



New South Wales

Legislative Assembly

PARLIAMENTARY DEBATES (HANSARD)

**Fifty-Sixth Parliament
First Session**

Wednesday, 29 March 2017

Authorised by the Parliament of New South Wales

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LEGISLATIVE ASSEMBLY

Wednesday, 29 March 2017

The SPEAKER (The Hon. Shelley Elizabeth Hancock) took the chair at 10:00.

The SPEAKER read the prayer and acknowledgement of country.

Bills

LOCAL GOVERNMENT AMENDMENT (RATES—MERGED COUNCIL AREAS) BILL 2017

First Reading

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

The SPEAKER: I order that the second reading of the bill stand as an order of the day for a later hour.

Visitors

VISITORS

The SPEAKER: I welcome to the gallery this morning communications students from the University of Technology Sydney and Macquarie University.

Bills

TRANSPORT ADMINISTRATION AMENDMENT (TRANSPORT ENTITIES) BILL 2017

First Reading

Bill introduced on motion by Mr Dominic Perrottet, read a first time and printed.

Second Reading

Mr DOMINIC PERROTTET (Hawkesbury—Treasurer, and Minister for Industrial Relations)
(10:13): I move:

That this bill be now read a second time.

The Berejiklian-Barilaro Government is currently delivering more than \$40 billion of transport projects for the people of New South Wales. It is a long overdue investment to ensure an efficient, safe and technologically advanced transport future. In the 2015-16 budget the Government committed to the introduction of a Transport Asset Holding Entity [TAHE] to manage the State's portfolio of transport assets better and more commercially. This bill delivers on that previous commitment through the introduction of amendments to the Transport Administration Act. As part of the November 2011 public transport reforms a new operating model was established for the provision of government transport services within New South Wales. These reforms established Transport for NSW [TFNSW] to be responsible for the delivery of transport services.

In addition, in 2012 RailCorp was reformed and Sydney Trains and NSW Trains were established as government-owned operators to deliver services under contract to Transport for NSW and drive customer service improvements. The Australian Bureau of Statistics [ABS] undertook a preliminary review of the rail sector following the establishment of the new operating model which separated RailCorp's operations and asset ownership in 2012. An interim ruling was obtained to maintain the current classification until 31 December 2014. However, the ABS indicated that the current classification was unlikely to continue beyond 1 July 2015 because it would be unlikely to meet the classification criteria for a public non-financial company under the updated Government Financial Statistics [GFS] manual. Under the GFS manual, the ABS sets the criteria, definition and guidance for how all entities should be classified for all government agencies nationally.

Entities can be classified as general government, public non-financial and public financial entities. Those classification rules define how we produce our public financial reporting. NSW Treasury, in consultation with the ABS and Transport, then developed the Transport Asset Holding Entity [TAHE] operating model. In accordance with the general finance statistics classification, the ABS has identified the TAHE as a commercial public non-financial corporation. The GFS framework applies to all State governments, and the ABS independently determines to which sector a government entity belongs. The Government first flagged its intention to create a TAHE in the 2013-14 half-yearly review and announced the initiative more formally as part of the 2015-16 budget. In addition to benefits from the consolidation of transport asset ownership and development in the TAHE, the

model maintains the previous sectoral classification of RailCorp as a public non-financial corporation, ensuring consistent treatment with Victoria and Queensland.

The creation of a TAHE as a dedicated transport asset manager under the bill is one important step in our commitment to the people of New South Wales who deserve the best infrastructure in the country. To be able to deliver this record infrastructure program, we need to have our back office working as efficiently as possible. The bill will establish new arrangements for transport asset management in New South Wales that reflects modern governance and financial practices. It achieves this mainly by amending the Transport Administration Act to support the consolidation of transport asset ownership and development of a TAHE by optimising the existing transport asset base to enable a more effective, efficient and commercial approach to the management of transport assets, particularly property; allowing transport operating entities to focus on their core functions of operating transport services and delivering improved customer service; and delivering on capital and recurrent budget targets.

The bill before the House is another vital step towards realising the vision of a truly coherent transport service through a more robust and modern asset management framework. The assets that a TAHE will manage includes rail tracks, trains, stations and land. Its responsibilities will span the full range of financial management of those assets. The creation of a dedicated asset holding entity, operating on commercial principles set out by the State Owned Corporation Act, will provide an efficient base from which we can optimise transport services outcomes for the New South Wales community.

I will now speak to the key features of this legislation. The bill adopts a staged approach to amending the Transport Administration Act to establish the TAHE. The first stage of the reforms, contained in schedule 1 to the bill, formally constitutes Sydney Trains, NSW Trains and a new Residual Transport Corporation as standalone entities under the Act. Transport assets that will eventually be owned by the TAHE will be held by or transferred to RailCorp, and amendments in schedule 1 will give RailCorp additional functions in relation to those assets. In schedule 2 to the bill we find the major structural reform that is proposed by the Government. Schedule 2 will change the name and constitution of RailCorp so that it converts to a statutory owned corporation [SOC] by the name of the Transport Asset Holding Entity. Before the new SOC can be established, however, it will be necessary to commence a staged process of transitioning to the future state.

Members will be aware that RailCorp is currently a statutory corporation under the Transport Administration Act. It is charged not only with the delivery of passenger train services to the people of New South Wales under section 6 of that Act, but also with holding, managing and maintaining rail assets vested in it. During the transition to the new SOC arrangements set out in this bill, the Government has determined that RailCorp should have the capacity to manage and maintain all transport assets for the State on an interim basis. The process of consolidating assets in RailCorp will take some time. For that reason, the bill also inserts section 6A of the Transport Administration Act to expand the asset-related functions of RailCorp. Clause 12 of the bill will allow RailCorp to develop those transport assets in the interim, while it holds them.

The proposed asset management focus of RailCorp before it is converted into a SOC is consistent with the present division of asset management and passenger service delivery functions in New South Wales. Passenger rail services are no longer provided directly by RailCorp but, rather, by Sydney Trains and NSW Trains. These two service providers were created by regulation as subsidiary corporations of RailCorp in 2012. Previously these services were delivered directly by RailCorp under the CityRail and CountryLink brands.

RailCorp's chief focus is already on being an infrastructure and asset holder. The vesting of additional transport assets in RailCorp as phase one of its transition to being a SOC is a sensible and cost-effective way to manage the conversion process. During this transition, the Government will identify independent board members for the new SOC and draft and consult on TAHE's proposed operating licence. The Secretary, Transport NSW will be a member of the independent board. The operating licence mechanism—which is a common and effective regulatory approach for SOC's—is established in schedule 2 to the bill. New sections 13 to 18 of the Transport Administration Act will be inserted to provide for a process for granting and regulating TAHE's operating licence.

The bill will consolidate ownership within one entity—in two distinct phases, as already highlighted—rather than simply relying on the fragmentation of asset management and development across multiple entities, as exists today. In schedule 1, Sydney Trains and NSW Trains will be formally constituted under the Transport Administration Act 1988 [TAA] as new standalone entities. Item [68] of schedule 1 to the bill will also insert a new schedule 9 to the Transport Administration Act to establish a residual transport corporation, which will oversee the orderly wind-up of any residual activities of transport agencies. Under clause 6 of schedule 9, this organisation will be managed and controlled by the Secretary, Transport NSW or such other person appointed by the Minister. It will provide a streamlined way for the State to manage any assets and liabilities that are no longer required for the delivery of transport services in New South Wales, rather than the piecemeal approach that has existed to date.

Schedule 1 will also broaden RailCorp's current functions to transport services, rather than just passenger rail and transport assets. There will be no change to the provision of passenger rail services by the operators. It is these services that keep our people, and therefore our economy, moving. In schedule 2, the conversion of RailCorp into a SOC is a logical next step towards a more robust framework for transport in New South Wales and better financial outcomes for New South Wales taxpayers. There are many benefits in separating service delivery functions from asset owner functions.

Across the world, governments are expected to operate in a way that reflects best industry practice. This is often described as governments being more "commercial". While many people welcome that description, it can raise queries about how unprofitable but important services can continue to be delivered to our community. It is worth reflecting, therefore, what "being more commercial" means when it comes to the management and development of transport assets. At its core, being commercial in the management of public transport assets means being more transparent about the way the State funds and accounts for these activities. It means having greater clarity, for taxpayers and for the State, over what is being paid for and what the cost is.

Commerciality means having a structure in place that properly accounts for the costs of recurrent services and capital expenditure and provides an identifiable return to the taxpayers on their massive investment in infrastructure. To do this in the transport context, this Government believes that we need to have a clear delineation between a publicly owned asset holder and the State as a direct service provider. This means the State's financial arrangements will be structured in a way that promotes the Government's long-term capacity to deliver critical services—critical services such as public transport, hospitals and schools.

We need a structure that allows a State government to budget for investment in infrastructure in a way that is properly and reasonably adapted for modern financial practices. The Government has been working hard, in consultation with the Australian Bureau of Statistics, to bring forward a proposal that will meet those standards and provide stability in the State's budgeting processes. We are confident that the bill before the House will achieve that stability by creating a framework in which the State's transport assets can be managed and developed in the public interest, but consistently with modern commercial expectations.

The proposed State owned corporation [SOC] status of TAHE will provide the necessary distance from day-to-day central government control to demonstrate its assets are being managed commercially. Clause 11 of schedule 2 to the bill sets out in detail the functions that are required to complement the central asset-holding function of TAHE. These include constructing and developing the transport assets vested in it. Nothing in this bill will change staff employment arrangements in Sydney Trains or NSW Trains. Nothing in this bill will change the framework for setting public transport fares as this will remain to be determined by Transport for NSW. The bill before the House will simply continue the separation between service and asset-owning entities that was commenced in 2012, with the creation of Sydney Trains and NSW Trains as subsidiary corporations.

Sydney Trains and NSW Trains will continue to take responsibility for safety relating to the core operational assets. Sydney Trains and NSW Trains are authorised under the bill to maintain rail infrastructure, carriages, engines, plant machinery or equipment. This makes it clear that even where assets are owned by TAHE, Sydney Trains and NSW Trains as asset custodians and operators assume responsibility for safely maintaining assets. The proposed model therefore delivers the safety benefits of vertical integration in relation to core operational assets. It will also ensure that Sydney Trains and NSW Trains meet their principal objective, under proposed new section 36A and 37A respectively, of delivering "safe, reliable railway passenger services in an efficient, effective and financially responsible manner".

There are numerous other ways in which passenger safety is protected under the proposed new framework. The first of those is that the Secretary, Transport NSW not only retains his direction powers over Sydney Trains and NSW Trains but also takes a seat on the board of TAHE. This ensures a coordinated approach to safety discussions across the sector. The second significant safety protection is that TAHE will need to comply with the terms of an operating licence issued by the Minister for Transport and Infrastructure. The operating licence will set out terms dealing with, among other things, safety integrity, compliance with integration of transport modes, and compliance with network and asset standard requirements issued by Transport for NSW. An operating licence is an effective tool as it allows government to respond to new circumstances where necessary, such as where new safety issues emerge.

The third significant safety protection is that, like all SOCs, the portfolio Minister—being the Minister for Transport and Infrastructure in this case—will be able to issue a binding direction to the board to take certain identified actions in the public interest. This is a significant power for use in exceptional circumstances only. It is also important to note that there is now a National Rail Safety Regulator and a new national rail safety law. New South Wales has been and will continue to be a strong supporter of those national reforms.

This is time of unprecedented expansion, improvement and renewal for our public transport infrastructure. The New South Wales Government is growing a future transport system that is the envy of others and a source of great pride for us all. But to do that, we need to have a strong back office structure based on industry best practice. This bill is a sensible way of unlocking the vast potential of transport assets owned by a multitude of State agencies and a vital step towards delivering on the Government's future transport plan for the New South Wales community. I commend the bill to the House.

Debate adjourned.

MOTOR ACCIDENT INJURIES BILL 2017

Second Reading

Debate resumed from 9 March 2017.

Ms YASMIN CATLEY (Swansea) (10:29): I lead for the Opposition in debate on the Motor Accident Injuries Bill 2017. In his second reading speech, when explaining the whys and wherefores of the bill, the Minister aptly used the analogy of a car. Let me extend the car analogy: This bill is the last splutterings of a clapped-out wreck of a car—beaten up, behind schedule and crawling to get to its final destination. It has gone on a harrowing journey with twists and turns. It has been a five-year journey that, with a competent driver, should not have taken more than one year. One of its several drivers was thrown from the vehicle, never to be seen again.

Passengers and observers have wondered: Why has it taken so long? Why all the bumps and bruises? The reason behind the delays in getting significant savings to motorists over these past few years is a simple one: the pure ideological obsession of this Government with stripping back the hard-won rights and protections of the people of New South Wales. The Government was removing the long-enshrined common law rights of thousands of innocent victims of motor vehicle accidents who, under previous iterations of this bill, would have been left far worse off under a black-and-white legislative framework which would have handed more power and profits to the insurers while the injured, through no fault of their own, would have been left in financial, emotional and physical pain. It would have left workers worse off, it would have left regional motor accident victims worse off and it would have generally left female victims on the cusp of returning to work far worse off, all without addressing the elephant in the room—the super profits of the insurers.

From day one Labor believed that it could reduce compulsory third party [CTP] premiums without sacrificing the longstanding common law rights of the innocent victims of motor accidents, by tackling fraud and dodgy lawyers, and by putting legislative breaks on insurance super profits. There was a chance to get real savings for motorists without destroying the principles of CTP insurance in New South Wales. Yet the Liberal Party, enthralled as it is by the glamour of the big end of town, overreached and initially sought to dismantle the system. This is why the reform process has been so tortuous and so reviled by the experts in the CTP field. It is brutal, nasty and wrought with injustices—in short, classical Liberal Party business. The bill we are debating today is a vast improvement on what it would have been. I thank the Minister for listening to the concerns of Labor and the legal profession in bringing to Parliament a bill that we believe is 90 to 95 per cent of what a CTP reform bill should be.

I touch briefly on the essential elements of the bill. The Motor Accidents Injuries Bill 2017 replaces the existing compulsory third party motor accidents scheme, as established under the Motor Accidents Compensation Act 1999, with a new scheme to cover persons injured in motor accidents. The scheme remains compulsory and privately underwritten. It will retain common law rights for most innocent victims of motor vehicle accidents, besides those defined as suffering a minor injury and/or psychological or psychiatric injury. For this category, the new defined benefits scheme has been introduced with a step-down in loss of weekly earnings and time frames where compensation is scaled back and ceases. Significantly, statutory benefits for at-fault drivers are expanded to six months worth of compensation for medical and economic loss.

The bill establishes a dispute resolution service within the State Insurance Regulatory Authority [SIRA], with a process commencing with an internal review by insurers, then a merit review within SIRA, much of which is to be fleshed out in the regulations. Importantly, it creates a more level playing field between traditional taxi services and the emergent ridesharing companies such as Uber. Taxidriviers pay exorbitant CTP premiums of around \$8,000 on average, creating another distinct disadvantage compared to Uber operators. This bill should reduce average CTP premiums for taxidriviers by roughly \$3,000 per annum. The Opposition believes these issues should have been resolved almost 12 months ago together with the broader changes to the taxi industry. The taxi industry is the forgotten victim of the Government's delays and ideological obsession in weakening CTP. The stoic persistence and patience of the taxi industry in this part of the reform process is noted and I hope this is a boost for the many taxidriviers on our roads.

We also have to take the Government at its word. The reductions will be achieved through the premium determination guidelines. The Opposition will maintain a watching brief to ensure these promised savings become a reality. The bill attempts to address two of the fundamental problems of the existing scheme: risk equalisation and profit normalisation. Risk equalisation is an issue that has been raised with the Opposition. The attempt to spread the burden of high and low risk should realise significant wins and hopefully encourage more participants to the CTP industry. The Opposition believes that the decline in the number of competitors in the CTP insurance industry is not helping premiums. Efforts to prevent cherry-picking of low risk and avoidance of high risk is a positive step, and the Opposition looks forward to seeing the effectiveness of these measures. Profit normalisation—what I call the elephant in the room—is the one area where substantial gains can be made in further reducing premiums.

The bill's clawback provisions whereby SIRA is able to recoup any profit beyond an 8 per cent per annum return back into reduced premiums the following year should prove to be an important part of efforts to keep downward pressure on insurance premiums. The Opposition has some suggestions to improve this part of the legislation, which I will address shortly. The bill regulates legal fees in certain cases to ensure victims maximise their payouts and that payouts are not eaten away by exorbitant fees and charges—another move welcomed by the Opposition. Finally, the bill enhances data collection and reporting—necessary elements to bolster efforts to tackle fraud. To realise much of the administrative impact of the new bill, the Opposition understands that \$17 million has been provided to meet the expected costs of establishing the dispute resolution service and enhancements in data collection. Again this is welcomed as an effective CTP insurance scheme needs the necessary government funding to be able to function efficiently and fairly.

The Opposition believes several components of the bill could be significantly stronger. I will start with insurer profit. The Government's hand has been forced on insurer profit in recent times. It was only under questioning in last year's budget estimates that the Minister began talking about the role played by super profits. Up until then the entire problem had been fraud and the insolence of innocent victims of motor vehicle accidents seeking legal advice to protect themselves and their families. With this attitude it is clear why a former Liberal Minister responsible for this area was removed. It was classic Toryism: attack the victim, the less well-off, while ignoring some of the real factors contributing to the problem—in this case, the super profits being gouged by the big insurers.

The insurance industry has taken a large share of the pie when it comes to CTP. While the Government rightly points out that only 45¢ in the dollar went to victims, a whopping 19 per cent went to insurers as pure profit. This was on top of the 15 per cent for insurers' expenses as well as another chunk for their share of legal investigation expenses. All up, approximately 45 per cent went to the big insurers and surely should have been a focal point when it came to reform—yet it was barely mentioned by the Ministers. It was the issue that dared not speak its name, until the middle of last year at any rate.

When most people were lucky enough to get 3 per cent on cash and not much more on their super, insurers were normalising profits of up to 19¢ in the dollar. That should have been an immediate target of the Government. The fact that it was not reflects the Government's warped priorities and prejudices. It was only sustained political pressure and the excellent campaign conducted by the legal fraternity that forced the Government's hand and ensured that it addressed insurance super profit. We have to examine the backstory when looking at specific provisions in the bill. Let us look at the clawback provisions. These are all dealt with internally by SIRA, the same government organisation that only in recent weeks was slammed by the Standing Committee on Law and Justice—a committee dominated, of course, by Coalition members. The committee said:

However, it was clear from the evidence presented during the review that SIRA needs to provide more guidance to scheme participants, particularly insurers, to ensure the system operates effectively. As such, we have directed a number of recommendations to SIRA to better meet the needs of scheme participants. That is hardly a ringing endorsement of the role played by SIRA to date in the field of workers compensation, and now the Government wants to make SIRA solely responsible for clawing back super profit. The Opposition believes that, to get real reform to ensure SIRA does what it is expected to do, an independent umpire is needed to ensure insurer super profit is captured and returned as reduced premium. The Fire and Emergency Service Levy Bill 2017, which is being debated contemporaneously, largely replaces an insurance levy with a property tax. It has an independent cop on the beat, Professor Allan Fels, to make sure that insurers reduce property insurance premiums. The Government has created the Emergency Services Levy Insurance Monitor Act 2016, which is inadequate and a political fix. It shows that when the Government has reputational risk on the line—namely, a new property tax with insufficient reductions in premiums—even it does not trust the big insurers. Yet within this bill the Government has left the role of ensuring premiums and profits with the bureaucracy. There is no independent oversight, no cop on the beat.

The Opposition will move an amendment to broaden the remit of the Fire and Emergency Service Insurance Monitor to include compulsory third party insurance premiums, which will ensure a cop on the beat. I challenge the Minister to accept the amendment and send a strong bipartisan message to the big insurers that the days of super profits are over. I seek clarification from the Minister as to whether he will act in the instance of excessive losses by insurers, as set out in section 2.25, and effectively write out a big cheque to a compulsory

third party insurer that has experienced an excessive loss—the definition of "loss" may be a lower than expected profit.

While there must be continual monitoring of the performance of the insurers in a privately underwritten scheme, government should not act as a backstop when the insurer makes a bad decision. While the clawback provisions are welcomed, the Opposition does not support limiting profit clawback for three years. The Opposition agrees with the legal profession that the clawback should be allowed to operate for five years. The scheme actuaries believe that the clawback needs five years to gain the full impact of the scheme. Labor believes that ongoing oversight is required and the compulsory third party monitor will ensure independent oversight when deciding whether to make the clawback provisions permanent.

The latest iteration of the bill portrays the eleventh-hour nature of its production. Whilst providing a definition of sorts for "minor injury" and "psychological injury", the bill allows the regulations to add or subtract from the definition. Minor injury and minor psychological and psychiatric injury are critical thresholds in this bill. The definitions for these criteria should be precise and written in black and white, not left to regulation. It shows that the Government has not done its homework and has made late changes to the bill that create the definition of "minor psychological and psychiatric injury" as a critical threshold question. This is simply unacceptable. The Government has had at least five years to work out the reforms to compulsory third party insurance, yet members are now debating a bill without a thorough definition of a critical threshold question. The government-dominated Legislation Review Committee has noted the serious steps of depriving innocent victims of their common law rights. It states:

The Committee notes a person with minor injuries under this scheme is not entitled to more than 26 weeks of statutory benefits. The Committee also notes that a person with minor injuries under the scheme is precluded from seeking common law damages. Given that a person may still be suffering quantifiable damages 26 weeks after a motor accident the Committee refers to Parliament for its further consideration the reasonableness of restricting such injured individuals from seeking common law damages. This is a significant shift in common law rights and Parliament must ensure that any definition that inserts a dividing line between statutory benefit and common law damages is thought through very carefully. If Government members are concerned about this bill every member should be worried. That is why the definition of "minor injury" must be carefully written. The Labor Party will move an amendment in the other place that ensures any definition, subtraction or addition is subject to the full scrutiny of the Parliament. I move to the dispute resolution service. The bill establishes a new dispute resolution service, with most of the detail left to the regulations—another "trust us" bill from this Government, as the effectiveness of the dispute resolution service will play a critical role in ensuring standards and efficiency at the same time.

Concerns have been expressed by stakeholders as to insufficient detail. Who will be the merit reviewers? What skills and expertise will they have? Concerns have also been expressed about the unfairness of expecting an average person to enter into what could be an arduous and painful experience without any support. A related concern is the need for an internal review of disputes to be undertaken by the insurers. The legal fraternity has questioned the wisdom of forcing victims to go through an internal review of their case with the insurers. There is concern that this will be a tick-and-flick exercise or another hurdle to subtly dissuade more victims to stop their claims. Insurers should have their own internal review process to ensure they are getting things right. We do not need to coopt them into a statutory process. If the Government is serious about getting claims through the system more quickly, getting people fixed where possible and back to work if they are able, removing this step is a practical and sensible improvement in that direction.

I move on to no-fault provisions. Finally, while not opposing this aspect, the Opposition queries the rationale of bringing a whole new category of victims into the CTP scheme. We question whether it should be a priority and have concerns about the cost impact on insurance premiums. I talk, of course, of making the scheme no fault and bringing roughly 7,000 at-fault drivers into the scheme. The Opposition queries the priorities of enhancing protections for at-fault drivers at the expense of innocent victims of motor vehicle accidents. I think the pub test would lead to the conclusion that we should look after the innocent, however minor the injury, before dealing with the guilty. At-fault drivers are currently addressed in a minor fashion within the CTP scheme through the accident notification form [ANF] introduced by the Labor Government in its last tranche of reforms.

Of course all the victims still have the bedrock of their right to treatment in the form of Medicare—something that Labor will always champion. In this bill the Government extends the ANF to provide similar benefits to at-fault drivers to those provided to innocent victims with minor injuries. This should not be done lightly, particularly when it will place pressure on premiums—I am advised that this step could force premiums to rise by up to \$30 per premium. When the Government talks about savings of \$100 on green slips, this cost increase is significant. Again, the Opposition will watch this area of reform closely. If we see that it acts as an impetus for fraud or that innocent victims are unfairly worse off under these reforms, we will move to strike out these provisions.

In dealing with the complexities of CTP reforms the Minister made the analogy of watching the first 30 minutes of *Saving Private Ryan*. In looking back at the past five years of the Government's attempted reforms it strikes me that a better analogy would be watching *Goodfellas*, *Wall Street* and *Mr Bean* all at once—part

mobster rule and part corporate greed at the same time as being high farce. I know the current Minister wants this reform process to have a fairytale ending, and I hope for the sake of all motorists that it does. Labor has been pushing the Government to take concrete steps to reduce the cost of green slips in New South Wales by addressing fraud, tackling the practice of claims harvesting, capping legal fees and, importantly, addressing insurers' super profits. The Minister claimed that tackling fraud could save \$75 per premium per annum, more than half the expected savings that the Government has used to justify this bill.

Labor always believed that savings could be made in a gradual, incremental way without discarding the principles of CTP that were introduced by the McKell Labor Government in 1942. McKell, faced with the growing threat of the Japanese Imperial Army, had the presence of mind to establish an insurance scheme that would protect the growing number of drivers from the disasters that come from motor accidents. We should never forget that behind the legal wranglings, the actuarial sums and the policy conundrums lie human tragedy, lives wrecked and changed forever. This is why the earlier iterations of this bill under this Government were so shocking. They showed a clinical disregard for human cost of motor vehicle accidents, so it is pleasing in many ways that the bill we are examining today is a vast improvement on what the Liberal Party and The Nationals originally proposed.

I thank all those who fought the good fight against the Government's brutalist approach. They often did so against the backdrop of the public's lack of understanding of what CTP is and what it represents. While cheaper premiums are important, they should never be at the expense of the fundamental common law rights of those who, through no fault of their own, are caught up in a whirlwind of tragedy. Every time we get into a car we are taking a risk, and more often than not we push that risk to the furthest part of our mind. But risk is present and we are indeed fortunate to have a compulsory third party insurance scheme to protect us and our families. The Opposition will not oppose this bill but encourages the Government to take on board its foreshadowed amendments to ensure a better and fairer scheme.

Mr ALISTER HENSKENS (Ku-ring-gai) (10:50): I speak in support of the Motor Accident Injuries Bill 2017. The words of the member for Swansea would have greater credence if the greatest ever attack on common law rights in this State had not come from the Labor bill of 1999 regarding this matter. It is regrettable that Labor members do not have a greater knowledge of the subject matter and its history when they speak in this House. I am pleased to support the Motor Accident Injuries Bill 2017, and I compliment the Minister for Finance, Services and Property, who is in the Chamber, for another substantial piece of reform in the ministries he commands. A 150-page bill is a substantial body of work in anybody's terminology, and he is to be applauded for again introducing well thought out and deeply important legislation into this House.

The Motor Accident Injuries Bill 2017 introduces a new compulsory third party [CTP] insurance scheme for people who are injured or lose their life as a result of a motor vehicle accident on our roads in New South Wales. It represents a major reform by this Government that will provide meaningful and measurable benefits for injured people as well as millions of vehicle owners across New South Wales. As members would be aware, the current CTP green slip insurance scheme no longer serves the best interests of people injured in motor vehicle accidents or of vehicle owners in our State. The bill follows a comprehensive review of the CTP scheme undertaken in 2016 involving extensive community and stakeholder consultation. The CTP insurance scheme affects us all, as vehicle owners and as members who care about improving the lives of injured people on our roads.

As members, we should support this bill, to ensure that people genuinely injured in road accidents receive timely access to the appropriate treatment and rehabilitation to assist their recovery. Without reform, green slip prices will continue to increase. Through this bill the Minister has targeted reform that is evidence based. The evidence provided by the State Insurance Regulatory Authority [SIRA] identified some of the important areas that drove higher CTP premiums. It did that by analysing data. It is important to have evidence-based decision-making by government. In particular, the evidence identified that the drivers of the currently unacceptably high CTP insurance premiums include a blowout in the number of soft tissue injury claims and issues around insurance profits.

Contrary to what the member for Swansea said, when Labor brought in the reforms in 1999 there were no provisions to take into account the possibility of the insurance industry making supernormal profits. One of the important reforms under this bill is the requirement for data to be produced to SIRA by insurance companies so that their profitability can be identified. There is the capacity after the event to take back any supernormal profits to ensure that any excessive profit-taking is returned to the consumer—the residents of New South Wales. These are very important matters.

One of the other matters identified by SIRA is the issue of fraud and its effect on higher insurance premiums. Before I go to matters of fraud, I note that this bill takes into account soft tissue injuries and treats them differently. It is an important reform to be enacted. On the issue of fraud SIRA estimates that the additional

cost to New South Wales motorists of fraudulent and exaggerated claims is as much as \$400 million per year. Fraud currently adds about \$75 to the cost of each green slip alone. The scheme actuaries report that if the rising trend in claims costs goes unchecked, there will be significant impacts on scheme affordability, with predicted price increases of 10 per cent to 20 per cent per year over the next 18 months above the current premium rates. This would equate to an average increase for passenger vehicle green slips in Sydney of between \$65 and \$130 per annum.

Legally represented minor injury claims average between \$95,000 and \$110,000 each, which is more than the average claim size for all claims covering minor and major injuries in any other jurisdiction in Australia. As a result, around \$213 of every green slip premium is now going towards these claims, up from \$96 in 2008—an increase of 121 per cent. It is not fair that New South Wales motorists are paying the highest premiums in the country. I again commend the Minister for doing something about these terrible figures. The increasing number of legally represented minor injury claims has also led to higher claims-handling expenses by CTP licensed insurers.

Reforms to the CTP scheme will put substantial downward pressure on premiums and reduce opportunities for fraudulent and exaggerated claims by providing defined benefits for soft tissue and minor psychological injuries for up to six months and removing access to the common law system for these cases. Section 117 of the Motor Accidents Compensation Act 1999 does not expressly confer the power to prosecute on any person. Historically, SIRA has relied on CTP insurers to conduct fraud control. It is anticipated that the proposed reforms to the CTP scheme will further address claims fraud by enhancing SIRA's investigative, prosecution and enforcement powers.

The bill will give the regulator stronger powers to investigate fraud as well as for prosecution and enforcement, and penalties will be increased. There will be no rewards for people abusing the system put in place by this bill. In accordance with SIRA's statutory obligation to deter fraud within the CTP scheme, a strategy has been developed to investigate and address fraud and claims leakage. The strategy focuses on both initiatives to curtail or remove systemic incentives to engage in fraudulent behaviour, as well as measures addressing the problem at the source. A CTP fraud task force has been established, as well as a fraud hotline which allows members of the public to report suspected instances of fraud.

The program of work being undertaken includes direct engagement with insurers and other regulators as well as targeted communications; ongoing regulatory responses; data monitoring, including predictive modelling, to detect the lodgement of fraudulent claims in the scheme; and the commissioning of full-time resources. Following rigorous consultations, this bill is strongly supported by all key stakeholder groups, including the Law Society of NSW, the NSW Bar Association, the Australian Lawyers Alliance, the Insurance Council of Australia and the NSW Taxi Council. The bill is also strongly supported by the people of this great State.

This Government has listened to all key stakeholders and has their support to deliver long overdue reforms for not only people injured on our roads but also vehicle owners in New South Wales, who for too long have paid increasingly expensive green slip premiums. This bill is a much better reform of the motor accidents claim scheme than the reforms introduced by the Australian Labor Party in 1999. It respects and does not unreasonably further infringe upon common law rights. This is the sort of intelligent, focused legislation that only a Coalition government is capable of delivering.

I congratulate the Minister on being able to satisfy the key stakeholders in this area whilst also producing a bill that promotes so well the public interests of the citizens of this State. Good work should be appreciated. The member for Swansea referred to a number of things which saddened me. In this instance partisan politics should be put to one side. Members should resist from taking opposing sides or nitpicking just for the sake of it, nor should those opposite always foreshadow that amendments will be moved in the other place. They should be thanking the Minister for his hard work and they should stop carping and complaining.

Mr NICK LALICH (Cabramatta) (11:00): I speak in debate on the Motor Accident Injuries Bill 2017. No-one is nitpicking; we just want the best for the people of New South Wales. We all want to do that little extra where we can. The Minister for Innovation and Better Regulation has carriage of this bill. He and I entered this Parliament on the same day. I get on well with him and he is a great Minister. I turn now to the bill. The object of the Motor Accident Injuries Bill 2017 is to replace the New South Wales compulsory third party insurance scheme and to amend related legislation to conform to the proposed insurance regime in the bill. In line with the current legislation, the bill retains common law rights for all victims with significant injuries when that person was not at fault. This will result in the creation of three different categories of injuries and the bill ascribes different levels of statutory benefits that individuals can receive based on those categories. The most severely injured individuals will remain eligible for medical and economic loss up to 2.5 times weekly average earnings, as well as damages for pain and suffering—this applies to those assessed as having more than 10 per cent whole person impairment.

Part 1.6 defines "a minor injury" as soft tissue damage or minor psychological injuries, and less than 10 per cent whole person impairment. Individuals with minor injuries will be eligible for up to 26 weeks of statutory benefits. Those with less than 10 per cent whole body impairment but with injuries not classed as being minor will be eligible to claim medical and economic loss. While there needs to be some flexibility in categorising the severity of individuals' injuries, I am concerned that the Liberal Government wants the discretion to adjust the definition of "a minor injury" through regulation. This bill also empowers the State Insurance Regulatory Authority to intervene between customers and third party compulsory insurers. I welcome this intervention, in particular the creation of a dispute resolution service to serve the needs of customers in this compulsory insurance regime. As a compulsory service, the State Insurance Regulatory Authority has the power to claw back extensive profits by the insurance companies. However, part 2.25 leaves significant discretion to the board of the State Insurance Regulatory Authority to take action against insurers that are accruing especially large profits at a cost to the consumer.

My colleagues and I are concerned that this bill does not go far enough to necessitate action by the State Insurance Regulatory Authority in the event of insurance companies extracting large profits and, in effect, ripping off New South Wales drivers. It is not surprising that the Government has decided to leave this to the discretion of the authority because, yet again, it has prioritised profits above the people of New South Wales. Despite these concerns, the bill offers reasonable changes to the compulsory third party insurance regime in New South Wales. I do not oppose it.

Mr GEOFF PROVEST (Tweed) (11:04): I am pleased to support the Motor Accident Injuries Bill 2017. I thank the Minister for Innovation and Better Regulation and his staff for their hard work and tenacity. It has been a long road with many competing interests and key stakeholders involved. A number of members have spoken about the current scheme and various amendments. One of the things I clearly remember from the early briefings on this legislation is that currently only 45¢ in every dollar goes to the victims. We all care about the wellbeing of the wider community. This scheme was originally designed to assist victims in their recovery; it is obviously not working if only 45¢ in every dollar goes to the victims. I am not saying that the key stakeholders have not been doing a good job, but the balance of funding is being used in administrative and legal costs, et cetera. These reforms, which are well overdue, will result in victims receiving more money. I cannot understand why the bill does not have bipartisan support.

Another key component of this legislation is the effect it will have on the taxi industry. In recent times ridesharing operators such as Uber have entered the market. Taxis are the lifeblood of the public transport system in many places—in the little country town of Tweed Heads or in the main street of Cabramatta. They do an excellent job. Indeed, probably most of us would have used one in the past seven days. Taxis collect people from hospitals and transport the elderly. Our veterans are great users of taxis. In my electorate taxidrivens even help elderly people into their homes with their groceries and they take them to and collect them from their medical appointments; they go beyond the call of duty. But with the introduction of Uber and the increasing costs of running their business times are tough for them—and it is only going to get tougher. In many towns taxis are often one of the only forms of public transport available, so it is with much pleasure that I support a bill that will ease the cost of running a taxi.

I regularly meet with the Tweed Heads Coolangatta Taxi Service. Green slips are one of the major cost components in keeping a taxi on the road. Without scheme reform the price of taxi premiums will continue to rise. The average cost of a green slip for these champions of the community are expected to climb to \$4,875 by the end of 2017. It is becoming harder to stay on the road and this is unsustainable for many country taxi operators—whether in a big or small town. Compulsory third party insurance costs are ultimately passed on to taxi customers through increases in taxi fares. This has contributed to reduced affordability for passengers who use and/or rely on taxi services. As I said, in some of the smaller areas taxis are the only way in which the elderly can get around. The high cost of premiums in the taxi industry has been exacerbated by the impact of the emerging rideshare market—Uber. While formal ridesharing is still in its infancy in many regional areas, anyone who lives in the country will know it is growing. It is particularly evident in my electorate, with the Gold Coast just across the border.

Currently, people who drive for rideshare operators such as Uber only pay CTP premiums based on the rate for ordinary passenger vehicles. That is about 10 times less than what taxidrivens currently pay. This places taxi vehicles, right at the outset, at a significant disadvantage to ridesharing vehicles. This Government has listened to the taxi industry and its concerns, and taxis will be significant beneficiaries of this legislation. This is a great outcome. Because of the great work of this Government, the average CTP premium for the thousand or so true blue battlers who own and drive taxis in regional New South Wales will be reduced to under \$3,000. That is a whopping saving of 40 per cent. I am sure that any member in this House, whether a city member or a country member, who went and said to their local taxi owner-operators—the mums and dads out there—"By the way, your CTP is going to drop by 40 per cent," would get a big smile in return. There is no doubt about that.

In addition, there will be a new premium-setting process for green slips for taxis and rideshare vehicles which will create a more level playing field. That is very important. Stakeholder consultation with the taxi industry, ridesharing operators and licensed CTP insurance providers revealed a strong preference for a more risk-based approach to premium setting for point-to-point vehicles. Premiums for taxis and rideshare operators will comprise a base premium and either a top-up or a refund—based on vehicle usage—to ensure the CTP insurance premium accurately reflects a motor vehicle's risk and usage. This usage based charge will place all point-to-point vehicles on a level playing field. It will create competitive neutrality, as taxis and ridesharing vehicles travelling the same distance will pay the same CTP premium. The use of telematics, a form of in-vehicle GPS technology, will allow data to be collected on how long drivers are on the road, the time of day they are on the road, and how safely they drive. This information can then be used to calculate accurate risk-based premiums which reward safe drivers. That is another great plus.

We have listened and we have taken action to ensure the ongoing viability and availability of taxis and market competition. I congratulate Minister Dominello on coming up with a package that supports the regional taxi industry. It is going to support those regional areas, those big country towns, and that is very important. But it is also supporting the taxi industry in the city. Just have a look at Macquarie Street. All of us who use Sydney Airport constantly trundle out to the taxi rank to get a cab. We have listened to the industry's issues and we have taken action. I look forward to these new rules coming in because it will give me some great news to tell the taxi operators in my great electorate of Tweed. I commend the bill to the House.

Mr KEVIN CONOLLY (Riverstone) (11:12): I am pleased to support the Motor Accident Injuries Bill 2017. This bill is necessary to fix a broken system. I think we can all agree that the current New South Wales compulsory third party scheme is not providing value for money to vehicle owners of this State or to the Government under the private underwriting arrangement. Worse, in its current form the scheme is not serving injured road users as well as it could, with less than half of every green slip premium dollar being returned to injured road users in benefits. The rest of the money is absorbed by scheme costs and provider fees.

This broken system was not designed by us; it was designed by the people sitting on the other side of the Chamber. The complaints, the ideological tirades and the silliness we heard from the member for Swansea were all about a system that they created. It was all about a system that the Labor Government tinkered with, rewrote and organised—and it produced the results about which she complains. The very results about which she complains have come from a system created by those on that side of the House. It is those on this side of the House, the Liberal-Nationals Government, who are fixing those problems. We have come up with a proposal in this legislation that has the backing of all the key stakeholders in the industry.

Ms Yasmin Catley: And we agree!

Mr KEVIN CONOLLY: And they agree. Anyone who was in the gallery—and some who are here now were, I think, in the gallery then—when the member for Swansea was speaking and who realised that the Labor Party agreed with this legislation is very clever, because she did her best to avoid admitting that this proposal, this legislation, is a vast improvement on the system that those on her side put in place. Green slip premiums have increased significantly over the past 10 years and are now the most expensive in Australia. This is mainly due to a significant spike in minor injury claims and related costs, insurer profits and fraud. Over the life of the scheme there has been a consistent pattern of discrepancy between filed and realised profits of the CTP insurers. There is nothing in the legislation Labor left us that would allow the Government to address that. The long-term average of realised profit is around 19 per cent, which is more than double what insurers file for when setting their prices.

It is not fair that CTP insurers are increasing green slip premiums and consistently deriving high profits while the people injured in road accidents are receiving a low proportion of scheme funds. The fact that injured people are receiving such a low proportion of scheme funds is largely a result of the current scheme's design—as I have said, it was designed by the Labor Government. The CTP scheme is also being challenged by a significant increase in fraudulent and exaggerated CTP claims, the costs of which are ultimately reflected in increased green slip prices. It is estimated that fraud currently costs New South Wales motorists as much as \$400 million per year and adds about \$75 to the cost of every green slip.

The CTP scheme is primarily a common law, fault-based scheme. This means that an injured person is only able to make a CTP claim if he or she can show that the motor vehicle accident was caused through the fault of another driver. The need to prove fault often requires a detailed investigation by the CTP insurer and usually requires the assistance of lawyers in contesting the claimant's entitlements and negotiating all aspects of the claim. The process is often expensive and time consuming. Historically, legal and investigation expenses account for 18 per cent of each premium dollar collected. Eighteen per cent of the cost of the scheme goes towards proving that somebody is at fault. By taking away that element of the scheme, we simply make the scheme more efficient. The money that would have been spent on investigating, contesting, arguing and deliberating can instead be spent

on helping victims. When a scheme that is designed to assist injured people pays more to lawyers than doctors, we know that scheme is truly broken.

A person injured in a motor vehicle accident can wait between three and five years for their claim to be resolved, often while lawyers and insurers argue over the amount of money. Of course the injured person will still need that assistance three or five years later, but people injured in accidents expect and need assistance straightaway—much sooner than the current scheme allows for. The delays in the current scheme are much longer than for statutory benefit schemes in other States, where payments start almost immediately after a claim is made. Delays to payments can mean that the injured person does not get the support they need when they need it the most. An injured person at fault in an accident is even worse off.

Currently, about 7,000 drivers injured on our roads each year can only claim a maximum of \$5,000 under the CTP scheme's early accident notification form scheme because they cannot prove fault. Denying injured road users adequate support is neither fair nor just—nor, I might add, sensible. It pushes injured people onto the public health system and places an enormous burden on their families and friends. We know that, without reform to the scheme, premiums will continue to increase. We know that, with reform to the scheme, we can put downward pressure on premiums and ensure that more of the premium dollar goes where it is needed—towards helping injured people. That is demonstrated by the support we have from all of the stakeholders in the industry. Those on all sides of this debate agree that the system can and will be made better by this legislation. The Labor-designed CTP scheme we inherited has been letting down the people of New South Wales. Change is long overdue. I commend the bill to the House.

Ms TAMARA SMITH (Ballina) (11:19): On behalf of The Greens I support the Motor Accident Injuries Bill 2017 and commend the Minister because I think the balance has finally been addressed. This bill introduces a compulsory third party [CTP] or green slip scheme for motorists in New South Wales. It is intended to reduce the cost of green slips by making a number of changes to the motor accident legislative framework. Green slip costs are a genuine equity issue with the average green slip in Sydney costing in excess of \$700 and even higher in my region. A car is a necessity for most people, particularly in regional and rural New South Wales. It is an essential item and therefore the cost of maintaining a car is a real issue for household budgets.

Reforms that reduce general premiums for motorists whilst retaining benefits for motorists and a focus on premium reform for those injured on the roads are highly commendable goals. So too is reducing the obscene profits—averaging nearly 20 per cent overall in any calendar year—that insurers have taken from the existing scheme. To address these issues the bill creates a hybrid system that has two main tiers. The first is a no-fault statutory scheme for minor injuries, soft tissue and minor psychological injuries. The second strengthens the common law damages for those injuries that are more than minor and where the claimant is able to establish fault.

What this will mean in practice is that motorists injured on the roads and who have soft tissue and minor psychological injuries have access to at least six months of income support and medical treatment under the no-fault statutory scheme. This is a significant expansion of benefits to at-fault road users, mainly at-fault drivers who have not previously had access to benefits under the CTP scheme. Under the current regime those injured motorists might wait years going through the common law claim process, and if they were found to be at fault might receive nothing from their insurer. This kind of experience can affect injured motorists for the rest of their lives if they are unable to work, receive no income support, may have lost their licence and may be suffering from trauma. I know it is counterintuitive to think about at-fault drivers but we know that people make mistakes on the roads.

The good news is that the flow-on effect of the statutory regime is that insurance premiums across the board will come down where insurers might hold on to long tail claims for up to three years and financially audit high amounts of capital for each claim even though the final payout might be one-tenth or less of that amount. Small claims will now be directed to the statutory regime thereby reducing the amount of capital that large insurers need to underwrite their insurance. I am not an insurance expert but I have been told by the experts that this will be the net effect. It is expected by most stakeholders that the net result will be reduced premiums for all motorists across the board.

The claims for common law damages are divided into two categories. First, if the injury is assessed at more than 10 per cent of whole person impairment, as with the current system, the claimant is entitled to ongoing economic loss damages for non-economic loss, general damages for mental and physical injuries and lifetime medical benefits. The other category is for claimants whose injury is more severe than a minor injury but not more than the 10 per cent whole person impairment. They have the same entitlements except they are not entitled to non-economic loss.

Changes to the CTP scheme have been slated for a long time. In 2013 the then O'Farrell Government produced a discussion paper for these reforms. We opposed those changes as they failed on two fronts. They did

not address the underlying causes of cost increases, including private underwriting of the scheme, excessive and obscene insurance company profits, administrative costs and concerns about retrospectivity. They would have delivered substantial cuts to the benefits received by injured road users. I take on board the concerns of the Opposition. My colleague Mr David Shoebridge made significant submissions to those changes during that reform process.

One step that the Government has not taken in this scheme, which is available to it, was to consider government management and underwriting of the scheme, such as occurs in Western Australia, Tasmania, Victoria and the Northern Territory, and to deliver the inevitable savings from such a scheme directly to motorists. This would likely further reduce premiums and increase the proportion of benefits paid to the injured, but it was not on the agenda for this Government. A further reform proposal in September 2016 also proposed an unfair statutory scheme with very limited common law damages. Since late last year the Minister for Finance, Services and Property—I note that he is in the Chamber—has engaged in genuine consultation with stakeholders to seek to achieve a more balanced and fair reform proposal. This consultation has produced the bill that is currently before the Parliament.

We welcome the introduction of this balanced reform and commend the Minister for his approach—he consulted with lawyers, the insurance industry, doctors and others. We are not in the business of giving compliments when we do not believe that they are due. We have also undertaken a similar round of consultation. The result is a bill that finds substantial common ground, though there are still criticisms to be made. In 2013 the Government badly bungled CTP reforms. Its initial reform bill proposed drastic cuts for those injured on our roads and was opposed by all major stakeholders except the insurance industry. In the course of that failed bill the cost to drivers of the scheme was exposed as being excessive as well as the massive insurance profits, inflated medical expenses and extra costs generated by the Government's abolition of workers compensation journey claims.

This bill goes a long way towards addressing those concerns. For many people, especially residents in Western Sydney and rural and remote areas, having a car is pretty much essential for modern life. It cannot become a middle class pleasure. No-one thinks that a \$700 a year CTP premium is fair for low-income motorists or indeed anyone. For the past two decades insurers have been creaming off up to 20 per cent of the scheme's funds as pure profit. It is essential to put provisions in place to wind that back. This scheme seeks to do that through the clawback provisions and reducing the money held to address long tail claims. The Greens support the bill but will be moving a number of amendments in the other place to deal with technical issues in it. I commend the bill to the House.

Visitors

VISITORS

TEMPORARY SPEAKER (Mr Lee Evans): I acknowledge Mary Sullivan and Cynthia Bedingfield in the gallery. They are from Medimobile and give politicians and staff their flu injections, for which I thank them.

Bills

MOTOR ACCIDENT INJURIES BILL 2017

Second Reading

Mr JAI ROWELL (Wollondilly) (11:26): I am pleased to support the Motor Accident Injuries Bill 2017. The bill introduces a new compulsory third party [CTP] insurance scheme for people who are injured as a result of motor vehicle accidents in New South Wales. The bill will deliver a substantial reduction in average green slip premium prices and improve the support available for people injured in motor accidents in New South Wales. I take this opportunity to thank the Minister for Finance, Services and Property, Mr Victor Dominello, and his team for all their hard work. The Government's reforms to the green slip scheme focus on ensuring that people injured in road crashes are given access to treatment and rehabilitation to assist their recovery and get them back on track as soon as possible.

The bill will reduce insurer profits, afford motorists greater certainty and reduce the incentive for fraudulent and exaggerated claims. As members would know, the current CTP green slip insurance scheme has been in place since 1999. Like all CTP schemes the New South Wales motor accident scheme is designed to ensure that motorists are covered for liability if they injure another person as a result of a motor vehicle accident. Without the CTP insurance in place vehicle owners would have to pay for any injuries that might be caused to another person, and many of them might be unable to do so.

The scheme also provides a range of benefits to injured road users, such a medical and treatment expenses, compensation for economic loss, and payments for pain and suffering for those with permanent injuries. However, it has become clear in recent years that this scheme is broken. The scheme is not serving the people it was designed to protect—injured road users. Only 45¢ in every dollar is currently returned to injured road users;

the rest is absorbed by scheme costs and provider fees. This includes insurer expenses, insurer profit, legal investigation expenses and other expenses involved in administering the scheme.

The fact that injured people are receiving such a low proportion of scheme funds is largely a result of scheme design. The New South Wales CTP scheme is primarily a common law, fault-based scheme. This means that an injured person is only able to make a CTP claim if he or she can show that the motor vehicle accident was caused through the fault of another driver. The need to prove fault often requires a detailed investigation by the CTP insurer. Those claiming benefits will usually require the assistance of lawyers in contesting the claimant's entitlements and negotiating all aspects of the claim. The process is often expensive and time consuming.

At the same time, persons injured in a motor vehicle accident can wait between three and five years for their claim to be resolved. This is much longer than statutory benefit schemes in other States, where payments start almost immediately after a claim is made. Delays to payments can mean that injured persons do not get the support they need when they need it the most. An injured person who happens to be at fault in the accident is even worse off. Currently, about 7,000 drivers injured on our roads each year can only claim a maximum of \$5,000 under the scheme's accident notification form process because they cannot prove fault.

We all know that a momentary lapse in concentration while driving can have disastrous consequences. Denying these injured road users adequate support is neither fair nor just. It merely pushes these people onto the public health system and places an enormous burden on the families and friends of the injured person. The Government is taking action to ensure that people injured in motor vehicle accidents in New South Wales receive the support that they need when they need it. Let us be clear: this bill will significantly improve the lives of people injured in motor vehicle accidents in New South Wales. It will ensure that people injured in motor vehicle accidents in New South Wales have fast access to statutory benefits in the form of weekly income support and medical treatment and care. It will improve health outcomes by encouraging the faster resolution of claims and providing benefits regardless of fault—and let us not forget benefits for the motorists of this State who pay CTP premiums.

I take this opportunity to thank all the young people in the gallery this morning. We spent some time with our young school leaders in the theatre today and this is a perfect time for them to come into the Chamber. The New South Wales CTP scheme that we are currently debating will definitely help those young adults. I single out Chevalier College—a great school in my electorate—and also Regents Park Christian School, but I acknowledge all the schools represented here today. The legislation we are debating, introduced by the Minister for Finance, Services and Property, will support people such as the students in the gallery. This is what a good government and a great Minister do. Green slip premiums have increased significantly over the past 10 years and are now the most expensive in Australia. Sydney metropolitan passenger vehicle owners are now paying more than \$650, on average, for their green slips. We know that, without reform, green slip premiums will continue to increase. The Government is putting an end to this, and savings on green slip premiums across the State are expected to be, on average, around \$120.

Another deficiency is the appalling situation of insurer profit in the New South Wales CTP scheme. Over the life of the CTP scheme there has been a consistent pattern of discrepancy between the filed and realised profits of CTP insurers. The long-term average of realised profit is around 19 per cent, which is more than double what insurers file for when setting their prices. The reason for this is that in the current CTP scheme insurers cannot be sure of the ultimate number of claims that will be made at any point in time, nor can they be sure of the likely future payments they will have to make.

The CTP scheme is also being challenged by a significant increase in fraudulent and exaggerated claims, the costs of which are ultimately reflected in the increased green slip prices we have to pay. It is estimated that fraud currently costs New South Wales motorists as much as \$400 million per year and adds about \$75 to the cost of every green slip. The new scheme will reduce insurer profit by bringing greater certainty to benefits and time frames. It will also significantly reduce fraudulent and exaggerated claims in the CTP scheme by providing defined benefits for soft tissue and minor psychological injuries and by removing access to the common law system in those cases. That will effectively reduce opportunities for fraudulent and exaggerated claims.

The State Insurance Regulatory Authority [SIRA], which is responsible for regulating the CTP scheme, will also be given stronger powers to investigate fraud and for prosecution and enforcement. Over the past 12 months this Government has consulted extensively with community and stakeholder groups in order to create a fairer and more affordable CTP scheme for road users. The consultation focused on four key objectives: increasing the proportion of benefits provided to the most seriously injured road users; reducing the time it takes to resolve a claim; reducing opportunities for claims fraud and exaggeration; and reducing the cost of green slip premiums. The overwhelming view emerging from the consultation was that the scheme needs significant improvement. The bill will do just that.

In the new scheme, injured people will get faster access to the benefits and support they need to recover. The bill will deliver a substantial reduction in average CTP premium prices and make the scheme more sustainable in the future. We have consulted widely and the scheme has the support of all key industry stakeholders, including the Insurance Council of Australia, the NSW Taxi Council, the Law Society of New South Wales, the NSW Bar Association and the Australian Lawyers Alliance. What is more, the bill is supported by the people of this State. The hybrid model adopted in the bill is the option most preferred by individuals who gave feedback to the review of the scheme.

Let us be clear: this bill is what the people of New South Wales want. I think we can all agree that the current CTP scheme is letting down the people of this State and that change is long overdue. The bill will deliver on this Government's stated reform objectives and our promise to redesign the CTP scheme to better support people injured on our roads and reduce the cost of green slips for motorists. Again, I thank the students in the gallery. They are the future leadership of our State. We are in good hands with these young adults. I believe they are going to Government House today. We look forward to seeing them again later on. I commend the Minister for Finance, Services and Property for a fantastic piece of legislation to reform greens slips, ensure the safety of the scheme and protect injured road users. I commend the bill to the House.

Visitors

VISITORS

TEMPORARY SPEAKER (Mr Adam Crouch): I welcome all high school student leaders attending the Secondary Schools Leadership Program conducted by the Parliamentary Education unit. We are debating the Motor Accident Injuries Bill 2017. Obviously, a number of students will already have a driver licence or will be in the process of obtaining one. Green slips will play a big part in the process of them becoming owners and drivers of motor vehicles.

Bills

MOTOR ACCIDENT INJURIES BILL 2017

Second Reading

Mr JOHN SIDOTI (Drummoyne) (11:37): For the benefit of the people in the gallery, the Minister for Finance, Services and Property, the member for Ryde, is the Minister responsible for reductions in green slips. I am pleased to support the Motor Accident Injuries Amendment Bill 2017 and I compliment the Minister on his outstanding work in such an important area. It shows that this Government's reforms are now reaping rewards for everyday people. The bill will overhaul the New South Wales compulsory third party insurance scheme, known as the CTP scheme, for people injured in motor vehicle accidents in New South Wales. It will introduce a new CTP scheme which will better support people injured on our roads and it will reduce the cost of green slips for motorists.

In my electorate, motorists could potentially save, on average, up to \$200. For a family of five with three drivers and potentially three vehicles that will mean a huge saving to their household budget. The New South Wales CTP scheme provides a vital safety net to protect and support injured road users in this State. The scheme provides compensation to injured road users, such as medical and treatment expenses, compensation for economic loss and payments for pain and suffering for those with permanent injuries. The cost of the scheme is met through CTP green slip premiums, which are paid by all vehicle owners in this State. A CTP green slip covers the owner or driver of a motor vehicle for the cost of injuries sustained by other road users that were caused by the owner or driver's fault or negligence and, in some cases, regardless of fault. It is compulsory for all motorists in New South Wales to purchase a green slip before registering their vehicle.

Since 1988 the New South Wales CTP scheme has been provided by private insurance companies which are licensed and overseen by the State Insurance Regulatory Authority [SIRA]. There are six licensed CTP insurers in New South Wales. Green slip prices are set independently by these insurers, having regard to the likely cost of claims and the associated cost of delivery. In recent years green slip prices for all vehicles across this State have increased dramatically. New South Wales has the highest CTP premiums in Australia, with average vehicle owners paying \$650 for their green slip. Based on the recent trends, average premiums could increase up to \$90 over the coming year. Without reforms, premiums are expected to rise 10 to 20 per cent in coming years. It is not fair that New South Wales motorists are paying the highest premiums in the country.

Change is long overdue and this Government, through the Minister for Finance, Services and Property is tackling the problem of green slip prices head on. The significant increase in green slip prices since 2008 is due to a range of factors, including falling interest rates and, in particular, a significant increase in minor injury claims. The CTP scheme has also been challenged by a significant increase in fraudulent and exaggerated claims, the costs

of which ultimately are reflected in increased green slip prices. Fraud costs this State and our motorists as much as \$400 million each year and adds \$75 to the cost of each green slip. Green slip prices in New South Wales have also been particularly volatile over the past few years as a result of external market components, such as a reduction in investment income for CTP insurers from premiums invested in government bonds and inflation, commercial decisions by CTP insurers to change their pricing mechanisms and, of course, a lack of certainty in the scheme.

In the current CTP scheme insurers cannot be sure of the ultimate number of claims that will be made at any point in time, nor can they be sure of the likely future payments that they will have to make. Over the past few years, claims frequency and claims propensity has been rising, despite improvements to road casualty rates. This uncertainty is built into the premiums by the conservative pricing of insurers which has historically led to insurers obtaining larger than expected profit margins. An independent review of insurers' profit and competition in the New South Wales CTP scheme was undertaken in 2015. The review found that over the life of the scheme there has been a consistent pattern of discrepancy between the filed and realised profits of CTP insurers. The long-term average of realised profit is around 19 per cent, which is more than double what insurers file for when settling their prices.

This bill will deliver a substantial reduction in average green slip prices and ensure that the scheme is sustainable in the future. It will also reduce insurer profit by bringing greater certainty to benefits and time frames. The bill will introduce defined benefits and no-fault benefits for people injured in motor vehicle accidents in New South Wales. This will allow insurers to price risk more accurately, ensuring more funds flow to injured people when they need them, particularly the more seriously injured. Importantly, eliminating these so-called insurer super profits will help to reduce green slip premiums. For all vehicles and regions right across the State, savings on green slip premiums are expected to be \$120 on average—more in some places; less in others. This is welcome news for all vehicle owners.

Again, my colleague the member for Ryde, Minister Dominello—better known as "the data man"—has come up with the goods. I commend him, his staff and all those responsible for their hard work. This is a monumental piece of legislation. This Parliament is all about members working hard to get benefits to protect the injured, making sure people are properly compensated and ensuring the scheme is sustainable over the long haul. As a further safeguard, the bill will boost the power of SIRA to regulate premiums, including the ability to reject a premium if it is deemed excessive or does not comply with the premium determination guidelines.

SIRA will also have additional powers to place limits on what it considers to be unreasonable assumptions by insurers in relation to superimposed inflation and insurer expenses. The reforms will also reduce opportunities for fraudulent and exaggerated claims by providing defined benefits for soft tissue and minor psychological injuries for up to six months and removing access to the common law system in these cases. The bill follows a comprehensive review of the CTP scheme, which encompasses a broad-ranging consultation process involving insurers, lawyers, medical practitioners and other stakeholders to deliver a better scheme for New South Wales road users.

The Minister went through an extensive period of consultation and involved all stakeholders, as any good Minister would. Several stakeholder roundtable discussions were also held to obtain feedback on options to reform the scheme and a research company was engaged to assess the views of road users. This Government considered all feedback provided throughout the consultation process in developing the new hybrid scheme which is focused on rehabilitation and ensuring injured road users have more timely access to benefits. The bill represents the options most preferred by individuals and organisations who made submissions to the review. The Government has listened to what the people of New South Wales want from their CTP insurance scheme. Importantly, not only the people of New South Wales support the bill; all key stakeholder industries support it.

The Insurance Council of Australia, the NSW Taxi Council, the Law Society of New South Wales, the NSW Bar Association and the Australian Lawyers Alliance have all indicated their strong support for the bill. The bill will deliver long overdue reform for vehicle owners in this State who have been paying increasingly unaffordable green slip premiums for far too long. The bill will deliver on a promise to reduce the cost of green slip premiums and create a fairer and more sustainable CTP scheme. I commend the Motor Accident Injuries Bill 2017 to the House and congratulate Minister Dominello on his work.

Visitors

VISITORS

TEMPORARY SPEAKER (Mr Adam Crouch): I welcome the delightful Audrey Johns to the Speaker's gallery, daughter of the member for Holsworthy. She has become quite the celebrity and is often seen with the Premier in pictures in the newspaper.

*Bills***MOTOR ACCIDENT INJURIES BILL 2017****Second Reading**

Ms MELANIE GIBBONS (Holsworthy) (11:46): I am pleased to support the Motor Accidents Injuries Bill 2017. The bill introduces a new compulsory third party [CTP] insurance scheme for people injured as a result of a motor vehicle accident in New South Wales. The bill will deliver a reduction in green slip premium prices to motorists and will improve the recovery, treatment, care and support available for those injured on our roads. To improve the affordability and efficiency of the CTP scheme the bill will address a number of issues related to the licensed private insurers who underwrite the New South Wales CTP insurance scheme. A major concern over the years has been the levels of profit realised by CTP insurers. This bill will redress the issue. It will introduce major structural reforms to the CTP scheme that place reasonable limits on insurer profits and will rein in and eliminate future insurer super profits.

The insurers have reported a realised profit of around 19 per cent on a long-term average basis, which represents more than double the estimated profit they filed with the regulator when setting their premium prices. This consistent pattern of high levels of insurer profit and the disparity between the estimated profits they filed and the actual profits they realised under the current scheme is a key concern, particularly as it impacts directly on green slip pricing. In recent years green slip premium prices set by the New South Wales CTP insurers have increased significantly. Our premiums are the most expensive of all Australian States and Territories. Without reforms to the scheme it is likely that green slip premiums will continue to increase above inflation or the consumer price index [CPI]. Clearly, the current CTP scheme is not providing value for money to either the green slip policyholder or to the Government under the private underwriting arrangements.

Moreover, it is not serving those for whom it was specifically designed and intended to protect: the injured road user. Under the current scheme only 45¢ in every green slip dollar is returned to injured road users as benefits. The remaining 55¢ per premium dollar is absorbed by scheme costs and service provider fees. This amount goes towards insurer expenses, insurer profit, legal and investigation expenses and other expenses involved in administering the scheme. Of these costs, insurer profit represents the largest single cost component.

It is patently not fair that compulsory third party insurers are increasing green slip premiums and deriving consistently high profits from the scheme while the persons injured in road accidents are receiving a low proportion of scheme funds. In the long term it is not sustainable. The time has come to address this inequity and make compulsory CTP cover more affordable for New South Wales motorists and fairer for injured road users. The way to stop insurer super profits is to effectively reduce uncertainty for insurers in how they assess and estimate potential risks, provision for frequency of claims, severity of injury claims and future claims costs.

Moving from a fault-based lump sum compensation scheme to the new no-fault defined benefits scheme will significantly reduce the uncertainty and volatility factors for insurers. By championing early intervention for recovery and rehabilitation rather than establishing fault and negotiating lump sum compensation the new defined benefits scheme will improve compensation benefits and recovery support. It will streamline the claims process to provide faster resolution of claims for those injured.

It is expected to reduce the scope and opportunity for making fraudulent and exaggerated claims and reduce claims handling, legal and investigation costs and delay. There will be improved claims definition and scheme efficiency for insurers, which will mean accurate price, risk, claims costs and green slip premiums. That will decrease the likelihood of excess profits. The bill increases the powers of the regulator to monitor and analyse insurer profits through requirements for data sharing, filing estimates and loss of ratio. That will lead to greater scrutiny and transparency around the performance of insurers in claims handling, premium pricing and maintaining reasonable profit margins.

We all agree that the CTP scheme is letting down motorists and those injured on our roads. The need for scheme reform and redesign is long overdue. The provisions in the bill will put an end to unacceptably high or excessive profits by the insurers licensed to provide our motorists with third party motor accident insurance. Reducing insurer super profits through overhauling the scheme will achieve better outcomes for motorists by way of reduced green slip premiums. It will improve outcomes for those third parties injured on our roads by providing early and timely access to the medical treatment, care and support required for recovery and rehabilitation. I know that this will be helpful to motorists in my electorate. I thank Minister Dominello and his staff for their hard work on this bill. I commend the bill to the House.

Mr MARK COURE (Oatley) (11:52): I thank the Minister for the reforms contained in the Motor Accident Injuries Bill 2017. I acknowledge the constituents from all over New South Wales in the public gallery. I also acknowledge all those watching the debate on the worldwide web, including those in my electorate.

All jokes aside, it is an important issue that is raised with me constantly when I doorknock the electorate, attend at street stalls and train stations and conduct telephone canvassing.

I recently reviewed the database at my electorate office to contemplate the number of people who have written to me about compulsory third party reform over the years. The issue outweighs all others in my electorate. I have had a long-running conversation about compulsory third party [CTP] reform with a constituent of mine from Hurstville Grove named David. He has done his research and compared New South Wales with other States and Territories. David believes there must be reform. I agree with him. This bill has been many years in the making. I pay tribute to Minister Dominello, his office and the ministry for the consultation in which they engaged to get this right.

The cost of compulsory third party insurance—I paid mine a week ago—is on the rise. These reforms are important not just from my or David's point of view. They are important for everyone including all working families in my electorate, Western Sydney and throughout New South Wales. The cost of living is rising. People who pay their compulsory third party insurance recognise the need for reform. This bill will benefit working families and self-funded retirees. A few weeks ago in Peakhurst I spoke about this bill before an Association of Independent Retirees morning meeting. When I speak to retirees and pensioners in my electorate CTP insurance is a major topic of discussion.

For those reasons, I support the Motor Accident Injuries Bill 2017. The bill will deliver a substantial reduction in the average cost of green slip prices and at the same time improve the support available for people injured in motor accidents across New South Wales. This bill introduces a dynamic new pricing system for point-to-point vehicles in New South Wales. As the Parliamentary Secretary for Transport and Infrastructure this is an opportunity for me to speak about that issue. The bill will allow green slip premiums to be paid by point-to-point transport vehicle owners such as taxis, hire cars and ridesharing vehicles on an incurred or usage basis.

Under the new premium arrangements point-to-point vehicle owners will pay a base CTP premium plus an additional variable component based on their vehicle usage. That makes sense. Data will be collected through in-vehicle technologies such as Telematics. The changes will introduce a level playing field for point-to-point transport operators. This is a massive win for them as ridesharing vehicles will pay premiums reflective of their risk and road usage. Government reform of the compulsory third party insurance scheme is expected to reduce the average green slip premium by \$120 per year. That is worth saying again: It will reduce the average green slip premium by \$120 per year.

Mr Victor Dominello: It will be closer to \$200 in your electorate.

Mr MARK COURE: I acknowledge that interjection. In my electorate it will be closer to \$200. It is a big win not just for self-funded retirees, pensioners and working families but for every single person. For families and pensioners in my electorate this is a welcome and overdue CTP reform. Family budgets are tight and this Government is committed to helping people wherever possible. This legislation will do just that. I acknowledge the great work of the Minister for Finance, Services and Property. Taxi owners in metropolitan areas can expect a significant reduction in annual compulsory third party premiums of up to \$3,000 per year.

Taxi green slips in metropolitan areas are currently more than \$8,000. That is more than 12 times higher than green slip prices for metropolitan passenger vehicles. I do not know why. Without this reform the price of taxi premiums will continue to rise. This reform is a benefit for small business operators. The Liberal Party is the party for small business and this bill is one part of a jigsaw puzzle that encourages, supports and helps them. The present prices are unsustainable for metropolitan taxi operators; green slips are a major cost component in keeping a taxi on the road. CTP insurance costs are ultimately passed on to taxi customers through increases in taxi fares, which has contributed to reduced affordability for passengers who use and rely upon taxi services.

Mr Roy Wakelin-King, the Chief Executive Officer of the NSW Taxi Council stated in a letter dated 6 March 2017 that "CTP insurance is currently the most significant issue facing the New South Wales taxi industry". He also advised of the council's "strong in-principle support" of the proposed reforms of the New South Wales compulsory third party insurance scheme. The high cost of premiums in the taxi industry has been exacerbated by the impact of the emerging rideshare market. Rideshare operators such as Uber currently pay premiums based on the CTP premium rate charged for ordinary passenger vehicles. That means that private vehicle owners are currently cross-subsidising rideshare vehicles. This places taxi vehicles at a significant disadvantage compared to rideshare vehicles such as Uber.

It is understood there are about 20,000 Uber drivers and almost 98 per cent of Uber journeys are in metropolitan Sydney. Compare that to approximately 6,000 T-plate taxis in Sydney, Newcastle, Central Coast, and the Wollongong metropolitan areas: Metropolitan taxi operators, particularly those in Sydney, are at a

disadvantage. This legislation creates a level playing field. I acknowledge the great work of the Minister for Finance, Services and Property. This Government has listened to the taxi industry and its concerns around the high cost of taxi premiums across New South Wales and around its viability following unfair competition from the point-to-point transport industry. Taxis will be significant beneficiaries under the proposed legislation. It is a great win for taxi operators and for the investors in taxi plates—those mum and dad investors who live all across Sydney, many of whom live in my electorate and some of whom I met recently. Average taxi premiums are expected to fall by up to 40 per cent across New South Wales under these reforms.

This bill establishes a new premium-setting process for green slips for taxis and rideshare vehicles which will create a more level playing field for point-to-point transport providers. Stakeholder consultation with the taxi industry, ridesharing operators and licensed CTP insurance providers revealed a strong preference for a greater risk-based approach to premium setting for point-to-point vehicles. I acknowledge the amount of stakeholder and community consultation in the past 12 months and beyond, as this legislation has been many years in the making. Premiums for taxis and rideshare operators will comprise a base premium, with a top-up or refund based on the vehicle usage to ensure CTP insurance accurately reflects a motor vehicle's risk and usage. [*Time expired.*]

Mr MICHAEL JOHNSEN (Upper Hunter) (12:03): I am pleased to support the Motor Accident Injuries Amendment Bill 2017. Under the proposed changes to the compulsory third party [CTP] scheme in this bill, the cost of green slip insurance will drop for all registered motor vehicles on our roads in all parts of New South Wales. It is estimated that the statewide average annual price of a green slip premium will be reduced by at least \$120. But what does that mean specifically for vehicle owners in the Newcastle and Central Coast regions? Newcastle is the capital of the Hunter region, and I represent the electorate of Upper Hunter, while Mr Temporary Speaker Crouch is very familiar with the Central Coast, as he is probably the best member the electorate of Terrigal has ever had.

With the passage of this bill, the average annual green slip premium for a passenger vehicle located in the Newcastle region would drop from the current average rate of \$467 to a low \$371 premium. This will deliver a very welcome saving of, on average, \$96 to Newcastle and Central Coast vehicle owners. This means the cost of their current green slip premium would be reduced by 21 per cent. I recently looked at the calculations for my electorate of Upper Hunter. They showed a 20-year-old in Muswellbrook—the geographic centre of my electorate—who drives a 2010 passenger vehicle would save \$41 under these CTP reforms, which would be very welcome. Across all age groups there is a range of savings under these reforms on CTP insurance.

Green slip premiums for the Newcastle region are generally priced lower than the high premiums set for the Sydney metropolitan and outer metropolitan areas. This will continue under the bill. One can be assured that motorists in the Newcastle region will not miss out on the key benefits of the new scheme. All my constituents in the Upper Hunter will benefit. Besides significant savings for the vast majority of vehicle owners across the State, the bill will improve the support available for people injured in motor accidents on our roads, increase certainty around claims, compensation entitlements and timeframes, and provide a fairer and more efficient scheme for all.

One of the major scheme improvements is to increase the percentage of CTP premiums that actually goes to the persons injured. With less than half of every green slip premium dollar currently being returned to injured road users in benefits, the redesigned scheme under the bill will improve the reach and value of the green slip premium. As a former financial planner and also owner of an insurance brokerage, over many years I saw the continued increase in premiums that motorists were subjected to. I do not take anything away from the profits that have been limited under this bill to insurance companies, but it is probably fair to say that in my experience legal costs have as much to do with the increase in insurance premiums across the board as insurance companies do. The new scheme aims to return 57¢ of every green slip dollar to those injured as benefits, of which 65 per cent will be paid to those with more serious injuries.

The bill introduces a new hybrid CTP scheme that provides fault and no-fault defined benefits for injured road users, while retaining the right to modified common-law damages for more serious injuries. The focus moves towards ensuring better health outcomes, early intervention and rehabilitation and recovery for the injured, and providing immediate defined benefits for medical treatment, care and support post-accident. This will simplify, speed up and improve both the recovery and claims processes. Last Saturday I was involved in a motor vehicle accident when a young female driver had a temporary lapse of concentration and her vehicle rear-ended my car when it was stationary in a line of traffic. I was not at fault and thankfully no-one was injured. It is a bit like when someone walks in with a black eye and says, "You should've seen the other fella." My car was hardly damaged but unfortunately her car was a mess and she could not drive it.

The incident reminded me of the importance of ensuring that this Government gets this CTP reform through. Even though the young lady was at fault, under the new reforms she would be covered for some level of income support for six months. It is important to get treatment and support post-accident for a period of up to six months. Thankfully, no-one was hurt on this occasion but under these reforms if anyone were to have a similar

accident in the future, with a momentary lapse of concentration, they will be protected. The entitlement to defined benefits for minor injuries will also ensure that the injured person receives better support sooner and when they need it. With statutory benefits there will be no need to conduct investigations to establish fault, to wait to finalise a lump sum payment or to engage legal representation for minor injury claims, and there will be less likelihood of fraudulent and exaggerated claims, which add to claim costs and premium increases. Indeed, all of us could point to many anecdotal pieces of evidence where fraudulent claims appear to be rife. This has a huge impact on the increased cost of compulsory third party premiums.

The reforms in the bill will reduce overall scheme costs, including insurer profits and expenses, legal fees and administration costs, and they will reduce the time taken to resolve a claim. Redesigning the compulsory third party scheme to incorporate no-fault defined benefits for minor injuries, while retaining access to common-law benefits for more severe injuries, will reduce uncertainty for insurers in estimating the costs of claims and the time frames involved. This will permit the CTP insurers to more accurately assess and price the risks, estimate claims costs and factor in a reasonable profit margin. The reform changes will mean that the cost of premiums and any potential increases in the future can be better monitored and contained. The result will be fair, reasonable and affordable premium pricing for green slip insurance for the motorists of the Newcastle and Central Coast regions. I have given examples of where the cost of premiums will be reduced for every age bracket that I have calculated. This will be a welcome reform for my constituents and the people of New South Wales. I commend the bill to the House.

Mr STEPHEN BROMHEAD (Myall Lakes) (12:12): I speak in support of the Motor Accident Injuries Bill 2017. I commend the Minister for Innovation and Better Regulation. Over the past six years this Government has been negotiating with stakeholders and that level of consultation and community engagement has been exemplary. In this instance I was particularly pleased to see correspondence signed by the Law Society of New South Wales, NSW Bar Association and Australian Lawyers Alliance in support of these reforms. It is important that those organisations support these reforms and that we have a proper engagement with them, because they represent the overwhelming majority of people who are injured in motor vehicle accidents. It is the lawyers who really go into bat for those people and they well understand the injuries that can be sustained in such accidents.

When we were initially looking at these reforms we did not have that level of engagement with those stakeholders. Under Minister Dominello we have had a tremendous amount of consultation and engagement with them and those professional organisations have written in support of these reforms. With the passage of this bill the cost of green slip premiums will drop for all registered motor vehicles in New South Wales—it will not be just a drop in metropolitan areas but right across New South Wales. As a member of The Nationals I always look at the legislation in this House through the prism of what effect it will have on the people living in regional New South Wales, and my constituents in particular. Indeed, from the costings that have been done by the Treasury and others, this will be a win-win for all of them.

These days people are looking at where every dollar in their household budget is being spent, and this Government is committed to looking at reforms to reduce the cost of living for them. That is what this legislation does. Savings on green slip premiums across the State are expected to be around \$120 on average, or a significant 19 per cent reduction. Motor vehicle owners in country New South Wales will benefit from the major reform to and redesign of the premium system, and save on the costs of their annual green slip insurance. Under the current compulsory third party scheme, the average compulsory third party premium for a motor vehicle in country New South Wales will stay around \$480. Under the proposed compulsory third party scheme, the average annual green slip premium for a passenger vehicle located in the country region will drop to \$431. This will deliver a welcome saving of \$49 on average to country and regional New South Wales vehicle owners, or a solid 10 per cent reduction on the current average cost of their annual green slip premium.

The bill effectively stops in its tracks the increasing cost of green slip premiums and focuses on making the new compulsory third party scheme of the future more affordable, efficient, sustainable and fair. In addition to reducing premiums, the bill will ensure that more of the green slip dollar goes to those injured in motor vehicle accidents and to improving the benefits, care, treatment and support available to them. It will also improve the claims and dispute resolution process. That is what vehicle owners in the country region are interested in. Those motorists will not miss out on the significant benefits of the new redesigned scheme. The bill introduces a new hybrid compulsory third party scheme that provides fault and no-fault defined benefits for injured road users, while retaining the right to claim modified common-law damages for those both able to prove fault and with injuries other than soft tissue or minor psychological injuries. Providing no-fault defined benefits for persons with minor injuries will ensure that the injured receive better support sooner and when they need it.

Historically, when a person was involved in a motor vehicle accident they would put in a claim and the insurance company would immediately deny liability. Everyone was forced to go to court. The overwhelming majority of decent, professional lawyers would much prefer to have a negotiated outcome rather than go to court,

but because of the attitude of insurance companies one had to go to court to start the process. This legislation will make sure that no longer happens. In about 2000 the scheme was reformed under Bob Carr. At that time the insurance companies were telling the Government that they were going broke and that reforms were needed. They said, "If you reform the industry in accordance with what we propose, Premier, we will make a profit of about 8 per cent and the system will be sustainable." What did we find? They were making profits of about 18 per cent and therefore super profits of about 10 per cent. Billions and billions of dollars went to insurance companies—not to the injured and not to lawyers but to the insurance companies. That is what is making the system unsustainable.

The provisions of this bill aim to ensure that people get quick compensation assistance when they really need it. The bill will also ensure, through the no-fault approach, that everyone who is injured can get that assistance when they need it. It will reduce the number of cases that need to go through the courts before people can obtain the assistance they need. Making injured people wait four years to get assistance through the court system does not benefit anyone. I again congratulate the Minister for having been able to negotiate his way through all the many stakeholders to come up with these reforms.

The new scheme moves the focus away from finalising costs and injury compensation towards ensuring better health outcomes, timely rehabilitation and recovery for the injured. It will simplify and improve the claims process and reduce overall scheme costs, including legal fees, administration costs and insurer profits and expenses. These changes will reduce uncertainty for insurers in relation to claims costs and the time frames involved so that the cost of green slip premiums can be contained.

Under the new scheme, CTP insurers will be able to more accurately assess risks and estimate claims costs and a reasonable profit margin. In turn, they will be able to set fair, reasonable and affordable premiums for all New South Wales motorists. All these changes mean good news on green slips and CTP insurance for country and regional road users. As I said at the outset, any legislation should be looked at through the prism of what impact it has on regional New South Wales. In my case, that means looking at the impact it has on my electorate of Myall Lakes. From the discussions I have had with legal practitioners in my electorate—noting the letter of support the Minister was able to obtain from the relevant professional organisations—this is the reform we need. It creates a sustainable system to support those who are unfortunate enough to have been injured in motor vehicle accidents. I commend the bill to the House.

Mr KEVIN ANDERSON (Tamworth) (12:22): I am pleased to support the Motor Accident Injuries Bill 2017. As a result of the bill, the cost of green slip premiums will drop for all registered motor vehicles in all parts of New South Wales. For vehicles across the State, average savings on green slip premiums are expected to be around \$120—a significant 19 per cent reduction. With the passage of this bill, the average annual green slip premium for a passenger vehicle located in the outer metropolitan region would drop from the current \$573 to a low \$401. This means that outer metropolitan vehicle owners will save an average of \$172 on the current cost of their green slip premium. This is a substantial 30 per cent reduction and represents the largest percentage change across the five rating regions in New South Wales under the proposed scheme.

Currently, the average green slip premium for a motor vehicle in the outer metropolitan region is \$573, compared with \$708 for the Sydney metropolitan region. With the reform of the proposed CTP scheme, average green slip premiums for the outer metropolitan region will decrease to \$401 and continue to be less than Sydney metropolitan area premiums, which will reduce by \$186 to \$528 on average as a result of the bill. The difference between the metropolitan and the outer metropolitan region premiums will narrow from the current \$135 gap to \$121. With a 30 per cent reduction in premiums, outer metropolitan region motorists will be the big winners from savings under the CTP reforms.

I know that residents in my electorate will welcome that 30 per cent reduction in premiums. We know how tough it is to try to make ends meet when electricity costs—which we are doing our best to put a lid on—are rising and when the cost of living is rising across the board. In such circumstances, any measure aimed at putting money back into the pockets of hardworking families in New South Wales is certainly to be commended. I note that the Minister is in the Chamber at the moment. He has worked very hard to deliver these substantial savings to hardworking families both in the Tamworth electorate and right across New South Wales. This bill will deliver those substantial premium savings and improve affordability while at the same time improving both the scheme's efficiency and the treatment and support available for people injured in motor accidents in New South Wales.

This bill introduces a new hybrid CTP scheme that delivers defined benefits, both fault and no-fault, for injured road users while retaining the right for injured road users to claim modified common-law damages for more severe injuries. The new scheme will aim to return 57¢ of every green slip dollar to injured people as benefits, of which 65 per cent will be paid to those with more serious injuries. This will be an improvement on the existing scheme, which returns a lesser percentage of premiums to the injured. When someone is injured in an accident, that is when they are most vulnerable—when they are seeking assistance, support and a friendly voice

at the other end of the line giving them, they hope, news that will help get them back on track, back to work and back to being a contributing member of their community. It all adds up. If the injured are able to benefit from this simplified and improved claims process, that will help them achieve better health outcomes, rehabilitation and recovery. That is the focus of the new scheme.

Moving the focus away from finalising costs and lump sum compensation to providing defined benefits for persons with less severe injuries, regardless of fault, is designed to ensure the injured receive better support sooner and when they need it. One of the criticisms of the current scheme has been the length of time it has taken for injured people to receive support. Quite often, the most critical time for support passes before compensation is received. That creates problems not only for the injured person but for the support network around them—the people who have to prop up and care for the injured person while they are on the road to recovery. That is why the Minister has designed a scheme that ensures that the injured receive better support sooner and when they need it. This new scheme simplifies and improves the claims process and helps the injured recover and achieve rehabilitation and healthy outcomes. The changes will not only reduce claims costs and the time to resolve a claim, but they will also reduce the scope and opportunity for fraudulent and exaggerated claims for minor injuries.

Under the reform, overall scheme costs, including insurer profits and expenses, legal fees and administration costs, will be reduced. With less uncertainty for the CTP insurers under the new scheme in relation to the cost of claims and the time frames involved, the cost of green slip premiums can be contained. The changes will enable insurers to more accurately estimate claims costs and assess risks to determine fair, reasonable and affordable premium pricing for New South Wales motorists. Without reform green slip prices will continue to increase; the trajectory was going up. We need it to go the other way; we need it to come back to ensure that we put more money in the pockets of hardworking families. All vehicle owners in New South Wales deserve relief from the burden of ever increasing annual premiums. The people of this State deserve a fairer, more efficient and more affordable CTP scheme. I commend the bill to the House.

Mr CHRIS PATTERSON (Camden) (12:30): I am pleased to support the Motor Accident Injuries Bill 2017 which I am proud to say has the support of all members. I thank the Minister for Finance, Services and Property for the outstanding job he has done on this bill. I thank Opposition members for their support for the bill.

Mr Victor Dominello: They are not opposing it.

Mr CHRIS PATTERSON: They do not oppose this bill as it will result in savings for New South Wales motorists—for mums, dads, learner drivers and provisional drivers. As the father of a 16-year-old learner driver I will benefit also from the savings that are derived from this bill. This cost of compulsory third party green slips will be lowered and capped, which is unheard of. As legislators we are responsible for amending such schemes. I am proud of the fact that this bill will generate savings for mums, dads and households across New South Wales. As a father of four I am acutely aware of the daily increases in the cost of living. This legislation will result in an average saving of \$120 a vehicle for compulsory third party green slips.

Camden is the fastest growing electorate in the State—with the addition of around 110 people every week. Many of those families have teenage children—university students and apprentices—and they have three or four cars. I do not consider that to be extravagant and I do not believe they are thumbing their noses at public transport; we live in a world in which mums and dads have to work. Their teenage children either go to university or they undertake apprenticeships and they have three or four cars in their driveway. I cannot wait for my 16-year-old daughter to become independent and self-sufficient, but until she does I am certain she will need assistance from her parents when it comes to paying for her compulsory third party insurance.

Without these reforms a 20-year-old driver will be paying \$730 for compulsory third party insurance. With these reforms that same driver will be paying \$530—a saving of \$200, which is fantastic. Good government is about providing safe environments and it is about ensuring support for those who need it. Yesterday the Minister and I had a meaningful conversation about the savings to be achieved as a result of this legislation and the support that will be provided to those members of the community who have an accident. We are saving residents of this State a great deal of money and we are ensuring that they are covered through compulsory third party insurance. This Government has more protections in place. The fact that this bill is not opposed clearly shows that these reforms are necessary. These reforms are nothing more than good government—providing residents throughout this State with better outcomes. I am proud of what we are doing today.

These reforms will give motorists greater certainty about the cost of green slip premiums and ensure that any increases to green slip prices are contained. When I was talking to the Minister yesterday I established that these reforms will enable us more accurately to assess the price risk, estimate the claims cost and provide a reasonable profit margin, which is a smart thing to do. We will now have fair, reasonable and affordable green slip prices, current standards on our roads will be improved, and we will be able to deliver real savings. This is a

good day for the motorists of New South Wales. I thank Opposition members for their support for the bill and I commend it to the House.

Mr VICTOR DOMINELLO (Ryde—Minister for Finance, Services and Property) (12:38):

In reply: I thank those members who contributed to debate on the Motor Accident Injuries Bill 2017, in particular, the members representing the electorates of Swansea, Ku-ring-gai, Cabramatta, Tweed, Riverstone, Ballina, Wollondilly, Drummoyne, Holsworthy, Oatley, Upper Hunter, Myall Lakes, Tamworth and Camden. The member for Swansea and the member for Ballina foreshadowed potential amendments in the other House. We will address any amendments in the other place if and when they arise.

The member for Swansea said that I responded only to the issue of insurer super profits when questioned during budget estimates in August last year. That is not quite right. I will outline the chronology to put the issue in context. The State election took place in March 2015. In September 2015 the responsibility for green slip reform was transferred to me. Preliminary consultation took place from about September through to the Christmas period. In March 2016, following that preliminary consultation, I issued an options paper that specifically refers to profit and competition. I will quote from a section of the options paper:

In late 2015 an independent review of insurer profit and competition was undertaken—

That was a review that I instigated—

and the recommendations from that review will provide context and input to this review to help strengthen the regulatory framework, improve transparency and market competition. The *Report of the Independent Review of Insurer Profit within the NSW Compulsory Third Party Scheme* has been released in conjunction with this paper and is available at www.sira.nsw.gov.au.

So the issue of insurer super profits was well and truly on the mind of the Government, and particularly on my mind, since this issue came into my remit because I realised that in order to tackle scheme redesign we had to essentially tackle insurer profits, but that the reason for the insurer super profits was the huge volatility in the scheme primarily caused by a huge uptake in soft tissue injuries. So we had to stabilise that in order to stabilise insurer super profits, and that is what this scheme redesign has done. I assure the House that it was always front and centre of our thinking, and the documents show that.

As members have heard, over the past few years the cost of green slip premiums in New South Wales has spiralled out of control, to the point where car ownership is becoming unaffordable for many families. Our reforms will bring about much-needed change in affordability for New South Wales households. The Motor Accidents Injuries Bill 2017 will significantly reduce green slip premiums by around \$120, on average, for most motorists, with many motorists seeing an even greater saving. At the same time, the bill will improve the support available for people injured in motor vehicle accidents in New South Wales. There will also be a new safety net, allowing all injured road users to access benefits for loss of income and medical expenses for up to six months, with lump sum compensation retained for those with long-term injuries.

The bill introduces a new compulsory third party [N-CTP] insurance scheme for people who are injured as a result of a motor vehicle accident in New South Wales. The Government recognises that reform is necessary and urgent for New South Wales households. As members have made clear today, the current CTP scheme is broken. Our reforms will put an end to green slip price increases and ensure that average green slip premiums fall significantly. Green slip premiums across the State are expected to drop by around \$120, on average. Without reform, premiums are set to increase even further by the end of this year.

The changes will also protect those injured people with genuine injuries and ensure that the bulk of CTP premiums go towards injured motorists. Currently, only 45¢ in every green slip dollar is returned to injured road users as benefits. The rest is absorbed by scheme costs and provider fees. This includes insurer expenses, insurer profit, legal and investigation expenses, and other expenses involved in administering the scheme. The new scheme will aim to return 57¢ of every green slip dollar to injured people as benefits, of which 65¢ will be paid to those with serious injuries. The N-CTP will give people injured in accidents fast access to statutory benefits in the form of weekly income support and medical treatment and care.

The focus of the new scheme will be on rehabilitation of injured road users so they can return to health sooner. The new scheme will ensure that people injured in motor vehicle accidents in New South Wales receive the support they need when they need it the most. The reforms will also reduce insurer profit by bringing greater certainty to benefits and time frames. As a further safeguard against high premiums, the bill confirms the regulator's power to impose a risk equalisation mechanism to stop insurers targeting low risks and avoiding high risks. In addition, a profit normalisation mechanism during the transition to the new scheme will ensure that any insurer profits are returned to vehicle owners.

The State Insurance Regulatory Authority will review the ongoing need for the profit normalisation mechanism after three years. We are also putting an end to fraudulent and exaggerated claims in the CTP scheme,

which currently adds up to \$75 for every premium. Over the past 12 months this Government has consulted extensively with community and stakeholder groups in order to create a fairer and more affordable CTP scheme for road users. The overwhelming view emerging from the consultation was that the scheme needs significant improvement. We have the support of all key industry stakeholders including the Insurance Council of Australia, the NSW Taxi Council, the Law Society of New South Wales, the NSW Bar Association and the Australian Lawyers Alliance. I thank them genuinely and sincerely for getting us to where we are today with this bill.

Most importantly, the reforms to the CTP scheme have been welcomed by the people in the State who pay green slip premiums and who may, sadly, be injured on our roads one day. The bill will deliver on this Government's stated reform objectives and on our promise to redesign the CTP scheme to better support people injured on our roads and to reduce the cost of green slips for motorists. Finally and again, I thank the people behind the scenes who have made this bill a reality: the staff from my office, the Parliamentary Counsel's Office and the staff of the State Insurance Regulatory Authority. I commend the bill to the House.

TEMPORARY SPEAKER (Mr Geoff Provest): The question is that this bill be now read a second time.

Motion agreed to.

Third Reading

Mr VICTOR DOMINELLO: I move:

That this bill be now read a third time.

Motion agreed to.

Visitors

VISITORS

TEMPORARY SPEAKER (Mr Geoff Provest): I welcome students from Macquarie University and the University of Technology Sydney, who are studying communications.

Committees

COMMITTEE ON CHILDREN AND YOUNG PEOPLE

Membership

TEMPORARY SPEAKER (Mr Geoff Provest): I report receipt of the following message from the Legislative Council:

Madam SPEAKER

The Legislative Council desires to inform the Legislative Assembly that it has this day agreed to the following resolution:

1. That Ms Cusack be appointed as a member of the Committee on Children and Young People in place of Mr Franklin, discharged.

Legislative Council
29 March 2017

JOHN AJAKA
President

Bills

LOCAL GOVERNMENT AMENDMENT (RATES—MERGED COUNCIL AREAS) BILL 2017

Second Reading

Ms GABRIELLE UPTON (Vaucluse—Minister for the Environment, Minister for Local Government, and Minister for Heritage) (12:48): I move:

That this bill be now read a second time. The New South Wales Government is pleased to introduce the Local Government Amendment (Rates—Merged Council Areas) Bill 2017. It is pleasing that Labor has finally seen the light and is supportive of the Government's pro-ratepayer approach to local government, as witnessed in the Legislative Council last night. Once again, those opposites are hypocrites. They wrongly scream blue murder over good government policy but then support the policy on the floor of the Parliament, as they did in the Legislative Council just before 10.00 p.m. last night. Another explanation is that Labor simply vacated the space and that only a few members could drag themselves into the Chamber last night. One member who did was the shadow Minister who of course had to be there. He said, "I will rely on the Government when it comes to this bill"—a ringing endorsement which is fantastic. But more important than the seal of approval from Labor is the fact that the community can rely on the Government. It always has the interests of ratepayers in mind.

In 2015 the New South Wales Government committed that, for four years, residents of any new council would pay no more for their rates than would have been the case under their former council. This important commitment reassured residents that, following any mergers, they would be protected from sudden rate changes. This bill will ensure that the Government delivers on its commitment. In 2016 the New South Wales Government

created 20 new councils. The decision to create these new councils followed extensive research and consultation that showed that the local government sector was in dire need of reform. Councils were collectively losing \$1 million per day and 60 per cent were found to be unfit by the Independent Pricing and Regulatory Tribunal [IPART]. The 20 new councils were formed with greater capacity to deliver more services and better infrastructure to their communities and they are already delivering significant benefits as a result. We are proud to report that new councils have already identified \$27 million in savings, amounting to savings of more than \$100,000 per day since the new councils commenced.

The Government was determined to support new councils as they came together and commenced operations. State Government funding of the order of \$375 million has been provided to the merged councils to fund local projects and to kickstart new services and infrastructure. This level of investment in local government is unprecedented and has seen councils invest in more than 480 new community projects and services. The funding is also supporting much-needed major local infrastructure. What does this mean? It means that new councils are fixing roads, footpaths, playgrounds and sporting ovals. Former councils neglected, mismanaged and failed to deliver many of the things our communities need but our new, stronger councils are listening and delivering. This bill will allow those new councils to continue providing significant benefits to residents while delivering the Government's rate path protection for the full four years.

In 2015 Premier Mike Baird asked IPART to undertake a review of the local government rating system and to provide recommendations on how to deliver rate path protection for four years. IPART provided the Government with its report on implementing the rate path protection commitment which was released in August last year. IPART's recommendations are the product of thorough consultation with the local government sector and other stakeholders. IPART has recommended amending the Local Government Act to provide the Minister with an instrument-making power. That is what this bill does. The proclamations that created the 20 new councils protected rate paths for the first financial year. This bill amends the Local Government Act to implement the rate path protection for the remaining three years and to deliver on the Government's commitment. The bill provides the Minister with the power to require a new council to maintain the rate path that applied to its former council area for three years following the first year of the new council, once created by proclamation. This will ensure that the more than two million residents of newly merged councils continue to enjoy rate protections for the full four years.

The rate path encompasses both a council's rating structure, including the categorisation and sub-categorisation of land for rating purposes, whether rates are based on land values and/or fixed amounts, and how a council's general income is projected to increase over time in accordance with the council's long-term financial planning and priorities. Broadly, this means that the rate path protection retains the categorisation of land and the way in which rates are set for each former council area. Importantly, the power applies only to councils that were created on or after 12 May 2016, the date when the first 19 new councils were created. This means that the new councils which we have committed to create in the Sydney metropolitan area will enjoy the benefits of the rate path protection commitment. The bill has no impact on councils that are not merged or were not subject to merger proposals. Ratepayers in unmerged councils will not be subject to the rate path protection. This includes those regional councils subject to merger proposals that were awaiting the outcomes of legal action, and the Government has decided not to merge.

It is important to note that, without this bill, the Local Government Act requires councils to harmonise their rates across former council areas. If merged councils are forced to harmonise their rates across former council areas at this time, this would likely lead to rate increases for some ratepayers. For example, there is a difference of \$382 per year in the average rates of the former City of Botany Bay council and the former Rockdale Council, which now make up the new Bayside Council. If the new council is forced to harmonise its rates across the two former council areas at this time, the residents of the former City of Botany Bay council in particular may experience increases in their rates. We have created new councils so that residents can all receive better services and better value for money. Merging them was step one; supporting them to deliver the new services communities need was step two; and delivering this rate path protection is step three.

Regional councils in particular could also be subject to rate volatility without this bill. For example, there is a \$555 per year difference between the rates of the former Armidale Dumaresq and Guyra Shire councils, which now make up the Armidale Regional Council. There is a \$488 per year difference between rates of the former Deniliquin and Conargo Shire councils within the new Edward River Council. If such councils are forced to harmonise rates for the next financial year, ratepayers will be exposed to unacceptable changes in rates that can be prevented by this bill. IPART has also conducted a review of the broader local government rating system. IPART's recommendations include options for modernising the local government rating systems for all councils, as well as recommendations for setting rates in newly merged councils once the four-year path protection concludes. IPART's recommendations aim to minimise unacceptable changes in rates and keep downward

pressure on rates for all councils across the State, including those merged councils subject to the rate path protection.

I am considering IPART's recommendations and hope to provide some further information on the issue of the pathway forward beyond the four-year pathway freeze. The Government is determined to reform the system so that it is more equitable and more efficient. More than two million residents of newly merged councils expect that their rate pathway will be protected as a result of the commitment that we made. The Government has done just that by ensuring the passage of that bill through the other place last night and bringing this bill before the House today. Despite the bleating of Labor members, Labor accepted this bill in the other place. They were absent in action but they have done the right thing. Residents in metropolitan councils subject to a merger proposal share the expectation that they will enjoy the same protections to their rates if the council merger goes ahead. This indeed is the case with this bill and, on that basis, I commend it to the House.

Mr GUY ZANGARI (Fairfield) (12:58): On behalf of the Labor Opposition I speak in debate on the Local Government Amendment (Rates—Merged Council Areas) Bill 2017 and note that I represent the shadow Minister, the Hon. Peter Primrose, in the other place. The primary objective of the legislation is to require newly merged councils to maintain their pre-merged "rate path" for land in the new local government area [LGA] for three rating years. This legislation will primarily lull residents in newly merged LGAs into a false sense of security prior to whacking them with a huge rate increase following the moratorium period. I note from the outset that the legislation does not set out a full rate freeze, as one would expect, and it does nothing to assist residents in the long run.

Local Government NSW has labelled this legislation "bad policy" and a "cynical ploy" as there will be no rate structure harmonisation for the three-year period as ratepayers will be subject to a large rate hike following the 2019 State election. The devious behaviour of those opposite has become somewhat predictable: The Government will stave off bad news until after the election. I would hate to see what is under Coalition members' rugs at home. The bill before the House today is symptomatic of the ongoing chaotic implementation of the Government's forced council mergers policy. Despite the legislation setting out that newly merged councils must maintain their pre-merger rate paths, the Government has failed to define clearly what a rate path is. It has failed to outline clearly how rate paths will be coordinated with the rate pegs.

An interim report was released on 22 August by the Independent Pricing and Regulatory Tribunal [IPART]. The Minister for Local Government indicated during budget estimates that the final recommendations would be handed down in December 2016, with the Government to provide a response. Would you believe none of this has happened? I would. No such final report has been made public and no Government response has been issued. Last week the shadow Minister for Local Government, the Hon. Peter Primrose, wrote to IPART and asked what had happened to the final report. The advice he received was succinct. IPART stated:

The final report is with the Department of Premier and Cabinet and it will be up to the Government to decide when the report is released publicly.

Legislation is now before this House in the absence of that report and in the absence of a detailed Government response. The forcibly merged Cumberland Council is in my electorate. Following the inception of this legislation, Cumberland will be required to maintain five different rating levels based on the old council boundaries. While doing this, Cumberland also must collect the Government's shiny new fire and emergency services levy. Surely the Government's bill will not cause any problems or confusion for Cumberland Council? The administrative complexity that is continually imposed on councils is growing exponentially and is just another instance of cost shifting.

A number of forcibly merged councils have expressed concern that the stated object of the bill is contrary to the purpose of forcibly merging the councils in the first place. I acknowledge the presence of the former Minister for Local Government, the member for Bathurst, in the Chamber. The member is listening intently and nodding as I speak. Councils argue that if the Government wants to ensure financial sustainability and the gradual and phased integration of services across the new council areas, then obliging them at the same time to maintain disparate rate structures that lock some residents into higher rates than others is not the way to do it. Due to the bill's lack of information about rate paths it is not possible to determine how individual rates may be affected as land valuations are handed down and rate pegs are applied in different local government areas.

The current academic modelling shows that at the end of the three years there will likely be substantial increases as residents will then pay the true costs of the forced amalgamations. The Government's own modelling in this area is inconclusive and it is a worry that this bill is all it has to show for it. Councils have questioned whether the Government expects them to maintain differing levels of service for different parts of the community for the duration of the differential rates, or is it the Government's intention that they reduce service levels in some

parts of the community to allow subsidisation of increased service levels in other parts? The Opposition would certainly value the Minister's advice on this matter.

Further, it is unclear in the bill whether the rate paths will be based on retrospective measures from previous rating years, which include IPART-approved special rate variations. It is worth noting that the MidCoast Council has a right to special rate variations. There may be other councils that also want a rate variation. Individual rates are also impacted by factors such as land valuations that can affect percentage changes to rates alongside the rate-pegging process. These new land values are provided by the Valuer General every three years and affect rates. Once again, the bill does not make clear how this will affect so-called rate paths. All this flies in the face of what the Government and the member for Bathurst have said about the forced council merger policy: that mergers are the solution to curbing rate rises. Clearly, this claim is a little misguided.

Mr Paul Toole: You want to put the rates up.

Mr GUY ZANGARI: I acknowledge the interjection by the member for Bathurst. I am sure that he would like to congratulate Ange Postecoglou on the Australian Socceroos' victory over the United Arab Emirates last night. Now that I have given the Socceroos a plug, I note that the member for Bathurst is continuing with his verbiage as he knows that his local government policies have failed. He is paying the bill lip service—but what else would we expect? The bill has been poorly drafted and will add to the confusion that has followed the forced council mergers.

Mr STEPHEN BROMHEAD (Myall Lakes) (13:06): I speak in support of the Local Government Amendment (Rates—Merged Council Areas) Bill 2017. The electorate of Myall Lakes encompasses two of the three merged councils that the bill refers to. So it is of concern to me, the residents of Myall Lakes and the newly formed MidCoast Council. It is pleasing that the Labor Party supports the bill, and I acknowledge that support. Another party called The Greens also supported the bill. The bill and its amendments have bipartisan support across the Parliament.

If the MidCoast Council chooses to apply for a rate rise and the Independent Pricing and Regulatory Tribunal [IPART] agrees to it, there may be a rate rise. This is a win for the ratepayers of the MidCoast Council. The former Greater Taree City Council sought a rate variation increase of almost 50 per cent prior to the amalgamation announcement. If not for the merger of the Manning Valley and the Greater Taree City Council into the MidCoast Council local government area [LGA] those ratepayers would be looking at a 50 per cent rate rise. If not for the merger, the people of Gloucester would face a 40 per cent rate rise in addition to any current rate rise.

The former Great Lakes Council applied for a 20.7 per cent rate increase. So if the MidCoast Council decides to put an application to IPART and it makes a determination, there will be 20 per cent rate rise across the entire council area, not a 50 per cent rate rise in the former Greater Taree local government area and a 40 per cent rate rise in the former Gloucester LGA. That will be a tremendous saving for those communities. Ratepayers of the former Greater Taree City Council in the Manning region will pay 28.9 per cent less in rates. That is 28.9 per cent less than the former council sought. In the Great Lakes region the rate rise will be the same as that sought by the former council. Ratepayers in the Gloucester region will pay 31.3 per cent less than was sought, which is great news for them.

What would happen in those areas if there were no allowance for a special rate variation? In three years time ratepayers in the MidCoast Council LGA would fall off a financial cliff when faced with a huge rate rise to make up for three years with no increases. Rate rises will not be granted automatically. The MidCoast Council must resolve to increase rates and then it must apply to the independent body, IPART, for a special rate variation. So there is no guarantee that increases will happen. People who are concerned about potential rate rises must consider the tremendous need in this area. The merged area has a population of more than 90,000 people. It covers more than 10,000 square kilometres and has 190 kilometres of coastline, 3,574 kilometres of road and 542 bridges—of which 195 are timber. The maintenance backlog for roads and bridges is estimated to cost something like \$200 million. That backlog must be addressed.

Every survey and every community consultation identifies local roads as one of the biggest issues—if not the biggest issue—of concern in the area. It cannot be addressed by tying the hands of council. It was never intended to amalgamate the local councils; the area was never part of the original amalgamation proposal. The amalgamation came about because Gloucester put an alternative proposal to the Minister, who referred the matter to the Boundaries Commission, which appointed Dr Ian Tiley to undertake a review and to make recommendations. Before there was any talk of amalgamation, all three councils had a rate path of huge rises. The merger stopped it. For example, there were three independent reports into Taree council.

The first was the better practices report, which delivered shocking findings relating to the council's management, service delivery, infrastructure delivery and asset maintenance. TCorp rated the council 151st out of 152 councils, and when council No. 152 was dismissed Taree took last position. The third report, Fit for the Future, found that the council was not fit for the future. The council never had the capacity to pay its debts or to fund current road maintenance, let alone the maintenance backlog. The Government allocated \$20 million to the MidCoast Council, \$14 million of which will be spent on roads and bridges. Through the savings that were identified another \$16 million was allocated for roads and bridges, which makes a total funding program of \$30 million. That money will be used to maintain the existing road system to ensure that it does not fall into disrepair and require a complete redevelopment.

However, that funding is not sufficient to address the maintenance backlog and the underlying problems in relation to roads, bridges and freight corridors. This legislation will allow the council to apply to IPART for a rate rise. If the MidCoast Council does that and it is determined that it will be 20 per cent over four years, including the rate cap—as was discussed with the community—there will be no adverse impact. This legislation gives the council the capacity to begin to address the infrastructure backlog. That is extremely important. Many council areas in Sydney and in other city electorates are 12 square kilometres or even smaller. They have big populations but much smaller areas and therefore need nowhere near the same amount of infrastructure. [*Time expired.*]

Business interrupted.

Community Recognition Statements

TAREE PRODUCE

Mr STEPHEN BROMHEAD (Myall Lakes) (13:16): I inform the House that Taree Produce has been named the 2016 New South Wales Combined Rural Traders [CRT] Business of the Year. It is a great honour for the business, staff and owner Craig Allport. CRT network head Greg O'Neil said, on behalf of Ruralco Holdings Limited, that the business stood out ahead of other combined rural traders. Mr O'Neil said:

It has worked hard to ensure its diversified business model covers all rural markets in the region.

Craig, Sue and their team are always focused on providing the best product range, service and advice to customers and are always challenging themselves to do more. They continually demonstrate a deep understanding of the needs of the local community.

Those are kind words from Mr O'Neil, and I take this opportunity to offer my congratulations as well. The business has drawn praise from customers and suppliers, and is held in very high esteem by fellow CRT members. Craig and the team deserve genuine praise as it is obvious from this accolade that they are doing CRT and Myall Lakes proud.

INGLEBURN MILITARY HERITAGE PRECINCT ASSOCIATION

Mr ANOULACK CHANTHIVONG (Macquarie Fields) (13:16): I congratulate and acknowledge the hardworking volunteers of the Ingleburn Military Heritage Precinct Association. Leon Walker, Brian Battle and others have dedicated their valuable time to ensure that we preserve and protect our proud local military history at Bardia Barracks, Ingleburn. The military displays are of a high standard and I was fortunate to receive Leon's personal tour of them. There were displays of women in service, soldiers in camouflage gear, pictures and photos of servicemen and service women in conflict zones. I am most fortunate to have Bardia Barracks in my electorate in recognition of and as a mark of respect to the Armed Forces and the many locals who have served. As my community continues to experience urbanisation and ongoing development, it is important to make sure that we continue to preserve Bardia Barracks to remind current and new residents of our proud local military history. Finally, I thank Leon, Brian and the Ingleburn Military Heritage Precinct Association.

LOCAL ACHIEVEMENT AWARD WINNER PHILLIP DANIELS

Mr MARK TAYLOR (Seven Hills) (13:17): I refer to a wonderful person in my electorate of Seven Hills. Recently I had the pleasure of attending the Northmead Bowling Club as part of the NSW Seniors Festival. The Seniors Festival is a fantastic initiative that recognises the extensive contributions seniors make to our State. I congratulate the 2017 Senior Local Achievement Award winner Phillip Daniels. Phillip is a dedicated member of the club and an active participant in the local community. Phillip spent years serving in the NSW Police Force working as a detective, as well as in other roles.

In addition to his service to our State and country, his fellow members of Northmead Bowling Club spoke highly of Phillip's service to the club. I was told that Phillip could be relied upon to turn up to any event, including working bees, club barbecues and fundraising events. Furthermore, Phillip is a nationally accredited umpire and volunteers to umpire games at the club. Phillip is a great asset to the Northmead Bowling Club and to the Northmead community. I thank him for his many years of service and congratulate him on a much-deserved award.

NEWCASTLE SENIOR LOCAL ACHIEVEMENT AWARD WINNER EILEEN HOWARD

Mr TIM CRAKANTHORP (Newcastle) (13:18): My constituent Eileen Howard is the 2017 recipient of the Newcastle Senior Local Achievement Award. Eileen Howard has been a volunteer in the Newcastle community for more than 40 years. She has been a member of the Lambton New Lambton Lioness Club for many years and in that time has assisted numerous senior citizens groups in the community, such as Meals on Wheels. She is also a keen knitter and has knitted for many disadvantaged people in the community. But her longest volunteering commitment has been serving people with special needs at the Stockton Centre, assisting patients in care and working on their annual fete days. Recently she has also been helping to canvass support in the community to keep the Stockton Centre open. I can think of no more worthy recipient of the 2017 Newcastle Senior Local Achievement Award than Eileen Howard. Congratulations Eileen.

TAHMOOR PUBLIC SCHOOL PARLIAMENT

Mr JAI ROWELL (Wollondilly) (13:19): I had the great pleasure of recently attending the official opening of the 2017 Tahmoor Public School Parliament to see the student Ministers designated their portfolios and take their parliamentary pledge to uphold the spirit of Tahmoor school and set an example for others to follow. I congratulate the leaders chosen by their peers: Prime Ministers Kade Wilson and Ivey Haselhuhn; Deputy Prime Ministers, Maddison Woods and Blake Giacomelli; Speakers Skye Callaghan and Alex Morrisby; environment Ministers Mitch Casey and Banjo Horsefield; sports Ministers Bianca Wyeth and Izaak Francis; technology Ministers Ha Seung Jung and Lexie Jones; health and safety Ministers Hayley Burgess and Jade Goode; and student welfare and communication Ministers Grace Colleton and Jessica Hunt. I am sure that the leaders will do their school and families proud. I also congratulate principal David Schofield and his staff on the great job they do at Tahmoor Public School.

NEWCASTLE SHOWGIRL ELYSE HUDSON

Ms JODIE HARRISON (Charlestown) (13:20): I congratulate Elyse Hudson on being crowned the 2017 Newcastle Showgirl. Contestants are judged on their potential ambassadorial qualities, including personality, confidence, ambition and life goals, general knowledge, regional knowledge, presentation and speech. Finalists are also asked to demonstrate their knowledge of their local community and current affairs. Elyse will act as an ambassador for the Newcastle region and rural New South Wales, and her role will involve many official and informal duties, which commenced at the IGA Newcastle Regional Show earlier this month. This is the second time Elyse has won the title of Newcastle Showgirl; she also won the competition in 2015.

Elyse is a prominent young figure in Lake Macquarie. In 2012 she was named Young Citizen of the Year for highlighting the need to change the way that bullying was handled in schools, and in 2013 she participated in the YMCA NSW Youth Parliament. She was also a very active member of the Lake Macquarie Youth Advisory Committee. At only 22, Elyse is currently studying for her honours thesis. I have no doubt that we will continue to hear great things about Elyse in the future.

MARONITE COLLEGE OF THE HOLY FAMILY

Dr GEOFF LEE (Parramatta) (13:21): It will be a privilege to join the Maronite College of the Holy Family's upcoming assembly in honour of visiting foreign dignities: His Excellency Mr Gebran Bassil, Lebanese Minister of Foreign Affairs and Emigrants; and His Excellency Mr Pierre Raffoul, Lebanese State Minister for Presidency Affairs. The Maronite College of the Holy Family is an outstanding school in Parramatta. Credit must be given to the Maronite sisters who have dedicated their lives to the school's success. I acknowledge today's leaders: deputy principal and convent superior, Sister Irene Boughosn, principal Sister Margaret Ghosn, Sister Constance Bacha and Sister Guitta Elmir. I congratulate the Maronite College of the Holy Family on its continued investment in education. I commend the school on the start of its new building to cater for the growing number of enrolments, reflecting the school's excellent reputation.

GIRL GUIDES MOVEMENT

Ms TRISH DOYLE (Blue Mountains) (13:22): In October last year I was fortunate to participate in "Guiding at the House", which was hosted by Girl Guides NSW and ACT at New South Wales Parliament House. Girl Guides State Commissioner Sarah Neill and Chief Executive Officer Peta Gillies participated in this gathering. On 5 March 2017 one of the young guide leaders, the fabulous Rachel Florey from the Hazelbrook-Lawson Mountain Devil Senior Guides, was presented with her Queen's Guide Award. This was a most prestigious occasion and I was honoured to spend a few moments acknowledging her and her many skills and achievements. The Queen's Guide Award is the peak achievement award for youth members of Girl Guides Australia. It involves many challenges over a considerable time, following a syllabus, planning and reporting.

Guide leader extraordinaire Sue Bell also deserves special mention. That important and emotional presentation day was her last, after 24 years with Hazelbrook-Lawson. Last week I joined district manager Di Strahan and her fantastic team of leaders at the Springwood-Winmalee Guide Hall to participate in a range of Harmony Day activities with the girls. Last weekend I attended the Glenbrook Gourmet Trefoil Guild for their annual general meeting and to hear guide Stephanie Larkin talk.

TRIBUTE TO SUSAN HILL

DUBBO ELECTORATE WOMEN OF THE YEAR PAT BURNS

Mr TROY GRANT (Dubbo—Minister for Police, and Minister for Emergency Services) (13:23):

I congratulate Susan Hill on her contribution to the Dubbo community. Susan is an active member of the Cancer Council NSW, I Care for Palliative Care, Relay for Life, Can Assist and the Pink Angels. She also works for the Red Cross as a trauma councillor and is a volunteer educator at Taronga Western Plains Zoo. Susan is instrumental in recruiting volunteers to her chosen charities and raising awareness for the causes she is passionate about. I thank her for her hard work, dedication and compassion for those in need.

I also congratulate Mudgee's Pat Burns, whom I recently presented with the Dubbo Electorate Women of the Year award. Since 1994 Pat has been a volunteer community transport driver in Mudgee. Pat is a worthy recipient of this award. She has a massive involvement in many charities and other community organisations in the Mudgee and mid-western region. I was joined by Mayor Des Kennedy at an outstanding morning tea held in her honour with friends and family where she was presented with a certificate.

YAGOONA PUBLIC SCHOOL COMMUNITY HUB

Ms TANIA MIHAILUK (Bankstown) (13:24): Last Tuesday it was my pleasure to attend the opening of the Yagoona Public School Community Hub. The hub was built by the Yagoona Public School Parents and Citizens Association with a \$60,000 grant, which I was delighted to support as part of the 2014 Community Building Partnership program. The hub will provide an important avenue for the Yagoona school community to engage with members of the parents and citizens association, parents and local support services in a friendly and welcoming environment. I congratulate principal Meaghan Wilson, parents and citizens association president and community hub leader Maria Skotoris, former parents and citizens association president Sunny Garcha, Dimi Valentino and the many other parents and citizens association members, parents and staff, who have dedicated so many hours to completing their vision for a community hub at Yagoona Public School.

KENTHURST RURAL FIRE SERVICE BRIGADE SEVENTY-FIFTH ANNIVERSARY

Mr DAVID ELLIOTT (Baulkham Hills—Minister for Counter Terrorism, Minister for Corrections, and Minister for Veterans Affairs) (13:25): As not only the member for Baulkham Hills but also the former Minister for Emergency Services, I must inform the House that this year the Kenthurst Rural Fire Service Brigade will celebrate its seventy-fifth anniversary. As is the case in any volunteer organisation, the heart of the Rural Fire Service is the people who keep it alive. In particular, I recognise and commend two long-serving members: Lionel Smith and my great mate Bill Duncan, OAM.

Lionel first joined the Rural Fire Service as a teenager in 1952, and has been serving the Hills community through his work with the Rural Fire Service for 65 years. Bill has served his community in many capacities and in 2014 he received the Order of Australia Medal. This year Lionel and Bill created a magazine to commemorate the service that the Kenthurst brigade volunteers have given to the Hills shire. Their project contains photographs and names of the 500 volunteers who have devoted their time to Kenthurst Rural Fire Service. On behalf of the people of Baulkham Hills, I congratulate Lionel and Bill on their endeavour to keep the history of the Kenthurst Rural Fire Service alive. I also recognise the oldest members of the brigade, Lionel Smith, founding member Ken Featherstone and Ran Hancock.

FAIRFIELD LEISURE CENTRE SPORTS IN HARMONY EVENT

Mr GUY ZANGARI (Fairfield) (13:26): As part of Multicultural March, the Fairfield Leisure Centre was home to Sports in Harmony, which was hosted by the Red Cross. The event had a great turnout, with representatives from the Australian Football League, Sydney Swans, National Rugby League, Western Sydney Wanderers Football Club, Netball NSW, police citizens youth clubs, Sydney Thunder and the Red Cross. Throughout the day a number of activities and workshops were held to engage with the community, which was followed with a good old-fashioned Aussie sausage sizzle. The objective of the event was to welcome newly arrived migrants and to engage with them by connecting them to their local sporting clubs. I congratulate and commend everyone involved for bringing this fantastic initiative to Fairfield. It was great to see the different sporting codes connecting with our diverse migrant communities through sport and opening new doors of possibilities to those who may otherwise be excluded.

BOMADERRY PUBLIC SCHOOL 105TH ANNIVERSARY

Mr GARETH WARD (Kiama) (13:27): I congratulate Bomaderry Primary School on its 105th anniversary. The school first opened in July 1867. In December 2016 I presented funding to Bomaderry Primary School to help it upgrade the school canteen with air conditioning and a new fridge freezer. As a former Bomaderry student, I am delighted that this funding went towards upgrading the school canteen. My sincere thanks go to all the wonderful volunteers who staff the canteen and do a truly wonderful job. Bomaderry Public School is a great local school. I acknowledge principal Dionne Hanbidge, who has shown great leadership. I also acknowledge former parents and citizens association president Tracy Bailey, and current parents and citizens association president Scott Balsar, who does a tremendous job serving the school community.

I attended Bomaderry Primary and Bomaderry High School. I am always keen to assist not only my former schools but also all our region's schools when they need help. I commend local business Simmark and Matt Simms for working with the school to deliver an important component of the upgrade. My sincere thanks go to all the wonderful volunteers who staff the canteen and do a truly wonderful job. Bomaderry Primary is a great school with some wonderful teachers and it has a very bright future in public education.

SYDNEY RELAY FOR LIFE

Ms JO HAYLEN (Summer Hill) (13:28): Recently I was privileged to attend the Sydney Relay For Life with my colleagues the member for Canterbury, the member for Sydney and the member for Balmain. Relay For Life raises money for the Cancer Council NSW and is used to fund research, prevention, advocacy and support programs. The Sydney Cancer Advocacy Network and Dr Yvonne McMaster are campaigning alongside Cancer Council NSW to increase the number of palliative care qualified physicians and nurses in New South Wales, and to provide culturally appropriate palliative care services to Aboriginal people.

Access to quality palliative care is a basic human right and one that too many people in this State, particularly in regional and rural areas, continue to be denied. Quality palliative care improves clinical outcomes, patient-centred decision-making and reduces hospital costs over the long term. People with life-limiting illness should be able to access specialist palliative care when and wherever they need it anywhere in New South Wales. I congratulate the organisers of Relay For Life and all those in the community who are fighting to ensure that the vulnerable people who need these services most are never turned away in their time of need.

TRIBUTE TO JAMES REID

Mr MATT KEAN (Hornsby—Minister for Innovation and Better Regulation) (13:29): When we think of heroes, they are often characterised by supernatural powers. However, today I recognise Hornsby's own hero James Reid, who showed remarkable bravery and selflessness in the face of danger. Last year on 18 August James Reid, aged 70, was the first to arrive on the scene of an accident when a car hit a tree close to Waitara Public School near his house. The crash caused a slight fire under the car, and Mr Reid moved quickly to remove the children from the back seat. After realising that the driver was trapped in the front seat due to the nature of the collision, James Reid moved to put out the fire with his garden hose while waiting for help to arrive.

A number of other community members ran in to assist Mr Reid including some construction workers, demonstrating the incredibly helpful and considerate spirit of the Hornsby community. After getting the small fire under control, Mr Reid went on to try to direct traffic at the busy corner. In mid-March Mr Reid received a Commissioner's Commendation for Bravery for his heroic efforts following the accident. I thank Mr Reid for his incredible actions, for saving the passengers and for directing traffic to avoid other dangerous incidents occurring. Mr Reid is certainly more than deserving of this commendation; he is a true local hero. I commend him for his outstanding community service.

TRIBUTE TO THE GAINSFORD FAMILY

Ms KATE WASHINGTON (Port Stephens) (13:31): Brett Gainsford lives with depression and bipolar disorder, which has caused him to be hospitalised twice and placed his family under great emotional and financial strain. Brett and his wife, Jacqui, and their daughter, Miller, have been through the toughest of times. Despite these pressures, Brett and Jacqui now run charity bowls days to raise funds for the organisations that helped them, Beyond Blue and the Port Stephens Suicide Prevention Network. Miller, who is only eight, has also stepped up this year, wielding a donations bucket few can resist. I attended the most recent last weekend, which raised \$9,000 to add to almost \$30,000 the family has raised at previous events over the past three years.

Poor mental health is an increasing challenge across Port Stephens, New South Wales and Australia. On the Tilligerry Peninsula alone, six people have taken their lives since Christmas last year. Raising awareness, reducing stigma and building stronger communities are key to the prevention of mental illness. I thank Brett,

Jacqui and young Miller for their courage and commitment to helping other families avoid the dark times they have faced.

WARIALDA SHOWGIRL COURTNEY LOOSEMORE

Mr ADAM MARSHALL (Northern Tablelands—Minister for Tourism and Major Events, and Assistant Minister for Skills) (13:32): I recognise Warialda Showgirl Courtney Loosemore for her selection and congratulate her for representing Zone 4 at the upcoming The Land Showgirl Competition at the Sydney Royal Easter Show in April 2017. I commend local showgirls from across the Northern Tablelands electorate who attended the Zone 4 finals in Walgett last month including Sophie Wood from Armidale, Rachel Angus from Guyra, Melanie Landers from Glen Innes, Krystal Cagney from Inverell and Charlee Halliger-Haley from Moree. I acknowledge the commitment of all entrants, their families, the local show societies and the community to ensuring the showgirl competition continues to be relevant and supports young women seeking to be ambassadors for the agricultural sector and their local show societies. I wish Courtney all the very best as she competes in the State finals at the Sydney Royal Easter Show.

MAITLAND TASTE FESTIVAL

Ms JENNY AITCHISON (Maitland) (13:32): The Hunter has been alive with festivals and events over the summer months. I congratulate Maitland City Council on the Maitland Taste Festival, which was held on 11 and 12 March. More than 13,000 people flocked to The Levee to taste the amazing variety of delicious food on offer including German sausages, craft beer, sliders, Korean noodles and Spanish paella. Of course—being Maitland—there were also lots of pumpkins. The Slow Food Movement was well represented with presentations from Amorelle Dempster and Sarah Sivyver from boutique egg producer Just Been Laid. Celebrity chef Paul West showed off his culinary talents to the crowd, and interactive gardening displays with David Sivyver from Urban Farming were an engaging introduction to the extensive children's section. I thank all those who showcased their amazing culinary skills. I congratulate the Maitland City Council events team and all the councillors who took time to join with our community to celebrate and learn more about food. It was great to see so many people embracing local area fresh produce within our central business district.

TRIBUTE TO CAROLINE XU

Mr VICTOR DOMINELLO (Ryde—Minister for Finance, Services and Property) (13:33): I recognise an outstanding member of our community in Ryde. Caroline Xu is the principal of the Fenghua Chinese Language School in Eastwood. Caroline leads a dedicated team of teachers who devote their time to enriching the youth of Ryde and our community through the teaching of the Chinese language. Caroline leads by example, encouraging her students to participate in community events such as the Lunar New Year, Harmony Day celebrations, the Eastwood Primary School fete and the Granny Smith Festival. She continually strives to promote inclusivity and cultural understanding. Caroline was acknowledged with a Medal of the Order of Australia in the 2017 Australia Day Honours and in 2010 was recognised as the Ryde Citizen of the Year. I thank Caroline for her contribution and continued involvement in our multicultural community of Ryde and beyond.

TRIBUTE TO MRS ELLIE MOURNEHIS-KAMBOS

Ms SOPHIE COTSIS (Canterbury) (13:34): I place on record my appreciation of Mrs Ellie Mournehis-Kambos, who passed away on 15 February 2017 at the age of 85 and express my condolences to her family and friends. Many in this State knew Ellie as the "Mother" of the Cyprus community of New South Wales, and she worked tirelessly and with dedication for more than 50 years to improve services and support available to the Greek and Cypriot community. Ellie served for many years on the Women's Committee of the Cyprus Community Club and eventually served as its vice president.

Ellie was dedicated to the establishment of a home for the aged of the Cyprus community, and was involved in many philanthropic events raising some \$900,000 to help realise that dream. I had the pleasure of working with Ellie on various causes and events for many years during my involvement in and support of the Cyprus Australian community. I was pleased when Ellie was recognised on the New South Wales Women's Honour Roll in 2012. To me and many others in the community Ellie was a shining and guiding light as a strong woman from a multicultural background who helped our community grow. She will be sorely missed.

MANNING AQUATIC LEISURE CENTRE

Mr STEPHEN BROMHEAD (Myall Lakes) (13:35): Manning Aquatic Leisure Centre took part in the national YMCA Swimathon on Sunday 5 March to support people with disability in our community. The Swimathon uses all the funds raised at the event to help local kids with disabilities to have swimming lessons and enjoy the water safely. This year Manning Aquatic Leisure Centre was hoping to raise \$8,000 to fund water safety lessons, flashcards and the upskilling of swimming instructors. All funds raised stay with Manning Aquatic

Leisure Centre and go towards the swimming programs, the costs of upskilling swim instructors in working with people with disability, installing disability-access equipment including pool hoists and giving thousands of people with disabilities the chance to learn to swim and have fun around water. The Swimathon was a wonderful family fun day and included pool inflatables for kids to enjoy plus an outdoor water slide, bubble soccer, jumping castle, a medal ceremony for participants, a barbecue sausage sizzle and cake stall. It is a fantastic initiative and I am extremely happy that our community got right behind it. Long may the Swimathon continue.

TRIBUTE TO MRS GLENDA GIBSON

Mr PHILIP DONATO (Orange) (13:36): Mrs Glenda Gibson of Manildra is an active member of the Bocobra Rural Fire Brigade who organises brigade meetings, coordinates food for the fireground and operates the radio when necessary. Glenda has been very involved with the local school where her children were educated for more than 20 years. She continues to be an active exhibitor at the Manildra Pastoral Show in both the floral and photography sections. Glenda has staffed the canteen at local football matches and has been a fashion model for various fundraisers over many years.

Glenda has been a day care mum for more than 15 years and continues to work two days a week at a local childcare centre. Glenda is a founding member of the Manildra and District Improvement Association and the secretary of the Manildra Progress Association. She has sourced many grants for the beautification of Manildra over the years. Glenda always helps her community whenever something needs doing. She is a quiet achiever who never seeks acknowledgment or recognition. Glenda has been invaluable to her community and was most justifiably recognised for her significant contributions to Manildra when she was nominated for the NSW Department of Primary Industries 2016 Hidden Treasures Honour Roll.

TEMPORARY SPEAKER (Mr Geoff Provest): I will now leave the chair. The House will resume at 2.15 p.m.

Visitors

VISITORS

The SPEAKER: First of all, happy birthday to the member for Tweed. I extend a very warm welcome to the Ambassador of the Argentine Republic, His Excellency Hugo Javier Gobbi, who is accompanied by the embassy economic counsellor, Edgar Javier Flores Tiravanti. They are here as my guests. I also welcome to the Chamber a delegation of political leaders from the United States of America hosted by the Australian Political Exchange Council. They are also here as my guests.

I acknowledge the seven student leaders and their teacher, Karen McMillan, from Queanbeyan High School—Queanbeyan is a beautiful part of the State—in the gallery today. They are guests of the Deputy Premier, Minister for Regional New South Wales, Minister for Skills, Minister for Small Business and member for Monaro. I also welcome Harry Edmondson from Dubbo, guest of the Minister for Police, Minister for Emergency Services, and member for Dubbo. I acknowledge the members of the A-League and W-League Southern Expansion Steering Group, namely Mr Yuxing Chen, who is the chairman of the Jiayuan Group, Mr Jonathan Pan, Mr Bob Gong, Mr Craig Foster and Mr Les Murray, guests of the Parliamentary Secretary for Transport and Infrastructure, and member for Oatley, and the member for Rockdale. Finally, I acknowledge students and teachers from Newcastle High School, guests of the member for Newcastle. They also come from a lovely part of the State.

Announcements

FIRST COUNCIL RECORDS DIGITISATION

The SPEAKER: I remind all members of the formal launch of the digitised First Council records tomorrow. You will all have received invitations to this event. The First Legislative Council, which was the precursor to our current New South Wales Parliament, is the oldest legislative body in Australia, having been established in 1823 as an advisory body of five appointed members. Initially the council's jurisdiction covered not only New South Wales but also the colonies of Victoria and Tasmania, as well as parts of Queensland and South Australia. Over 60,000 tabled papers, bills, minutes of proceedings, reports of debates and administrative correspondence have been digitised and made publicly available for the first time through the Parliament's internet page. The project will be formally launched by the President of the Legislative Council, the Hon. John Ajaka, in our new Millicent Preston-Stanley Room at 10.30 tomorrow morning. The guest speaker will be Associate Professor Carol Liston, OA, President of the Royal Australian Historical Society.

DEATH OF IAN LOUIS ROBINSON

The SPEAKER: It is with much regret that I have to inform the House of the death on 23 March 2017 of Ian Louis Robinson, a former member of the Legislative Assembly. He served as the member for Casino from

14 February 1953 to 22 October 1963. On behalf of the House, I extend to his family the deep sympathy of the Legislative Assembly for the loss sustained.

Members and officers of the House stood in their places as a mark of respect. [During the giving of notices of motions]

Notices

PRESENTATION

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

Question Time

WOY WOY UNDERPASS

Mr LUKE FOLEY (Auburn) (14:27): My question is directed to the Premier. Why has the Premier dumped the Liberals' 2015 and 2011 election promise to build the Woy Woy underpass, yet billions of dollars can be found to build a tunnel under the North Shore?

Ms GLADYS BEREJIKLIAN (Willoughby—Premier) (14:27): I am so pleased to receive this question because we are at the mid-point of our term of office and we have already delivered more than 200 election commitments. I ask the Leader of the Opposition: While Labor were in government why did they try to close down Woy Woy Hospital? Why did they fail to develop Gosford Hospital? Why did they fail to deliver on road upgrades? Why did they fail to deliver rail station upgrades?

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

Ms GLADYS BEREJIKLIAN: Why did they fail to improve public transport services to the Central Coast?

Ms Kate Washington: Point of order: My point of order is under Standing Order 130. The Premier is debating the question.

The SPEAKER: Order! There is no point of order. They were rhetorical questions, not arguments.

Ms GLADYS BEREJIKLIAN: Why did Labor fail to create only 2,000 jobs in the past few years when in office, when in the last six years we have created 35,000 jobs on the Central Coast? The people of the Central Coast can judge us—

The SPEAKER: Order! I call the member for The Entrance to order for the first time. I call the member for Wyong to order for the first time. I call the member for The Entrance to order for the second time. I call the member for Shellharbour to order for the first time. Interjections will not be tolerated today.

Ms GLADYS BEREJIKLIAN: They can judge us on our record any time against those opposite.

The SPEAKER: Order! I call the member for Rockdale to order for the first time. I call the member for The Entrance to order for the third time.

Ms GLADYS BEREJIKLIAN: Given the Leader of the Opposition has asked me about commitments on the Central Coast, it is only appropriate that we dissect the Central Coast plan he put out a few days ago. First, the Leader of the Opposition claimed that over the course of the next 19 years Labor will create 75,000 jobs on the Central Coast. Guess what? In six years we have already created 35,000 jobs.

Mr David Harris: Point of order: My point of order relates to Standing Order 129. The Premier is quoting figures from the Central Coast Regional Plan put out by the Government.

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

Ms GLADYS BEREJIKLIAN: I do not know what that point of order meant but I will keep going.

The SPEAKER: Order! There is too much audible conversation among Government members.

Ms GLADYS BEREJIKLIAN: In 10 years, Labor created 2,000 jobs and in six years we created 35,000 jobs. Another claim Labor made two days ago was that youth unemployment on the Central Coast was 18.3 per cent.

Ms Jodi McKay: Point of order: My point of order relates to Standing Order 129. This question is about the Woy Woy underpass. It is a really important issue up there. Will the Government fund it?

The SPEAKER: Order! The Premier remains relevant to the question.

Ms GLADYS BEREJIKLIAN: Labor claimed youth unemployment was 18.3 per cent. In fact, it is 12.9 per cent. But guess what it was when Labor was in government? It was 23.4 per cent. Today, youth unemployment is about half what it was when Labor was last in office. This side of the House is the party of the worker. The Central Coast will get more jobs because of us. People on the Central Coast will get their road upgrades and their hospital upgrades. We are the only side that delivers.

The SPEAKER: Order! Government members may be enthusiastic about the Premier's answer but they should not cheer and make noise.

TRAFFIC CONGESTION

Mr JONATHAN O'DEA (Davidson) (14:32): My question is addressed to the Premier. What is the Government doing to relieve traffic congestion?

The SPEAKER: Order! I call the member for Maroubra to order for the first time. I call the member for Bankstown to order for the second time. If there are further interjections members who are on one or two calls to order will be deemed to be on three calls to order.

Ms GLADYS BEREJIKLIAN (Willoughby—Premier) (14:32): We know those opposite do not mind if people spend extra time in cars but we do. We care about the quality of life.

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

Ms GLADYS BEREJIKLIAN: This side of the House is about congestion-busting. I thank the member for Davidson for his question. I appreciate that he and every member of this House—even those opposite deep down—want to see people spend less time in traffic and more time with their families and doing things they enjoy. There is no doubt that our Government has created an infrastructure boom in New South Wales and we are in the midst of it—unprecedented infrastructure the likes of which has not been seen before. Whether it is roads, motorways, rail lines, light rail projects—those things that Labor talked about for many years—we are delivering. We have built and completed the M5 South West. We are now well and truly in the midst of constructing WestConnex—just one project that will continue to transform Western Sydney and bust congestion right across the south-west and greater west.

The M4 East is just another project that Labor announced and then failed to deliver. Even when Labor delivered a road, it invariably botched it. The M5 East was clogged on the day it opened because of Labor's poor planning, and who could ever forget the debacle of the Cross City Tunnel? But I am pleased to say that in the north-west the construction of NorthConnex is now well and truly underway and tunnelling has been underway for a year, which the Minister for Transport and Infrastructure highlighted yesterday.

The SPEAKER: Order! Government members do not assist the Premier by interjecting.

Ms GLADYS BEREJIKLIAN: NorthConnex will make travel from the Central Coast to Western Sydney seamless by bypassing 21 sets of traffic lights along the current gridlocked Pennant Hills Road. Communities along Pennant Hills Road will be rejoicing when 500 trucks a day that currently use that road will be travelling underground. It will be a huge relief for that community. As we all know, the Sydney Harbour Bridge and Warringah Freeway are two of the State's busiest roads, and we know that travel times on Military Road around The Spit and Mosman in the morning peak hours can be as slow as 12 kilometres an hour.

Earlier this month I was very pleased to be joined by the Minister for Roads at The Spit to announce action at last on the Beaches Link and the Western Harbour Tunnel. Just as we have done with all the projects we have spoken about that we have started in the past six years—and I do not have time to mention all of them—we will get on with this project as well. We are absolutely committed to reducing congestion along the gridlocked Spit and Military roads. I know that the member for Davidson in particular but also many members in this place feel very strongly about those roads. We will also provide a Sydney Harbour Bridge and an Anzac Bridge bypass for western and southern Sydney motorists.

I pay tribute to all the current and former members who have supported this project for many years, especially on the northern beaches and across the North Shore. Residents are already aware that there will be 235 borehole sites tested, with these investigations feeding into the detailed engineering design and final costings, and that work will commence shortly after Easter. It is imminent. Unfortunately and regrettably, we have already had to advise 71 property owners that they may be directly impacted by construction and, as more work progresses, we may need to notify more residents. We have committed to coming back next year with the final costings, the funding strategy and construction time lines, because that is how you build projects: you do your homework and you ensure that you deliver them.

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

Ms GLADYS BEREJIKLIAN: I am very pleased to say that this congestion-busting project for the northern beaches and North Shore will reduce travel times massively. For example, time savings from Brookvale to the central business district will be up to 40 minutes, from Dee Why to the airport up to 45 minutes, from Manly to Macquarie Park up to 35 minutes, from Manly to Parramatta up to 45 minutes and from Seaforth to North Sydney up to 35 minutes. This project will bypass 19 sets of traffic lights and reduce travel times for northern beaches bus commuters by up to 40 per cent.

We also know that for residents of the North Shore it will prevent the rat running that exists on local roads. I have to declare an interest in that my community will also be positively impacted by this project. Just like the F6 corridor in southern Sydney—another area that was ignored by Labor—the start of geotech work on the Beaches Link brings this project into line with the geotech work we started last year on the F6. This is a government getting on with the job, providing much-needed projects that have been ignored for too long. *[Extension of time]*

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

Ms GLADYS BEREJIKLIAN: Just in case members may not have read some local newspapers, I thought it was appropriate to speak about Labor's approach to the issue of traffic congestion on the northern beaches. On 16 March, referring to the member for Maroubra, the *Manly Daily* stated:

Mr Daley used his opportunity to argue the Liberals' long-promised tunnel bypassing Mosman and Military Rd was not a priority.

Okay, it is not a priority—we get that; a lot of projects are not a priority for Labor. The article continued:

Calls were made to Mr Daley's electoral office, and emails sent asking him to highlight what infrastructure items were higher on his list last week, without response.

No priorities. But worse than that, when the Leader of the Opposition was asked what the infrastructure priorities were, the same article stated:

Opposition Leader Luke Foley did not respond to questions. The member for Maroubra says the project is not a priority for Labor, but guess what? Opposition members have no priorities because they do not support infrastructure or reducing congestion or anything that makes a difference to people's lives—and they never will.

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

WOY WOY UNDERPASS

Mr DAVID HARRIS (Wyong) (14:40): My question is directed to the Premier. Given that two months ago there was a fatality at the Rawson Road level crossing, will she now reverse the decision to cancel the project and instead proceed to build the Woy Woy underpass?

Ms GLADYS BEREJIKLIAN (Willoughby—Premier) (14:40): First, our House always extends its condolences and deepest sympathies to families that have suffered loss. We do not want to take away from the experience of the victim's family at this time. As a government we have always said that we need to reduce the number of level crossings. I remember when this issue was raised previously members opposite stated that Labor did not support removing level crossings in some locations throughout the State.

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

Ms GLADYS BEREJIKLIAN: It was in relation to the Victorian Premier's commitment on level crossings. I am happy to dig up the relevant *Hansard*. The Government has always acted to improve public safety and road safety in particular.

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

Ms GLADYS BEREJIKLIAN: Members opposite cannot be taken at their word because they failed to deliver anything they said they would deliver.

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

Ms GLADYS BEREJIKLIAN: Labor had 16 years to fix the roads. Members opposite had 16 years to fix health infrastructure and road infrastructure and they failed to do it. They can talk all they like but they have no plan to fund any projects. Do members opposite support asset recycling? No. Do they support fiscal responsibility? No. They do not support any tolls on any new motorways. How will they raise money to fund any of their promises?

The SPEAKER: Order! I place the member for Rockdale on three calls to order.

Ms GLADYS BEREJIKLIAN: Members opposite have demonstrated time and again that they do not have any infrastructure priorities. Worse still, even if they did they would not have the capacity, will or ability to raise the money to deliver their commitments.

CHILD PROTECTION

Mr DARYL MAGUIRE (Wagga Wagga) (14:43): My question is addressed to the Minister for Family and Community Services. How is the Government reforming the child protection system to improve outcomes for vulnerable children in care?

Ms PRU GOWARD (Goulburn—Minister for Family and Community Services, Minister for Social Housing, and Minister for the Prevention of Domestic Violence and Sexual Assault) (14:43): I thank the member for his question and for his passionate commitment to ensuring that our most vulnerable children are kept safe. Today we embark on one of the most significant child protection reforms in a decade. We have more than 18,000 children and young people in out-of-home care and on average they are staying for 12½ years. Many of them will be forced to move care placements multiple times throughout their childhood. Following the independent review of out-of-home care in New South Wales late last year, which was led by Mr David Tune, AO, PSM, the Government released Their Futures Matter, our vision for child protection and wellbeing in New South Wales. I pay tribute to the former Minister, Mr Brad Hazzard, who championed it.

Their Futures Matter places vulnerable children and families at the centre of services and brings together all New South Wales government agencies, non-government organisations and the community to deliver the right supports, ensuring better outcomes for the future of those children. Through Their Futures Matter children in or at risk of entering out-of-home care will receive a coordinated package of support based on their needs. This is a ground-breaking initiative that will implement a complete shift in the way government responds to vulnerable families. We want to work with families to keep them together but to break the cycle of abuse and neglect. We need to address their complex needs to make sure we make that difference. We want to give children a forever home and give them permanency through preservation, guardianship or open adoptions.

Today the Premier and I announced the successful providers for the \$90 million worth of world-class services to help keep families together through new, evidence-based intensive intervention programs. This will help 900 children every year. Multisystemic Therapy for Child Abuse and Neglect and Functional Family Therapy—Child Welfare are internationally tested and recognised intense preservation and restoration models that work with families to target the causes of harm and to treat trauma.

The models have been used successfully all around the world—in the United States of America, the Netherlands, Norway and New Zealand. In the city of New York, similar interventions resulted in a 50 per cent reduction in the number of children in foster care over a 10-year period. We want to make sure we are investing in programs that work and that we are aligning funding towards real results for these children. This means that in 15 priority locations around the state—in places such as Nowra, Shellharbour, Wagga Wagga, Blacktown, Tamworth, Edgeworth, Wyong, Penrith, St Marys, Macarthur, Ingleburn, Fairfield, central Sydney, Dubbo and Coffs Harbour—a range of non-government organisations will be delivering new models of therapeutic care.

A safe and stable home is something many of us take for granted but we know that a permanent outcome for a child or young person in care is what will give them their best chance of a safe and happy adulthood. When children cannot go home, they need a forever family to support them for their entire life. That is why today the Government has also announced that it is bringing back an adoption allowance to help families who want to adopt the child in their care. We have listened to carers and we recognise that, for some carers, the current \$1,500 a year allowance just does not cut it. It is for that reason we will be introducing the means tested allowance for Family Tax Benefit Part A from 1 July this year.

New South Wales leads the nation in open adoptions from out-of-home care and we are on track to finalise more than 100 orders this financial year. This allowance will support adoptive parents and their children and I hope it goes some way to encourage carers who may not have considered adoption for financial reasons. There are around 15,000 children in care today who will now have a greater chance of a forever home, whether that is through preservation, guardianship or open adoption. Every child deserves a safe and stable family and home. The changes we have announced today will go a long way to creating better lives for our most vulnerable children and breaking the cycle of disadvantage.

WESTCONNEX

Ms JO HAYLEN (Summer Hill) (14:48): My question is directed to the Minister for WestConnex. Will he abandon his dangerous plan to build a WestConnex dive site on top of almost 1,000 students at the Sydney Secondary College, Leichhardt campus?

Mr STUART AYRES (Penrith—Minister for Western Sydney, Minister for WestConnex, and Minister for Sport) (14:48): I thank the member for Summer Hill for her question. It is very important that everyone in the Chamber understands that stage three of WestConnex is the tunnel that links the M4 with the M5. It is a crucial part of making sure that WestConnex delivers all of the decongesting benefits that the motorway network across Sydney desperately needs. To make it clear, this is the path taken by people travelling on the M5 to the new northbound route. Those travelling on the M4 will be able to travel south towards the airport.

Ms Jodi McKay: Except you do not know how to get to the airport.

Mr STUART AYRES: The member does not even support stage three. It is a crucial part of the Sydney motorway network and allows for future work to take place connecting to the south.

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

Mr STUART AYRES: It will connect the south-west and F6 corridor. It will create the opportunity for a second harbour crossing. That is particularly important for long-term connection to the northern beaches. I must emphasise that this particular part of WestConnex is important to everyone across Sydney. It will take traffic off the local roads and out of local communities and put it underground. It will make the streets safer. Vehicles that are currently on local roads and surface roads will be moved underground. It will move trucks off local roads and redirect them underground. It is a long tunnel that runs from the M4 to the M5. This Government will need to identify two dive sites that will allow the large road headers to be placed into the ground to construct the tunnel. This Government has committed that it will show all environmental impact statements displaying all of the dive sites and allow the community an opportunity to comment.

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

Mr STUART AYRES: The Government has made a clear commitment to the community that ahead of the environmental impact statement [EIS] it will provide a design report. That will be a less technically specific document that shows the impacts upon the community. The impact of those dive sites will be explained to the community. I say to the member for Summer Hill and all Opposition members that when one of the largest roads in the world is being constructed there will be disruption to communities.

The SPEAKER: Order! I call the member for Summer Hill to order for the second time.

Mr STUART AYRES: I accept that it is the Government's responsibility. As much information as possible will be supplied regarding this large tunnel. The Government will seek feedback from the community. That is what this Government will do with the development of the EIS.

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

Mr STUART AYRES: The member for Summer Hill will be interested to learn that as much information as possible will be collected prior to delivering the environmental impact statement. That means engaging with the Department of Education, members of the community and the Inner West Council to seek all the information they believe is important and should be reflected in the EIS. Once that has occurred the Government will announce the preferred position. Yes, it will lead to disruption. Everyone in the community will have the opportunity to respond. An environmental impact statement for stage three, the M4-M5 link of WestConnex and other sections of WestConnex, will help to shape an effective project that will limit risk for those communities. When building a project of this size there will be disruption. The community will be engaged up-front.

The SPEAKER: Order! I call the member for Summer Hill to order for the third time. If she continues to interject she will be removed from the Chamber.

Mr STUART AYRES: That information will be provided in a transparent fashion so the community can provide feedback to assist decision-making that will benefit the local community that will suffer from disruption while we are delivering projects that this city and community need. The Opposition is yet to commit to this project.

The SPEAKER: Order! Members who are on one or two calls to order are now deemed to be on three calls to order. The member for Summer Hill will cease interjecting.

GOSFORD HOSPITAL REDEVELOPMENT

Mr ADAM CROUCH (Terrigal) (14:54): My question is addressed to the Minister for Health. Will the Minister outline for the House the progress of the Gosford Hospital redevelopment and the hospital building boom across New South Wales?

Mr BRAD HAZZARD (Wakehurst—Minister for Health, and Minister for Medical Research) (14:54): I thank the member for his question. On Monday the member, the Premier, Liberal candidate for Gosford Jilly Pilon and I visited Gosford Hospital. Ms Pilon will make a fantastic member of Parliament. We were there to examine the work that is progressing for Gosford Hospital and the people of the Central Coast. It is a \$348 million development occurring on the Central Coast at Gosford—none of which was delivered by the Labor Party over 16 long years.

The SPEAKER: Order! I remind the member for Wyong that he is on three calls to order along with many of his colleagues.

Mr BRAD HAZZARD: The member for Wyong might not want the development to progress. He can sit in this Chamber and make noises suggesting it should not occur, but the reality is the member for Terrigal and his Government colleagues will ensure it is delivered for the people of the Central Coast. The redevelopment includes: a new emergency department, a new intensive care unit, a new high dependency unit, enhanced operating theatre capacity, new cardiovascular services, new maternity services, a new birthing unit, new special care nursery, expanded paediatric services, a new coronary care unit with inpatient beds, and new medical imaging. It is amazing.

The Liberal-Nationals are delivering for the people of the Central Coast. There are expanded cancer services, a new psychiatric care centre, a new hospital main entrance and significant additional inpatient beds. It is amazing to walk through the development area of the hospital. An enormous amount of money is being spent but passion and love are also being put into the building. Many of the workers are from the Central Coast. To date approximately 15,000 cubic metres of concrete has been poured and 1,500 tonnes of steel has been used. It is an incredible development.

The Premier, the member for Terrigal and I stood on the mezzanine level and looked at the amazing work being done. The Coalition is delivering for the people of the Central Coast. It is not just the Central Coast; all over the State there is a Berejiklian-Barilaro building boom. The member for the Central Coast and the only Liberal-Nationals member on the North Coast—but not for long—supports Gosford Hospital. The member for Wakehurst supports the Northern Beaches Hospital. The member has visited the site and said time and again, "How great is the Northern Beaches Hospital?"

The SPEAKER: Order! I remind Opposition members that several of them are on three calls to order.

Mr BRAD HAZZARD: There is \$2 billion allocated for that hospital over the next 20 years. Last Saturday week, the Premier and I visited the site. There will be 488 new beds, a 50-bed emergency department and 14 operating theatres. Between the aged Manly and Mona Vale hospitals there are only five operating theatres. The Northern Beaches Hospital will have 14 operating theatres, a catheter laboratory, a procedures room and intensive care and critical care units.

The member for Nepean, Mr Stuart Ayres, and I spoke to the staff council and its chair, Dr Nhi Nguyen. We made it clear that the Coalition Government is committed to progressing the \$574 million development of Nepean Hospital. It will be the largest investment in the hospital's history and will be quite amazing. There will be a new clinical services block, an expanded emergency department, expanded and upgraded medical imaging, at least 12 new operating theatres and 18 birthing suites. Two weeks ago the member, the Premier and I visited the Prince of Wales Hospital. Many amazing doctors and nurses were present. It is time to get on with the work. Where is the member for Coogee, "Go get 'em Bruce Notley-Smith"? He is also known as "Bulldozer Bruce". He is getting on with the building: it is go, go, go. He wants to get in there and get on with building. He wants to make sure that we get the work done. This Government is going to deliver for the Prince of Wales Hospital. *[Extension of time]*

Across the regions \$2 billion is being spent out of the \$6 billion that has been allocated in the past few years in government, after Labor going backwards on its budget for seven out of 16 years. We are spending a fortune as part of the building boom across New South Wales. The fantastic member for Wagga Wagga has already seen an amazing three-stage development of the Wagga Wagga hospital with an allocation of approximately \$450 million.

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

Mr BRAD HAZZARD: When one drives down the streets in Wagga Wagga the member for Wagga Wagga has a huge smile because everyone there loves Wagga Wagga hospital. Amazing work has been carried out on stages one and two of Dubbo hospital with \$91.3 million having been spent and another \$150 million for stages three and four. The Minister for Police, the member for Dubbo, has a similar smile on his face when he talks about the work that has already occurred at Forbes District Hospital and Parkes Hospital. Peak Hill hospital also received funding.

No matter where one goes money is being spent—Westmead Hospital will get about \$1 billion, Blacktown Mount Druitt Hospital about \$700 million and the great Byron Community Hospital about \$80.3 million. As part of the \$6 billion, this Government has allocated \$200 million to Wyong and \$400 million to Maitland, where we are looking at all sorts of opportunities. I thank the member for Maitland for attending a meeting recently with me. It is plain and simple: The Government is delivering a hospital building boom for the entire State after Labor did nothing for 16 long years.

MEMBER FOR DRUMMOYNE

Mr LUKE FOLEY (Auburn) (15:02): My question is directed to the Premier. How is it acceptable that the member for Drummoyne can serve variously as the Parliamentary Secretary for Planning and for Transport and for Roads and for the Cabinet while acquiring land and developing \$68 million worth of property in north-west Sydney that will massively increase in value as a result of government planning decisions?

Ms GLADYS BEREJIKLIAN (Willoughby—Premier) (15:02): The Leader of the Opposition should show us his diary.

The SPEAKER: I am on the verge of ruling the question out of order for containing an imputation. The Premier may answer the question if she wishes.

Ms GLADYS BEREJIKLIAN: I am proud of all of my colleagues. I assume that all of my colleagues make the relevant disclosures.

FORESTRY INDUSTRY

Mr THOMAS GEORGE (Lismore) (15:03): My question is addressed to the Minister for Lands and Forestry. What sort of growth has the forestry industry experienced in the past two years?

Mr PAUL TOOLE (Bathurst—Minister for Lands and Forestry, and Minister for Racing) (15:03): I thank the member for Lismore for his interest in the forestry industry. He understands the importance of the forestry industry in his own electorate. He knows it provides local jobs and also makes an economic contribution to his local community. Many communities across regional New South Wales depend on a strong forestry industry. Earlier this month I went to the Lismore electorate and I met with people who are directly involved in the forestry industry. The member for Lismore and I went to the Hurford Hardwoods mill, the Koppers Wood Products mill and the J. Notaras and Sons mill and I met some of their incredible workforce. The manager, Donna, of J. Notaras and Sons mill, has been an employee for more than 40 years. I also met other long-term employees who depend upon a sustainable forestry industry in regional New South Wales.

This Government is very proud of its support of the industry in the past two years of this term. This support will not only continue but also become stronger in the next two years. It is important and an imperative for this Government to maintain and further strengthen the sector. It is also about securing regional jobs. The forestry industry employs more than 3,300 people at our mills who are involved in harvesting and planting, with many other associated businesses also involved in the forestry industry. On top of that approximately 19,000 people are employed directly in paper and product manufacturing, and 42 per cent of those jobs come out of regional New South Wales.

New South Wales harvests quality timber which is in high demand and it is critical that we keep up with the demand for quality timber products. This is critical as it will play a pivotal role in supporting the Government's commitment to affordable housing. A reliable supply of timber is vital as it is used for the frames of houses being built, in their kitchens and for new timber floors. The record supply of housing approvals means we must have a reliable and sustainable local supply of wood. The wood product industry is valued at approximately \$2.4 billion per year and is a major economic driver for regional communities throughout New South Wales.

There are some challenges that this Government is tackling—for example, the long-term wood supply agreements on the North Coast entered into by the former Labor Government in 2003 under Premier Bob Carr, who left an absolute mess for this industry to deal with, a mess that devastated local communities with job losses in the timber industry. Deals were done behind closed doors with no transparency or consultation with the broader industry. This Berejiklian-Barilaro Government is unwinding the mess that Labor left behind. This is nothing more than typical, classical Labor. Those opposite are not the Labor Party; they are Labor-lites. The Labor Party is not the party of workers. In fact, it abandoned forestry industry workers. Labor is too busy fighting The Greens. Labor is only concentrating on fighting The Greens in Balmain and Newtown. It does not care about forestry industry workers. We saw the Leader of the Opposition playing games yesterday.

Mr Luke Foley: Point of order: It is a bit rich coming from a bloke who voted to shut down the greyhound industry—and they say they are the party of the workers.

The SPEAKER: Order! The Leader of the Opposition will resume his seat.

[Extension of time]

Mr PAUL TOOLE: Yesterday the Leader of the Opposition played games and today he has shown once again that he is not interested in forestry workers across this State. Labor should be more focused on jobs in this State. I thought it was The Greens who are anti-jobs but it is actually the New South Wales Labor Party. The Labor Party's disdain for the forestry industry is nothing more than a disease that has spread around this country. It can be seen in Victoria where Labor has abandoned the workers of Heyfield in the Gippsland. It is an absolute disgrace. This Government is committed; we will not be abandoning forestry industry workers.

Recently, I was pleased to announce that the Forestry Corporation has purchased 7,000 hectares of land—the size of about 13,000 football fields—and this was a big win for regional New South Wales. I made the announcement near Oberon but it also represents significant acquisitions in the towns of Tumut and Tumbarumba. Recent improvements to the Forestry Corporation, including a reduction in debt and a new business model, have allowed it to purchase land and grow its business. This will ensure the future of the industry. Those on this side of the House are proud to support the forestry industry. We are also proud to support more housing and more jobs.

WESTCONNEX

Ms JENNY LEONG (Newtown) (15:10): My question is directed to the Minister for WestConnex. What is the Minister doing about the overwhelmingly foul leachate odour emanating from the WestConnex construction site in St Peters to protect the health and safety of residents, workers and businesses in the area?

Mr STUART AYRES (Penrith—Minister for Western Sydney, Minister for WestConnex, and Minister for Sport) (15:11): I thank the member for her question. This used to be the old Alexandria landfill site. It was a tip. We are cleaning it up to eventually form the M5 St Peters Interchange. It is where the M5 will link to the Sydney Gateway project. It is also where the M4-M5 link tunnel, which those opposite are yet to commit to, will be connected. As the member mentioned, an odour is coming from this site. I can assure the member that the Sydney Motorway Corporation and CPB, the contractor delivering this part of WestConnex, will be continuing to work closely with the NSW Environment Protection Authority [EPA] to manage the odour that is coming from the site. This morning the EPA released a statement that, due to the extremely heavy rainfall over the last few weeks, there is a high amount of leachate and standing water within the landfill. The EPA requested Fire and Rescue NSW to undertake testing at the site on Tuesday night and no detectable levels of methane or hydrogen sulphide were found. That is important information for the member.

Ms Jenny Leong: Point of order: My point of order relates to relevance under Standing Order 129. The question asked what the Minister is doing. If we are going to have a Minister for WestConnex, then what is he doing?

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

Mr STUART AYRES: The EPA has confirmed in the media release issued today that the odour does not pose a risk to human health or to the environment. In fact, the EPA Regional Director Metropolitan, Giselle Howard, confirmed in that statement:

... heavy rainfall over recent weeks was the most likely trigger for the smell.

The statement continues:

... rain has pushed water through the landfill and the resulting liquid has then flowed into the on-site dam. The smell mainly occurs because the dam doesn't have enough oxygen circulating.

The EPA has issued a prevention notice to CPB, which requires it to take immediate action to minimise the odours going beyond the worksite and to ensure that local residents are no longer impacted. The Sydney Motorway Corporation is implementing a number of measures in response to this issue, including: engaging additional pumps to remove water from the leachate treatment plant within the site; every morning and afternoon since last Friday an odour-suppressing foam has been applied, and this will continue; and monitoring to confirm that any gases within the site are maintained at safe levels. I direct the member to that statement.

We are currently experiencing good weather but over the next couple of weeks further rainfall is forecast. That may make it difficult to deal with this issue, given that the EPA has said the odour is largely the result of heavy rainfall. As I said, we have undertaken a number of measures such as the foam and additional pumps to help with this odour. I remind the House that we are building the largest project in Australia at the moment. Consequently there is going to be some disruption, and the weather will also impact the project now and into the future. We have the capacity to work closely with organisations across government, particularly independent organisations like the EPA, to make sure when an incident such as this occurs we are able to respond as quickly

as possible. When this project is completed not only will the St Peters Interchange site provide links to the M5, the airport and the M4-M5 link but it will also be home to one of Sydney's most fantastic parks. It will include more than 12 kilometres of pedestrian and cycle paths and a new land bridge connecting to Sydney Park.

The SPEAKER: Order! Opposition members will resume their seats.

NATIONAL EDUCATION REFORM AGREEMENT

Mr GARETH WARD (Kiama) (15:16): My question is addressed to the Minister for Education. Could the Minister update the House on key achievements in the Education portfolio over the last two years?

Mr ROB STOKES (Pittwater—Minister for Education) (15:17): I thank the member for Kiama for his question. I congratulate him on his appointment as the Parliamentary Secretary for Education. One can imagine my excitement when the Premier rang to inform me of his appointment as Parliamentary Secretary for Education. It took me some time to recover my composure. As we saw in this place yesterday, the member for Kiama is intelligent, educated and articulate. He is also illative. No doubt the *Macquarie Dictionary* editorial staff will be in contact with him as to a new use of the word "exfoliate". Over the past two years in the education portfolio this Government has achieved much.

The SPEAKER: Order! Members will come to order. Members who are not interested in education can leave the Chamber. I place the member for Swansea on three calls to order.

Mr ROB STOKES: I was speaking about the Education portfolio before I was rudely interrupted by members opposite. We on this side of the House recognise that education is a universal right for every child in this State and that it is a key role of Government to ensure that every child has access to a quality education. That is why all of our reforms in the Education portfolio have been directed towards giving our teachers high-quality training. Our teachers should be properly supported with the resources they need to ensure students are fully engaged and to ensure those students are given every opportunity to succeed in life—that they are prepared for the jobs, opportunities and challenges of the future. Over the last two years we have ramped up funding to historic levels. In relation to recurrent funding, \$12 billion was allocated in last year's budget to public education and a further \$1.2 billion was allocated to our partners in the non-government sector. Again, the aim of this allocation is to ensure that every child has access to a quality education.

Those of us on this side of the House are committed to the success of the National Education Reform Agreement and to ensuring that our commitments under it are fully met. In our budget we allocated the \$1.7 billion in funding over six years that is required from the New South Wales Government to meet those commitments. That funding is important because it pays for the programs that are ensuring our teachers are properly, appropriately and excellently trained and that our students, through the provision of quality facilities and resources, are given every chance to achieve excellent educational outcomes. It is no surprise that Professor John Hattie, an eminent expert in pedagogical leadership, has extolled our Great Teaching, Inspired Learning program worldwide as an exemplar of best practice in empowering great teaching outcomes. [*Extension of time*]

As an example of what we are doing, we are investing \$224 million in our State primary schools to enable and empower our best teachers to be involved in the coaching and mentoring of beginner teachers. This will ensure those beginner teachers develop the necessary skills in classroom engagement and in the other educational skills needed to enable them to give the children in their care the very best chance of a great future. The resource allocation methodology that lies at the heart of the National Education Reform Agreement is about ensuring that additional money goes to the students who need it most. Like other members in this place, I have had the great privilege of going into our schools and seeing the great outcomes being achieved through the application of this funding.

I have gone into staffrooms and seen the data walls, which show that every child is identified and cared for. Their educational journeys are mapped out so that we can ensure the desired outcomes are being achieved. I have seen it in regional schools like Griffith Public School run by Jude Hayman in the member for Murray's electorate; I have seen it in suburban public schools like Bidwell Public School, where Toni Thomas and her team are doing incredible work. I have seen the data wall mapping the progress of students. I have also seen it in an urban context. Unity Taylor-Hill and her team at the new school at Anzac Park in the Premier's electorate are, due to that increased funding, achieving those same outcomes of giving our children the very best head start and the very best educational outcomes we can deliver. That is what we have been doing over the past two years. That is what we will continue to focus on in each and every year to come.

*Committees***COMMITTEE ON THE HEALTH CARE COMPLAINTS COMMISSION****Membership**

Mr ANTHONY ROBERTS: I move:

That:

- (1) Pursuant to section 68 of the Health Care Complaints Act 1993, Katrina Ann Hodgkinson be appointed to serve on the Committee on the Health Care Complaints Commission in place of Melinda Jane Pavey; and
- (2) Mark Owen Taylor be appointed to the Committee on the Health Care Complaints Commission in place of Eleni Marie Petinos, discharged.

Motion agreed to.

LEGISLATION REVIEW COMMITTEE**Membership**

Mr ANTHONY ROBERTS: I move:

That pursuant to section 6 of the Legislation Review Act 1987, Gregory John Aplin be appointed to the Legislation Review Committee in place of Alister Andrew Henskens.

Motion agreed to.

**COMMITTEE ON THE OMBUDSMAN, THE LAW ENFORCEMENT CONDUCT COMMISSION
AND THE CRIME COMMISSION****Membership**

Mr ANTHONY ROBERTS: I move:

That Stephen Bruce Bromhead be appointed to the Committee on the Ombudsman, the Law Enforcement Conduct Commission and the Crime Commission in place of Eleni Marie Petinos, discharged.

Motion agreed to.

JOINT STANDING COMMITTEE ON ELECTORAL MATTERS**Membership**

Mr ANTHONY ROBERTS: I move:

That Melanie Rhonda Gibbons and Andrew Raymond Gordon Fraser be appointed to the Joint Standing Committee on Electoral Matters in place of Melinda Jane Pavey and Jai Travers Rowell, discharged.

Motion agreed to.

JOINT COMMITTEE ON THE OFFICE OF THE VALUER GENERAL

Mr ANTHONY ROBERTS: I move:

That Kevin John Humphries be appointed to the Joint Standing Committee on the Office of the Valuer General in place of Melanie Rhonda Gibbons, discharged.

Motion agreed to.

STAYSAFE (JOINT STANDING COMMITTEE ON ROAD SAFETY)**Membership**

Mr ANTHONY ROBERTS: I move:

That Kevin John Humphries be appointed to the Joint Standing Committee on Road Safety in place of Christopher Gulaptis, discharged.

Motion agreed to.

STANDING COMMITTEE ON PARLIAMENTARY PRIVILEGE AND ETHICS**Membership**

Mr ANTHONY ROBERTS: I move:

That Michael John Johnsen, Mark Owen Taylor and Damien Francis Tudehope be appointed to the Standing Committee on Parliamentary Privilege and Ethics in place of Mark Joseph Coure, Christopher Gulaptis and Jai Travers Rowell, discharged.

Motion agreed to.

COMMITTEE ON INVESTMENT, INDUSTRY AND REGIONAL DEVELOPMENT

Membership

Mr ANTHONY ROBERTS: I move:

That Adam Sibery Crouch and Katrina Ann Hodgkinson be appointed to the Legislative Assembly Committee on Investment, Industry and Regional Development in place of Alister Andrew Henskens and Melinda Jane Pavey, discharged.

Motion agreed to.

COMMITTEE ON COMMUNITY SERVICES

Membership

Mr ANTHONY ROBERTS: I move:

That Gregory John Aplin and Adrian Piccoli be appointed to the Legislative Assembly Committee on Community Services in place of Christopher Gulaptis and Eleni Marie Petinos, discharged.

Motion agreed to.

COMMITTEE ON ENVIRONMENT AND PLANNING

Membership

Mr ANTHONY ROBERTS: I move:

That Jai Travers Rowell be appointed to the Legislative Assembly Committee on Environment and Planning in place of Mark Joseph Coure, discharged.

Motion agreed to.

COMMITTEE ON TRANSPORT AND INFRASTRUCTURE

Membership

Mr ANTHONY ROBERTS: I move:

That Katrina Ann Hodgkinson and Eleni Marie Petinos be appointed to the Legislative Assembly Committee on Transport and Infrastructure in place of Alister Andrew Henskens and Melinda Jane Pavey, discharged.

Motion agreed to.

STANDING ORDERS AND PROCEDURE COMMITTEE

Membership

Mr ANTHONY ROBERTS: I move:

That Melanie Rhonda Gibbons be appointed to the Standing Orders and Procedure Committee in place of Mark Joseph Coure, discharged.

Motion agreed to.

Petitions

PETITIONS RECEIVED

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

Pet Shops

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

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**.

Ferry Services

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

Bus Service 389

Petition requesting a more reliable 389 bus service, 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 opposing the sale of public housing in Millers Point, Dawes Point and The Rocks, 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. Mark Speakman—Daylight Saving—lodged 22 February 2017 (The Hon. Adam Marshall)

Business of the House

ANZAC MEMORIAL CENTENARY PROJECT

Reordering

Mr DARYL MAGUIRE (Wagga Wagga) (15:28): I move:

That General Business Notice of Motion (General Notice) No. 1 given by me this day [Anzac Memorial Centenary Project] have precedence on Thursday 30 March 2017.

The motion I am seeking to have reordered relates to how the New South Wales Government is committed to upgrading and enhancing the Anzac Memorial in Hyde Park; the launch on Monday of work on a major piece of public art that will display soil and individual plaques from the 1,699 towns, suburbs and localities where the men and women of New South Wales enlisted for service in the First World War; and how the Liberal-National Coalition Government is committed to acknowledging more than 100 years of service and sacrifice that we will never forget. This motion should be reordered for tomorrow because we are approaching significant milestones: the Anzac services that will take place this year and next year to acknowledge the centenary of the First World War.

The New South Wales Government has embarked upon plans that were unveiled by the then Premier, Mike Baird, on 19 July 2015 to extend and complete the original design by Bruce Dellit. The Anzac Memorial, a pre-eminent war memorial in New South Wales, is listed as a military memorial of national significance. This project is being overseen by the trustees of the Anzac Memorial building and the Premier as chairman. The other trustees include the New South Wales Leader of the Opposition, the City of Sydney and the Returned and Services League NSW Branch. The New South Wales Government is providing funding of \$37.9 million for the project, which includes an education and interpretation facility beneath the Anzac Memorial and the conclusion of the southern water feature that was part of the original 1930 design but not completed due to a lack of funds. The Commonwealth is contributing \$19.6 million to this project. The redevelopment of the memorial will be the primary legacy of Centenary of Anzac commemorations.

Following an art competition, artist Fiona Hall has been commissioned to create a new art installation in the centenary project's new hall of service. The artwork will contain the names of 1,699 towns, suburbs and localities from across New South Wales from where men and women enlisted for the First World War. Displayed by each name will be a handful of soil from that location. A community engagement plan is being developed for the collection of soil throughout the State, which is anticipated to take 12 months. The ring set on the floor will list 100 significant sites of military service. Every member in this House will want to be informed by debate so that they understand the significance of this project. My motion should be given precedence tomorrow so that all members can participate in this important event.

Ms PRUE CAR (Londonderry) (15:31): My motion should be debated urgently tomorrow as it is about the health of tens of thousands of families in the western suburbs—this Government's proposal to build the largest garbage incinerator in the Southern Hemisphere, at Eastern Creek. This Government is being sold a pup by the snake oil merchants of the waste industry—the sort of people who would have us believe that clean coal exists. Does the Government really believe it will be okay to make the people of Western Sydney inhale the smoke from burning household garbage? Worst of all, are we going to cop this sort of treatment? This proposal will damage people's health, plain and simple. This technology is untested and it is dangerous.

The Government's own Department of Health and the Environment Protection Authority [EPA] have said that it will kill people. That is what this Government's own agencies have said. Thank God for those

departments as they are doing the job for the member for Mulgoa who has said nothing about this proposal and there is outrage in her community. If this project was built in Wakehurst, Davidson, Manly, on the North Shore or in Willoughby would we be having this sort of debate? We know the answer to that question. An announcement in Jillian Skinner's much talked about recent newsletter reveals that the Government is moving a ventilator stack because it is too close to a state-of-the-art art centre at Monte Sant' Angelo Mercy College on the North Shore. Who has the job of explaining this to the parents of children at James Erskine Public School or St Clair Public School?

Ms Sophie Cotsis: The member for Mulgoa is not even listening.

Ms PRUE CAR: The member for Mulgoa is not even listening to debate about this dangerous proposal to build a toxic incinerator in her community. This Government has form. We have to cop it in Western Sydney. If Hunters Hill does not want its radioactive waste that is okay; dump it in Western Sydney. If someone calls the Government and says, "We want to build a dump", that is okay—build it in Western Sydney. I have a message for the Government— [*Time expired.*]

The SPEAKER: The question is that the motion be agreed to.

The House divided.

Ayes47
Noes37
Majority.....10

AYES

Anderson, Mr K
Barilaro, Mr J
Brookes, Mr G
Coure, Mr M
Dominello, Mr V
Fraser, Mr A
Grant, Mr T
Henskens, Mr A
Johnsen, Mr M
Maguire, Mr D
O'Dea, Mr J
Perrottet, Mr D
Provest, Mr G
Speakman, Mr M
Toole, Mr P
Williams, Mr R

Aplin, Mr G
Berejiklian, Ms G
Conolly, Mr K
Crouch, Mr A
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
Roberts, Mr A
Stokes, Mr R
Upton, Ms G
Williams, Mrs L

Ayres, Mr S
Bromhead, Mr S (teller)
Constance, Mr A
Davies, Ms T
Evans, Mr L
Goward, Ms P
Hazzard, Mr B
Humphries, Mr K
Lee, Dr G
Notley-Smith, Mr B
Pavey, Mrs M
Piccoli, Mr A
Sidoti, Mr J
Taylor, Mr M
Ward, Mr G

NOES

Aitchison, Ms J
Car, Ms P
Cotsis, Ms S
Dib, Mr J
Finn, Ms J
Harris, Mr D
Hoenig, Mr R
Leong, Ms J
McKay, Ms J
Minns, Mr C
Robertson, Mr J
Warren, Mr G
Zangari, Mr G

Atalla, Mr E
Catley, Ms Y
Crakanthorp, Mr T
Donato, Mr P
Foley, Mr L
Harrison, Ms J
Kamper, Mr S
Lynch, Mr P
Mehan, Mr D
Park, Mr R
Scully, Mr P
Washington, Ms K

Barr, Mr C
Chanthivong, Mr A
Daley, Mr M
Doyle, Ms T
Greenwich, Mr A
Haylen, Ms J
Lalich, Mr N (teller)
McDermott, Dr H
Mihailuk, Ms T
Piper, Mr G
Smith, Ms T F
Watson, Ms A (teller)

PAIRS

Tudehope, Mr D

Hornery, Ms S

Motion agreed to.

The DEPUTY SPEAKER: Order! I remind members that several of them are on three calls to order.

*Motions Accorded Priority***GOSFORD HOSPITAL REDEVELOPMENT****Consideration**

Mr ADAM CROUCH (Terrigal) (15:42): The reason my motion should be accorded priority is that it is not the motion of the member for Maroubra. This Government has committed \$348 million to the redevelopment of Gosford Hospital. During question time today we heard the Minister for Health give all the reasons for that redevelopment being just a pipedream of those opposite. For 16 long years the people of the Central Coast had to languish in substandard health services in a crumbling hospital. Now we see unprecedented numbers of nurses and doctors watching firsthand the redevelopment of the hospital that they so desperately deserved but could only wish for under those opposite.

Those unprecedented numbers of doctors and nurses deserve the best and this Government is delivering it for them, unlike those opposite, who spent nothing. Those opposite are the same people who, under the cover of darkness in 2011, were going to close Woy Woy Hospital. Without any consultation or discussion with the public, they were going to close a hospital. It is quite clear that the biggest risk to health on the Central Coast is those opposite. When people walk down Racecourse Road they can see the enormous development of Gosford Hospital—it is a fantastic building.

Just this Monday the health Minister and the Premier were at the hospital with the Liberal candidate for Gosford, Jilly Pilon, and me to inspect level 6 of that incredible development. In the next two months, level 11 will be completed. This fantastic state-of-the-art hospital is being delivered for all the people of the Central Coast. Those opposite failed the people of the Central Coast for 16 years. Those opposite were closing a hospital. We have not only saved Woy Woy Hospital from those opposite; we have given people on the Central Coast the best hospital they could ever have. In addition, the Government has made a \$200 million commitment to Wyong Hospital.

As I said, those opposite are the greatest risk to health on the Central Coast. Gosford Hospital will be getting a new emergency department, a new intensive care unit, an enhanced operating theatre, a new cardiovascular unit, a new birthing unit, a special care nursery and additional inpatient facilities. In addition, because we are delivering this project early and on budget, we are able to contribute another \$20 million to a medical research unit, which those opposite poo-pooed and did not support. This \$75 million project is being undertaken in conjunction with the Federal and State governments and the University of Newcastle. That is why my motion should be accorded priority.

QUESTION ALLOCATIONS**Consideration**

Mr MICHAEL DALEY (Maroubra) (15:46): My motion deserves priority because it goes to the very heart of the role of the Opposition in this place—to be the principal body responsible for holding this Government to account. Yesterday the Speaker wrote to me as follows:

Dear Michael,

As you are aware, party representation in the Legislative Assembly has changed as a result of recent by-elections occurring in the seats of Orange, Canterbury and Wollongong in 2016. I write to advise that as of 28 March 2017, I have agreed to allocate one additional question to the crossbench each sitting fortnight.

I say for the benefit of our friends on the crossbenches that I think they should get another question; their representation has increased. The Opposition says they should get another question, but it should not come at the expense of the Opposition because it was not Labor that dropped representation in the by-elections; it was the Coalition. It was not Labor that suffered a massive defeat in Orange, holding a seat for 69 years and then getting slaughtered; it was the Coalition. I remind the House that the Labor Party had two members standing for those by-elections and we had two members coming out. We did not suffer humiliation; the Government did, and we should not have to pay. Yesterday I replied to the Speaker and said this:

Madam Speaker,

You are now saying to the Labor Opposition that since the Coalition has lost a seat the Opposition should be punished. This is perverse, unfair and unjustifiable.

I put a question to the Speaker and said:

If the Liberal Party loses the seat of North Shore or perhaps Manly or both in the upcoming by-elections, is it your proposition that further questions will be taken off the Opposition? Presumably so, but I am still waiting for a reply. This is another bald-faced attempt, like many in the past six years, to try to muzzle the Opposition. I cannot blame the Speaker for wanting to do that, because if ever there was a need for a Premier and for a failing government to be the beneficiary of jiggery-pokery of some legislative welfare from the Chair, this is it. Mike Baird has departed and left in his wake the wickedest leader on the floor of Parliament this place has ever seen. I never thought I would have to say this but Gladys Berejiklian's performance in this place makes Peter Debnam look like Neville Wran.

Ms Jenny Leong: I seek leave to make a contribution.

The DEPUTY SPEAKER: Leave is not granted.

Mr Michael Daley: I seek leave to move a motion to suspend standing orders to allow the member to speak.

Leave not granted.

The DEPUTY SPEAKER: The question is that the motion of the member for Terrigal be accorded priority.

The House divided.

Ayes52
Noes34
Majority..... 18

AYES

Anderson, Mr K
Barilaro, Mr J
Brookes, Mr G
Coure, Mr M
Dominello, Mr V
Evans, Mr L
Goward, Ms P
Gulaptis, Mr C
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
Upton, Ms G
Williams, Mrs L

Aplin, Mr G
Berejiklian, Ms G
Conolly, Mr K
Crouch, Mr A
Donato, Mr P
Fraser, Mr A
Grant, Mr T
Hancock, Mrs S
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
Ward, Mr G

Ayres, Mr S
Bromhead, Mr S (teller)
Constance, Mr A
Davies, Ms T
Elliott, Mr D
Gibbons, Ms M
Greenwich, Mr A
Hazzard, Mr B
Humphries, Mr K
Lee, Dr G
Notley-Smith, Mr B
Pavey, Mrs M
Piccoli, Mr A
Roberts, Mr A
Speakman, Mr M
Toole, Mr P
Williams, Mr R

NOES

Aitchison, Ms J
Car, Ms P
Cotsis, Ms S
Dib, Mr J
Foley, Mr L
Haylen, Ms J
Lalich, Mr N (teller)
McDermott, Dr H
Mihailuk, Ms T
Robertson, Mr J
Warren, Mr G
Zangari, Mr G

Atalla, Mr E
Catley, Ms Y
Crakanthorp, Mr T
Doyle, Ms T
Harris, Mr D
Hoenig, Mr R
Leong, Ms J
McKay, Ms J
Minns, Mr C
Scully, Mr P
Washington, Ms K

Barr, Mr C
Chanthivong, Mr A
Daley, Mr M
Finn, Ms J
Harrison, Ms J
Kamper, Mr S
Lynch, Mr P
Mehan, Mr D
Park, Mr R
Smith, Ms T F
Watson, Ms A (teller)

PAIRS

Tudehope, Mr D

Hornery, Ms S

Motion agreed to.**GOSFORD HOSPITAL REDEVELOPMENT****Priority****Mr ADAM CROUCH (Terrigal) (15:56):** I move:

That this House:

- (1) Acknowledges the Government's \$348 million commitment to redevelop Gosford Hospital.
- (2) Recognises the Government is investing over half a billion dollars to upgrade Central Coast health infrastructure.
- (3) Condemns the Opposition for neglecting the Central Coast, including its attempt to close Woy Woy Hospital during its 16 years in office.

As outlined earlier, I acknowledge this Government's \$348 million commitment for the redevelopment of the fantastic Gosford Hospital. The New South Wales Liberal-Nationals are investing more than half a billion dollars to upgrade Central Coast health infrastructure. I condemn those opposite for neglecting the Central Coast, including their attempt to close Woy Woy Hospital during their 16 years in office—a shameful exercise by those opposite who pretend to defend the health system on the Central Coast.

Those opposite were the greatest risk to health care on the Central Coast and everybody knows it. We had a crumbling and decaying health system on the Central Coast. The member for Wyong was there the whole time. The member for The Entrance, who ran for election a couple of times, got to watch from the sidelines the crumbling health system—something for which those opposite should be ashamed. Under this Government we have seen rejuvenation on an unprecedented scale. It was great to have the health Minister in the Chamber during question time today. Only a few days ago we were standing at Gosford Hospital. Prior to the 2015 State election those opposite lied to the electorate about spending on Gosford Hospital. I clearly recall the former member for Gosford, who unfortunately cannot be here, stating on ABC radio, "This is another pipe dream of the Government, another promise of money that will never be delivered". I say to those opposite to drive down Racecourse Drive.

Mr Luke Foley: He is attacking a dying woman.**The DEPUTY SPEAKER:** Order! The Leader of the Opposition will resume his seat.**Mr ADAM CROUCH:** If Opposition members even knew where the Central Coast was they could take a look at the 11-storey building that is being delivered.**Mr Luke Foley:** This grub is attacking a dying woman and he should stop.**Mr ADAM CROUCH:** The reality is that those comments were made.**The DEPUTY SPEAKER:** Order! I direct the Leader of the Opposition to remove himself from the Chamber for a period of one hour.*[Pursuant to sessional order the Leader of the Opposition left the Chamber at 4.00 p.m.]***Mr David Mehan:** Point of order: My point of order is under Standing Order 76. The member has strayed from the leave of the motion and is attacking the former member for Gosford.**The DEPUTY SPEAKER:** Order! There is no point of order. The member for Terrigal has the call.

Mr ADAM CROUCH: I outlined previously, and will repeat for those screaming across the Chamber and not listening, that it was a statement made by the former member for Gosford on ABC radio during the election campaign. I empathise with the situation of the former member for Gosford; my wife is in a similar situation with cancer. The reality is that those comments were made in 2015. Members opposite do not want to be held accountable for their statements. This Government is getting on with the job of delivering the perfect health system on the Central Coast. An amount of \$348 million has been allocated for the development for Gosford Hospital. It is the tip of the iceberg. There is funding of \$1.9 million for Long Jetty and Wyong to refurbish the transition care unit. Had the Leader of the Opposition bothered to listen to what I was saying he would realise that I was outlining comments that were made publicly.

If members make comments publicly outside the Chamber they are held accountable for them. Members opposite have run numerous scare campaigns regarding Wyong and Gosford hospitals.

Recently, a candidate for Gosford questioned the privatisation of Gosford Hospital. It was a complete untruth. This Government will defend itself against misinformation. It will defend its delivery of services to the Central Coast. The local health district is doing a fantastic job. During the redevelopment patient numbers and turnaround times have improved. While the hospital is being redeveloped around it the local health district is doing an outstanding job to improve the times for elective surgery. When Labor was in office it was 91 per cent and it is now 97 per cent. That is due to the extra clinicians at Gosford Hospital. It is only part of what this Government is delivering for the Central Coast. [*Time expired.*]

Mr DAVID HARRIS (Wyang) (16:02): There is occasional banter across the Chamber in this place and the phrase "16 years in Government and Labor did nothing" is often repeated. The member for Terrigal has not told the House that when he stood on the mezzanine floor he was looking at a tower built by Labor during those 16 years. In fact, NSW Labor spent \$220 million between 1999 and 2005. That is only a small part of the spending. The rubbish spouted by members opposite that nothing happened on the Central Coast is a blatant lie. I do not like to use that word but it is appropriate.

In 2011 Labor spent \$135 million on roads including Terrigal Drive, the Pacific Highway at Kariong, Tuggerah Straight, Avoca Drive and the Central Coast Highway projects. The Government has claimed credit for those projects. All it did was cut the ribbon, as construction had started when Labor was in government. The Coalition has done some things since that time, but the facts are that Labor achieved much during its tenure. The Central Coast had good representation at the time. People on the coast had a taste of Liberal representation for four years. During that time four of those members were called before the Independent Commission Against Corruption and they resigned. Those electorates have returned Labor members. The member for Terrigal experienced a significant swing against the Liberal Party because the community understands that Labor represents the people of that electorate.

After speaking to Matt Hanrahan from Central Coast Health Labor announced the campaign for Gosford and Wyong hospitals. That was prior to the Liberal Party announcement. Government members are full of rubbish. As populations grow services are added and the job is never finished. If the member for Terrigal is telling people that this is the last money that Gosford or Wyong hospitals will receive because the job is done then he needs to resign now and walk out of the Chamber, because he will be held responsible for that statement. The Government promised \$200 million for Wyong Hospital. It is now saying that will be achieved through privatisation. It is not coming from the Government.

Mr Adam Crouch: That is not true.

Mr DAVID HARRIS: It is absolutely true. If the private sector is supplying the \$200 million the money is therefore coming from the private sector. The people of the Central Coast understand what the Government is doing. In the by-election they will judge the Government as they did in the electorates of The Entrance, Swansea and Wyong—they threw the Liberal Party out. Without the vote of the rich people on the beachfront at Terrigal the Liberal Party would have also lost in that by-election. When Labor members meet with communities and local groups they tell us how hard it is. In this place members opposite tell us how good it is. They need to speak to people and find out what is going on. Last Monday when the Government members were in the hospital tower meeting with nobody except the press, Labor was across the road meeting with nurses, doctors and health workers. They told us the truth about what is going on in health on the Central Coast. Labor spoke to the real people who work in the system.

Mr Mark Coure: Point of order: My point of order is relevance. The member is not speaking to the motion.

Mr Jihad Dib: Can we stop the clock?

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

Mr DAVID HARRIS: I was speaking about health workers, you dope. Those opposite do not want to listen to people on the ground. Government members think they know everything and get everything right. The truth is that the people of the Central Coast judged them at the last election and will judge them again on 8 April based on the promises they did not keep. The member for Terrigal will be held accountable for his statements. The member says a lot of things, most of which are not right.

Mr Adam Crouch: You are saying we are privatising the hospital, are you?

Mr DAVID HARRIS: We are. It is private money. [*Time expired.*]

The DEPUTY SPEAKER: I remind members that the clock is never stopped during debate. After the time consumed by the outburst of the Leader of the Opposition I find it hard to believe that an Opposition member would make that request.

Mr JONATHAN O'DEA (Davidson) (16:08): NSW Labor members have shown disdain and disregard for the people of Gosford, just as they have for people in northern Sydney, where traffic congestion and health services are not a priority for them. When in government Labor had an extremely disappointing record on health. In my area that was evidenced by Labor's refusal to deliver the much-promised Northern Beaches Hospital. Minister for Health Brad Hazzard is now delivering that.

Mr David Harris: Point of order: The motion specifies the Central Coast but the member is speaking about northern Sydney.

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

Mr JONATHAN O'DEA: The motion also relates to health, which is why I spoke about the Northern Beaches Hospital in my area. On the Central Coast Labor had an appalling intent to close down Woy Woy Hospital. Labor slated that hospital for closure, whereas this Government has funded an \$11.2 million 30-bed upgraded rehabilitation ward. The Liberal-Nationals Government is investing more than half a billion dollars to upgrade Central Coast health infrastructure as part of a record program of building in New South Wales. It has made a \$348 million commitment to redevelop Gosford Hospital, which includes a range of fantastic new services.

This commitment is consistent with our commitment to Gosford generally, including delivering express train services between the Central Coast and Sydney and an improved road link with NorthConnex, which we heard about from the Premier today in question time. While the Government delivers and governs for all of New South Wales the Labor Party continues to largely ignore a huge part of Sydney from the Harbour Bridge to the Central Coast. In the upcoming by-elections of North Shore and Manly, Labor has vacated the political space and left The Greens as the main opposition party.

Labor is running a candidate in Gosford but not unsurprisingly it is conducting a largely independent-type campaign. Interestingly, Leader of the Opposition Luke Foley appears not to feature in the campaign at all. When it comes to Labor's stance in northern Sydney it is a case of look away; while in Gosford it is Luke away. It is a Foley-free zone. The main role of the Leader of the Opposition in the Gosford campaign has been to parachute in a candidate, preventing a local preselection and overriding democratic principles. In April people should remember Labor's record and look to the bright prospects under a Berejiklian Government, particularly in the health sector, on the Central Coast. [*Time expired.*]

Mr DAVID MEHAN (The Entrance) (16:11): It says a lot about how the Government is perceived on the Central Coast that the only member it could find to support the motion moved by the member for Terrigal was a member who lives on the North Shore, on the other side of the Hawkesbury River. That is the closest it got to the Central Coast after the 2015 election and the closest it will ever come. Paragraph (1) of the motion refers to an allocation of \$348 million for Gosford Hospital. It is a matter of public record that it was a bipartisan commitment by the Liberals and Labor on the Central Coast in the lead-up to the 2015 State election to allocate \$348 million to that hospital.

Mr Jonathan O'Dea: What about Woy Woy Hospital? You wanted to close it.

Mr DAVID MEHAN: I am talking about Gosford Hospital. Paragraph (3) of the motion refers to an allocation of \$200 million, with no strings attached, which was a bipartisan commitment given by the Liberals and Labor on the Central Coast to Wyong Hospital. As soon as the Coalition formed government there was no \$200 million for Wyong Hospital unless it went with a private operator. That is the privatisation of a local health district—

Mr Jonathan O'Dea: Point of order: Points of order have been made in this debate in a quite inappropriate way. I am blatantly taking up the very same time that members Opposite took from me.

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

Mr DAVID MEHAN: I am talking about the Central Coast Health District, of which Wyong Hospital is an integral part that they want to privatise. The Liberals did not promise to privatise it during the State election but announced it afterwards. They are reneging on their promises at the State election. They have privatised Wyong Hospital and the local health district. Allocation of health services will not be made on the basis of need but on the basis of whether a person has private health insurance.

The DEPUTY SPEAKER: Order! The member for Terrigal will have an opportunity to speak in reply.

Mr DAVID MEHAN: It is only Labor that is committed to the provision of public health on the Central Coast on the basis of need and not on the basis of private health cover. In January the Premier said on the coast

that she wanted health to be accessible and affordable. The coast will not have a public health system; it will have a privatised health system. That is all the member for Terrigal wants to deliver.

Mr ADAM CROUCH (Terrigal) (16:14): In reply: The member for The Entrance spoke a load of rubbish and said that this Government is privatising the entire local health district. Members can check that in *Hansard*. That is a lie and a disgrace. Members opposite, including the Leader of the Opposition, did not want to hear what Government members were saying. The reality is that this Government is delivering the best services to the local health district in Gosford. I pay full credit to the Government for employing unprecedented levels of doctors and nurses in the local health districts.

The member for Wyong referred to the plans that were announced in Kibble Park on Monday but even that was wrong. They said they would match job plans dollar for dollar with the council. The only problem was that they had not told the council. They did not even discuss the \$10 million with council. Their plan is not worth the paper it is printed on, which probably happened at Kwik Kopy at Hornsby along the way. This Government is delivering a record amount of infrastructure spending on the Central Coast. Members opposite know it and they do not like it. Last Monday the Minister for Health visited the area. Gosford Hospital will be delivered early.

In addition, the outstanding medical health unit and medical research unit there is so good that the Federal Government is contributing \$35 million and the University of Newcastle is contributing \$20 million. That is because we work collaboratively. Labor did not deliver this facility to the Central Coast in 16 years in office. We have been able to deliver that in less than five years. They can wave their arms about but they do not want to hear the truth.

The DEPUTY SPEAKER: Order! I place all Opposition members in the Chamber on three calls to order—except the member for Cabramatta.

Mr MARK COURE: I will be so proud to be with the Premier on Monday and the Minister for Health knowing that we are protecting jobs and creating more positions for doctors and nurses on the Central Coast. Nurses pouring out of the university Ourimbah campus will now have the opportunity to get a job on the Central Coast. Under members opposite they would have been farmed out across New South Wales. They will be able to work on the Central Coast in a state-of-the-art hospital that we delivered for the people of the Central Coast and that they deserved. This Government has invested \$500 million on the Central Coast.

Ms Kate Washington: All going to private enterprise.

Mr ADAM CROUCH: I acknowledge another interjection from the member for Port Stephens. Gosford Hospital is not being privatised. Had the member for Port Stephens bothered to read the information she would have realised that a partnership is not a privatisation and it is being reviewed by the Minister for Health.

Mr Mark Coure: Hang on—they want to privatise it.

Mr ADAM CROUCH: That is right, maybe they want to privatise it. They are so fixated on privatisation, maybe they do want to do it. We are protecting the health system on the Central Coast.

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

Ayes46

Noes36

Majority.....10

AYES

Anderson, Mr K
Berejiklian, Ms G
Conolly, Mr K
Crouch, Mr A
Elliott, Mr D
Gibbons, Ms M
Hazzard, Mr B
Humphries, Mr K
Lee, Dr G
Notley-Smith, Mr B
Pavey, Mrs M
Piccoli, Mr A
Rowell, Mr J

Aplin, Mr G
Bromhead, Mr S (teller)
Constance, Mr A
Davies, Ms T
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

Ayres, Mr S
Brookes, Mr G
Coure, Mr M
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

AYES

Stokes, Mr R
Upton, Ms G
Williams, Mrs L

Taylor, Mr M
Ward, Mr G

Toole, Mr P
Williams, Mr R

NOES

Aitchison, Ms J
Car, Ms P
Cotsis, Ms S
Dib, Mr J
Finn, Ms J
Harrison, Ms J
Kamper, Mr S
Lynch, Mr P
Mehan, Mr D
Park, Mr R
Scully, Mr P
Washington, Ms K

Atalla, Mr E
Catley, Ms Y
Crakanthorp, Mr T
Donato, Mr P
Greenwich, Mr A
Haylen, Ms J
Lalich, Mr N (teller)
McDermott, Dr H
Mihailuk, Ms T
Piper, Mr G
Smith, Ms T F
Watson, Ms A (teller)

Barr, Mr C
Chanthivong, Mr A
Daley, Mr M
Doyle, Ms T
Harris, Mr D
Hoenig, Mr R
Leong, Ms J
McKay, Ms J
Minns, Mr C
Robertson, Mr J
Warren, Mr G
Zangari, Mr G

PAIRS

Tudehope, Mr D

Hornery, Ms S

Motion agreed to.

*Bills***LOCAL GOVERNMENT AMENDMENT (RATES—MERGED COUNCIL AREAS) BILL 2017****Second Reading**

Debate resumed from an earlier hour.

Mr STEPHEN BROMHEAD (Myall Lakes) (16:24): When speaking in debate on the Local Government Amendment (Rates—Merged Council Areas) Bill 2017 before the luncheon adjournment I was referring to three reports into Greater Taree City Council—the better practice report, TCorp and Fit for the Future. But in mentioning those reports I make no reflection on the great staff in the organisation. They do a fantastic job, but they need good leadership and a culture in which to thrive and feel ownership. The MidCoast Council has great leadership under acting general manager Glen Handford and the managers who have been appointed. Indeed, this great team, which has been pulled together from three different areas of local government, came up with "Better as one". For almost 200 years this region has been based on the Manning River. [*Extension of time*]

Rather than one region having three different councils working against each other, those councils are now working together. That is a great thing for this community. Since the merger, the council has identified ongoing savings of approximately \$4.5 million per year, which has allowed it to put \$16 million towards a roads and bridge package. This is a great result for the newly merged council; far more than what was expected. Importantly, the decline in asset condition to which I referred earlier is unacceptable as the community has consistently rated roads as its highest priority. In a recent community satisfaction survey, MidCoast Council residents rated the condition of local roads in need of significant improvement and of the highest importance. Our community's satisfaction with our roads was significantly lower than the statewide and regional group averages. Given that the community consistently identifies the condition of roads and bridges as its highest priority, and with the unsustainable levels of backlog and depreciation, council decided to take a special rate variation proposal to the community.

The modest proposal was for an increase of 5 per cent, including the rate peg, each year over a four-year period. This will allow council to deal with the depreciation and to ensure that the roads do not slip into a state of disrepair requiring full redevelopment. If the council decides to take the rate variation application to the Independent Pricing and Regulatory Tribunal and it is approved, it will be able to get on with the backlog of roads and bridges so urgently needed in the area. I repeat: The bill and its amendments have bipartisan support across the Parliament. The bill will save many residents in the MidCoast Council area the significant rate rise proposed

by the three councils prior to the merger. It will also save those councils from falling off a cliff at the end of the three-year period if they are unable to keep up with the backlog. I commend the bill to the House.

Mr DAVID HARRIS (Wyang) (16:28): The object of the Local Government Amendment (Rates—Merged Council Areas) Bill 2017 is to require a newly merged council to maintain pre-merger rate paths when levying rates for land in the newly merged councils for three rating years, as if they were still in the form of standalone council areas. The Hon. Peter Primrose, the shadow Minister for Local Government, has pointed out that there is no definition in the bill of a "rate path", nor is it clear how rate paths will be coordinated with the rate pegging.

This bill is a proposed law, so it needs to be precise. At the very least, as the Hon. Peter Primrose said, it would be reasonable for it to define the thing it is seeking to mandate for about half the population of New South Wales. As we heard from both the Minister earlier today and from the Opposition, the Independent Pricing and Regulatory Tribunal [IPART] provided an interim report on this specific issue to the Government in June 2016. It was released publicly on 27 August. During budget estimates hearings, the then Minister—the member for Bathurst—indicated that IPART would hand down its final recommendation in December 2016 and that the Government would respond. We now have legislation before the House, but that final report has not been made public and no government response has been issued.

The Hon. Peter Primrose wrote to IPART and asked what had happened to the final report. Its advice, as the member for Fairfield said, was quite succinct: "The final report is with the Department of Premier and Cabinet and it will be up to the Government to decide when the report is released publicly." So members in this place and in the other place are being asked to vote on a bill before they know what the final report says or what the Government's response to that report is. Once again, the Government is putting the cart before the horse in asking people to make up their minds about an important piece of legislation that will affect a number of people.

It is not surprising that this Government is on its third Premier and its third Minister for Local Government. Ever since it started with these mergers, the Government has been in the courts—and it continues to be in the courts. There was a ruling just yesterday, I think, in favour of some of the councils that are continuing to fight amalgamation. The Government's council amalgamations have been a real dog's breakfast. I include in that description what has been happening on the Central Coast. On 14 March this year, the *Central Coast Express Advocate* reported that Mr Scot MacDonald, the Parliamentary Secretary for the Central Coast, had said:

The community can take comfort in the fact that their rates are not going to go through the roof. Legislation is going through the parliament right now to put in place a rates freeze over the next three years.

It is not in fact a rates freeze. Rates will continue to rise as they otherwise would have. That is not a freeze. A "freeze" means there is no rise at all, so the Parliamentary Secretary's comment was a bit misleading. As is the case with a number of other Government members, Mr Scot MacDonald is happy using terms such as "rate freeze", a term that is misleading and that does not appear in the bill or in the Minister's second reading speech. Also as pointed out by the Hon. Peter Primrose in the other place, Mr Scot MacDonald, in an email to a constituent dated 16 March, said:

First a correction. If the legislation before the parliament passes, the rate freeze will be there for a total of four years, not three—
—he is talking about a "rate freeze" again, even though it is not a rate freeze—

The New South Wales Government said at the time of the proposed merger our preference was to rate freeze and not harmonise disparate levels in this period.

As I said, a "rate path" is about rates continuing to rise at the rate they were otherwise going to rise at anyway. It is not a freeze. As I said, "freeze" means they are staying exactly where they are now. That is misleading and people have misunderstood. People in the northern part of the Central Coast have been contacting my office because they are concerned. They are concerned because through IPART our council—the former Wyong Shire Council—got a special rate variation for a 6.9 per cent increase, including the rate pegging of 1.8 per cent, over four years. This is the final year, so that variation finishes in July this year.

But this means that, for the past four years, rates for people in the Wyong shire have gone up by 6.9 per cent. We were told that that had to happen in order to fund infrastructure. But recently we got the long-awaited report on the 2015-16 finances of the former Gosford City Council. That report showed that an overvaluation of assets had led to a massive writedown of \$1.39 billion—believed to be the largest ever for a council in Australia—as well as \$74 million of land assets not found. I do not know how one loses land, but it managed to do it. In addition, \$14 million was missing from the library fund, and spending on roads, maintenance and services was well short of what was allocated.

Residents of the old Wyong shire, as I am and as all my constituents are, would have genuine concerns that the extra money they had been charged—that 6.9 per cent a year increase I described—would now be spent

in Gosford to fix up bad management over a number of years, and that the old Wyong shire would miss out. We had our first taste of that with the \$10 million—what I call "the merger bribe"—that the State Government gave to the merged entity. Former councillor Greg Best, who voted for the amalgamation and in the debate said, "We have to support the merger because we need that \$10 million", last week described the merger as "a pig with lipstick". He called it that because when money from the merger bribe got distributed only one of the 10 projects to be funded was a project specifically for the old Wyong shire.

There we have it. Wyong shire was doing better with roads, with water and with sewerage, and it was building more footpaths but now we are being made to suffer. Our money is going to the south where the management was not as good. I said at the time that this would happen. When I spoke at the Wyong Golf Club about the mergers I said, "Be careful what you wish for, because the Government has said that Gosford is the capital of the Central Coast." The Wyong shire is the biggest growth area, the place where 4,000 new blocks are being delivered, but it suffers from a lack of infrastructure. It has a hospital, the operations of which are being given to the private sector—which is privatisation, but the Government will not admit that. Wyong shire is taking all the pain but Gosford is getting all the gain from the merger.

It is not just me saying this. When all the former Independents—that is, the Liberals—who were on the council are saying that the merger was a bad idea, I have to say that they did not listen to me. I said at the time that this would not be good for our area. The Premier stood up in the Chamber the other day and said that people were pleased about the merger but I can tell them that the longer it goes the more people are seeing the downside and the pitfalls. [*Extension of time*]

When it comes to rates, this is important. The people of Wyong shire, a new and growing greenfield area, need infrastructure so how their rates are spent is important to them. People are saying to me all the time, "We had to take this rate rise. We did not complain too much about the 6.9 per cent increase compounding over four years—it was not a one-off 6.9 per cent; it was compounding—because we could see we needed to build things." But now when the money is being dished out it is not being dished out to people in the electorates of The Entrance, Wyong or Swansea. It is incumbent on us to stand up for our constituents and to say that the Central Coast Council merger is currently not in the best interests of ratepayers. The Government might crow about its achievements, but those achievements will not benefit people in our electorates. In my electorate we had record road spending from council—up to about \$62 million.

Mr Gareth Ward: From the State Government.

Mr DAVID HARRIS: No, this was the council. The council was starting to get its act together and putting in the investment that was needed. A very good arts centre was built. I quibbled with council as I did not like where it was built; I thought it should be at Warnervale because that is the growth area. But it works really well, except when it rains a lot because the area floods. It is important for people to know that under this proposal their rates will not be frozen but will continue to rise. They need to know they are getting value for money. As the Hon. Peter Primrose said in the other place, there is no confidence that this Government is making good decisions or the right decisions because it keeps all its reports and documents secret. We asked for the document to show us the real case relating to the Woy Woy underpass, for which the former Gosford Council got the blame. It gave us the document with all the figures redacted so we could not see what was happening.

What we could see from 272 pages of emails, information and reports was that the old Gosford Council was not the guilty party when it came to why that project was being constructed. Recently the Liberal candidate for Gosford said the \$50 million was still on the table, which meant ratepayers would have to find the other \$70-odd million. Whether mergers are a good thing or a bad thing, people in the north are starting to wake up to the fact that mergers may not be the best deal for them. They certainly think it is unfair that they will continue to pay higher rates. We probably would have worn it if the rates had been harmonised and we were paying the same as our southern cousins, as long as we were getting half the benefit, but unfortunately that is not the case.

Labor is supporting this legislation because it is better than having nothing in place at all, but the big worry—and several members from this side have said it—is that at the end, which is probably 2019-20, councils will try to catch up on the revenue that they will not be collecting now, so ratepayers will then have a massive impost on them at that time. That is what the Government needs to come clean on, and it needs to ensure that councils cannot do that, although if we want the infrastructure I do not know how councils will pay for it. Our chief executive officer quite openly says that even though the Government has promised about \$20 million for amalgamations, the cost of amalgamating Gosford and Wyong councils will be closer to \$100 million.

Mr Adam Crouch: They just made a \$35 million profit.

Mr DAVID HARRIS: The member for Terrigal said they made a profit. Councils do not make profits; they reinvest into services. If we are trying to catch up for the cost of the amalgamation because that has to be

paid for instead of services, that is another deficit—and I thank the member for Terrigal for raising that point. We are going to be even worse off because we will not have surpluses anymore; we will have infrastructure backlogs and the situation will be even worse than it was before the mergers.

Mr JAI ROWELL (Wollondilly) (16:43): I have a lot of respect for the member for Wyong but I think the notes that they gave him were wrong, because what we have heard over the past 15 minutes does not reflect the reality of the situation. I want to clarify a few points. In the Legislative Council last night Labor members supported this bill. If they were unhappy and disagreed with this legislation they had an opportunity in the upper House to change it and to make amendments. But they did not do that. I think they gave the member for Wyong the wrong notes, otherwise he is grandstanding. I know the member for Wyong is a good guy, so I suspect they gave him the wrong notes.

Mr Gareth Ward: He got The Greens' notes.

Mr JAI ROWELL: I think he might have The Greens notes. Labor supported the legislation in the upper House last night, where the Government does not have a majority. Labor had an opportunity to make amendments then but I suspect it will support this legislation when it all comes out in the wash. The member for Wyong also said there was a \$9 million offer, although he described it as a \$9 million bribe. Let us not let the facts get in the way of a good story: It was actually \$20 million—\$10 million for the implementation of the merger and \$10 million for infrastructure—infrastructure that both Wyong and Gosford former council areas need in their local communities; infrastructure for which those communities have been crying out for such a long time.

Mr Adam Crouch: And they oppose it.

Mr JAI ROWELL: And they oppose infrastructure. They oppose large-scale infrastructure as well. After listening to the member for Wyong one could be forgiven for thinking that those councils were opposed to the merger. However, after having spoken to my good friend the member for Terrigal and having been a representative of Local Government NSW and representing 152 councils, I am aware that both Gosford and Wyong councils supported the merger. They were not forcibly merged; they voted that way because they saw the opportunity for their local communities. They saw that \$20 million was a fantastic opportunity for their communities—\$10 million for implementation but, more importantly, \$10 million for infrastructure, whether it is parks, roads or childcare centres.

The other thing the member for Wyong said is that certain rate increases were spent in the wrong area. Any rate increases approved by former councils prior to their mergers can only be spent on those things for which they were raised. I am not sure whether the member thinks councils will do something illegally, but I know in my area \$20 million is a lot of money. Government members could think of many projects on which to spend that money.

Dr Geoff Lee: Parramatta would like it.

Mr JAI ROWELL: Parramatta wants it—that is right. Everybody wants it; the councils in the community all want it. We also heard a diatribe from those opposite about this Government's interaction with local government. The consultation period went for four years. Let us compare a four-year consultation and a vote by those two councils in favour of it versus what the Labor Party did when it was last in office. On a Friday afternoon at five seconds to 5 o'clock a number of councils received a fax and said, "Let's look at the fax. It's from the New South Wales Government, from the Minister—must be important. Wait a second: We're sacked! We've all got to go and we've got to sack a bunch of people." There was no representation of local communities, no consultation with those communities, no consideration of those communities, no money for implementation and no money for infrastructure—just sacking councils right across this State. I can assure members that councils do not like fax machines when Labor is in office—it was done via fax.

Four years of consultation with money on the table to get councils fit for the future versus no money, no consultation and getting sacked. That is the difference between the Coalition, a good government, and Labor, a bad government. In my time representing 152 councils I had the opportunity to see good councils, councillors, mayors and administrations who want the best for their communities. That is why I support the Local Government Amendment (Rates—Merged Council Areas) Bill 2017. This bill will deliver on the Government's commitment to ratepayers in newly merged councils that their rates will not be impacted by a merger for a four-year period. We knew from four years of independent review and analysis that the number of councils in this State was unsustainable. Two-thirds of councils were not fit to deliver the services that their communities needed and they were losing money every day—money that their ratepayers needed for them to manage better.

The 20 new councils already created are in a stronger financial position to deliver better services and infrastructure for their communities. This is because larger councils, for the most part, can reduce unnecessary duplication, realise economies of scale and implement better governance and administrative practices. Unlike the

member for Wyong, the member for Terrigal has informed this House—and no doubt he will make a contribution to this debate shortly—that those councils signed up for the mergers. Essentially, it is about cutting out waste. There is a requirement in the Local Government Act for councils to set equal rates across their council areas. This could have had an impact on residents in new council areas, but this Government recognises that residents deserve the same access to services without suddenly seeing their rates go up because their council has become larger and stronger.

Our 20 new councils seamlessly delivered services to more than two million residents throughout the merger process. But the Government responded to this important issue by making a public commitment to ratepayers in the new councils that, for the next four years, they will pay no more for their rates than they would have paid under their old council. Certainty and stability is what people get from this Government. Under those opposite, it is about a fax machine and people finding out something a couple of weeks later. Fulfilling this commitment requires the rate paths of the former councils to be locked in. The Government is following a two-step process to do that. The first step has already been completed.

The proclamations that created the new councils protect the rate path of the former councils for the first year of the new councils' operations. The second step will be achieved by this bill. The bill will amend the Local Government Act 1993 to enable the rate path protection to continue for a further three years. Specifically, the amendment provides the Minister for Local Government with the power to require new councils levying rates for land to maintain the rate path last applied to land by the former councils. This approach was recommended by the Independent Pricing and Regulatory Tribunal following an extensive consultation with the local government sector and other stakeholders.

Mr Adam Crouch: Four years.

Mr JAI ROWELL: That is right—a four-year consultation process versus a fax. [*Extension of time*]

It is a simple and effective way to ensure that ratepayers can be protected. The benefits that this will deliver to ratepayers are very clear. Ratepayers will have certainty that their rates will not go up suddenly as a result of their new council harmonising their rates. These benefits are not limited to ratepayers in the 20 councils that have already been created. Ratepayers in 14 metropolitan councils that will be merged following the conclusion of legal action will also have their rates protected for four years. What great news this is for local residents. It is important for the House to note that councils that have not been amalgamated will not be affected by this power.

The new councils are already delivering substantial benefits for their communities; they are consolidating resources and staff so that more money can be directed to frontline services. The Inner West Council is an example of this, having identified \$1.5 million in savings per year by deploying back-office staff. That means putting more people on the front line, whether they are looking after our childcare centres, mowing our nature strips, beautifying the local area—

Dr Geoff Lee: Working in the library.

Mr JAI ROWELL: —working in the library, at community centres and so on. There is more money for frontline services, more money for infrastructure and more money for local communities to do what is most important, and there is more money for local roads. That is what this Government is about. We have heard many interjections from those opposite. If they are opposed to anything I am saying they have an opportunity to move an amendment today and have it debated. But I suspect that those opposite will not move an amendment. They will yell at me and at all Government speakers in this debate but then they will vote with us. They will send out their speeches saying that they were opposed to the bill and how they fought the good fight, but they will forget to say that they voted for it. Those are the politics of the Labor Party.

Canterbury-Bankstown Council is a leader in making savings. The council has identified \$6 million in savings from streamlining back-office contracts and establishing new and larger purchasing agreements. Some councils can also achieve savings by streamlining and aligning contracts by using their increased purchasing power to negotiate better deals for ratepayers. These savings will contribute to the council realising long-term projected savings of more than \$90 million over the next 10 years. Imagine \$90 million reinvested in local communities to deliver all those essential services, but that is what those opposite oppose.

Apparently, even small administrative changes can produce big benefits—for example, new councils are able to consolidate existing insurance policies. Hilltop Council has identified annual savings of \$125,000 from doing this, while Inner West Council has already saved an impressive \$1.5 million. We congratulate them on their hard work. The Government has recognised the importance of getting new councils off to a good start by providing them with up to \$10 million to streamline administrative processes and cut red tape as part of implementing those mergers. It is clear from the examples I have mentioned today that this investment is already returning dividends

to local communities. This bill will enable the Minister for Local Government to protect rates in newly merged councils for four years. It will apply to the councils that were merged in 2016 as well as the five metropolitan merger proposals yet to be implemented.

Regardless of our politics, we all come into this place to deliver better infrastructure and services for our communities. This is one way in which the Government is doing that for local communities across New South Wales. I encourage the Opposition to continue to do what it did last night in the other House and support the bill, but if it is unhappy it can move amendments. I commend the bill to the House.

Mr PHILIP DONATO (Orange) (16:56): I make a brief contribution to debate on the Local Government Amendment (Rates—Merged Council Areas) Bill 2017 on behalf of the Shooters, Fishers and Farmers Party. As my colleague the Hon. Robert Borsak stated in the other place, the Shooters, Fishers and Farmers Party does not oppose the commitments made by the Government to forcibly amalgamate councils regarding the maintenance of pre-merger rates. Accordingly, I will not vote against this bill. However, I have serious concerns about whether this is a genuine attempt by the Government to ensure pre-merger rates are maintained.

As the member for Orange, my election to this place was largely due to our community's broad opposition to forced council amalgamations, in part because of legitimate concerns surrounding the maintenance of rates and services. The technical aspects of this bill are confusing and aloof. The meaning of "rate path" is yet to be defined and the operative provision in the bill is that the Minister "may" make a determination to ensure a council maintains pre-merger rates. This is hardly a definite commitment to ratepayers.

Whilst the Government has effectively canned the idea of forcibly merging any councils in my electorate of Orange, this bill will still affect other regional communities and councils. It is not enough that the Government wipes its hands of the mess it has created in local government through rushed policy and without regard for local community input. We need a ratepayer-backed reform of local government to, first, enforce plebiscites on already merged councils and, secondly, support the continuing sustainability of councils through genuine consultation with ratepayers.

Mr ADAM CROUCH (Terrigal) (16:58): I am pleased to support the Local Government Amendment (Rates—Merged Council Areas) Bill 2017. Unfortunately, the member for Wyong did not bother to read the bill before he came into this place, as this bill has one simple goal: to ensure that ratepayers of any new council will pay no more in rates over the first four years than they would have had to pay under their former council. It is quite clear that the member for Wyong still vehemently opposes the amalgamation of the Gosford and Wyong councils, despite the fact that the overall majority of people who live on the Central Coast and have lived there for any time—like the member for Wyong—realise that having a Central Coast Council for our region was the best possible outcome.

I refer to the comments made by the member for Wollondilly outlining the benefits for the people of the Central Coast. A \$20 million funding allocation was put on the table for the Gosford and Wyong council merger. They were happy and accepted it because they could see the benefits of that merger for the community. The only people who kept opposing it were Labor councillors, The Greens councillors, Labor members of Parliament and even the Federal Labor member. Labor opposed the merger of Central Coast councils.

Dr Geoff Lee: Is that the Sussex Street set?

Mr ADAM CROUCH: The Sussex Street set, if the member wishes to describe them in that way—a narrow-minded view taken by members representing the Central Coast. Yet again they ran scare campaigns about rates going up, which was untrue. A Federal senator was scaring people by telling them that their rates would rise and that staff were going to be sacked—another Labor lie. Anyone who bothered to read the Act would know that staff are protected for three years under that Act. As I said earlier, the rates were pegged. This bill has the simple goal of ensuring that ratepayers in any new council will pay no more in rates in the first four years than they would have paid under a former council. It is a pity that the member for Wyong did not bother to read that part of the Act. The Government made that commitment to ratepayers in December 2015 when much-needed reforms to local government were announced. This was a four-year process with a massive amount of consultation undertaken by the Office of Local Government.

The ASSISTANT SPEAKER: Order! I remind the member for Canterbury that she is on three calls to order.

Mr ADAM CROUCH: The member for Canterbury has consistently interjected throughout debate on this bill. As the member for Wollondilly said, if the member believes that this bill should be amended, she should go ahead and do so. These reforms are about improving the strength and effectiveness of local government to deliver the services and infrastructure that communities across New South Wales, especially on the Central Coast,

deserve and need. For too long both councils publicly criticised each other and missed out on funding at the Federal and State level. They could not work together to represent the whole of the Central Coast.

Through Stronger Communities there has been an investment of \$10 million in the Central Coast Council. Community funding was made available through the merger process—\$10 million in infrastructure projects chosen by ratepayers to be invested across the Central Coast. I say to the member for Wyong, who is unhappy about how that money was allocated, that he, the member for The Entrance, the member for Swansea and I had representatives taking part and having a say in that process. Three Opposition members were present together with their staffers. It would have been good if they had sat down with their staff and worked out a way to fight for their communities. It goes to show their lack of interest in their communities. They opposed council amalgamations from day one and they still do.

One of the questions that should be asked at the Gosford by-election is: Where does the candidate for Gosford stand on council amalgamations? Is she for it or against it? That would be a good question to have answered. There are successful council amalgamations on the Central Coast which those opposite have opposed from day one. The case for reform was compelling. We reviewed the evidence from the past four years; it was not done on a Friday night by fax, as it was under the Labor Government. The Independent Pricing and Regulatory Tribunal [IPART] assessment is that almost two-thirds of councils across New South Wales were not fit to deliver what their communities needed. This was evident also on the Central Coast. Amalgamation was the best option for the Central Coast.

In light of these findings this Government took decisive action and in 2016, 20 new councils were created. Last year 12 May was a fantastic day for the people of the Central Coast. They now have a council representing one region—that is, the Central Coast. These amalgamated councils have the scale, capacity and revenue base to deliver improved services and to realise savings that can be reinvested in projects that benefit the whole community.

When council mergers are proposed, residents are naturally concerned about the impact that it will have on their rates. The Local Government Act requires new councils to harmonise rates across former council areas. In circumstances where there is a large difference in average rates between former council areas, this requirement could result in an increase in rates for some residents. The Government recognises that sudden rate changes are an issue for residents and it has taken steps to prevent that. The proclamation that created the new councils maintains the rate path of pre-merged councils for one year. However, to meet our commitment of protecting rate paths for a total of four years, legislative amendments are required.

This bill will amend the Local Government Act to enable a three-year extension of rate path protections in new councils—which is our commitment to ratepayers on the Central Coast. The Minister for Local Government will have the power to require new councils, when levying rates for land, to maintain the rate path last applied to the land by former councils. IPART considers an instrument-making power under the Local Government Act to be the best way to implement the Government's rate path commitment. This approach was broadly supported by stakeholders when IPART undertook extensive consultation—four years of consultation which was outlined earlier by other speakers in this debate. I commend the Local Government Amendment (Rates—Merged Council Areas) Bill 2017 to the House.

Ms SOPHIE COTSIS (Canterbury) (17:07): I speak in debate on the Local Government Amendment (Rates—Merged Council Areas) Bill 2017. It was interesting to listen to the earlier contributions of Government members who did not know what they were speaking about. As shadow Minister for Local Government all I can say is that this reform package is a dog's breakfast. Three local government Ministers completely failed in reforming local government in New South Wales. I look forward to 8 April when a fantastic new member—our great candidate for Gosford, Liesl Tesch—will join us in this place. I am also looking forward to seeing the numbers come in after the North Shore and Manly by-elections.

Dr Geoff Lee: Point of order: The member should be asked to return to the leave of the bill.

The ASSISTANT SPEAKER: Order! The member for Canterbury will return to the leave of the bill.

Ms SOPHIE COTSIS: The Government's policy on local government is incoherent, unsubstantiated, full of rhetoric and, frankly, a political con. After the North Shore and Manly by-elections we will see what the electors on the North Shore and in Manly think of this Government. About 18 months ago, after the by-election for the Federal seat of North Sydney election, there were swings of about 17 to 18 per cent against the Liberal Party because of forced council mergers. Government members who think they are doing such a great job of council mergers should remember the Orange by-election and at what is likely to happen at the North Shore and Manly by-elections. I cannot wait for 8 April.

The bill proposes to maintain the rate paths that were in place prior to forced council mergers as if residents are still being charged rates by former standalone councils, which is riddled with problems. There is no definition of "rate path" and it is unclear how the Government arrived at that term. It has spoken about four years of consultation and millions of dollars spent on consultants, project work and focus groups in order to force council mergers. I am sure that the term "rate path" was arrived at after a couple of hundred thousand dollars were spent on consultants. It is unclear how rate paths will be coordinated with rate pegs.

It is unclear what other revenue sources are included, such as charges, fines and borrowings. Why would the Government, the champion of the failed merger policy, seek to put limitations on councils merging effectively? These councils will have to maintain disparate rates across merged councils. The policy will see citizens who are equal under the law charged different rates for comparable land and services. Sadly, this unfair treatment is not unsurprising behaviour from an out-of-touch government. For my local area this means that people who live within former Canterbury Council boundaries will be charged at rates based on unimproved land value on 1 July 2014 and then redetermined on 1 July 2017. People who live within Bankstown Council boundaries will be charged at rates based on unimproved land value on 1 July 2016 and then redetermined on 1 July 2019.

That means when the rates are harmonised, most likely in 2020, the people of Canterbury will have to stump-up four years worth of unimproved land valuation in their rates. For the next four years this variance will ensure that citizens of the merged councils will pay different rates depending on their former council area. Despite the fact that this Government forced the councils to merge, people who live side by side will be charged different rates. Why would we merge councils if for three years we intended to make half the citizens within those council boundaries pay different rates to the other half?

The deceptive rhetoric surrounding the Government's defence of this bill is deplorable. It is misleading for this Government to claim that this is a rate freeze. The member for Wollondilly said he was excited about these mergers but we now find that his council will not be forcibly merged. This Government makes no effort to define how the rate path interacts with the rate peg. Anyone with a simple understanding of rates calculations knows that the rate peg will increase rates every year. Having disparate rates across former council boundaries will increase complexities for the administration of rates. It will make it more difficult for the 50 per cent of non-English speaking residents in my electorate. The aged and people with disability will find it difficult to understand their council's rates policy.

Rates will not only continue to increase every year, despite the Government's claim of a phantom freeze; the people of New South Wales will be plagued with three years worth of increases in 2020. What a con this is! It is a cheap political ploy for short-term gains that will hit household bills in 2020. Conveniently, the Government has ensured this massive increase will occur after the 2019 election. I might be cynical but it is also being delivered 10 days prior to the North Shore and Manly by-elections. The results of those by-elections will be interesting. This Government has not been upfront in relation to this bill. The local government bills produced by this Government over the past six years have lacked transparency, analysis or assessment; they have been politically expedient.

The former failed Minister for Local Government informed us at budget estimates hearings last year that the Independent Pricing and Regulatory Tribunal [IPART] would provide its final recommendation on this issue in December last year and that the Government would then respond. The draft report is public but the final official report has not been made public and no government response has been issued, despite confirmation from IPART of its existence. What is this Government trying to hide? In 2011 the Government spoke about transparency and about its 10-point plan for accountability. Despite that commitment there is no transparency with regard to the IPART report, which is not surprising. Time and again this Liberal-Nationals Government has shown a lack of respect for openness, transparency and accountability with regard to local government legislation.

The people of this State will not forget what this Government has done with respect to forced council mergers. People in our communities are suffering. Funding for community centres and pools is being reviewed. The Government continues to spout hogwash about savings. If there are savings, prove it; disclose the information about savings. People are being made redundant. Within the next five to 10 years there will be top heavy bureaucracies in these merged councils. The Government is unfair and lacking clarification or substantiation on this bill.

Mr ALEX GREENWICH (Sydney) (17:15): The Local Government Amendment (Rates—Merged Council Areas) Bill will give the Minister for Local Government the power to require a council that was established through a recent amalgamation of local government areas to continue the same rate paths—*[Quorum called for.]*

[The bells having been rung and a quorum having formed, business resumed.]

The bill will give the Minister for Local Government the power to require a council that was established through a recent amalgamation of local government areas to continue the same rate paths that were used by the former council areas over the next three years. During the three-year period rates will reflect what they would have been under the former standalone council. Generally I do not support rate pegging. However, I will support the bill because if the proposed and very unpopular amalgamation of Woollahra council with Waverley and Randwick councils proceeds, my constituents in Paddington, Woollahra and Edgecliff will suffer from considerable and unfair rate increases. This bill has come about because the Government pursued council amalgamations out of ideology without regard for community benefit. In the lead-up to the 2011 election the Government promised not to force councils to merge.

In submissions, surveys and polls, communities across the State expressed strong support for their existing local councils and concern about being subsumed into mega councils. The Government promised only to force councils that were not fit for the future to amalgamate, but it introduced a definition for "fit for the future" based on population sizes that most councils could not meet within their existing boundaries. Councils including Woollahra Municipal Council were assessed fit on all criteria—sustainability, infrastructure and service management, and efficiency—but because they were not large enough they failed the scale and capacity criterion and were deemed unfit.

The Government held a sham consultation process without releasing the KPMG report that provided the modelling for its boundary decisions and savings claims. This prevented councils and the community from assessing the modelling and responding in any meaningful way. As unpopularity of forced amalgamations grew, the desperate Government upped its claims that mergers were all about getting a better deal for ratepayers who would reap massive savings through reduced rates. These claims were false; there was no way that the Government could make such guarantees. And of course assessments have shown many examples of where ratepayers were expected to pay more under the proposed mergers.

Woollahra council has identified rate increases of up to 53 per cent for its ratepayers if the council is merged with Randwick and Waverley councils because of its significantly higher land values. This has been verified by an independent audit and acknowledged by the Independent Pricing and Regulatory Tribunal [IPART], which refers to the concern as the "Woollahra issue". Woollahra council is concerned that IPART's report did not identify a solution that would protect Woollahra ratepayers in the long term. Proposals to allow councils to set rates on either unimproved land value or capital improved value provide no guarantees, particularly given the data on capital improved value is not available to assess.

Further, IPART proposes that only a community of interest could be subject to a different rating system and its definition for "community of interest" does not appear to apply to Woollahra council ratepayers. If Woollahra council's court action to prevent its amalgamation with Waverley and Randwick is not successful, in three years its ratepayers will likely pay much higher rates while having lost grassroots representation and local expertise, and having to deal with bigger bureaucracies and disruptions. The Government has taken a heavy-handed approach to council amalgamations and it will be to the detriment of strong, sustainable communities.

Local government is the level of government closest to the people and local councils are best placed to understand and address the unique challenges of communities and neighbourhoods. The recent Court of Appeal decision in favour of Ku-ring-gai council's argument that the Government's process for forced council mergers has been unfair and unlawful should encourage the Government to go back to the drawing board and refocus reforms on strengthening councils' long-term sustainability and financial viability within existing boundaries. These reforms should include removal of rate pegging, as recommended by the Independent Local Government Review Panel. People do not want mega councils and are not bought by false promises of minor rate reductions—clearly that was a furphy otherwise this bill would not be needed. What people want is high quality services and programs that are sensitive to the distinctive needs of their neighbourhood.

Mr RON HOENIG (Heffron) (17:22): I speak in debate on the Local Government Amendment (Rates—Merged Council Areas) Bill 2017 and endorse the remarks made by the Hon. Peter Primrose in the Legislative Council. Nothing that I say should be seen, either expressly or by implication, to be inconsistent with the views that he expressed. This bill—another shambles of intervention in the Local Government Act—will create enormous difficulties for councils. It has not been thought through; it does not have any intellectual rigour; and it contains the most extraordinary drafting provisions I have ever seen. To destroy a fine piece of legislation like the Local Government Act 1993, shepherded through this Parliament by the Hon. Gerry Peacocke with the support and contribution of the Hon. Ernie Page, is nothing short of despicable in my view. It has left local government pretty well unmanageable and this bill makes it even more ridiculous.

If the Government had gone through the proper processes in restructuring local government it would not have got itself in such a shambles, nor would it have been embarrassed when it appeared before the Court of

Appeal yesterday. The judgement of the Court of Appeal endorses what I have been telling this House for the past two years—the stupid way in which this Government has handled the process. This bill is the direct result of the Government's council amalgamations, contrary to promises made by its political leaders. If a proposal under the Local Government Act is referred to the Boundaries Commission for hearing or determination, after the Boundaries Commission conducts its hearing it makes recommendations to the Minister. The Minister can then decide what he wants to do, make a recommendation to the Governor and a proclamation is made. This Government incompetently and stupidly engaged in a convoluted process that left it open to litigation and embarrassment. This bill is a typical example of its incompetence and stupidity. I refer to schedule 1, new section 218 CB (1), which states:

- (1) The Minister may make a determination for the purpose of requiring a new council, in levying rates for land, to maintain the rate path last applied for the land by the relevant former council.

There is no statutory definition of the meaning of the words "rate path" or "path" in the Local Government Act. We are passing a law that will bind all citizens and councils in this State. What does it mean? What do we do with words in a bill for which there is no statutory definition? In the Oxford dictionary the word "path" is defined as:

A way of passing in through or out of something within a building or between buildings.

A long narrow way typically having walls on either side.

The synonym for "path" is the word "pathetic" which reflects the Government of the day. The real public policy disaster is this Government's pathetic efforts at merging councils. It does not conduct proper inquiries or give councils a strategic direction for the normalisation of rates. If the Government merged councils properly and competently and it looked at IPART's final report which it has been sitting on since December 2016, it would know that each merged council has to have a strategic direction for the normalisation of rates. Governments cannot just say "The rates will be X amount in one council area and X amount in a merged council area."

Services have to be brought together but the administrators do not want to reduce the services from each part of the merged council. They are not free to manage their own affairs because the Department of Premier and Cabinet requires weekly and fortnightly detailed milestone reports as to how they are going. I repeat: This reporting to the Department of Premier and Cabinet is unlawful. Contractors are being engaged at the cost of ratepayers to provide the Premier with material to which she is not entitled.

I will give the House an example of the sorts of strategies that are taking place. One of these merged councils has a teddy bear for the staff to cuddle when they do not feel well. The Department of Premier and Cabinet has no jurisdiction or lawful right to do what it is doing, and the Local Government Act only entitles the administrators to report on things being funded by the Government. Not only are these administrators facing interference by the second tier of government, which I maintain is unlawful, but also the right opportunity is not being set for them to be able to normalise their rate structure as they see fit over time. [*Extension of time*]

Let us say council A provides a particular level of service with certain funding, while council B provides a high range of service and recovers funds to provide that service. Once those councils are merged the service from council B to council A cannot be lowered without creating difficulties. Council A has to lift its service to match that of council B, which requires funding. The merged council needs to fund both lots of increased services, but it is not possible to subsidise two councils to provide a similar standard of service without creating a debacle. That is why amalgamations cost more money; there are effectively no savings.

Finally, the local government industry has conceded that reform was needed. The Government wanted to reform the rating system so it consulted the Independent Pricing and Regulatory Tribunal. It has now introduced this bill without disclosing what is contained in its final report. Nobody has given any sort of intellectual thought as to whether or not unimproved capital value is the appropriate way in which to recover rates—in effect, land tax—nor has anyone given any thought as to how the emergency services levy is going to apply as the rate system is being tinkered with or the delay of a consistent rate system for three years.

This isolated, bit-by-bit approach to the Local Government Act because of some sort of Tory zealotry or lack of intellectual input will be disastrous for these councils. The bill does not specify what a rate path is; it says that the Minister "may" several times. Is the Minister going to interfere or not? What criteria is going to apply to these merged councils? The Government really does not have a clue. Those opposite are merely reading a script they have been given. This is all about desperately avoiding council rate increases over the next two years in order to get them past the next election date so they do not bleed to death in the amalgamated areas. The third tier of government is democratically accountable to the people. Understandably, administrators are appointed for a time to bed down a council election. But the Government's measure of control of these amalgamated councils, and the pressure that is being placed on them to come up with mythical figures, means that the Government is starting to accept political responsibility for those actions.

I could blame every poor decision that has made in the amalgamation of the two councils in my electorate on the Premier and her Government. I could do so because of the Government's control of those merged councils and because the administrators are being allowed to manage things as they see fit. I could run petitions on every council stuff up in my electorate that did not occur prior to the merger. In fact, I could bring the amalgamated councils into disrepute in an effort to discredit the Premier. That would not do the local government industry any good, nor would it do any good for public confidence in the third tier of government.

The Government is treating councils with contempt. I warn members opposite that unless they leave local government alone and start to apply some intellectual rigour before tinkering with the duties of councils to their ratepayers my colleagues and I will start blaming them politically for every local government decision. Perhaps then the Premier will start to do the right thing. Members opposite know that I am opposed to forced amalgamations and I have repeatedly criticised the Government for breaching the faith of the people of New South Wales. The time has come for members opposite to stop being stupid and for this process to stop being exposed by the Court of Appeal—as I warned them it would be. The time has come to stop interfering in the third tier of government and for local government to be treated with respect. Local Government NSW has described this legislation as bad policy and a cynical ploy as there will be no rate structure harmonisation for three years.

Ms JENNY LEONG (Newtown) (17:37): I speak on behalf of The Greens in debate on the Local Government Amendment (Rates—Merged Council Areas) Bill 2017. I state at the outset that The Greens oppose the bill. My colleague David Shoebridge in the other place spoke at length about our concerns. In particular, he noted that The Greens have a clear policy position in opposing rate pegging. We believe that councils are best placed to decide the appropriate rates in their communities. Democratically elected local councillors are responsible to their communities. If they believe they need additional rates to deal with key infrastructure and social services, or to ensure that they have adequate resources to do appropriate strategic planning it should be those elected councillors who make that decision.

I will briefly talk about the decision of elected councillors. In my electorate we do not have democratically elected councils because this Government amalgamated the former Marrickville, Leichhardt and Ashfield councils into the mega Inner West Council. It sacked our democratically elected councillors. For more than a year, instead of having local democracy and local representatives, we had an appointed administrator running our local government. Let us consider, for a moment, how bizarre things are under this administrator. The administrator still holds council meetings and still puts up "administrator minutes" along the lines of mayoral minutes.

The administrator puts up his "administrator minute", then hears people's views about it and then votes on his own minute. Surprisingly, he invariably supports his own minute! The member for Lakemba finds this amusing, but I sat in a meeting with the administrator where it was explained to me how the administrator would put up administrator minutes and would consider motions. I asked whether there had ever been a case where an administrator had not supported an administrator minute. It seems they always do support their own minutes. That seems to be how it works.

Local democracy in the Inner West has been undermined and democratically elected councillors have been sacked. I am glad that the administrator has at least seen the light on WestConnex and is now taking a very strong position against it, despite his initial view that he might not do so. I think he heard loud and clear that it would be in his interests to strongly defend our communities against the damage the project is likely to cause. This is clearly yet another example of the State Government attempting to take control away from local communities and away from councils so that control can instead be exercised from Macquarie Street.

There are many things that unite The Greens and Labor in our opposition to the neoliberal agenda of this Government. But Labor's behaviour in relation to this bill is somewhat concerning. In the other place, where this bill was introduced, Labor members spoke for a very long time about the problems they had with the bill. We have also, in this place, heard the member for Heffron and other Labor members raise their concerns about this bill and criticise it. Yet Labor actually supports this bill. Labor Party members talk about their concerns and raise their issues with this bill, but what are they going to do? They are going to vote for it.

I remind people in my community who are living in the Inner West Council area that it is only The Greens who are standing up in this Parliament and calling for our democratically elected council members to have their say over local issues. Our councillors should have their say, not the people in Macquarie Street. It is an unfortunate reality that successive New South Wales governments have amalgamated councils. The City of Sydney council is now run by Lord Mayor Clover Moore, but she only ran for that council because of a forced amalgamation legislated by the Labor Government. What was formerly the South Sydney City Council area was amalgamated with the City of Sydney, and that forced amalgamation was imposed on the community to reduce the number of democratically elected councillors in that area. Now the same thing is happening under this Liberal-Nationals

Government—a forced amalgamation agenda is being driven. It is just another attempt to force amalgamations on our communities.

The Greens do not support this attack on local democracy and we do not support blanket rate capping as proposed in this bill. Let us be frank: the Government's main concern is that council rates in the areas that have been forcibly amalgamated will go up and it will be politically toxic. They have not only removed democratically elected councillors and appointed administrators. In order to minimise political damage they are also trying to make sure that rates are not put up to deliver much-needed services. In some cases, that may have to happen. No consideration is being given to whether a council may need, as a result of a merger, to increase its rates in order to be able to deliver the services its residents need—even if residents wanted that considered. It is all about the State Government taking control over as much of local government as it can. That is because local governments, especially in my area, have been vocal opponents of the State Government on proposals for bad, polluting tollways; on overdevelopment; and on the privatisation of land. What better way to silence that opposition than to remove it and attack local democracy?

This Government is deluded if it thinks rate cuts are the only way to keep the stench of forced amalgamations out of the suburbs of Sydney. This policy is on the nose and the only way out is to reverse all of the mergers. To the people who live in the areas where their old council has been amalgamated I say: The Greens will not stop fighting for their council to be de-amalgamated. We will not stop fighting for them to be represented locally. To the people of the old Ashfield, Leichardt and Marrickville council areas, as well as to the other regional and city areas facing challenges relating to amalgamation, I say that we know they will not stop fighting for local democracy, and we will stand with them.

Some councils are still challenging the legality of the amalgamations. If those challenges are successful, we need to ensure not only the protection of those councils—and democratic local representation for those communities—but also the de-amalgamation of councils that have already been amalgamated. We need to ensure local representation to make sure we do not lose the power of local government in our community. We need local government to have the power to stand up against the agenda of this State Government and its attempts to railroad through bad planning decisions to deliver bad infrastructure that pollutes and destroys our communities.

If we do not want a bizarre future of administrators introducing their own minutes and then making a decision about whether or not to support them, if we do not want to see administrators instead of councillors, and if we want to put control back into the hands of councils with individual, democratically elected local members representing the interests of their communities, we should not be passing this bill. I call on Labor members to deliver on what they say is their commitment to local democracy. I call on them not to support this bill. If they really believed in putting power back into the hands of democratically elected councils, they would not support this bill.

Ms JULIA FINN (Granville) (17:47): The Local Government Amendment (Rates—Merged Council Areas) Bill 2017 is an absolute furphy. The object of this bill is to require a newly merged council to maintain its pre-merger rate path when levying land rates for the next three years—as if, in some way, this represents a rate freeze. It is not rate freeze. It maintains the way rates were levied previously so that when communities vote this September they will have no idea what their rates will end up being under the merged council once rates are finally harmonised. The Government is hiding that from the voters and hiding behind previous rate cuts.

Supposedly, local government amalgamations are all about delivering efficiencies. It therefore seems very strange that harmonisation of rate paths is being deferred for three years. Council staff will be required to levy different rates for similar parcels of land within their local government area. This bill also does not freeze the rates individual landowners will have to pay. It only freezes the level of rates levied by the councils, so many individuals will face steep rate increases that have already been determined or will be determined in the next couple of years. The bill does not really change the way rates will be levied by individual councils, just the overall level of rates levied by a council. As a councillor for 18 years I listened to many debates within councils about possible changes to the mix between base rates and ad valorem rates. The conservatives were generally trying to increase the base rate to reduce the impact of the ad valorem rate. This would mean that more of their constituents would pay less, while everyone would have a larger base rate.

A large proportion of people in the Parramatta local government area are on the base rate, yet people who live in parts of the local government area of Epping sitting on 2,000 square metre blocks of land and \$3 million homes think that their rates are far too high and that people living in small units should be paying much higher rates. This is yet another example of the total mess of the local government amalgamations process. In my area the newly formed councils of Cumberland and Parramatta are the most complex in the State and the messiest in some ways. They are not just two council areas merged together; they are two council areas created by joining together and carving up a number of different areas from the previous Holroyd, Auburn, Parramatta, Hornsby, Ryde and Baulkham Hills local government areas. It might have seemed sensible to have Epping all in the one

local government area but it has not worked very well and it is driving people crazy. My office receives more complaints about local government than any other issue. I realise that is in part because I am one of the sacked councillors and there are no other elected representatives in the area.

The new councils are treating the development rules of the previous council very inconsistently. People are extremely confused about it. They have been sent back to square one with very complex developments that they have been progressing with council for a number of years. It is a total mess. Cumberland Council is looking at how to harmonise waste collection, which is just an excuse to attempt to privatise garbage collection by the former Holroyd Council in particular but also Auburn council. It is clear that garbage could be collected in-house in the previous council areas of Parramatta, Auburn and Holroyd but they are trying to find a backdoor way to privatisation because Holroyd had a combined green waste and standard waste collection.

Cumberland Council has been burdened with five swimming pools but has no commercial rate base and a very small industrial rate base. Parramatta has taken the most lucrative area of the former Auburn council around Sydney Olympic Park, which will go from strength to strength as a central business district, but it has lost its own swimming pool. It does not have the big expenses of Cumberland Council but at the same time has one of the poorest populations in Sydney. That will put a lot of pressure on rates in years to come, yet people will not be able to vote against it in September because they will not know what the future rate paths will be. That is deceptive. That information should be put forward to voters this September.

With all the hoopla about freezing rates another thing that is unclear in the bill is what will happen to the other charges levied by councils. In their budgets each year councils determine their charges for room hire, parks and other facilities. That is not covered by this legislation. Without any councillors to provide scrutiny those charges could go through the roof this year. I would not be surprised if they do. The member for Newtown spoke at length about what is happening in the Inner West Council. She told us how the administrator puts up his own minutes and then adopts them all. Apparently that is supposed to be efficient. The same thing is happening at both Parramatta and Cumberland councils—although at Cumberland Council the administrator sometimes amends his own minutes. Despite having no scrutiny from elected councillors some of his proposals come through at the very end of meetings and are not subject to the proper public scrutiny they deserve.

An example is the garbage proposal. There is an option for the union to put in a submission and then defer the process for a month to allow the union to come up with a system where it can more efficiently collect the garbage. It is great that the administrator is allowing the union to do that but that sort of thing should not be announced at the end of a meeting without any public scrutiny or a chance for anyone to read it in full and make comments at the beginning. The administrator has also prepared a report that suggests that the outdoor pools should be closed at Wentworthville and Guildford. After a huge public outcry—without committing any of it to minutes—he suggested there may be a plebiscite on the matter at the coming council elections. He then claimed that he is trying to come up with a way to improve the pools so they can be kept open. I hope that is the case but we have seen nothing in writing as yet and I am very suspicious about it.

I cannot wait until the council elections this September. This Government is going to pay for what it has done in my local area. Some very angry and very motivated people will be elected to both Parramatta and Cumberland councils who will be able to serve the community. I look forward to working with them to try to address many of the messes the amalgamation process has created. The council rates will be a big challenge for them in three years time.

Mr GREG PIPER (Lake Macquarie) (17:55): I contribute to debate on the Local Government Amendment (Rates—Merged Council Areas) Bill 2017. I have been encouraged to get on and get off quickly. I acknowledge the Minister for Local Government, who has come to the Chamber to listen to my contribution. While I could sum this up fairly quickly by drawing the attention of members to the contribution of the member for Heffron, which was one of the most erudite speeches of the day, I also have a number of things to say. The member for Heffron made a number of points with which I fully agree, but this is not a matter of blame being applied to one side or the other.

I certainly have issues with the amalgamation process and I have heard many people speak in this debate. I think a lot of what has been said is outside the scope of this bill, the terms of which are relatively narrow. Members seem to want to revisit all the issues that the new Minister is having to deal with. This bill deals only with fulfilling a promise made as part of the process, which I think was a poor promise made in 2015 not to freeze rates but to ensure that ratepayers would pay no more than they would if their councils had not been amalgamated. Those council areas would have had incremental increases in rates over this period anyway.

If we have areas where different rating bases or average rates are being applied it begs the question: Why are we keeping those rates relatively fixed? The Government has given examples of some fairly significant variations, including the \$382 differential between Botany and Rockdale and the \$488 per year difference between

Deniliquin and Conargo shire councils out west. Surely the intention is that the quality of services being provided is increasing. Who is picking up the cost of that? Ratepayers who would pay more if this amendment were not enacted would see it on their rate notice and be very angry. We understand the politics of it and the optics around it. On the other hand, looking objectively at initial equity, it is clear that someone else must be paying more. That means that those people who are paying more are cross-subsidising those who are paying less. They are paying more for a four-year period but it is hoped they are receiving the same provision of services.

I understand what the Government is doing, but I think it is a fairly crude way to try to address the concerns that might arise. Historically, governments meddle in local government way too much. I have heard members refer to rate capping—The Greens said they are opposed to rate capping and members of the Labor Opposition spoke about rate caps. The reality is, of course, that rate capping was introduced by Labor under Neville Wran's policy some time ago, and many councils were caught by that rate cap. I will name one that I know a bit about—Lake Macquarie Council, on which I served for 21 years and was mayor for 8½ years.

Mr Adam Marshall: A good mayor.

Mr GREG PIPER: I was a good mayor. I thank the member for Northern Tablelands for pointing that out to the House. He is a good Minister. Lake Macquarie Council was a very different council when rate capping was introduced in the late 1970s, yet its neighbours pulled away from it because they had a higher rate base at the time and they also had much more commercial and industrial land. As things changed, while all councils' rates went up, the income for a neighbouring council—for example, Newcastle—went up hugely disproportionately.

Yet there was never any attempt when rate capping was brought in to try to harmonise the relative income of the councils. That led to huge inequities and it also led to many of the problems not only in Lake Macquarie but also in other councils that struggled over the years to keep up with their demands, leading to a summit held under former Minister Don Page in Dubbo, which I attended, to try to address many of these issues. Even though I was very much involved—I think I was as central as anybody to the discussions there—we came away hoping that serious consideration would be given to changing the structure of local government. Yet we were told it was all about amalgamations, which I do not believe it was.

This is a narrow bill and it is about fulfilling a promise that the Government had made. I respect that and therefore I will not oppose it, but I want it on record that I oppose the underlying principle. I believe the Government should have explored ways to make more equitable the way it was handed down to ratepayers on both sides of the equation. My real desire is that in future, once we have got all this settled, we get out of the way of local government and let it get on and do what it has been charged to do.

Ms GABRIELLE UPTON (Vaucluse—Minister for the Environment, Minister for Local Government, and Minister for Heritage) (18:02): In reply: I acknowledge the contributions to the debate on the Local Government Amendment (Rates—Merged Council Areas) Bill 2017 from the member for Fairfield, the member for Myall Lakes, the member for Wyong, the member for Wollondilly, the member for Orange, the member for Terrigal, the member for Canterbury, the member for Sydney, the member for Heffron, the member for Newtown and the member for Granville, and the thoughtful contribution of the member for Lake Macquarie.

The member for Fairfield, the member for Wyong and the member for Canterbury seemed to be working from the same tired, recycled speech notes. It was pathetic. None of them listened to my speech in the House this morning or to the speech of the Hon. Scott Farlow in the Legislative Council late last night relating to what a rate path freeze means. Last night, Labor folded on this bill in the upper House and I find it quite amusing that today a lot of the discussion from Labor members in this House involved arguing about the definition of a rate path when all they needed to do was either listen to the debate last night or listen to my speech this morning.

I repeat for the record so it is absolutely clear: The rate path that is frozen under this bill includes both a council's rating structure—which includes the categorisation and sub-categorisation of land for rating purposes, whether rates are based on land values and/or fixed amounts—and how a council's general income is projected to increase over time in accordance with a council's long-term planning and priorities. I also invite those members who are still confused to read the bill—it is all there for them to see in schedule 1, clause 3. What members opposite do not get is that to protect ratepayers we need this bill. It was passed by Labor in the upper House last night and we need it passed in this House this evening.

What the member for Heffron did not get is that in his own electorate, his own constituents in what was the former Botany Bay Council will have a \$382 per year rate hike if this bill does not pass. Labor is really in a muddle. This morning the member for Fairfield asked for clarification on definitions, which I read onto the record in *Hansard* today and which are in the bill itself, and then he went into a silly flourish about the Socceroos. I do not know where his head is at. The member for Canterbury revealed that she does not know what is happening in

her own electorate. She claimed her electorate was a loser through the Canterbury-Bankstown merger, but she is wrong. She forgot to mention that there is extra funding, for example, for youth services such as the Youth Space Connect Service, and the Pathways to Employment for Multicultural Communities. That funding would never have happened without the merger. That funding was part of a package that this Government has made available to merged councils to assist with the mergers and to support the community activity of those community groups in the merged council areas.

The member for Wyong is loose with the facts. He wrongly claimed that the former Wyong Shire Council is missing out under the merger that formed the new Central Coast Council. When I last checked, nearly \$24 million is being spent on the Tuggerah Regional Sporting and Recreation Complex. He does not even seem to know his own electorate. The member for Wyong also forgot to mention that Gosford and Wyong wanted to merge. He cannot have it both ways. But at least the member for Wyong turned up to speak in the debate in this Chamber, unlike the Leader of the Opposition who, once again, is missing in action. The Leader of the Opposition is missing in action on a reform program that he has constantly railed against on television, on the radio and in the newspapers time and again, but he does not have the courage to turn up to this Chamber and speak on that same issue. That is absolutely pathetic.

I also address what seemed to be confusion on the other side of the House about the role of the Independent Pricing and Regulatory Tribunal [IPART] in this process. IPART has conducted a review of the broader local government rating system. This is important and considered work. IPART's recommendations include options for modernising the local government rating system for all councils, as well as recommendations for setting rates in newly merged councils once the four-year rate path protection concludes, which is the subject of this bill. IPART's recommendations aim to minimise unacceptable changes to rates and to keep downward pressure on rates for all councils across the State, including those merged councils subject to the rate path protection the Government is advocating in this bill.

The Government is considering IPART's recommendations. The Government wants a system that is equitable and efficient. Continuing the rate path protection for three years beyond the first year of protection, which is made in the proclamation of merged councils, is the right thing to do for ratepayers; it is fulfilling this Government's promise. We are on the side of ratepayers and we will continue to be. On that basis, I commend the bill to the House.

TEMPORARY SPEAKER (Mr Bruce Notley-Smith): The question is that this bill be now read a second time.

Motion agreed to.

Third Reading

Ms GABRIELLE UPTON: I move:

That this bill be now read a third time.

Motion agreed to.

Committees

JOINT STANDING COMMITTEE ON ELECTORAL MATTERS

Membership

Mr ANTHONY ROBERTS: I move:

That Jai Travers Rowell be appointed to the Joint Standing Committee on Electoral Matters in place of Melanie Rhonda Gibbons, discharged.

Motion agreed to.

STAYSAFE (JOINT STANDING COMMITTEE ON ROAD SAFETY)

Membership

Mr ANTHONY ROBERTS: I move:

That Thomas George be appointed to the Joint Standing Committee on Road Safety in place of Kevin John Humphries, discharged.

Motion agreed to.

COMMITTEE ON COMMUNITY SERVICES**Membership**

Mr ANTHONY ROBERTS: I move:

That Katrina Ann Hodgkinson be appointed to the Legislative Assembly Committee on Community Services in place of Adrian Piccoli, discharged.

Motion agreed to.

*Private Members' Statements***RACIAL DISCRIMINATION**

Mr JIHAD DIB (Lakemba) (18:10): Last Tuesday was Harmony Day across Australia, when we celebrate this country's two great Australian stories. There are 24 million Australian stories but when it comes down to it, there are just two. There is the story of our Indigenous brothers and sisters that started with our first sunrise. Every other story, in some form, is a story of migration—whether we trace our ancestry back to the First Fleet, or whether we arrived just a few months ago, like the young people I had in my office yesterday who were studying at the Intensive English Centre. That is the Australian story—a story of migration. We all bring our different experiences together.

The sad irony is that Harmony Day—a day when we celebrate all that is great about Australia, our unity, our diversity and our wonderful modern multicultural Australia—was a day that the Federal Government decided it wanted to address race hate speech. This is a Federal issue but each member in this House has members of their community who have been victims, at some point in their lives, of race hate speech or of vilification. Australian diversity is more than just food—it is about our understanding of one another. We see it in our schools, in the parks and in other places to which we go.

I attended last night's football game. I went to join the crowds and the kids who were there for the school events. What I loved was not only that we won two-nil—we should have won five-nil—but that we were all there, celebrating our team. The names of the players in the Australian soccer team say something about Australian multiculturalism. People are proud of their heritage. We do not ask people to leave their heritage at the front door when they migrate to Australia or become Australian; we ask them to bring it with them, because it strengthens Australia and makes Australia better, richer and stronger. We can see it at the soccer and elsewhere. We know there can be difficulties but at the soccer we cheered together; we held our heads in our hands when those goals were missed; we booed the referee, as our great Australian tradition goes; and we encouraged him to go to Specsavers. There is a two-for-one-deal at the moment which I recommend.

We have all come with our own stories. My story is well known but I want to talk about my electorate. There are more than 150 different cultural groups in my electorate. At a recent citizenship ceremony, I spoke to the participants about the opportunity that we have as Australians and that it does not matter where we come from, what our names are, what colour we are or what faith we have—what is important is the contribution we make to Australian society and that we can aspire to become anything in Australia. Many parts of the world do not have that. I saw incredibly proud Australians—our newest Australians. They saw themselves as Australians first and foremost but they also brought their heritage and culture with them. We benefit from that. The protection we afford people as a nation speaks about us as a country and the values that we have. That relates to people of any race but there are also issues of gender diversity and marriage equality. What do those things say about us as a nation?

When speaking about race hate law, there are lots of challenges, but should we give people more opportunity to say things they were already saying? What more is there to possibly say that people are not saying at the moment? We need to say, "Hang on a second, open the door a little more". Many of us in this place may never become the victims of racial hate speech or we may be big enough to be able to deal with it. However, we each hold the privileged position of being able to make a statement. We need to speak up for those who cannot do so. We must not allow those people to be hidden away—that is not our great Australian story and it is not the modern multicultural Australia of which we are proud.

This Friday night we are having a Walk for Respect in Lakemba. I encourage members to join us. It is not a march, a demonstration or a protest; it is a celebration of the Australia that we know and love. Along the route we will be walking past flats where people will come out to see us and be thankful because somebody is standing with them. This is something to celebrate. We cannot allow ideas that will weaken our race hate laws to continue. It is not about getting angry but about standing up and saying what is right.

TARONGA WESTERN PLAINS ZOO FORTIETH BIRTHDAY

Mr TROY GRANT (Dubbo—Minister for Police, and Minister for Emergency Services) (18:15):

On 28 February this year Dubbo's very own Taronga Western Plains Zoo celebrated its fortieth birthday. Opened on 28 February 1977 as an extension to Taronga Zoo in Sydney, it was not only the first zoo built in Australia in 60 years but also the first zoo to be constructed according to the open-range principle. In its first year the zoo attracted 178,148 visitors—an astonishing figure. Today the zoo welcomes more than 250,000 visitors annually with 40,000 guests staying overnight at one of the three accommodation offerings at the zoo. Taronga Western Plains Zoo plays a key role in attracting visitors to Dubbo and contributes in excess of \$328 million in visitor expenditure to the local economy of Dubbo and the Central West. When the zoo opened in 1977, it employed just 17 people. Think of that—17 people dealing with 178,000 visitors in the first year. The zoo now employs 300 people to accommodate the quarter of a million visitors who travel to this wonderful facility. It has become one the largest employers in the region.

The Western Plains Zoo is renowned for its breeding and conservation work. The zoo has recently achieved ongoing breeding success with the birth of an Asian elephant calf, three cheetah cubs, four ring-tailed lemur babies and four lion cubs, all since November 2016. The year 2016 saw a unique and historic occasion where the Taronga Western Plains Zoo had three species of rhinos born in the same calendar year—the black, white and Indian rhino. It is the first time that has happened in Australia. I was greatly privileged, whilst visiting the calf of the black rhino and travelling through the zoo, to be present at the birth of the white rhino—the third in the triffecta. As a country boy—the grandson of a dairy farmer—I have seen the occasional birth of a calf, but the birth of the white rhino was unique.

The zoo also plays a key role in helping sick or injured wildlife from across the region with the wildlife hospital treating more than 500 cases annually. The zoo continues to play a key role in the conservation of the Great Barrier Reef. Even marine policy is relevant to Dubbo, although we are far from the sea. The zoo is cryopreserving coral sperm samples in its frozen zoo as a safeguard for the long-term survival of the Great Barrier Reef—a fact not known to many. Taronga, in partnership with the New South Wales Government, is co-funding the Centenary Visitor Experience program, which will transform visitor experiences and create vital animal habitats at both zoos over the next 10 years. I have spoken about the conservation, the breeding and the presence the zoo plays in our region and employment, but Taronga Zoo is also an outstanding leader in the field of tourism. I acknowledge the Minister for Tourism and Major Events in the House this evening.

In December 2016 the zoo opened its first project as part of the redevelopment program, the Savannah Safari precinct. The next project, the Pridelands African Lion Adventure, is already under construction and will be opened in late 2017. With the accommodation onsite it is no wonder that the zoo is known internationally for outstanding accommodation experiences. In February it won gold in the best unique accommodation category at the Qantas Australian Tourism Awards. This is the second consecutive year that the zoo took out gold in this category. It is an outstanding achievement for a regional tourism offering. The Taronga Western Plains Zoo has now welcomed more than 10 million guests during its 40-year history. It has cemented itself as one of this country's biggest and best tourist attractions.

I congratulate zoo director Matt Fuller, zoo staff and volunteers. The Dubbo local government area has the highest level of volunteerism in the State. Each of these individuals has made a contribution to the zoo's success. The level of love, compassion and care they have for their animals is remarkable to witness. The professionalism and quality of service is the reason they are continually achieving worldwide success in conservation breeding and ongoing international and Australian success in the area of tourism. I congratulate them all and I am enormously proud of them.

NORTHERN TABLELANDS ENTREPRENEURSHIP

Mr ADAM MARSHALL (Northern Tablelands—Minister for Tourism and Major Events, and Assistant Minister for Skills) (18:20): From the early pioneering days in Australia people with hopes and dreams saw regional New South Wales as their mecca. Far from the lights of the big city there exist opportunities and untapped markets that can make a successful endeavour a very profitable one. In the early nineteenth century, brave souls ventured to the north-west of New South Wales in search of fame and fortune. Many came to the Northern Tablelands. They went to Inverell to fossick for sapphires or to Glen Innes to hunt for gold. They set out to Bingara, Wyallda, Yetman and North Star in the hope of finding land to raise stock or grow crops, and to Uralla to risk life and limb robbing travellers on the trail to Brisbane.

Even today that spirit of entrepreneurship, of taking a chance, is present—although I am glad to say bushranging is no longer a chosen pursuit. In the beautiful Northern Tablelands I have been inspired by countless tales of adaptation, ingenuity, and dedication to the local community; of local people just looking to have a go. Last weekend I attended Opera in the Paddock. It is run by a local company in Delungra. The production had

incredible performances and wonderful food. It is unique due to its location on a cropping and livestock property called Mimosa just outside of Delungra. Bill and Peta Blythe have built a stage where normally there would be sheep grazing and sorghum grown. They have spent tens of thousands of hours creating an opera enterprise from the dirt up.

As with the agricultural industry it was inspired by, Opera in the Paddock has had its good years and its tough years, but it has grown to be a large, successful and unique event for the community—and it is included on the New South Wales major events calendar. It is all due to Bill and Peta Blythe's passion. It could so easily not have occurred. In 1977, just days after they married, the couple moved to London as Peta had taken a scholarship with the Royal College of Music. Bill found work there and they could have found themselves in the unenviable position of living in a city forever. Luckily for north-west New South Wales opera fans, the call of the country drew them back to Delungra where they chased their goal with a dogged determination and resolute faith that the community would support them—and the community has.

To the east in the tech hub of Armidale there are inventive computer experts working to crack a growing market. Scott Hamey moved from Queensland as an elite automotive painter. He has started a company that trains farmers to fly robotic drones that survey properties from afar. He has spent several years building, tinkering and perfecting his high-tech craft in the hope it will become his bread and butter. RMTek in Armidale is another group of geniuses who build remote cameras that are ever vigilant to vandals, crimes and bushfires. The New South Wales Government has been wowed by the technology and is now rolling the cameras out to fire-prone locations across the State. The next bushfire could be stopped in its tracks thanks to Brendan Doyle and his team at RMTek.

In the big cities these companies would be competing with impersonal corporate brands. While Sydney may have suits and shiny offices, people in our patch support local enterprise, hold each other up and lend a hand where they can. It is no wonder that 98.8 per cent of businesses in the Northern Tablelands are small businesses. There are nearly 10,000 small and new companies keeping profits and employees local. Recently there has been a boost and a whirring-up of local printing presses. After the much-proclaimed death of print media due to Fairfax cutting production, new community newspapers such as the *Guyra Gazette* and the *Uralla Times* are championing local achievements. I am glad to say they are doing well. I acknowledge Martha and Janelle in Guyra.

Following years of retirement, the Macintyre Warriors Rugby League Football Club has burst back onto the field. Warriors effervescent President Peter Rice has built the club from virtually nothing with support from the communities of Boggabilla and Toomelah. Their home ground was previously a paddock of burrs with the occasional blade of grass. Last year they were close to winning the group 19 competition. Thanks to Justin Hellmuth and John Sullivan, the Bingara District Cricket Association is back on track following years of hiatus. It has 150 players and is going strong. Regional Australia is built on the back of people having a go and I am proud to say that Northern Tablelands residents are doing so.

OATLEY LIONS CLUB

Mr MARK COURE (Oatley) (18:25): I acknowledge and bring to the attention of the House the hard work, community spirit and commitment of the Lions Club of Oatley. I wish it a happy fortieth anniversary. It has been my honour and pleasure to work alongside members of the Lions Club of Oatley and I sincerely thank each and every one of them for their hard work, dedication and service to our local community. As a member of the Hurstville-St George Lions I know how much members contribute in order to improve the lives of people in our area and communities across Australia and the world.

The Lions Club of Oatley has been fortunate over these 40 years to attract the services of volunteers who are creative and passionate about making a difference—men and women whose membership has left an ongoing legacy of achievement. Over recent years the club has embarked on a number of substantial projects such as a \$25,000 fundraising initiative for the St George Hospital Medical Research Centre and the development and partial funding of the hydrotherapy pool project. The Lions Club of Oatley has contributed \$5,000 towards the development of St Jude's School in Tanzania. The school provides educational opportunities to some of the world's poorest and most disadvantaged children.

At a local level, the club funded a multipurpose room at Oatley Public School to foster a sense of inclusion within the school community. Additionally, the club coordinated a project for a local family that needed to purchase a suitably modified vehicle for the transport of a disabled child. The young child has a number of complex medical conditions, including cerebral palsy. An ordinary car is simply not equipped to carry a wheelchair and other mobility devices. Through the fundraising activities of the Oatley Lions Club this local family has been able to go on outings together and participate in and enjoy normal family activities. I know that they are incredibly grateful for the support of the Oatley Lions Club, and so am I.

One of the most innovative and worthwhile projects the club has undertaken is in supporting the use of the Hart Walker frame. The Hart Walker was developed through the Lions Club Children's Mobility Foundation. This piece of equipment provides mobility to children who cannot walk. To date the Lions Club of Oatley has funded eight Hart Walker frames for children and families in the local community. As the father of a young and active child I know the joy that comes from playing with my child in a park, riding a bike and building sandcastles at a beach. The Hart Walker allows disabled children and their families to experience this as well.

Local sporting clubs and schools have benefited from the club's fundraising and support along with local community groups such as Oatley Flora and Fauna Conservation Society and Oatley Heritage and Historical Society. I have had the pleasure of standing alongside many of the members of Oatley Lions at events such as the Lions Oatley Village Festival—usually manning the chocolate wheel—and last weekend there was Music in the Park. The Oatley Memorial Gardens Music in the Park brings together families and neighbours to enjoy music, food and great company. Professional bands entertain the crowd and the world famous Lions Club barbecue keeps everyone well fed. The atmosphere is warm and it is a highlight on the social calendar in my electorate.

The generosity of the Lions Club, whether it be through fairs, barbecues or its annual Harley Davidson motorcycle ride, which has raised more than \$40,000 for medical research into childhood cancer, is legendary. My community and New South Wales are better places because of the Lions Club and Lions International. With more than 40 years of experience in fundraising and assisting the community the Oatley Lions Club does a wonderful job of meeting the needs of people both locally and internationally. At the core of the Lions Club of Oatley is its desire to make a positive difference to people's lives through engagement, fundraising and participation.

I have lost count of how many Lions events I have been to over the years but each time I go I am motivated by the enthusiasm and energy of the volunteers and I feel committed to lend a hand to help those less able in my local area. I again take this opportunity to congratulate the Oatley Lions Club on its fortieth anniversary and to thank it on behalf of my electorate for the work that it does. In particular, I thank the executive committee members—John Perkins, Jim Ede, Alexander Ellis, Karl Kunkel, Ken Nimmo, and Lynda Robinson—for their participation in Oatley Lions. On behalf of all members of this House I wish Oatley Lions a happy fortieth anniversary.

DOMESTIC VIOLENCE

Ms KATE WASHINGTON (Port Stephens) (18:30): In Australia, on average, one woman a week is killed by her partner or ex-partner. The Hunter region has some of the highest rates of domestic violence, with Raymond Terrace recording spousal abuse incidents 2.5 times the State average. Domestic violence is a complex and far-reaching epidemic. It does not discriminate by postcode or income. It not only affects women and children; it is happening everywhere and often. Despite the destructive and disastrous impacts being felt everywhere, funding for services on the ground continues to be inadequate. Services cannot meet the need. So it is with much relief that today I will tell a positive story—a story of a community that has risen to a challenge to fill an unmet need.

As a result of impressive collaboration between the police, school students, businesses, council and community groups, there is now for the first time in Raymond Terrace a safe haven for women and children who are no longer safe in their own homes. The safe house has been a joint project between the Port Stephens Family and Neighbourhood Service, the Raymond Terrace Neighbourhood Centre, Port Stephens Council and Port Stephens Local Area Command. The co-managers of Port Stephens Family and Neighbourhood Service, Sue Pollock and Colleen Whittle, have lobbied for a refuge in Raymond Terrace for many years. Sue and Colleen know firsthand the enormity of the problem of domestic violence in Port Stephens.

Last year they saw 1,375 women and children who had experienced domestic violence or were suffering from its impact. Two hundred and fifty five of those women were homeless. So the first safe house in Raymond Terrace was born out of the drive and commitment of Sue and Colleen based on the sheer need in our community. The safe house was delivered because of backing by and the enormous contribution of the Port Stephens Local Area Command under the leadership of Superintendent Chris Craner. When Superintendent Craner and his team set their minds on something I have learnt that there is no holding them back. As a result, what was once a dark and dismal office space has been transformed into a welcoming haven, complete with soft furnishings, toys and high-tech security. Many of our local police officers rolled up their sleeves to knock down and rebuild walls, tile a bathroom and even draw on their plumbing and kitchen installation skills.

I thank Superintendent Chris Craner, Inspector Tony Townsend, Senior Sergeants Geoff Farmer and Ian Allwood, Senior Constables Wesley Taylor, Erik Jensen, Dave Coyle, Mark Williamson, Brendon Sykes and Michael Fortier, and Constable Brett Honeyman. The project could not have been completed without the generous donations of many businesses. I pay tribute and give thanks to Dulux Australia through Olivia Howe, SJ and

LJ Burey Building Contractors, Cougar Mining Group, Reece Plumbing Heatherbrae, Terrace Tiles Heatherbrae, HD Hardware Heatherbrae, Choices Flooring Heatherbrae, Home World Furniture, Steve's Hot Water Plumbing Services, Simply Genuine Skylights, Bunnings Salamander Bay, Raymond Terrace Betta Electrical, Dan The Tinting Man, Jon Peters Plastering, Panda Kitchens, Warners Bay, Suez Recycling and Recovery, SNP Security, Port Stephens Security Doors, Blinds & Shutters, Salamander Bay, Terrace Blinds and Awnings, and Total Ventilation and Hygiene Services.

Alongside the police and businesses, Raymond Terrace Men's Shed members added their manpower and expertise, Friends with Dignity put out the call for donations for necessities and received a positive response, and students of Alesco Senior College from the Raymond Terrace campus painted a beautiful mural in the children's bedroom. I was fortunate to have been shown the safe house by Senior Constable Mick Fortier who managed the project. The importance of the safe house really hit home when Mick described how difficult it was as a police officer dealing with so many women in need who had nowhere safe to go. Mick said of his involvement with the safe house project that it was good to be involved in something positive. I am so pleased that, through this project, our police, who put their lives on the line each day, got to experience the kindness and generosity that thrives in Port Stephens. I thank everyone who contributed to the new safe house at Raymond Terrace. Thanks to all of them, women and children escaping domestic violence in Raymond Terrace now have somewhere safe to go, where they will be surrounded by the solid evidence that our community deeply cares.

CASTLE HILL ELECTORATE VOLUNTEERING

Mr RAY WILLIAMS (Castle Hill—Minister for Multiculturalism, and Minister for Disability Services) (18:35): As Minister for Multiculturalism, I am fortunate to have youth and volunteering in my portfolio responsibilities. Recently I met with Gemma Rygate, Chief Executive Officer of the Centre for Volunteering, the peak body in New South Wales supporting and promoting volunteering and community participation. Gemma noted the extraordinary contribution made by volunteers in the Hills community, volunteers in local sporting organisations, service groups like Lions or Rotary, parents and citizens associations, Red Cross, Scouts, Girl Guides, the Rural Fire Service, State Emergency Services, carers for friends or family members and volunteers for Riding for the Disabled.

Currently, more than one million people across New South Wales state that they participate in some form of volunteering. However, Gemma noted that those figures grossly underestimate the number of people who volunteer in our community. As the member for Castle Hill—an area rich in community organisations and volunteers—I have spoken on many occasions in this Chamber about the wonderful people who contribute so much to our local community. Recently I had the pleasure of announcing Donna Fraser as The Hills Local Woman of the Year. Donna, an outstanding member of our community, has lived in the area for more than 30 years and has worked tirelessly as a volunteer in a diverse range of community organisations.

Donna was also recently recognised as Citizen of the Year by The Hills Shire Council—a reflection of her work on behalf of the community. Donna is involved in organising the Glenhaven Carols at Christmas each year, raising money for the local State Emergency Service and fire brigade. She is the secretary of The Hills Multicultural Network and coordinates activities in the Hills promoting cultural awareness. Donna was recently elected as the District 24 New South Wales and Australian Capital Territory Treasurer of the Zonta International Club, and is a member of the Sydney Hills Zonta Club where she has taken on the role of external relations and fundraising officer.

For more than 20 years Donna has been involved with the Hills Domestic Violence Prevention Network and currently holds the position of treasurer. This year Donna has been involved in the formation of the West Pennant Hills and District Probus Club, which coordinates events for the Hills ladies local social group which has approximately 110 members. On top of all this great work, Donna has volunteered for more than four years for the Castle Hill Branch of the Red Cross and contributes to The Hills Relay for Life. Recently I also had the pleasure of presenting Rosemary Derwin with her 25 Years of Service Award as part of the Premier's Volunteer Recognition Program. Rosemary started as a guide leader with Girl Guides New South Wales in 1982 and since then has continued her volunteer work with Girl Guides and is currently on the State board. I also had the pleasure of awarding Jasper Pardo with the Project Volunteering Award for his MATES Mentor program—a program that pairs experienced students with commencing students at Western Sydney University, providing friendship and support as they transition into university. These individuals are just a small example of the wonderful volunteers who contribute so much to the Castle Hill electorate.

As another illustration of the great volunteers in Castle Hill, I had the pleasure of attending the grand reopening of the historic Lintbrae Cottage in Kellyville—a \$300,000 renovation for which the New South Wales Government provided support funding through the Community Building Partnership which restored the charm and historic appeal of the old cottage. The work of many volunteers proved invaluable. Pastor Jeff Deuble noted that the renovation happened only because of the time given by so many volunteers and the generous contributions

of church members. The history of the cottage can be traced back to 1860. It is one of the oldest buildings in the Hills, making preservation work even more important.

Jeff Deuble said that the single-storey cottage was originally built by ex-convict John Seath in 1860, after Seath was transported for life and had been indentured as a carpenter to William Cox Senior. The cottage is now the site of the Rivergum market that helps to raise funds for the work the church does, including supplying more than 110 meals a week for the needy. As these examples illustrate, whether it is individuals or a community organisation, the Hills shire is rich with people who give of their time for the benefit of others.

I take this opportunity to thank the wonderful volunteers who dedicate many hours of their time to the Riding for the Disabled Association. This wonderful organisation, which originated at Kellyville, provides recreational activities for people with disabilities. It is now in my own backyard at Box Hill and it continues to operate with the wonderful support of not only the staff of that organisation but also the many volunteers and neighbours who selflessly give up their time to so many people with disabilities. As the Minister for Disability Services I am extremely proud that my constituents are doing their bit on behalf of the most vulnerable in our community. I am proud to be the Minister responsible for extending the Government's appreciation and support to all volunteers across this great State.

PARRAMATTA AND DISTRICT WAR MEMORIAL SWIMMING POOL

Ms JULIA FINN (Granville) (18:40): On Friday the Parramatta and District War Memorial Swimming Pool will be closed. It is to be demolished to make way for an expanded Parramatta Stadium. I have spoken about this many times, noting that the expansion could and should encroach on the adjoining car park, not the pool; and that the State Government has not funded a replacement pool for the residents and workers of the City of Parramatta. Every summer 170,000 people swim at this much loved Olympic standard pool. It has 10 lanes and one of the two 10 metre diving platforms left in Sydney. From Saturday it will be closed for good, and for no good reason. Today I want to reflect on the great history of the pool before it is lost.

In 1956 the former Parramatta City Council held a public meeting to discuss what it called "a proposal for filling a pressing need for Parramatta and the active support of all sections of the community is wanted". A committee was established to raise funds with the involvement of the Parramatta Chamber of Commerce and Parramatta City Amateur Swimming Club. In June 1956 the council approved the name "Parramatta War Memorial Swimming Centre" in memory of those who gave their lives in World War II. In July 1957 the council obtained a lease of six acres in Parramatta Park. The committee raised funds by selling 24,000 pool tiles at 5 shillings each to members of the community. The community literally has ownership of this beloved pool. At the time the Prociv family in Northmead saved up to buy a tile. Dimitri and Nadia Prociv paid five shillings as their contribution to having the pool built. Once built, their five sons—Vic, Paul, Michael, Peter and Alex—learnt to swim there. Vic still resides in the area. I know how much he loves the pool and treasures his memories of it.

By 1957 some £6,000, or about \$182,000 in today's figures, had been raised. A commitment was made to raise another £20,000 and the council was to contribute the rest. In May 1958 construction began. In October 1959 the pool was opened, in the presence of 5,000 residents, at a cost of £140,000. A teaching pool and wading pool were completed in 1960, which was opened by John Devitt—the winner of the 100 metres freestyle at the Rome Olympics. In 2008 it was renovated and heated to allow year-round use, at a cost of \$10 million. Later that year, following the first and only brawl at the pool, then Lord Mayor Tony Issa banned anyone under the age of 18 from attending the pool without their parents. I led the fight to overturn that ban when a grandmother was refused entry on a 40-odd degree day for her three-year-old and five-year-old grandchildren. It turned out that the kids who started the brawl had climbed the fence to get into the pool instead of going through the gate—they had not paid but they would not have been blocked by the ban. The council fixed the fence.

In 2015 it became apparent that the pool was under threat. I pay tribute to the enormous efforts of Suzette Meade from the North Parramatta Residents Action Group for leading the ongoing campaign to save the pool. I am looking forward to joining Suzette for a final swim at the pool this Friday. After 57 years the pool is about to be demolished. This will leave the Parramatta central business district without a swimming pool, while the Sydney central business district has five pools. This is to happen after the hottest summer on record—tragically, there have also been record numbers of drownings this summer. When the demolition approval was sought last year, only the Parramatta City Council and Parramatta Park Trust were consulted.

The community, the swimming club and the schools that use the pool every week were not consulted, and even though a war memorial is being demolished the RSL was not consulted. The member for Pittwater, Rob Stokes, approved this demolition as the former Minister for Planning. On 3 February 2017, referring to the Warringah Aquatic Centre, he was reported in the *Manly Daily* as saying "it would not be acceptable to have a hiatus where we don't have a pool". What a disgraceful double standard. At Warringah, which is close to many

beautiful beaches, it is unacceptable to have a hiatus without a pool but somehow in Parramatta, where it is much hotter in summer, it is okay.

In last year's budget estimates hearings the sports Minister made it very clear that there is no money for a replacement pool, but the Government is looking at land within Parramatta Park for a new site. Large sections of that park are World Heritage listed and have been recognised by UNESCO for their important colonial and convict history. The views from Old Government House are important, as are other view corridors. It will be a major challenge to not put an indoor aquatic centre within those view paths, especially if a 10 metre diving platform is included. Ironically, back in 2001 during the debate on the Parramatta Park Trust Bill, the then member for Southern Highlands and shadow Minister for the Environment, Ms Peta Seaton, spoke on this issue. She said:

I ask the Minister to guarantee that the trust will not be persuaded to relinquish slices of the park in the future for urban planning and infrastructure purposes. Will park values be compromised by the need to attract new events and other park users to gain revenue.

Where are those concerns in the Liberal Party now? No-one I have spoken to, except former Liberal councillors, want an indoor aquatic centre. Everyone wants an outdoor pool, ideally just like the one they have now. Some would rather not have the stadium if it comes at the cost of the pool. Parramatta deserves both. [*Time expired.*]

SCOPE IT EDUCATION

Ms ELENi PETINOS (Miranda) (18:45): Tonight I acknowledge Sheree Coleman of Sylvania. She is a local business operator who aims to educate students in computing and technology through Scope IT Education. Scope IT Education works with primary schools across Australia in order to help students learn technology-based subjects. The courses are integrated with the Board of Studies curriculum and provide lessons on coding, building websites, creating apps, three-dimensional design and printing, robotics, Google research and, importantly, online behaviour and safety. The operation is founded upon the principle that every student, regardless of background, socio-economic status or geographic region, should have access to the digital skills they will need in order to succeed in their future careers and workplaces.

As a member of our local community, Sheree has invested in providing these innovative courses to students across the Sutherland shire. Furthermore, all the employees at Scope IT Education are from our shire and are passionate about our local schools. They bring all the computers and the technological software into our schools and run 40-minute lessons teaching students about technology and computers. These courses epitomise a new era in education—one where curiosity and creative thinking are critical. The courses already run in a number of local schools, including Jannali East Public School, Miranda North Public School and Sylvania Public School.

Recently I had the pleasure of attending Jannali East Public School and joining one of the coding courses run by Sheree and Jeff. At Jannali East Public School five classes are currently being run for children between year 4 and year 6 who will learn the basic skills required for coding. I was helpfully informed by the students that learning how to code is like learning a new language, so the earlier we teach our children this important skill the better equipped they will be to deal with the future. Whilst I like to think that I am technologically savvy, these children put me to shame with their wealth of knowledge about technology and the incredible skills they have learnt throughout these courses. These skills are essential for success in the new digital age, which is only just beginning.

The courses Scope IT Education runs prepare students for the jobs of the future, many of which do not yet exist. I acknowledge principal Katherine Horner and the teachers at Jannali East Public School for embracing this program. Their support for and encouragement of this program set the groundwork for future success in science, technology or computing for their students. When I was at school, girls were not encouraged to study science, mathematics or information technology because these were seen as traditionally subjects for boys. It is heartening to see that the times have changed and now all students are encouraged to participate in all areas of study. With the rate at which technology has been advancing, it is crucial to educate all young people in science, mathematics and computing and to encourage students to enter these career areas. We desperately need more students studying science at university. These courses will enable us to think beyond mainstream learning and to enter a world of endless new possibilities.

The New South Wales Government is committed to playing a leading role in the new national science, technology, engineering and mathematics [STEM] education strategy. STEM education is an interdisciplinary and integrated approach that aims to help students gain knowledge and deepen their understanding in order to develop creative and critical thinking. Young people increasingly need fundamental skills in technology to thrive and fully participate in the rapidly changing twenty-first century. Scope IT Education is the only course that has been approved by the STEM education program and that complies with the Australian curriculum, which is why it is a valuable resource for local schools in the Miranda electorate.

I am thrilled to have a local member of our community like Sheree involved in teaching students about technology and computers, to give them the best start for the future. I commend Sheree and the other employees at Scope IT for their extraordinary work with our local students, and also the commitment shown by local schools and principals who have embraced the programs. These programs are essential for the future of our students and I am looking forward to seeing them in more schools around the Miranda electorate.

MAITLAND RAILWAY STATION ROUNDABOUT

Ms JENNY AITCHISON (Maitland) (18:50): I acknowledge the presence in the Chamber today of the shadow Minister for Transport and Roads, the Hon. Jodi McKay, as I address a number of major safety issues concerning the new roundabout on the New England Highway near Maitland railway station. I am concerned that the new roundabout will cause a fatality in the near future. Since the opening of the new flyover last year, I have received many complaints about the congestion and traffic problems this has caused. There are three main areas of concern. First, the blacked-out lane markings are fully opaque when driving west. One of my constituents, Mr Clint Brosie, from Ashtonfield, has made a video about this, and I urge people to look at it on my Facebook page. Another constituent said:

I've noticed several cars nearly collide as it's hard to see where the lines are for the current lanes and cars are swerving/driving in the outer lanes etc.

Roads and Maritime Services [RMS] has said that it will review this matter to see whether it can address the issues. If RMS does not fix this, lives will be lost—plain and simple. This area already has issues with aquaplaning and with blacked-out line markings making it quite slippery in wet weather. There are similar issues with white lines on concrete on the eastern side of the highway where the overpass merges, and it is unclear where the merge lanes go.

Secondly, a constituent rang to inform me that a steel plate was protruding from the road by approximately 1,000 millimetres just after the roundabout. He struck the plate with his car when he was driving at the speed limit of 60 kilometres per hour. This caused his car to veer to the right. Some 125 comments were posted in an article about this within two hours of its going online. People reported seeing cars sliding on the plate in wet weather, and there were issues with motorbike riders being nearly thrown from their bikes and damage to shock absorbers, et cetera. RMS advised me that this was part of roadworks that had been put in place to reduce aquaplaning through the installation of a culvert. But another constituent who took photos of this hazard told me:

The lane with the steel plate in it should not have been open to traffic under any circumstances, and the blacked-out lane markings are fully opaque when driving west.

So it is a real problem. Again, it is utterly unacceptable for the RMS to allow dangerous work on a major highway. Thirdly, the *Maitland Mercury* has been scathing about the roundabout, and many of its readers have agreed. One article talked about westbound queues of up to 800 metres long during the afternoon peak hour, and we are aware of people using Maitland Park as a rat run to avoid the congestion. RMS has told me that it is too long to see an improvement in performance and that the peak periods are short. One of my constituents said:

I would like one of the engineers to just observe and perhaps get a drone's view of the round-about from 8.30-9.30 am on weekdays. It's out of hand and has become complete chaos recently. People are becoming banked up on the actual round-about and the near-misses are ridiculous.

Traffic at 9am on Monday this week was banked up in all directions ... In the afternoons from 3-4pm it banks up from that round-about back up the New England highway to the east almost to the information centre at times causing a mad rush to try and bypass it by going flat out through the Maitland Park and swimming pool car park area.

Even according to the Liberals this is a problem. East Maitland Liberal Party Branch President, and so-called independent councillor, Bob Geoghan, said:

It is clear that there are unacceptable delays. Although the new overpass is not yet one year old, it has been long enough to see that this will be an ongoing problem which is only likely to get worse.

The Maitland railway station roundabout project has been a complete debacle. Everyone in the Maitland community has always known that the one-way roundabout overpass solution proposed during the term of the former Liberal member for Maitland would not work. Anyone with any sense could see that it was only a half-hearted solution. It is a waste of the \$45 million that was originally budgeted. I note that the cost of the project blew out by \$6 million and it took another two years to complete.

I invited the shadow Minister for Roads, Maritime and Freight to Maitland recently to see this dangerous intersection as well as Testers Hollow, which I have also written to the Minister about. Ms McKay shares my grave concerns regarding the high risk of a fatality occurring at Maitland roundabout. If someone dies at this roundabout it will be the responsibility of this Government. I am very serious about that. Today I wrote to the Minister for Roads, Maritime and Freight and asked her to come to Maitland at the earliest opportunity to see the area. I have asked for her urgent advice as to how the Government proposes to fix this unmitigated disaster that

will likely cause a fatality in our community. I urge everyone to go online and look at my Facebook page to see the impact of this road, because it is terrible. It is an accident waiting to happen and the Government needs to do something immediately.

TEMPORARY SPEAKER (Ms Anna Watson): I thank the member for Maitland for her valuable contribution. I encourage all members to look at her Facebook page.

PITTWATER WOMEN OF THE YEAR DEBORAH CARTER

Mr ROB STOKES (Pittwater—Minister for Education) (18:55): I congratulate and express my deep appreciation for Newport resident Deborah Carter, who has been named Pittwater Woman of the Year for 2017. This award recognises the outstanding achievements of local women and their invaluable contribution to the Pittwater community. Deborah's contribution is a very special one. She served the Pittwater RSL Sub-Branch for 15 years in a number of roles. This includes her election as the first female president of the sub-branch in 2016, which is in itself a terrific achievement. Deborah joined the Royal Australian Air Force as a nursing officer in 1986. After discharging in 1993, she continued working as a nurse at Manly and Mona Vale hospitals, and today works at Manly Waters Private Hospital. In 2002 Deborah became a member of Pittwater RSL Sub-Branch and in 2012 took on the role of welfare and membership officer, supporting veterans young and old through a host of important local initiatives.

Deborah played a key role in establishing the Veterans Centre Sydney Northern Beaches at Dee Why RSL, advising on medical and healthcare services for our local veterans. The centre is run by Ben Webb, a local returned serviceman, and was established in collaboration with the late Commodore Graham Sloper, AM, and other dedicated people in our community. The centre provides a range of services for veterans, their spouses and family members across the region. These include health, social and financial support; compensation and welfare assistance; peer support networks; and legal advice. We are lucky to have such a terrific service on the Northern Beaches to ensure that our veterans have the support they need and deserve.

Deborah is also Vice-President of the Northern Beaches RSL District Council, which provides support for veterans and their families across the region. She is an example of the men and women who serve our community with distinction through the Returned Services League. In Pittwater we have the Palm Beach RSL, Avalon Beach RSL, Narrabeen RSL and of course Pittwater RSL supporting our fighting men and women with services such as welfare, advocacy and family support. Those sub-branches are also instrumental in the commemoration and remembrance of those who have fought and served in our country's name.

The support provided by the RSL and its sub-branches is vital in helping the members of our armed forces when they return from conflict overseas, with the challenges this can entail. Of course, the RSL's ability to provide simple mateship, a sense of community and a place where people feel they belong gives so much to our veterans and the community as a whole. Deborah's extraordinary passion for public service sets an outstanding example for others. Every role in her extensive career has involved care and support for people, often in their greatest time of need. It takes a very impressive person to work in nursing, particularly to carry out the role in our armed forces. It is a role that is all about putting the needs of others first.

Deborah is continuing to use her professional experience to train others while also donating her time to assist and advocate for some of the most vulnerable and deserving members of our community. Deborah's focus is not only on older veterans but also on the newest generation of veterans returning from more recent conflicts. When we think of the RSL, we generally picture the Anzacs, the First World War, the Second World War and major conflicts that occurred in the early and mid-twentieth century. Indeed, Australian forces played a vital part in these campaigns, and those who served hold an important place in our nation's history.

But it is also important to remember that Australians served, and continue to serve, in more recent conflicts around the world, with veterans returning from peacekeeping operations and Australian Defence Force operations in East Timor, Afghanistan and Iraq—to name a few. Deborah has worked passionately and with great dedication to make sure that this new generation of veterans feels they have a place at their local RSL and know they can access the support the RSL provides. This will obviously have profound benefits for our veterans in the future. It will also ensure that the RSL effectively continues the work it set out to do on its founding in 1916 and which it has done ever since: to support serving and former members of our armed forces.

Deborah was named Pittwater Woman of the Year at the annual Zonta International Women's Day Breakfast at the Royal Prince Alfred Yacht Club in Newport. I thank Zonta International and its local chapter in Pittwater for their advocacy of women's rights and their work to advance the status of women. I particularly thank Ann Asker, who organises the Women's Day Breakfast every year in our community of Pittwater. Deborah, like those named Pittwater Woman of the Year in the past, shows us what amazing things women in our community do in the service of others. I thank Deborah for her hard work supporting and advocating for our veterans and

wish her well as she continues her important work. She is truly an outstanding member of our community and I am delighted she has been acknowledged with this award.

Mr KEVIN ANDERSON (Tamworth) (19:00): I thank the member for Pittwater for making his private member's statement about looking after our veterans. It was the sixtieth anniversary of the National Servicemen's Association on Saturday, and I attended a service in Tamworth. We must recognise and pay our respects to all the men and women who have served in the past and all the men and women who are serving now in the defence of our country. In Tamworth, Jim Jordan and Don Smith continually reach out to those who are suffering. We hope that they continue to reach out. My wish is that we can build bridges to connect with those national servicemen who are living in isolation across this great country of ours.

RAIL PRIVATISATION

Ms TRISH DOYLE (Blue Mountains) (19:01): I acknowledge the presence in the Chamber tonight of our shadow Minister for Transport and Infrastructure. But I wish once again to discuss the poor performance of Andrew Constance, the Minister for Transport and Infrastructure, and in doing so I remind him of his key performance indicators [KPIs]. The Minister is responsible for running a public transport system on behalf of the taxpayers and citizens of New South Wales. The public transport system should be affordable, efficient and reliable, and it should be administered in the public interest. Those are the Minister's KPIs, and he is failing each and every one of them. Members will be aware that I am often on my feet in this place talking about the poor performance of the Minister for Transport and Infrastructure. It gives me no pleasure, but it must be done.

People in the Blue Mountains rely upon our public transport system to get to work every day, to get to school and to get to appointments. We suffer long delays almost as a matter of routine, and we put up with overcrowding and timetabling cuts that seem designed to encourage people to abandon public transport and get back into their cars. Every time I speak on these issues, rail staff from within my electorate and beyond reach out to me and provide more and more information and tip-offs about myriad ways in which the Minister and his department are letting down the commuters of New South Wales.

A couple of weeks ago I received an anonymous bundle of emails, internal memoranda and bulletins that outline the extent of preparations being made to privatise Sydney Trains and NSW TrainLink. The New South Wales Liberal Government is fattening this pig for market, and it is the staff on the front line who are being squeezed the hardest to make the organisation look profitable. Frontline staff are being told to meet KPIs for the checking of tickets and the issuing of infringements—or they risk losing their jobs. I have a copy of internal documents that stipulate that transit officers must achieve a target of 45 tickets checked per hour. They must also achieve a set "interaction rate"—which is some kind of management jargon for issuing fines—and this must be 0.71.

When staff meet or exceed these KPIs, they get a pat on the back in the form of a congratulatory email. When they fail to meet these KPIs, first, they are named and shamed in a colour-coded email that is sent to all their colleagues, with the underperformers labelled in bright red. If this does not encourage them to raise more revenue for "the business", they get sent to a formal counselling session with human resources—and presumably a sacking is not far off after that if they continue to perform poorly. All of these KPIs are set and monitored in the context of what management calls "the business plan"—referring to the so-called "business" of public transport.

Instead of focusing on passenger safety, security and comfort, management is forcing staff to shake down as many passengers per hour as possible, looking for something—anything—to book them for. Instead of focusing on providing an efficient, reliable, quality public service, the Government is trying to demonstrate a positive cash flow through "the business". This is an absolutely appalling way to operate a public transport network and it shows the twisted, toxic priorities of the Berejiklian Government. I have received a copy of a weekly trend analysis from the Fare Compliance Unit. Under the KPIs section, it says:

The tickets checked rate continues to hold at 40, with the interaction rate—
for those of us playing along at home, that is the rate of fines issued—

dipping slightly and continuing to hold between 0.6 and 0.65 ...

This means that, on that particular week, the staff did not issue enough fines and did not meet their KPI of 0.71 for issuing fines, despite checking the right number of tickets. Let me spell this out for members. This result meant that staff were hassled by management because too many passengers did the right thing that week and paid the correct fare. That is an absurd situation, and one which I think most people would find offensive. So I am putting the Minister for Transport and Infrastructure on notice. We see what the Minister is doing. We know what his endgame is and we will fight back. We will fight back against his ideological obsession with privatisation. We will stand up for the workers on our railways who are forced to work under duress, forced to drum up fines out of thin air, and forced to hustle law-abiding commuters who are trying to do the right thing.

Mrs LESLIE WILLIAMS (Port Macquarie) (19:06): A private member's statement is supposed to be about a member's electorate, and most of us use such statements to celebrate the great things that are happening in our electorates. So it is pretty disappointing when a member opposite uses a private member's statement to criticise a Minister who is doing a great job in the Transport portfolio, as did the Minister before him, our current Premier, Gladys Berejiklian. We can celebrate great achievements across this State not only in transport but also in a whole range of services. This Government is building the infrastructure that the Labor Government failed to provide for 16 years.

TEMPORARY SPEAKER (Ms Anna Watson): The private member's statement of the member for Blue Mountains was relevant to her electorate.

Bills

FIRE AND EMERGENCY SERVICES LEVY BILL 2017

Returned

TEMPORARY SPEAKER (Ms Anna Watson): I report receipt of a message from the Legislative Council returning the abovementioned bill without amendment.

Matter of Public Importance

BANDAGED BEAR APPEAL

Mr MARK TAYLOR (Seven Hills) (19:08): This month the Children's Hospital at Westmead is running its twenty-eighth annual Bandaged Bear Appeal for sick children. I cannot think of a more worthwhile cause for a member in this place to support than the Bandaged Bear Appeal. Sick children certainly tug at the heartstrings of all of us in this House and of everyone across the community. The appeal raises vital funds for brave patients, such as this year's Bandaged Bear Appeal ambassador, five-year-old Jacinta. Jacinta was born with a rare and extreme form of brittle bone disease known as osteogenesis imperfecta, and she has relied heavily on the hospital at Westmead for treatment since birth. Jacinta's parents, Lauren and Joe, were told to expect the worst when they had their 32-week pregnancy scan and their little girl was diagnosed with the rare and incurable genetic condition of brittle bone disease.

Jacinta's condition is extreme and probably nothing like any of us in this House could imagine. To date, she has endured more than 100 treatments for 100 fractures to her bones. All these treatments took place at the Children's Hospital at Westmead. Every breath or movement can cause a bone to break, and Jacinta also battles with muscle weakness, and growth and spinal issues. For a little girl with so many challenges, Jacinta is full of life and high in spirits. Now five years old, she lets little stand in her way. I am advised that despite being unable to walk she loves playing AFL and climbing trees. Of course those are pursuits that any young child would love to pursue to the fullest extent possible. Jacinta continues to defy the odds. Her parents are in awe of her strength and courage. It is clear from her story why they would be in awe of such strength and courage.

The Children's Hospital at Westmead has become a home away from home for Jacinta and her family. Every month she visits the hospital to receive bone-strengthening medication, regular physiotherapy, occupational therapy, hydrotherapy, rehabilitation and orthopaedic appointments. And of course this is coupled with unavoidable hospital admissions, including a recent four-month stay. I have young children; I cannot even fathom what a four-month stay in hospital would be like and the issues that would cause for the family, siblings and extended family.

Doctors and researchers are working to find better treatments and cures for Jacinta's condition among many other conditions which are as yet incurable. We hope the future will bring something brighter in that sphere of medical research. With ongoing medical care and treatment it is hoped Jacinta's dream to become a scientist will come true. It is fascinating that Jacinta seeks to pursue that profession having been surrounded by medical science for most of the life she has known thus far. It is not surprising that she has taken an interest in that field and wishes to pursue it.

Stories like Jacinta's make our support of the Bandaged Bear Appeal so worthwhile. It is a pleasure to be joined by the member for Parramatta and the member for Granville in this discussion. Our electorates surround the area of Westmead and no doubt that is why they are in the Chamber tonight to comment on this worthy appeal. The money raised means so much to beautiful young people like Jacinta and her parents, Lauren and Joe. The Bandaged Bear Appeal helps not only those kids with rare conditions like brittle bone disease but also children with severe burns, major heart conditions, liver disease and kidney disease. They are the types of things that are referred to the Children's Hospital at Westmead. They are what the doctors and nurses face every day.

The children come to Westmead because it houses the leading specialty units that are renowned across the country as being the best in their profession. The units include the paediatric burns unit, the Paediatric Liver Transplant Unit, the National Centre for Immunisation Research and Surveillance, the first paediatric tumour bank in the Southern Hemisphere, the New South Wales newborn screening service and the NSW Poisons Information Centre. The Children's Hospital at Westmead is a fantastic facility. I commend the Bandaged Bear Appeal to the House.

Ms JULIA FINN (Granville) (19:13): The Bandaged Bear Appeal is the major fundraising initiative for the Children's Hospital at Westmead each year. I commend the member for Seven Hills for raising this matter of public importance today. In November 1995 the Royal Alexandra Hospital for Children, renamed the New Children's Hospital, relocated from Camperdown to a new purpose-built facility in Westmead. The hospital supports sick children from across New South Wales. Now known as the Children's Hospital at Westmead it is world renowned, with 3,000 staff caring for more than 70,000 sick children every year, including more than 57,000 emergency visits. Many of the staff live in my electorate, as do many of the patients and some of the families who have relocated to be close to the hospital.

I have many friends whose children have been treated at the Children's Hospital at Westmead for both acute and lengthy illnesses. Some of them have been treated for rare conditions. The innovative work of the hospital is exceptional. The staff do an amazing job and the families are forever grateful. Without exception, they all appreciate the fantastic support their children have received at the hospital. Children from outside Sydney often stay at Ronald McDonald House, which is nearby in Northmead. It is also very important for sick children and their families during long stays in hospital as it provides a warm and friendly family environment. It is a home away from home for many sick children and their families during a difficult time.

The Children's Hospital at Westmead has always been at the forefront of implementing new and better treatments. My sister is a paediatric nursing specialist who works as a nurse educator at the Great Ormond Street Hospital in London, which is one of the world's leading children's hospitals. She started her career at the Sydney Children's Hospital and has often told me how well regarded both the Sydney Children's Hospital and the Children's Hospital at Westmead are. They are at the top of the game throughout the world.

Bandaged Bear Day was on 3 March, but from 1 to 31 March the month-long appeal is raising funds to purchase the most advanced medical equipment, fund vital research and deliver services that are central to the wellbeing of patients and their families. The funds raised are vital for sick children such as this year's five-year-old Bandaged Bear Appeal Ambassador, Jacinta. As the member for Seven Hills mentioned, Jacinta was born with a rare and extreme form of brittle bone disease known as osteogenesis imperfecta.

Jacinta has relied heavily on the hospital for treatment since birth. All her ribs were broken when she was born. Since then, she has been treated for more than 100 fractures. Every month she receives bone-strengthening medication and has regular physiotherapy, occupational therapy, hydrotherapy, rehabilitation and orthopaedic appointments. This is coupled with other unavoidable hospital admissions, including a recent four-month stay in the hospital. This is extremely taxing for Jacinta and her family, but Jacinta is a very positive little girl. While she cannot walk, she loves Australian Football League, as we have heard, and climbing trees. She dreams of one day becoming a scientist. With the support of the Children's Hospital, it may still be possible for her. As I mentioned, she is very brave and very positive. If anybody can get through this, reach adulthood and become a scientist to help people in a similar position, it is Jacinta.

Every year the Children's Hospital at Westmead provides innovations in treatment, supported in part by the Bandaged Bear Appeal. Some of the highlights of 2016 included the opening of the new Cardiac Catheter Interventional Suite at the hospital to offer safer and more efficient treatments for children with complex heart conditions. The hospital was also recognised nationally with awards for treatments for cancer and for cystic fibrosis; a new heart lung machine was installed; and a new, purpose-built playground was constructed for burns victims. The Children's Hospital at Westmead is the referral hospital for all children with major burns in New South Wales and treats more than 1,500 burns victims each year. Those children really do need a purpose-built place to play because it can be very difficult for kids who have suffered catastrophic burns. It is clear the Children's Hospital at Westmead is doing amazing work and needs everyone's support. It is great that the hospital continues to be supported by the Bandaged Bear Appeal. I commend the matter of public importance.

Dr GEOFF LEE (Parramatta) (19:18): It is a great honour to speak about the Bandaged Bear Appeal and the Children's Hospital at Westmead. The hospital provides world-class care and treatment to thousands of sick children and families each year. Families turn to the hospital clinicians for their help every day, and now is the time of year that the hospital turns to the community for a helping hand. This month the hospital held the twenty-eighth annual Bandaged Bear Appeal. The importance of the Children's Hospital at Westmead cannot be understated. The hospital treats about 84,000 sick children every year including 58,000 emergency department visits, close to 30,000 inpatients and close to 500,000 outpatients. The hospital has leading specialty units for

severe burns, heart conditions and liver and kidney diseases. There are approximately 4,467 staff across 150 departments.

There are more than 300 researchers understanding childhood illness and finding better treatments and the staff and families at the Children's Hospital at Westmead are supported by more than 600 dedicated and talented volunteers. They contribute in many ways such as running the volunteer shop, raising funds, supporting staff in a variety of areas, providing sibling care, acting as ward grandparents and providing palliative care. Volunteers were presented with long service awards last week and the longest serving volunteer received an award for 45 years of service.

The hospital relies on support from the community to provide the best care for sick and injured children. The Bandaged Bear Appeal is the signature fundraiser for the Children's Hospital at Westmead. It needs to raise vital funds to continue to provide specialist clinical care, purchase the most advanced medical equipment, undertake groundbreaking research into childhood diseases and provide education advocacy for improved child health. We hope a lot of people lend a hand this year so that the Bandaged Bear Appeal can reach its target of raising \$750,000.

On behalf of the New South Wales Government I say thank you to the doctors, nurses, clinicians and all the staff for their dedication. I also thank the more than 600 hospital volunteers who contribute so much, and the volunteers and donors supporting the Bandaged Bear Appeal this year. I commend the Bandaged Bear Appeal and the member for Seven Hills for bringing this matter of public importance to the House. I also thank the member for Granville for her words of support. I am sure all members acknowledge the exemplary work of the Children's Hospital at Westmead within the community.

TEMPORARY SPEAKER (Ms Anna Watson): This issue affects every member from every electorate across New South Wales. I thank the member for Seven Hills for bringing this matter of public importance to the House.

Mr MARK TAYLOR (Seven Hills) (19:21): In reply: I acknowledge the comments of the Temporary Speaker, and member for Shellharbour. I thank the member for Granville and the member for Parramatta for their contributions. I note we are the members for the electorates that surround this hospital, but of course it is not only us who support this great cause. As the member for Shellharbour indicated, this issue affects the entire State because the Children's Hospital at Westmead caters not only for Western Sydney; in cases of dire emergency children are transported there from around the State. We know that causes great grief and puts strain on families as it places distance between them and their sick child. That is why things such as the Bandaged Bear Appeal go a long way towards helping those families by providing facilities and services at the hospital to make it the best that it can be.

Last year I had the pleasure of visiting the Children's Hospital at Westmead with the member for Parramatta. On that day we were talking about the New South Wales Government providing a wi-fi service to allow children and their parents to use technology while at the hospital. I thought it was good that the children would get to play games and enjoy themselves. But that was not the point. The point was to connect them with their communities, with their schoolfriends and their friends. The wi-fi service played two roles. One was in improving the health and wellbeing of patients because they could interact, have fun and talk about what was happening. The other role was to let patients' classmates see their friends and know that they were coming back soon. Being able to interact with their friends, to see what changes they had undergone during treatment or just to know what had happened to them allowed for a greater level of acceptance when patients turned up on the first day back at class.

The member for Parramatta and I were fascinated to see that. The parents were also able to use the wi-fi whilst they were there. Although they were away from home the day-to-day routines could continue including simple things such as ordering lunches online at the tuckshop, paying bills or communicating with family members to update them on a child's condition and treatment. The wi-fi service enabled entire families to be informed of a situation at the same time. I have digressed, but that was an important contribution by the Government to the Children's Hospital at Westmead. I commend the Bandaged Bear Appeal to the House and hope that people make a donation when possible.

**The House adjourned, pursuant to standing and sessional orders, at 19:24
until Thursday 30 March 2017 at 10:00.**