not be conducted behind closed doors. Somewhere along the line the Baird Government has forgotten that it does not own Land and Property Information NSW nor many of the other assets, services and hospitals across our State; it merely serves as trustee on behalf of the people. Every hospital that is privatised, every service that is outsourced and every strip of public land that is sold off to the highest bidder without an adequate public interest test is a breach of the trust that was placed in those opposite at the 2015 State election.

The opaque pricing structure of Land and Property Information means that members are left in the dark as to the potential value of any sale. Through this bill, Treasurer Berejiklian is asking the Opposition to agree to sell off the family furniture without first establishing a price. This is a Government that cannot even manage approval of previous asset sales by its own Federal party. It is simply laughable that it expects us to entrust it to do a good deal on the sale of this important State service. There is no greater victim of this bill than the Minister for Finance and Services. The Minister has been supplanted by the Treasurer in introducing this legislation to the House and suffered a massive insult to his management skills. In spite of the Minister's self-confessed productivity gains in Service NSW, it appears that he is either not trusted or does not consider himself capable of taking responsibility for the delivery of Land and Property Information NSW Titling and Registry Services. In this system of government, it is the role of the Minister to ensure the provision of the public services for which they are responsible.

It is simply an abandonment of duty for the Minister to cast off statutory obligations at the first sign of difficulty. It is astoundingly arrogant that this Government sees fit to sell out future generations of New South Wales taxpayers in exchange for the quick sugar hit needed to prop up the softening budget position. Unfortunately for those opposite, the people of New South Wales are beginning to wake up to their tricky accounting and short-term planning. Members of the Government benches whose seats overlap with councils that held elections this month will attest to that. Government members representing the electorates of Sutherland, Heathcote and Miranda will be wondering whether their margins will hold up against the 20 per cent plus swings seen across those electorates. Likewise, warning bells should be sounding for the members representing the electorates of Penrith, Mulgoa, Riverstone and many others across the State. No Government can succeed without the willing support of its electors.

Mr Mark Coure: And Rockdale.

Mr STEPHEN KAMPER: Do not worry about Rockdale, mate. It is abundantly clear that the Baird-Grant Government has either stopped listening to the people or does not care what they think. When ideology triumphs over good public policy it is the hardworking taxpayers who have to support the Government and ultimately pay for the State's mismanagement. As noted in the blistering assessment of the Baird-Grant Government's privatisation agenda by the Australian Competition and Consumer Commission [ACCC] chairman Rod Sims, "Irresponsible privatisation ultimately ends up costing consumers more."

I very much doubt members opposite believe it is in any way appropriate to jack up consumer prices of monopoly government assets above and beyond any reasonable rate of return, yet they seem willing to do so if it leads to an increased sale figure from a private operator. This Government gives no consideration to the future prosperity of the State. It is obsessed with pocketing as much cash as possible as quickly as it can while still holding the Treasury purse strings. Public services are the responsibility of government, and their value in public hands goes beyond their sale price. The Baird-Grant Government seems to know the price of everything and the value of nothing. This is a bad privatisation and it should be opposed.

Mr JAMIE PARKER (Balmain) (23:02): I will address the Land and Property Information NSW (Authorised Transaction) Bill 2016 on behalf of The Greens. The Greens are not in favour of the transaction. The bill intends to privatise the services of titling and registry through a concession with a maximum term of 35 years. The Registrar General will remain a public sector employee and, together with the relevant Minister, have oversight of the titling and registry services performed by the authorised operator.

The bill allows the private sector to invest and operate the titling and registry business of Land and Property Information for a period of 35 years. The funds raised by the proceeds of this privatisation will be placed

in the Restart NSW Fund for investment in infrastructure. I will address the excellent submission of the member who led on behalf of the Labor Party. The member gave a fantastic overview of the situation in this State. I welcome that contribution not only for its content but for the marked change in position by the Labor Party. I am really encouraged to see Labor members turning their backs on the years of their support of privatisation—selling New South Wales Lotteries, selling waste services networks and selling electricity generators.

Ms Jenny Aitchison: Does it always have to be backhanded?

Mr JAMIE PARKER: I take that interjection. My statement is not meant to be backhanded. I mean that the approach of privatisation is a battle of ideas. I am delighted to see people stand up in this House and talk about the privatisations that has happened in the past and the errors that have been made, and the need to make sure that we get it right. I think it should be commended and supported when parties acknowledge—as The Greens do on occasion, as well—that they get things wrong. I think it is important to acknowledge and recognise that, and I want to commend the shadow Minister for his contribution to the House.

The Greens are concerned about privatisation on several levels. As the member for Lake Macquarie said, we take on face value the contribution from the Treasurer, who said that the scoping study vindicates the position of the Government. But it is incredibly difficult for members, who are not able to interrogate the assumptions in that report and are not able to interrogate the detail of the report in order to take a confident position to their communities and into this House. The fact that we are not able to examine those assumptions and understand the detail of that scoping study makes it difficult for us to support privatisation of this nature. Intrinsically, the privatisation of a monopoly is a significant challenge. The Government has tried to address this by introducing a range of provisions which it calls safeguards, acknowledging that it is challenging to manage a monopoly provider. It has to manage fees and the operation. In a potential crisis, the Government will return the activity of the body back to the Government. There is a whole range of issues.

There are significant concerns that The Greens want to address today. Forgive me if this has already been addressed, but I ask the Treasurer, in her reply, to address the question of the building that Land and Property Information NSW occupies. Does the Government intend to maintain that building on the corner of Macquarie Street, across the road from Hyde Park and St Mary's Cathedral? Does the New South Wales Government propose to sell that building or to maintain it? One of my constituents asked me that question because she was concerned that historical buildings, including the New South Wales Property Register building, might be sold off. I ask the Treasurer whether she has put her mind to that issue and whether she can make a statement to the House which may provide comfort to my constituent.

The Government highlights the fact that there is a need for investment in the LPI in order for it to continue in its information technology sector. The concern that The Greens have is that we are unable to properly interrogate the scoping study to understand what are the opportunities and costs. We know that the Registrar General administers the Land Title Register through the Land and Property Information NSW [LPI]. In speeches tonight it has been referred to as the Torrens title system. The budget for the LPI was \$186.5 million in 2015-16. The rationale from the Treasurer is that a private operator will invest in technology and innovation, and may have faster processing times, providing a better experience for business.

The Government has provided an employment guarantee for the current permanent employees. Of course the Public Service Association [PSA] and its members are incredibly concerned that after that two-year period there will be significant job losses. The private provider will seek to minimise the head count and seek to maximise efficiencies of the organisation. The staff of the LPI think that the private operator will do that by reducing the number of staff. I support their concerns. I have expressed that support directly to the members of the PSA, including the secretary, Anne Gardiner, who has been doing a fantastic job standing up for her members and making sure that the jobs of the PSA members can be protected into the future. We have heard concerns from other members in this place about the really robust and efficient nature of the current system. There is no successful example of privatisation of a land title system, globally, that has demonstrated the benefits that the Government is describing. We know that the system currently makes a profit within the range of \$50 million to \$70 million.

We oppose any changes to access to information that would limit accountability and transparency. A fantastic benefit of the service remaining in government hands is that it is accountable to government. It is accountable to the people of New South Wales, not to the shareholders of a particular company. The Greens are concerned that, coupled with the privatisation of the Australian Securities and Investments Commission database, this privatisation will potentially restrict the ability of the media and the public to access information on corporate property ownership. That is an important right of free and open media.

The Greens are also concerned that there is a potential conflict of interest if the successful bidder has other property transactions or interests. We believe that the lack of independence may well reduce community

trust. Many members have spoken about risk. They have spoken about the risk to the level of confidence in the existing system. That level of confidence, to a significant extent, underpins our economy and the property market in particular. A great deal of concern has been generated about loss of confidence in the system. In Canberra in 2015 a land title scam resulted in a woman losing her home. She was the first to sue the Australian Capital Territory Government for compensation. If that can happen under a well-regulated government monopoly then a private system may well be more vulnerable to fraud. The Greens are particularly concerned about that.

The forced transfer of LPI staff to private interests may well lead to diminished employment conditions. We should all be concerned about that. We know that the staff of Land and Property Information are employed across New South Wales but particularly in Sydney. The Greens are concerned not only about the potential loss of revenue, the security of sensitive personal data and land ownership records and the potential for higher fees but also about the staff. I also wish to address the issue of regulated fees. The Government has said that fees will rise only by the rate of the consumer price index. The obvious question is: Are there unregulated fees or any other fees that may be increased by the private provider? The Greens express our very deep concerns about the privatisation. We oppose it. We encourage the Government to look at other ways to generate revenue, of which there are many, and other ways to manage the New South Wales Government cost structure.

I echo the comments about Parramatta and District War Memorial Swimming Pool made earlier in the debate. I was there a few months ago, supporting residents who are concerned about the destruction of the pool and the imposition of a stadium on the pool site. Residents are concerned about the lack of commitment by the Government to replace that pool. I feel for the people of Parramatta. I went to that pool when I was a child, so I have a personal connection to it. It is important that, if the Government intends to move forward on a proposal such as this, it generates returns that can be justified. It is a shame to build a stadium while destroying an important community facility. I trust that the Government will reconsider its decision.

Mr EDMOND ATALLA (Mount Druitt) (23:12): I contribute to debate on the Land and Property Information (Authorised Transaction) Bill 2016. It seems that this Government is obsessed with its push to privatise New South Wales. This Government is out of control, using its numbers in the House to pass legislation without consultation and to push through its agenda to privatise our assets and services. Since coming to office, over the past 5½ years the Baird Government has wasted no time in implementing its privatisation agenda, with most implementations escaping scrutiny. This bill to privatise the titling and registry services of Land and Property Information NSW [LPI] is yet another example of the privatisation obsession of the Baird Government. Why privatise the extremely profitable LPI, whose revenue is used to support other public services such as aged care and education? Where will the recurrent funds that support those much-needed services come from after the sale? Where will the profits go? They will certainly not go to the people of New South Wales.

LPI was established 153 years ago and is considered to be one of the most secure land titling systems in the world, currently covering approximately seven million properties. The security of land titles is of the utmost importance. It is relied upon by many authorities, banks in particular, as it relates to the lending of funds and mortgage security. How could such a highly secure business be handed over to the private sector, particularly if the Government goes down the same path as it did with electricity privatisation and outsources this service offshore? This government organisation, due to the highly sensitive nature and secure requirements of its operations, should be only in government hands and not in private hands. How can the Government guarantee the security of a certificate of land title when it is placed in private hands? Simply put, the Government cannot offer any guarantees over ownership of land or cases of fraud when it no longer exercises control.

What assurance do the people of New South Wales have that their land titles will be secure from fraud while in the hands of a private company? Land title and registration needs to be exact, accurate and detailed. It requires vast experience, attention to detail and expertise to understand and govern. Every property in the State has a land title. There is a real risk and potential for a conflict of interest should this service be privatised. It will reduce community trust and open up an opportunity for corruption with land transactions. The information maintained by the titles office has a documented and lawful audit trail. This not only is vital to land development and property management but also is crucial to other public services, such as infrastructure engineering, emergency management or disaster responses. If a private company chooses to compromise its operations, that could have significant consequences outside the properties we own.

The LPI also provides titling services to many government agencies, such as Roads and Maritime Services, NSW Health and Sydney Trains at reduced cost because profit is not a factor. There is no doubt in my mind that privatising this sector will risk the increase of fees, thereby costing New South Wales more money from the public purse in future. For example, on occasions New South Wales police need to search the land titles registry. The current cost of the search is \$55 for each search undertaken. But under the new fee structure, which was introduced in May, the same search will cost \$370—a massive increase in the running costs of our local area commands and more profit in the pockets of a private company. Now we understand why massive increases in

fees and charges are being implemented: It is a case of metaphorically fattening the pig for a profitable sale as we witnessed with electricity prices. With electricity privatisation, the very same thing occurred. The Government increased electricity prices to obtain a better sale price for the electricity industry. We are seeing the very same thing in relation to this legislation. This bill is part of a trend being set by the Baird Liberal Government.

When I researched other countries that have privatised similar registration services, I was unable to find an example of a successful privatisation of land titling and registration. The Government cites the Canadian model as a successful example. However, it appears that although the Canadians have a concession to manage the electronic lodgement system and the sale of title searches, the Canadian Government retains the registry office and has public servants checking the titles that do not go through electronically. This Canadian model has not been well received by the public, who lost confidence in the system. In a show of no confidence, a couple of Canadian provinces decided not to go ahead with privatisation in their areas. The privatisation of the land titles registry in the United Kingdom [UK] was considered, but following public outcry over the possibility of fraud and increased fees it was abandoned by the UK Conservative Government.

Not only will there be a future increase in fees to undertake a property search and property assessment; but also any privatisation of such a service will lead to property owners having to take out extra insurance policies, such as title insurance, to protect what for most consumers is, and will be, their biggest asset. The title insurance will be additional to the cost of their home and contents insurance. Presently the State Government Torrens Assurance Fund avoids the need for landowners to obtain extra insurance. The State Government guaranteed Torrens Assurance Fund provides compensation for any errors in registration or loss suffered as a result of fraud. But in this privatisation deal, the Government has written into the bill a provision to increase Torrens Assurance Fund fees "if required".

This move is already taking into consideration that the private sector may be making too many mistakes. Any privately owned company is out to make a profit; that is definitely not in the best interests of the people of New South Wales, who will face increased fees, extra insurance costs annually and the possibility of expensive court costs when attempting to recover lost land and property. I wrote recently to the Minister for Finance and Services regarding the proposed concession of the titling and registry operations of the LPI. The reply I received stated "that a scoping study concluded that the private sector is better positioned than government to run the titling and registry operational side of the LPI's business, and that this is in the best interests of the people of New South Wales". If that true, why has the Government chosen not to release the study? The privatisation of the most profitable arm of the LPI—a world-class structure upon which our society is built—cannot be of any advantage to the people of New South Wales and must not proceed.

Mr NICK LALICH (Cabramatta) (23:21): The object of the Land and Property Information NSW (Authorised Transaction) Bill 2016 is to authorise and facilitate the grant of a concession to a private sector entity to provide the services currently provided by the Registrar General in the exercise of titling and registry functions. The bill provides for the following for the purposes of the authorised concession:

- (a) the transfer to the private sector of assets, rights and liabilities of the State that are deployed in the exercise of the titling and registry functions of the Registrar-General ...
- (b) the grant of the authorised concession to the private sector entity to which assets, rights and liabilities are transferred pursuant to the authorised asset transfer with a maximum term of 35 years (subject to provision for a further authorised concession in the event of early termination of the authorised concession);
- (c) the re-vesting of assets, rights and liabilities on termination of the authorised concession ...
- (d) arrangements for the transfer of public sector staff to employment by the new operator under the authorised concession;
- (e) step-in powers of the portfolio Minister to take control of the authorised operator's business if necessary to protect the integrity of the Register under the *Real Property Act 1900* and registers under the *Conveyancing Act 1919*;
- (f) amendments to the *Real Property Act 1900* and other Acts to facilitate and support the authorised concession;
- (g) the payment of the proceed of the transaction into the Restart NSW Fund.

Until July this year, Land and Property Information comprised three divisions: Titling and Registry Services, Spatial Services and Valuation Services. Spatial Services operates with some of the most sophisticated mapping technology around to maintain mapping data for New South Wales. Valuation Services assesses land values to help determine rates and, obviously, Titling and Registry Services administers the land title register. In 2014-15 the titling and registration division had revenue of \$183 million. I am advised that the rough cost of running the service is \$47 million, thereby leaving a net profit of approximately \$136 million. The Baird Government has also been cutting back staffing numbers and increasing charges significantly—in some instances by as much as 20 per cent.

It is not difficult to see what the Government is up to. We all know that this Premier has a little fetish for privatisation. Members on both sides can probably envision the checklist in the Premier's office, as he ticks off

each public asset that he has privatised. But it does not stop there. The Baird Government has also introduced some brand-new charges into the equation. Why not? If these assets are going to be flogged off, the Government may as well extract as much value out of them as possible—all at the expense of the taxpayer. Conservative estimates peg the potential profits at \$200 million a year. It is all well and good to talk about skyrocketing profits for the private sector, but at what cost? Land title underpins our entire economy and our financial institutions.

Every single property in New South Wales carries a land title, and the accuracy of the title system is a basic tenet of our system and our society. How can we put up something so important, so basic, for privatisation? There is a reason that someone clamours for a foothold in the housing sector by trying to buy a property: There is nothing surer than the purchase of land. That is why it is best for the land title system to remain in the hands of the public, so there can be no compromising of the system and so that the taxpayers of New South Wales can have absolute confidence in the system that holds and protects the lion's share of their families' hard-earned savings. The Opposition will oppose the bill.

Ms TRISH DOYLE (Blue Mountains) (23:25): I speak in debate on the Land and Property Information NSW (Authorised Transaction) Bill 2016. The bill represents yet another instance of this conservative Government frantically rifling through pages of the public estate in search of something else it can flog off. The land titling and registration system is one of the oldest and most important bureaucratic institutions in the colony of New South Wales. It has stood since 1863, when the Torrens title system came into being, and has evolved from the historic granting of land title in convict days to the modern, precise and reliable system that all citizens now rely upon to track the transfer of real property ownership in this State. Not only does it provide an essential public service and handle sensitive, valuable information on behalf of the citizens of this State, but also it returns a tidy profit to the coffers of the New South Wales Treasury. It is a sad fact of life that under Casino Mike's dictatorship whenever it is discovered that a public sector office is generating some small profit to the taxpayer—

Mr Lee Evans: Point of order: For several hours we have been listening to the ramblings of Labor members, but I will not accept the misuse of the Premier's title. Mr Assistant Speaker, I ask that you direct the member for Blue Mountains to use the Premier's correct title.

The ASSISTANT SPEAKER: Order! I uphold the point of order. Members will refer to other members by their correct title.

Ms TRISH DOYLE: Whenever it is discovered that a public sector office is generating some small profit for the taxpayer, this Government will line up that public sector office with a buyer from among the Premier's mates in big business. There is nothing this Government will not sell off in its ideological war against our public service and our public assets. It is in this Government's political DNA: The Liberal Party exists for no other purpose than to return our public assets to those whom the Premier and the Liberals believe to be their rightful owners, big business. That is why stars of the Independent Commission Against Corruption [ICAC] and Liberal Party officials like Arthur Sinodinos were neck deep in attempts by Australian Water Holdings to privatise the State's water. That is why the Premier and the Liberals are desperately looking for a buyer for the State's electricity network. That is why this Government has now turned its attention to the Land and Property Information office. These crooks in the Government are assisted in this place—

Mr Lee Evans: Point of order: If the member for Blue Mountains wants to cast aspersions on the Government, she can go ahead, but she should do so outside the Chamber where we can sue her arse off. I ask that you direct the member to return to the leave of the bill.

The ASSISTANT SPEAKER: Order! I remind the member for Blue Mountains that she has been casting aspersions not only on members of this place but also on members of the other place. Members speaking in debate are not to create argument or refer to members of this place in that manner. I have asked the member to refer to members using their proper titles and not to cast aspersions on members as it is unparliamentary. I ask the member for Blue Mountains to withdraw her reference to the executive of the Government as "crooks".

Mr Clayton Barr: I don't know that you can ask her to withdraw.

The ASSISTANT SPEAKER: I can. I am asking her to withdraw the remarks.

Mr Clayton Barr: You have not had that request made by members opposite.

Dr Hugh McDermott: What are you going to do if she doesn't?

The ASSISTANT SPEAKER: I will sit her down, full stop.

Mr Clayton Barr: You can't do that.

The ASSISTANT SPEAKER: I can do it under the standing orders.

Dr Hugh McDermott: Shelley has said it time and again that she can't.

The ASSISTANT SPEAKER: The member for Prospect will leave the House.

Ms TRISH DOYLE: I withdraw my comments about the Government being crooks.

Dr Hugh McDermott: You can't do that.

The ASSISTANT SPEAKER: I can, and I will not have my rulings canvassed by an idiot such as yourself.

Dr Hugh McDermott: You are calling me an idiot in *Hansard*?

The ASSISTANT SPEAKER: You are. Read your standing orders.

Dr Hugh McDermott: You are the person who should be withdrawing, not me.

The ASSISTANT SPEAKER: Read the standing orders.

Dr Hugh McDermott: You are the person who should be withdrawing that comment.

The ASSISTANT SPEAKER: I ask the member to resume his seat.

Dr Hugh McDermott: I ask the Assistant Speaker to withdraw that comment.

The ASSISTANT SPEAKER: I will ask the Deputy Serjeant-at-Arms—

Dr Hugh McDermott: You called me an idiot. Are you going to withdraw that?

The ASSISTANT SPEAKER: No I am not.

Dr Hugh McDermott: I think you should.

The ASSISTANT SPEAKER: I am asking the Deputy Serjeant-at-Arms to remove you from the House.

Dr Hugh McDermott: Obviously you are a bit too tired. You have been here too long and working too hard. Is that what's going on? Withdraw it.

The ASSISTANT SPEAKER: I am not withdrawing it.

Dr Hugh McDermott: You should be withdrawing it. You called me an idiot.

The ASSISTANT SPEAKER: You are until you read the standing orders.

Dr Hugh McDermott: You called me an idiot. You cannot do that.

The ASSISTANT SPEAKER: You will remove yourself from the Chamber.

Dr Hugh McDermott: No, I will not.

The ASSISTANT SPEAKER: I will name you and you will go for two days.

Dr Hugh McDermott: Unbelievable. You are a disgrace, like the rest of this Government.

The ASSISTANT SPEAKER: It is unbelievable. Learn the standing orders.

[Pursuant to standing order the member for Prospect left the Chamber, accompanied by the Deputy Serjeant-at-Arms.]

The ASSISTANT SPEAKER: I refer members to Standing Order 73 and Standing Order 74, which provide that when offensive or disorderly words are used by a member the Speaker will intervene. I have intervened.

Mr Edmond Atalla: Point of order: May the member Blue Mountains have an extension of time?

The ASSISTANT SPEAKER: No, she may not.

Ms TRISH DOYLE: I wonder how many Nationals voters in country New South Wales would support the sale of a crucial public service and crucial public information that touches the lives of every home owner, landowner and farmer in this State to the private sector. Most Nationals voters would agree with Labor that this is an absurd proposal put forward by the Government and supported by the likes of the failed Deputy Premier and his gutless colleagues in The Nationals. Like my Labor colleagues I reiterate for the benefit of members the significance and importance of the land titling system in New South Wales. Land titling is an absolute and precise science and it is something that residents and investors in this State must have complete and enduring confidence in. Moreover, with Treasury's dependence on stamp duty it is in the Government's interest to ensure that this

confidence is protected because every aspect of the State's economy relies upon it. The Government is throwing caution to the wind in its pursuit of its ideological privatisation agenda.

Setting aside the issue of whether this is a bad idea or a terrible one, let us look at the money side of the Government's proposed equation. Presently Land and Property Information brings in \$170 million per annum. The privatisation period is 35 years and is supposed to bring in \$1 billion. That is just \$28.5 million per year. Already we are being ripped off by our own Government to the tune of \$141 million. But it is worse than that. In order to fatten this pig for market the Government has recently increased fees by 25 per cent on most transactions. This in turn means that a number of government agencies must pay more to access the information held by Land and Property Information.

For example, in 2015-16 New South Wales police requested approximately 580 title searches at \$55 each, totalling \$32,000. That is a minor transfer from one government body to another. With the new fee structure the same 580 searches at \$370 each will cost \$215,000. That money will be a transfer of public dollars to a private operator. It is a money-go-round with the New South Wales taxpayer the biggest loser at the end of the day. The \$1 billion that the privatisation exercise will raise will be given to Restart NSW. I believe it will be split 70 per cent to 30 per cent between city and country, with the city portion of the money earmarked for new sporting stadiums. What a waste of money.

It is an absolute failure of political leadership in this State to sell off a profitable government agency for what amounts to an outright loss and then waste the meagre revenue that sale produces on a series of projects nobody wants or needs and that will provide nil benefit to vulnerable, needy people in this State. Sadly members of this Government are paralysed by the same incompetence and ideological obsessions as their colleagues in the Federal Parliament. The Federal Government is wasting hundreds of millions of dollars on pet projects like the pointless marriage equality plebiscite instead of looking at where the money could be better spent.

Forgoing \$170 million per annum is a huge blow to the State's budget and would pay for hundreds of new nurses in our overstretched hospitals or hundreds of teachers in our overcrowded schools. Let us quickly have a look at what has been privatised: the electricity networks, the North West Rail Link and the Powerhouse Museum to developer mates. The Government is evicting tenants from public housing at Millers Point, closing down women's shelters and transferring them to big charity, and gerrymandering local government elections. The list goes on and on. This is a disgraceful proposal from a disgraceful government. This is bad legislation. [*Time expired.*]

Ms JENNY AITCHISON (Maitland) (23:35): History is made by those who turn up and it is interesting to note that many from the other side of the House were not motivated to turn up. Again it is a symbol of their arrogance and the shambolic nature of their business. I oppose the Land and Property Information NSW (Authorised Transaction) Bill 2016. With this bill we see a government led only by its privatisation ideology—its desire to privatise all that the people of New South Wales hold dear. We see the Baird-Grant Liberal-Nationals Government move to privatise the key to that fundamental Australian principle, the right to own our own home, by selling off the very information which confers that basic right to all Australians.

As the member for Cessnock, the shadow Minister for Finance, Services and Property, said earlier, registration and title of property are fundamental to defining the great Australian dream—ownership of our own home. I well remember the best thing about purchasing my home with my husband was the feeling of purchasing our own place, defined and clearly ours, that no-one could take from us and that we were free to live in and raise our family in. The tangible sense of ownership was strengthened by the details held about our home, knowing that our ownership was secure and that it was registered with the Government as our own little piece of Australia.

It is not surprising to see a government that has lost direction, that cannot find its place other than as a facilitator of merchant banks and that is so arrogant and out of touch with the community act with such disrespect and disregard for the fundamental value of the data warehouse, the title and registration of more than 3½ million titles held by the Land Titles Office, that entity which defines the very geography and ownership of land within this State. Property rights are a fundamental basis of our entire system of law and government. They are invoked in considering ownership and rights for contracts, disputes and settlements for everyone from first home buyers to retirees downsizing, and family and business law disputes. They touch every important milestone in our lives.

We need clear and accurate records kept by an independent entity. I note the contribution of the member for Balmain about the potential for conflict of interest from this privatisation. We need an independent entity that does not have an interest in the commercial benefits or losses that may be conferred on individuals or companies by transactions in the delineation and transfer of property. Good governments value the assets of the State and the assets of its citizens, yet here we have a government that knows the price of everything and the value of nothing. That price will rise for the ordinary people of this State.

In the twenty-first century, information is one of the most valuable assets. Technology companies are making huge amounts of money developing programs and databases that manipulate data for marketers, companies and governments to help them make decisions about a whole range of commercial and government activities. The Land Titles Office holds the key to much of that information, defining place and ownership. In generations to come, after this "35-year concession"—a sale by any other name—we will come to rue the day that this Government sold off our information about our private spaces, our title of ownership, to the highest bidder.

The Baird-Grant Coalition Government has an astounding track record in privatisation. In fact, since coming to office in 2011 there have been 77 privatisations. That means, on average, it has privatised something every 26 days, or more than one privatisation a month since being elected. The Government proudly proclaims itself as "the new State of business". However, our general population is becoming increasingly aware that the new state of business in New South Wales is selling off State assets, and now that the Government is running out of bricks, mortar and land it is seeking to sell the very register for those assets. The member of Balmain expressed concern as to whether the Treasurer would come clean about the future of the Land and Property Information buildings in Macquarie Street. Indeed, with this privatisation we have again seen the hallmarks of the Baird-Grant Government's arrogance and secrecy.

I doubt the member for Balmain will get an answer to his question because two scoping studies have been held back from public scrutiny—no transparency or opportunity for review. Like so many of this Government's transactions, we have been told to take it on trust because it is good for us—the Government knows best—but the people of New South Wales are no longer swallowing that. It has taken until now, even though the Government started talking about it in 2012—after the 2015 State election, the 2016 Federal Government election, and the 2016 partial local government elections—for this bill to be rushed through, in another late night debate, with a refusal to give the community time to see what is being sold out from under them. This was just like the Government's announcement last week on the privatisation of our regional hospitals and the late night debate a few weeks ago that sought to wipe a whole regional industry from our economy.

I am concerned about the impacts of this bill on business. The insurance industry has recognised the very real risks to accuracy and veracity of property rights posed in this bill. Surveyors, conveyancers and developers rely on information from the Land Titles Office to conduct their businesses. I understand that currently insurance for a surveyor is around \$23,000 per annum, but the insurance industry has signalled that those premiums will be astronomically increased. The irony is, for a government that pretends to care about small business, that it has not considered the increased costs that will be borne by the industry. This Government does care about small business and its usual *modus operandi* will be to let the market take care of it. Let businesses pass it on to their customers and to the mums and dads and kids—my kids and your kids—trying to purchase homes. Of course, investors in the rental market will pass it on to their tenants. People will seek the lower costs and this will open the door for larger businesses to cannibalise smaller operators that can no longer afford to pay their insurances and retain low prices. Those businesses will lose their customers.

What about our citizens? With the fee increases referred to by the shadow Minister already in place, this fattening of the pig for market has already seen an increase in fees and it has placed extra stress on homebuyers. The Government pretends to care about housing affordability, that it cares about the ability of ordinary Australians to purchase their own homes, and that it cares that those who rent should pay a fair price, but this bill comprehensively shows that it does not care. The risks inherent in the accuracy of the information under a private operator, which was recognised by the insurance industry in its warning about premium increases, will no doubt be added to the bill for homebuyers. This will be another attack on homebuyers and, by extension, on tenants.

The Government does not care about the consequences for anyone in this State or about the consequences for governments in the future that will have to unscramble this omelette, so to speak. As the shadow Minister said, the Treasurer responded to the query by the Institution of Surveyors NSW Inc. as to what would happen at the end of the 35 years of privatisation by saying, "planning is not looking that far ahead." I am sorry, planning is looking that far ahead; just not in this Government. This Government is not looking far enough ahead. It is short-sighted and insular, and basically not interested in providing quality services for any of its citizens—whether hospitals and schools or the register of this State's land and property.

In conclusion, I share the grave concerns outlined in the open letter from the Concerned Titles Group—namely, that it sees the proposal to privatise the New South Wales land title system as representing the most momentous change to the Torrens system since its inception. This system, which is the envy of the world and the bible of land developers and surveyors, is at risk. A system that provides cheap and efficient land registration services and a \$47 million profit—sufficient to fund hundreds of teachers or nurses in our State schools and hospitals—is to be sold. Only a government with no plans or vision, other than to sell every State asset until everything is gone, would consider such a move. I urge all members to oppose the bill.

Mr JIHAD DIB (Lakemba) (23:44): I make a contribution to debate on the Land and Property Information NSW (Authorised Transaction) Bill 2016. It is now approaching midnight, but this is an important bill. That the Government has given itself an early mark and suspended standing orders shows its arrogance, but every person in this Chamber came in here with the promise to stand up for what is right and speak for those without a voice. This bill cuts to the heart of this Government's obsession with selling everything and it opens up a philosophical debate that we need to have about the things on which we place a value. This is not just about the privatisation of a government agency; it is about this Government's ideological obsession with selling everything we have in New South Wales. People in New South Wales are witnessing the sell-off of everything we have.

We know that the Government is planning to privatise the New South Wales Land and Property Information unit. The target of privatisation is what was formerly known as the Land Titles Office, the creator of the Torrens title. We rely on this organisation for its commitment to independence, accuracy and reliability. It is likely that every person in this place and in the other place has had some involvement with this agency, whether in buying their first home or in selling a house. Torrens title is a government guaranteed proof of ownership document of critical importance to people in this State. When there is so much grey in the world of planning and zoning laws, it is very comforting to know that an independent government body is managing proof of ownership.

It is comforting to know we can trust that a single document specifies what land is owned by reference to a survey plan, who owns the land and what affects it. These are the crucial pieces of information that every person needs. They provide security to purchasers, lessees and lending authorities. At a time when some major financial corporations and developers are regarded with suspicion, it is good to know that we can rely on the trusted Land Titles Office and its solid processes. This is especially so when we consider that members of the general public usually deal with the Land Titles Office when they purchase a home—the most significant purchase most ordinary people will ever make.

It is also an agency that turns a profit. In the 2014-15 financial year it turned a profit of \$47 million. Let us think about this: That is recurrent income that comes to the State. It is money that could be used in my portfolio area of Education or in any other area that needs it. This profit was achieved after taking account of the cost of the non-profitable affiliated agencies in the Valuer-General's Department and the Land Information Centre. This profit, however, seems to trigger in the Government an almost Pavlovian response: If it makes money, sell it and damn the consequences. No doubt we will hear the usual arguments from the Government in this place and in the media. We will hear the usual terms—"assets" and "market recycling". The Government is constantly looking at the short-term gain and not for a moment thinking about the future and the money we will need for schools, hospitals and all the government services on which people rely.

In May last year I spoke about very similar issues regarding the electricity network privatisation. I noted then and I note again now that the Productivity Commission found that the concept of capital recycling or asset recycling was simply a way to make people feel better about privatisation—almost like making it sound as though it was good for the environment. But here is the thing: The people of New South Wales are not feeling good about this. Everywhere they look they see signs of a government that is hell-bent on selling anything it can or having the private sector take over the public service. There are so many examples, and many of my colleagues have spoken of them, but here are some recent sales or moves towards sales: the privatisation of the electricity network, the privatisation of the Sydney Metro Northwest, the selling of the land of the Powerhouse Museum, privatising public transport in Newcastle, privatising the land registry, selling the land at Hurlstone Agricultural High School—and the list goes on. I will not go through every one of them because many of my colleagues have already done so.

The point being made, and one that is very clear, is this obsession about the ideology of selling things off. Of course, these activities are made worse by the extraordinary efforts to block a legitimate request for information under the Government Information (Public Access) Act. I refer to the Sydney Motorway Company and how little transparency we have with that organisation. It is interesting that there is so much talk in this country about the so-called attacks on freedom of speech. In this State I am much more concerned about the attacks on our rights to freedom of information.

From the other side, besides the weasel words of "asset recycling", we will hear the usual black-and-white arguments. We will be told that the people of New South Wales have only one choice: privatisation or infrastructure. We will not be told about the other options, the discarded choices and the other ways to fund infrastructure building and to address longer term government revenue issues. We certainly will not see the long-term business case for this sale. The sale of Land and Property Information NSW will erode the revenue base of the State. Once this very healthy income stream is lost and after the one-off injection of money—the sugar hit—where will the recurring funding come from?

As I have said many times in my contribution, this is a government driven by a particular ideology. It seems happy to encourage the prejudice that if a facility is owned or run by government on behalf of the public it

must somehow be less effective and less efficient. We so rarely see the business cases for these sell-offs. I would love to see how realistic they are and how reliable they prove to be over the long term. For example, how does the so-called Smart and Skilled policy look when the cost of cleaning up the mess—investigating and prosecuting dodgy operators—is taken into account?

Recently, a great deal of media coverage was given to very critical comments made by Rod Sims, head of the regulator the Australian Competition and Consumer Commission, about the Baird Government's privatisation efforts, especially as they applied to the sell-off of a public asset such as the Port of Newcastle. I understand that Sims, a lifelong advocate for private ownership over public ownership, has turned against it, in frustration, as governments like this one continually botch the process.

The Land and Property Information office must stay in public hands. We cannot risk putting it in the hands of those driven by the need to make money. This is a service for the people. The risk of privatisation is that investors, by their nature, will always put profits first. We must recognise that some things are much safer in the hands of the public because the interests of the public will always be at the fore. In any democracy the Government is always seen as the guarantor; it becomes the ultimate safety net. People in a democracy need to be able to trust their Government and to rely on it. We must stop this ideological obsession to sell everything off. For the sake of our future it is time to stop the sell-off.

Ms JO HAYLEN (Summer Hill) (23:52): The Land and Property Information NSW (Authorised Transaction) Bill 2016 outsources the titling and registry business of Land and Property Information [LPI]. The LPI is currently responsible for maintaining the State's Land Titles Register, assessing land values and maintaining mapping data across the State. This bill effectively subcontracts the first of these functions—running the Land Titles Register—which means outsourcing vital public service jobs and risking the integrity of the register itself. Why does that matter? Since the old system register of 1802 and the subsequent Torrens Title system of 1863, title records have provided generations of landowners with proof and assurance of ownership.

It is not an overstatement to say that the Torrens title system and the LPI are the backbone of property and home ownership in this State. It is the process by which we apportion the 3.5 million lots in the State and it is a foundation for our economy, protecting more than \$1.2 trillion in real estate and mortgages. The system is often the landowner's final line of defence against encroachments on their property and against the rapaciousness of developers. The privatisation of the LPI is an example of creeping privatisation at its worst and the community is right to suspect that the Government's target is the Torrens land title system itself. As I have said in this place before and I will say again, this Government has not seen a public asset it would not like to sell. It follows that any attempt to weaken the basis of property ownership in this State should be approached with scepticism and caution.

I raise three key issues in response to this legislation: first, the risk to accuracy of the titles register; secondly, the inevitable costs that will be passed on to landowners and homebuyers; and, thirdly, the risks of this Government's privatisation agenda for future generations and the lack of transparency around this decision. A vast number of people in New South Wales, particularly young people, now accept that they will never own their own home. In the current Sydney housing market, the dream of home ownership is slipping further and further away. I am concerned that for those who do manage to buy a house, this legislation will turn the dream into a nightmare.

A young couple in my electorate now spends years saving for a deposit on a house. They fight through auction after auction, being beaten each time, until, hallelujah, their time has come. They mortgage themselves to the eyeballs, buy a house, move in and are happy. They settle down and want to enjoy their little piece of Australia, safe in the certainty that it belongs to them and nobody else. Now, by privatising Land and Property Information [LPI], there is a real risk that the certainty they depend upon will be shattered after discovering there is an inaccuracy in their land title. What follows is years of legal bills and unbearable stress, all because of a mistake in the Land Titles Register.

This is not fanciful; it is happening now in other jurisdictions where the land titling system has been privatised. In Canada and the United States, homebuyers are encouraged to buy additional titles insurance or property risk insurance to cover for eventualities such as this. That young inner-west couple, who will have already forked out over \$1 million to purchase their first home, will be forced to dig deeper into their pockets just to protect the value of their asset. What I say to that couple and to homebuyers across Sydney is that this Government should be working towards making housing more affordable, not more expensive. This is not the first time this Government has sought to undermine the fundamentals of property ownership. Strata owners are now facing the very real prospect of being turfed out of their units if 75 per cent of other residents agree to sell their units.

This is a government that has systematically ripped off residents for infrastructure projects, undermining their rights as property owners. This Government is happy to weaken the certainty of property ownership because it will not let anything or anyone stand in the way of developers making a dollar. In the same vein, the Government

has fattened the LPI for market at the expense of home owners. Fees to transfer or register title boundaries have risen sharply from \$109.50 to \$136.30, an increase of 25 per cent aimed squarely at homebuyers. The Government has introduced new charges and fees that have never been seen before. Time and again, we see this Government putting private interests before public good. The President of the Law Society of New South Wales has spoken out against the privatisation, telling the Fairfax media:

There are some state owned assets that should remain in public hands.

Our land titles system protects the property interests of all NSW land owners and it is simply not in the public interest for the LPI to be sold off to private enterprise.

This raises important issues around adequate protection of sensitive data, the continued implementation of best practice anti-fraud measures, and the potential loss of expertise of LPI personnel.

I note that in the United Kingdom, Tory backbenchers have made similar statements against moves to privatise land title registration. In the United Kingdom, the bluest of Conservatives have called this "a privatisation too far". Will Quince, the member for Colchester, says that privatising the Land Registry would:

Undermine impartiality, lead to fees for customers increasing and act as a considerable risk to the integrity of the organisation.

Former Minister Sir Peter Bottomley said:

Many of us here want to see the Land Registry having the opportunity of the innovative value-creating enterprises and it should not be sold off for that to happen, it is not necessary.

It is clear that where this Government is concerned, innovation extends only so far as selling off something, and there is absolutely no limit to what it will privatise. What we saw last week was the health Minister's decision to privatise five hospitals. We have seen restructures in departments, the hollowing out of the public service and the stripping of institutional memory and experience. We see it in the short-sighted sale of electricity assets, the sale of TAFE and the push to privatise further our prison system. Now the Government has put a price tag on the very system which underpins the ownership of our land.

We have to pose the question: Other than immediate profits for providing services, what interest would the private sector have in investing in this public asset? What benefit would it derive from running the Land Titles Registry? Over centuries the Government has built an invaluable database containing the private financial information of millions of residents. A private company will now have access to the millions of people who have sought or who will seek access to the Land Titles Register when they buy or sell a property or apply for a mortgage. That is a captive audience for a private company to make a mint. It is a licence to print money.

By privatising LPI we are handing the keys of the property kingdom to private companies. That is not something we should do lightly and it is not something we should do just to make a quick buck. LPI is self-sustaining and makes approximately \$47 million for the Government each year. That is money that should be spent on hospitals, schools, transport and on the public servants who keep our government ticking. But the Government would give that up for a quick sugar hit and a sell-off, to pay for vanity infrastructure projects. Like my colleagues, I oppose the privatisation agenda of this Government, which I think we can now safely say is out of control. Selling off the LPI is short-sighted and foolish. It will undermine and weaken the very basis of property ownership in this State. I oppose the bill.

Mr RYAN PARK (Keira) (00:01): I support my colleague the member for Cessnock and shadow Minister for Finance. I commend him for his detailed analysis of the Land and Property Information NSW (Authorised Transaction) Bill 2016. It is a pleasure to work with him in this shadow portfolio. In the shadow portfolio of the member for Cessnock, in my portfolio and certainly in the portfolio of the Treasurer there are things that keep us up at night and things that we worry about. Those of us who have an interest in the fiscal and economic health of New South Wales, and who pore over budget papers and various reports and analyses, understand that we are facing some huge fiscal challenges in the coming years. They come in the form of recurrent expenditure and the ability to pay for services that will continue to have a big drain on our budget.

If one looks at the budget forecast around income that this State generates through taxes such as stamp duty, one sees that the Treasurer and others in reports such as the Intergenerational Report clearly outline that stamp duty is not going to remain at the levels at which it has been for the last few years. That means that one of the main methods by which this State generates its income will not be available to pay for our services. However, the drain on our budget through health and education will continue to grow, regardless of what happens to the property sector. We will soon have a situation in New South Wales where we have a declining revenue from stamp duty but, at the same time, regardless of who occupies the Treasury benches, we will continue to have huge growth in health and education. I am assuming those opposite do not deny that there will be growth in health and education expenditure.

How we address that is a real concern. I continue to be dismayed by the fact that we have few profitable arms and business units in government. No matter what Government members say or do, the reality is that the New South Wales Government does not have a lot of profitable arms, and we are choosing to get rid of another one. My colleague the shadow Minister for Finance continues to be concerned that we are getting rid of a profitable business for the sake of a short-term capital fix. No-one is denying that money will be received from the initial sale, but I remain concerned that we are continuing to drain our recurrent revenue sources, which will come at a cost.

I also note the overseas experience that some of my colleagues outlined earlier this evening and I emphasise that concern. I note that in budget estimates the Treasurer stated that housing affordability and people's ability to pay for their homes keeps her up at night. That is interesting comment given that the Treasurer was also arguing for a GST increase, despite the fact that her own advice suggested it would result in a 4 per cent increase on property prices. If home ownership keeps the Treasurer up at night, we are concerned that this bill will add to the cost of purchasing properties and the ability for people to own a home. We take that issue seriously.

Let me be clear: The Opposition is opposing this bill for a number of reasons. It does not make sense and it is not the right way to go. We believe that the role of the Land and Property Information is important. We believe that title is crucial to the way people feel about home ownership, which has been discussed by my colleagues. We are concerned that this bill is a short-term capital gain which will result in long-term pain because we will lose a profitable business. We remain concerned about it and cannot support this bill. I thank the shadow Minister for Finance, in particular, for his detailed review of this legislation and for outlining the concerns that the New South Wales Opposition has about this bill.

Mr MICHAEL DALEY (Maroubra) (00:07): I make a short contribution to debate on the Land and Property Information NSW (Authorised Transactions) Bill 2016. I will not go into the mechanics of the bill because a number of speakers have done that. I reflect on the fact that this Government, in seeking to introduce this bill, combined with all its other actions over the past 5½ years—particularly since the current Premier took office—indicates that it must have a political death wish. Last week I was in the Hunter Valley, the Bylong Valley, Muswellbrook and Orange to look at various issues in those regions. I was surprised that in areas like Muswellbrook, where I attended a breakfast meeting for the Chamber of Commerce, I had people coming up to me saying, "We have been National Party voters/Liberal Party voters our whole life, but no more. We have had enough of this mob." I did not expect that.

I took the time to write down each concern raised with me, and they were instructive. I can summarise them into seven subjects: cuts to services, job losses and sackings, the contracting out of services such as food preparation in hospitals, council amalgamations, the Premier does not listen, and the greyhound racing issue featured heavily. In Muswellbrook and Orange it surprised me that "asset sales have gone too far" was an issue raised by the community. That was an opinion I expected from city residents but not from people in the regions. This is another example of asset sales going too far. This Government has a death wish.

The Premier is in free fall in the polls. One would expect that others would sit him down and tell him that enough is enough and to pull back on the reins. Over the last few weeks it has become evident that the Premier is not listening. The Botany and Rockdale councils lost their appeals in court last week, one day before the local government elections. One day prior to the elections the crazy brave Premier and the Minister for Local Government decided to put the councils into administration. The Government is now sleepwalking to its political demise, disconnected from the people of New South Wales and unconcerned about what they are saying.

It has mechanically introduced another bill that seeks to privatise another profitable asset. The merits, or otherwise, of this proposed transaction have been explored in detail tonight. I note the Treasurer is in the Chamber. The current Treasurer is more likely to answer questions than the previous Treasurer. During the sale of Port Botany and Port Kembla an industry insider tipped me off that there was a \$20 throughput charge. The previous Labor Government responded to industry concern that there was not a truck marshalling yard. The Ports Minister, Eric Roozendaal, levied each and every 20-foot equivalent container [TEU] coming off a ship at Port Botany \$20 until a truck marshalling yard was built. A truck marshalling yard was built in 2010 or early 2011.

When this Government was elected it maintained that levy. When it sold the port to NSW Ports it was offered as part of the transaction. During debate concerning the ports transaction bill I asked whether the levy existed, and the silence was deafening. Neither the Treasurer of the day, Mike Baird, nor the Ports Minister, Duncan Gay, would answer the question. The silence was dishonest. It was a top money spinner. If members do a quick multiplication they will realise that \$20 per TEU multiplied by 2.6 million TEUs per year—it is 2.8 million now—multiplied by 99 years equals about \$5 billion. That is exactly the gross proceeds of the sale. What a tremendous money earner. All the successful tenderer needed to do was keep the throughput charge ticking over and it paid for the sale proceeds, everything else is gravy.

I ask the Treasurer to confirm or deny that the throughput charge was part of the sale of Port Botany. The member for Newcastle and others have done a good job in exposing commercial sleight of hand by this Government. When it sold Port Botany it included another secret clause in the transaction that stated if a government starts trucking containers out of the Newcastle port during the concession period of 99 years the private operator will receive compensation. That was never announced. It was never part of the Treasurer's second reading speech. It was denied, up hill and down dale, until it could be denied no longer. This sort of commercial sleight of hand, this trickiness and dishonesty that attends all of these privatisation transactions, has gone too far.

This Government thinks that the people of New South Wales do not know about these sleights of hand but they do know about it. That is why Luke Foley is the preferred Premier. That is why the Government's polling results are in free fall. No doubt there is more slipperiness and trickiness—no doubt there will be some hidden clauses—in this transaction as well. I would like the Treasurer who is in this Chamber, and who will be on her feet in a few moments, to do something that has not been done by this Government since 2011: give an undertaking to table the contract in this place.

Ms Gladys Berejiklian: There has been no transaction. There is no contract.

Mr MICHAEL DALEY: Table a prospective contract or some documents that will give the people of New South Wales some comfort that this Government is not up to trickery again. I know that leopards do not change their spots. Whether the member for Willoughby is the Treasurer or Mike Baird is the Treasurer, one cannot get between this Government and a bucket of dollars.

Ms YASMIN CATLEY (Swansea) (00:15): The Baird Government's ideological obsession with privatisation has impacted yet another valuable and highly regarded service to the people of New South Wales. The services that Land and Property Information NSW [LPI] provide touch almost every citizen and entity, public or private. I am referring to services such as the determination of land values and council rates, mapping property boundaries, providing data and maps for the planning and maintenance of our road and rail networks, assisting our emergency service providers through surveys and spatial mapping during times of crisis, and providing detailed surveys on the complex networks of electricity cables, telecommunications infrastructure and water mains that run beneath our homes and streets. These and many other valuable services are provided at a fraction of the cost that would otherwise be possible via an outsourced or private provider.

This fire sale proposed by the Government is the first of its kind in Australia. The impact of the privatisation of LPI should not be underestimated. Almost every level of government, almost every business and almost every individual will, at some stage, require the services of the LPI. Currently, services are provided on a cost-recovery model, which enables charges to be kept to a minimum or even free. Under the Baird Government's model organisations such as councils will pay more for access to spatial and survey data. This will result in less funds being spent on valuable community services such as parks, libraries and valuable community facilities. If a citizen requires the services of an electrician or plumber under a privatised LPI, the tradesperson will pay a premium fee to access plans and mapping which the citizen will definitely pay for. The Baird Government must put the interests of the users of our public services first. The public interest must prevail over special interests or ideology.

Privatisation for privatisation's sake is not in the best interests of the people of New South Wales. New South Wales Labor is committed to keeping the valuable work that the LPI provides to the people of New South Wales in public hands. We will oppose the Baird Government's ideologically driven plan to privatise the Land and Property Information service. Let us not underestimate the nature of this sale. Land and Property Information NSW is by no means a small agency and, what is more, LPI is actually a money-making entity for the State. In 2014-15 the titling and associated services produced a \$47 million profit for the people of New South Wales. That is sufficient to fund some 400 school teachers or nurses in the State's schools and hospitals.

The New South Wales land title system is the envy of the world. The agency is recognised for its leading role in the provision of cheap and efficient land registration services. It has proudly developed the following: the first ever automated title and land registration system; electronic access to plans of land subdivision and dealings such as transfers and mortgages of land; an electronic plan lodgement service; and the Registrar-General's Directions for plans, a bible for land developers and surveyors. Over many years the staffing structure of the office has been streamlined. Numbers have been reduced to a bare minimum to deliver excellent and efficient services. The office is certainly lean and productive. By all accounts, it is punching above its weight.

This Government's plan to privatise LPI will yield a short-term monetary fix and no long-term benefit to the public. It makes no sense when one considers that the service is self-financing. It turns a profit as well as having an excellent record of reducing costs and keeping fees to a minimum for the taxpayers of this great State. We have seen time and again the Government throw the baby out with the bathwater. It never ceases to amaze me

that the Government would sell off an asset that turns a profit. I am not alone in my dismay at the Government's privatisation mantra.

Government members may have had a quiet moment of reflection upon hearing the recent comments about privatisation made by Chairman of the Australian Competition and Consumer Commission Rod Sims. I am happy to refresh their memories, in case they missed it. In the keynote speech delivered to the Melbourne Economic Forum Mr Sims said that price gouging by inadequately regulated monopolies before or after privatisation—aimed at buffing the sale price for cash-strapped governments—is the common thread that has led to his losing patience with governments' privatisation agendas. Sims said that this price gouging, where private organisations increase the prices of services, is turning him against privatisation after a professional lifetime of being a strong advocate for the efficiency-boosting powers of private ownership.

Mr Sims used the excellent example of this Government's sale of the 99-year lease on the Port of Newcastle, the world's largest coal port, in my hometown, to Hastings Fund Management and China Merchants Group for \$1.75 billion in 2014. Last year the new owners hiked the fees that the port charges coal exporters such as Glencore and BHP Billiton by 40 per cent to 60 per cent and promptly wrote up its value to \$2.4 billion. The customers, already battling tumbling global coal prices, saw red. One can understand why. Glencore's global coal boss, Peter Freyberg, described well the frustration of business at such moves to privatisation when he said:

The ability of the Port of Newcastle to double its profits by increasing the price it charges for exactly the same services, and with virtually no transparency or justification, is effectively imposing an arbitrary tax on the mining industry.

Mr Sims said in November last year that Newcastle was an example of bad privatisation. On Tuesday he said that the Baird Government's joint sale of the ports of Botany and Port Kembla to limit competition risked similar outcomes. That articulates well the problem with unrestrained privatisation. We could put the sale of LPI in the bad privatisation category. As members are probably aware, I am fond of taking the time during debate on so-called "transaction" bills to remind the House of how far this Government has gone with its privatisation agenda.

Recently I was devastated to hear the Government's confirmation that all 11 sport and recreation camps in New South Wales, including Point Wolstoncroft in Gwandalan in my electorate, will be privatised. The Government cited the cost of running the camps. Point Wolstoncroft provides children and young adults with a chance to attend school camps, holiday camps and sporting camps as well as community events. Like the privatisation of Land and Property Information in New South Wales, it is a dud deal for the people of New South Wales and a dud deal for the people of my electorate.

Mr Assistant Speaker, last Thursday you could have knocked me down with a feather when the Government announced that it would privatise the redevelopment, future running and operations of the Wyong Hospital, which is a vital public hospital that does such a fantastic job serving my constituents on the Central Coast. We did not hear about those plans when Government members stood, hand on heart, during the 2015 election campaign to dedicate \$200 million to upgrade that hospital. They certainly did not tell my community that that money would be given to a private enterprise. With yet another government-owned entity to be privatised by this Government, Land and Property Information NSW, I take this opportunity to conclude by highlighting the Government's obsession with privatisation. I will list what the Government has privatised since 2011. [*Extension of time*]

Since 2011 under the Liberal-Nationals Government, we have seen the sale or privatisation of: the Sydney Desalination Plant, Sydney Ferries, Port Botany, Port Kembla, the Port of Newcastle, Bligh House in Sydney, the McCall Building in Sydney, the Maritime building in Sydney, the Penrith government office block, the Wollongong government office block, the Queanbeyan government office block, and the Newcastle government office block. In addition, the Government provided the ground lease for the Sir Stamford Hotel. The Government sold off the Queen Mary Building and the Royal Prince Alfred Hospital campus. In October 2013 the Government flogged off more than 500 government-owned properties.

The Government sold off the Eraring power station and the Shoalhaven hydro power station, Delta Electricity's Mount Piper and Wallerawang power stations, the Ausgrid Building in Sydney, Green State Power and Macquarie Generation. The Government has flogged off many properties at Millers Point, sold off 13.5 hectares of vacant land at the Saddens Release Area, privatised the Parramatta Justice Precinct, privatised Hunter Water Australia Pty Limited, sold the Newcastle waterfront offices, and Delta Coast, which is better known as Colona power station. Service First NSW has been privatised and so has the Home Care Service of New South Wales.

And where were The Nationals when the Coffs Harbour Courthouse and police station in Moonee Street were sold off? In November 2015 the Liberal-Nationals Government sold off the Australian Technology Park and Vales Point power station in my electorate. The Government will privatise the entire Hunter transport network,

including our local buses and ferries. But who could forget the jewel in Mike Baird's crown—the privatisation of the State's poles and wires? The Government is so fond of talking about New South Wales as the number one State—the premier State. Mr Assistant Speaker, I will tell you what this Government is number one at: selling off the assets and property of the people of New South Wales. This is bad legislation from a bad Government. It is the worst record we will ever see. Not since the criminal Government of Bob Askin have the people of New South Wales seen such a systematic and widespread abuse of public office. Shame on you all!

Ms GLADYS BEREJIKLIAN (Willoughby—Treasurer, and Minister for Industrial Relations)
(00:28): In reply: Mr Assistant Speaker, I appreciate your patience during a rather prolonged debate. I acknowledge the contribution to debate made by members opposite, including the member for Cessnock, the member for Wyong, the member for The Entrance, the member for Port Stephens, the member for Londonderry, the member for Granville, the member for Newcastle, the member for Rockdale, the member for Mount Druitt, the member for Cabramatta, the member for Blue Mountains, the member for Maitland, the member for Lakemba, the member for Summer Hill, the member for Keira, the member for Maroubra and the member for Swansea. I also acknowledge in particular the contributions made by the very capable Minister for Finance, Services and Property, the Minister for Small Business, and the member for Castle Hill. I also acknowledge the contributions of the member for Lake Macquarie and the member for Balmain.

At the outset I say that I listened very intently and carefully to the two-hour deliberation of the member for Cessnock on this bill. Regrettably, he failed to grasp the main issues associated with the positive attributes that this bill puts to the people of this State. It would be remiss of me not to note that this is a transaction bill, and a longstanding tradition of this place is that with transaction bills that are introduced by the Treasurer they are responded to by the shadow Treasurer. The shadow Treasurer failed on this occasion to provide the Opposition's vision and response to this bill. In fact, he was very late in the day to even comment on the bill and his contribution was disappointing, to say the least. It demonstrates his lack of understanding of what is involved in undertaking a complex transaction, his lack of appreciation for the status of the entity that we are talking about, and the safeguards and regulatory framework that the Government is putting place.

Regrettably, the shadow Treasurer was not on his own in relation to discussing the main provisions of this bill. Every member who contributed to the debate talked about the integrity of the titling system and of this business or this asset. The whole point of this transaction will be to actually strengthen the integrity of the titling system. If members opposite are not convinced by me they should discuss the matter with the Labor Treasurer of South Australia who has also announced that he is going down this path.

The ASSISTANT SPEAKER: The member for Swansea has had her opportunity to contribute to the debate.

Ms GLADYS BEREJIKLIAN: I stress that a number of other Labor Treasurers, in addition to the South Australian Treasurer, have indicated interest in also pursuing this matter. They have been working with our Treasury in New South Wales to facilitate that in their home States. I say to members of the Opposition that I do not mind listening to prolonged debate but it has to be informed, it has to be based on fact and it has to eliminate the hours of rhetoric we heard. We appreciate that there are philosophical differences between what Opposition members are articulating and what Government members are articulating. We do not apologise for our position. We inherited a State that was last on all major economic indicators, a State that had a 30-year infrastructure backlog, a State in which the previous Labor Government was cutting frontline services and employing middle managers in the bureaucracy, and that was the State of New South Wales.

We came to government five years ago and we have changed the whole paradigm of how a modern State Government can work. This bill ensures that the capital upfront we receive from this transaction will be invested in critical infrastructure. All of the proceeds go into Restart NSW, the State's infrastructure fund, that says that a third of all proceeds have to go to regional New South Wales in terms of infrastructure and we have been very clear about that. I stress to all members of this House that this bill entrenches respect, and maintains and strengthens the integrity of the titling system. Ironically the regulatory framework which governs the titling system, is being enhanced. The powers of the Minister for Finance, Services and Property will be enhanced under this new process, as will the powers of the Registrar General. That is outlined in detail in the bill and the supporting documents.

This will include Government's oversight of any private operator, and the continuation of the State's guarantee of the Torrens titling system, backed up by the Torrens Assurance Fund. Importantly, I stress that the data managed by Land and Property Information [LPI] will continue to be owned by the Government. The data will not be owned by the private operator, but by the Government. All interested parties know that this Government has also set as an obligation that the new operator must ensure the data remains onshore in Australia. We have made those specifications apparent and we have talked at length about them because we appreciate the

people of New South Wales want those guarantees. We have given them because we respect the integrity of the titling system. We also respect what service it provides to the great people of this State.

We have also ensured that the price of the regulated services into the future over the 35-year concession period will only be permitted to be increased by an amount not exceeding the consumer price index [CPI]. That means that any prospective operator of this business will know full well what their obligations are and what the position of this Government is. Again, it is important to note that the data will be owned by the New South Wales Government and it will be housed onshore. We are confident that this transaction will not only result in our being able to invest in productive infrastructure with the capital upfront but also better outcomes for customers.

Let us face it, governments are not versed in best practice when it comes to managing information technology [IT] systems or services to the community that require scale. I am certain that a prospective operator from any of the bidders that come forward will have the scale and the know-how to provide faster and more efficient services to customers. In fact, because we are not allowing them to increase prices beyond CPI, they have no option but to reduce their costs and improve their service as their way to ensure the success of their business into the future.

This is a very strong piece of legislation in terms of maintaining, enhancing and supporting the integrity of the titling system in New South Wales. I was very pleased when the scoping study came out and we announced publicly that both the valuation division and the spatial division of LPI will remain completely owned, operated and maintained by the New South Wales Government. In fact, these divisions will continue to be part of the responsibility of the Minister for Finance. We are only talking about the administration of the titling and registration business. At this late hour I stress for the benefit of every member of this House that whenever we approach a major transaction we consider the complex issues and any potential unintended consequences. Some time ago the Minister for Finance and I announced our intention to do this; we were and have remained very open and transparent about this announcement and we have made sure that we have kept the public advised every step of the process.

We will continue to keep the public advised because we appreciate that members of this place and others will seek to move amendments. We will consider those amendments, as good governments do. I state to the people of New South Wales that this transaction will mean better services for the people of New South Wales in terms of accessing information in a more timely way. They will have a guarantee of price for the regulated service. That guarantee of regulated prices only going up by CPI does not exist now, so that is an extra guarantee that will exist into the future. I am especially pleased about the additional safeguards that will be given to both the Minister for Finance and the Registrar General. They will both, on behalf of the State, not only maintain the integrity of the titling system but enhance it.

I know I will have an opportunity when we next debate this legislation to address some of the amendments and to speak further about the detail of this bill. Given the late hour I thank all members for their contributions to this debate. I have listened very patiently to their contributions and to the issues raised by all members. I am not swayed by the arguments presented by those opposite, because, regrettably, they were not based on fact. They were based on philosophy and on the feelings of those opposite, as opposed to what is in the best interest of the State. When we approach matters, we do not mind being innovative or being the first State in Australia to pursue certain paths, because that is what distinguishes us as the best State in Australia. That is what allows us to fill the infrastructure backlog and to set up a State for the next generation. That is what we are about, and that is why I have been pleased to listen to the lengthy contributions of those opposite. I look forward to addressing some of the amendments when we debate the amendments foreshadowed by the member for Cessnock. With that, I commend the bill to the House.

TEMPORARY SPEAKER (Mr Andrew Fraser): The question is that this bill be now read a second time. A division having been called, in accordance with the earlier resolution, I set down the division as an order of the day for later today.

The House adjourned, pursuant to standing and sessional orders, at 00:39 on Wednesday 21 September 2016 until 10:00 the same day.