

# LEGISLATIVE COUNCIL

Wednesday 12 October 2011

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**The President (The Hon. Donald Thomas Harwin)** took the chair at 12 noon.

**The President** read the Prayers.

## GOVERNOR'S SPEECH: ADDRESS-IN-REPLY

### Presentation

**The PRESIDENT:** I report that the House has presented its Address-in-Reply to the Governor's opening speech, and that Her Excellency had been pleased to give the following answer:

Office of the Governor  
Sydney 2000

Wednesday, 12 October 2011

The Honourable the President  
and Honourable Members of the  
Legislative Council of New South Wales

It gives me much pleasure to receive your Address and to thank you for your expression of loyalty to Australia and the people of New South Wales.

I am also glad to have your assurance that earnest consideration will be given to the measures to be submitted to you.

I have every confidence that your labours will advance the general welfare and happiness of the people of this State.

Professor Marie R Bashir AC CVO  
Governor of New South Wales

## BUDGET ESTIMATES 2011-2012

### Motion by the Hon. Duncan Gay agreed to:

That paragraph 2 of the resolution referring the budget estimates and related papers to the General Purpose Standing Committees for inquiry and report, adopted by this House on 12 May 2011, as amended, be further amended by:

- (a) omitting from day three:  
"GPSC 2      Education      2:00 p.m.–6:00 p.m."; and
- (b) inserting after the Ageing and Disability portfolio on day one:  
"GPSC 2      Education      11:10 a.m.–1:45 p.m."

## BUSINESS OF THE HOUSE

### Formal Business Notices of Motions

**Private Members' Business item No. 197 outside the Order of Precedence objected to as being taken as formal business.**

## AUSTRALIAN CHAMPION SPORTSWOMEN

### Motion by the Hon. Cate Faehrmann agreed to:

- 1. That this House notes:
  - (a) Samantha Stosur's spectacular victory at the 2011 US Open Tennis Championships, the first Australian woman to win a Grand Slam title since Evonne Goolagong Cawley won Wimbledon in 1980; and
  - (b) Sally Pearson's current status as World Champion in the 100 metres hurdles with a time of 12.28 seconds, who is one race away from a perfect season in this event after her nineteenth consecutive win.

2. That this House:

- (a) congratulate both women on their achievements and commends them as inspirational examples of Australian accomplishment in women's sport; and
- (b) requests the President to write to both Samantha Stosur and Sally Pearson on behalf of the Legislative Council conveying the terms of this resolution.

### **YOUNG PUBLIC SCHOOL SESQUICENTENARY**

#### **Motion by the Hon. Mick Veitch agreed to:**

That this House:

- (a) notes that on 10 September 2011 Young Public School officially celebrated its sesquicentenary;
- (b) extends its congratulations to the organising committee, the school administrative, support and teaching staff, students and the community of Young on achieving the outstanding milestone of 150 years of continuous education; and
- (c) conveys its congratulations to Young Public School.

### **UNPROCLAIMED LEGISLATION**

**The Hon. Greg Pearce** tabled a list detailing all legislation unproclaimed 90 calendar days after assent as at 11 October 2011.

### **TABLING OF PAPERS**

**The Hon. Greg Pearce** tabled the following report:

Animal Research Act 1985—Report of the Animal Research Review Panel for year ended 30 June 2010.

**Ordered to be printed on motion by the Hon. Greg Pearce.**

### **PETITIONS**

#### **Religious Discrimination**

Petition supporting the amendment of the Anti-Discrimination Act 1977 to include religion as a ground of discrimination and to make it unlawful to discriminate on the grounds of religious belief or absence of religious belief, received from the **Hon. Shaoquett Moselmane**.

#### **Religious Education and School Ethics Classes**

Petition opposing the philosophical ethics course currently on offer in public schools and requesting that the House support the Education Amendment (Ethics Classes Repeal) Bill 2011 and the cancellation of the ethics course, received from the **Hon. Matthew Mason-Cox**

### **NEW SOUTH WALES TERRORISM AND HOMICIDE VICTIMS REMEMBRANCE DAY**

**The PRESIDENT:** Today is New South Wales Terrorism and Homicide Victims Remembrance Day. I ask all honourable members and officers of the House to stand in their places to remember those who have been victims of terrorism or homicide.

*Members and officers of the House stood in their places as a mark of respect.*

### **PRIVILEGES COMMITTEE**

#### **Reference**

**The Hon. MICHAEL GALLACHER** (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [12.16 p.m.]: I move:

- 1. That the statements made by Mr David Shoebridge on Thursday 15 September 2011 concerning the Commissioner of Police, Mr Andrew Scipione, be referred to the Privileges Committee for inquiry and report.

2. That the Committee investigate and report on:
  - (a) whether the conduct of Mr Shoebridge in relation to this matter constitutes an abuse of privilege; and
  - (b) what, if any, sanctions should be enforced in relation to his conduct in this matter.

As honourable members would know, a referral to the Legislative Council Privileges Committee is not a matter that this House takes lightly. Historically, I and other members have been referred to the committee for comments we have made. The committee has considered those comments and made decisions accordingly. The committee serves as a protection to ensure that members' privileges are used in a way that is appropriate and that the spirit of freedom is granted to members by virtue of their station. The comments made by Mr David Shoebridge concerning the Commissioner of Police, Mr Andrew Scipione, should be referred to the committee not because a member of the House or a member of the general public found the accusations offensive but because they raise a serious question about the exercise of privilege.

I make it clear that I found Mr David Shoebridge's imputation offensive. The committee has considered such matters in the past. However, the question of whether it is offensive in my view is not relevant. It is more a question of the circumstances in which the statement was made and premeditation as a result of obvious discussions with the media, given the public revelation or indication of the statement by the media prior to the statement being made in the House. It is a given in our parliamentary democracy that members may come into this place and with the full protection of the Parliament make statements safe in the knowledge that they are free from prosecution. On many occasions a member has used the House to make an allegation that could not have been made outside this place. It is a right of this place for members to do so.

**The Hon. Duncan Gay:** It is a privilege.

**The Hon. MICHAEL GALLACHER:** Of course, it is a privilege. If a member is brought to account afterwards because it is considered there is a case to be answered, the member must explain his or her actions. As the Deputy Leader of the Government rightly interjects, it is a privilege. It is the most powerful right a member possesses and we must be vigilant that it is used correctly. Where there are questions that need to be asked about a matter, particularly pre-meditation in relation to a matter, as in this case, we should ensure that there is an opportunity to consider it.

My principal concern is not the content of the statement made in the House but rather the manner in which it was made and the circumstances surrounding it. I am deeply concerned that on this occasion the member may have breached parliamentary privilege by informing members of the media of the content of his parliamentary comments in advance. Of course, people will say that has been happening for a long time; people have always given the media a bit of a heads-up if they intend to say something in the House that they consider to be important enough to raise in the context of privilege, to ensure that there is some public discussion or, indeed, some consideration of the comments. However, in this instance the information I have is that the media had begun reporting an allegation about to be made in the House before it was made in the House.

In the past we have not had social networking mediums such as Twitter; there has not been that instantaneous ability to disseminate information on a worldwide basis using the technology that is now available. There is no doubt that networking will continue to get faster and faster—if it can possibly get faster than it is currently—as the years go by. However, the question is whether informing the media that something is about to happen and that then being relayed through Twitter or similar networking processes, or even being broadcast onto the media outlet's website prior to the statement being made, is in itself potentially a breach of privilege. I believe that the Privileges Committee should consider that.

Let me make it clear: Whilst I personally found aspects of the comments made by Mr David Shoebridge in September offensive, I am more concerned about the implication of information being given to the media beforehand, the media then putting it into a written form and disseminating that information prior to the statement being made in the House. We are always told that the uncorrected proof of *Hansard*, if it is released, is not a protection. We are always told that if we say something in the House and if we are going to give somebody a copy of it outside of the House, that to have the protection of parliamentary privilege it has to be the corrected proof. Therefore, where do comments on Twitter and other forms of social media, which are not a corrected proof, stand when a member has advised somebody of something—a media outlet on this occasion—it is put into writing and it is out in public for everybody to see? On this occasion it was done before the comments were made in the Parliament.

I believe it is important that the Privileges Committee consider whether the member or someone obviously known to him has in fact breached privilege. I suspect that the member must have been the only one aware that he was about to make those statements in the House, but the committee should consider whether he or someone known to him informed the media, thereby enabling the media to make reference to the matter prior to it being raised in the House. I believe that is an important aspect the committee should consider to give members some certainty about privilege in the future. As I indicated earlier, we need to protect privilege. However, we need to be mindful that when the concept of the privilege of Parliament evolved years ago there was no ability for an immediate dissemination of what was being said in the House, let alone, in this case, dissemination or a reference to it prior to it being said in the House.

For those reasons I ask the House to consider referring the member to the Privileges Committee to consider what I believe to be a potential breach of privilege within this House and to consider the implications of providing information to somebody outside the House prior to that information being given to the House, which results in that information being transcribed and delivered outside the House in an immediate form that people can read, therefore ensuring that the information is already out in public prior to it being covered under privilege in this place.

**The Hon. LUKE FOLEY** (Leader of the Opposition) [12.24 p.m.]: I indicate on behalf of the Opposition that we support the motion moved by the Leader of the Government. We share the concerns that he raised in moving this motion. I was advised by a member of the press gallery on level six that Mr David Shoebridge would be launching an attack on the police commissioner less than 15 minutes before it happened. It is common in this House, where no party has a majority, for regular discussions to take place involving representatives of all parties, particularly surrounding the ordering of business. All parties seek support from other parties for matters they want elevated for debate. There was no approach from Mr David Shoebridge or from any member of his party to me or to the Labor Opposition to seek support for what he sought to do on that day. I believe that the manner in which he used the forms of this House to drop a bucket on the Commissioner of Police—a man who enjoys the confidence of both major parties in this State—was an abuse of parliamentary privilege.

Commissioner Scipione was appointed by a Labor Government and reappointed by the O'Farrell Government with the support of the Opposition. We are proud of Labor's record under the leadership of Bob Carr of driving reforms in both Opposition and Government that have led to a corruption-resistant Police Force in this State. Mr David Shoebridge used the forms of the House and parliamentary privilege to launch an attack on the police commissioner. He dropped a bucket on the police commissioner. The press gallery was tipped off, but to my knowledge the Government was not tipped off. The Opposition certainly was not tipped off. I believe there was a misuse of parliamentary privilege. On behalf of the Labor Opposition, I support the motion moved by the Leader of the Government that the Privileges Committee inquire into and report into the actions of Mr David Shoebridge.

**Mr DAVID SHOEBRIDGE** [12.27 p.m.]: I speak against this motion, but in doing so in no way do I wish it to be said that I am concerned about the referral to the Privileges Committee. I am sure that the committee will assess the matter even-handedly and fairly and that it will scrutinise the matters that are raised before it in a balanced fashion. Therefore, given that I have no concerns about the manner in which I raised matters or the content of statements I made in this House, I am not concerned about the substance of the referral. I am even less concerned about the matters raised by the Leader of the Government in relation to raising issues about breach of privilege regarding comments that are made by the media, in respect of which I have no control, before any statement is made in the House.

It is logically impossible to see how a statement made by a third party before I had made any statement in the House amounts to a breach of privilege, it having pre-dated any statement that was made in the House. But no doubt that is a logical concern that the Privileges Committee can review. Of course, it would be deeply concerning if this were an attempt by the Government to inquire into communications between members of other political parties and the media. Communications between politicians of all colours and the media must be protected and not open to intrusive inquiry by opponents in this political system. Otherwise it will be a significant concern for the ongoing free flow of information between elected members in this House and members of the public in New South Wales.

I think this is the fourth occasion on which this House will move to refer a matter such as this to the Privileges Committee. I think the first occasion was in relation to whether there had been a contempt of the House by Reverend the Hon. Fred Nile in relation to statements he made about a committee. The second

occasion was in relation to statements made by the Hon. Franca Arena. The third occasion was I think about a decade ago in relation to statements made by the Leader of the Government, who was then the Leader of the Opposition in this House, the Hon. Michael Gallacher, and the Hon. John Hannaford about statements they had made in September of 1999 concerning the then Lord Mayor of Sydney, Mr Frank Sartor. I think they both made statements about Mr Frank Sartor just yesterday in relation to his book. Therefore, this will be the fourth occasion. It is important to note where this privilege comes from and to examine the need for and the basis of the privilege. It is founded in the privilege gained by the House of Commons and was in fact put in statute in the Bill of Rights of 1689:

That the freedom of speech and debates or proceedings in Parliament ought not to be impeached or questioned in any court or place out of Parliament.

It was put on the statute book in the House of Commons in 1689 because there had been some substantial concern—"concern" may be too light a word—about the then Executive, King James and King Charles, who had sought to impeach the freedom of members of the House of Commons. Both King James and King Charles had sought to attack and impeach members of the House of Commons for statements they had made which the then Executive thought were libellous, attacking of the Executive and inappropriate. King James died before the Parliament took action in relation to him, but King Charles received a fairly stiff response from the then Parliament, which led to the Bill of Rights. So freedom of speech in this House, derived as it is from the House of Commons, is of course a matter that this House should be careful to protect. I assume that the Privileges Committee will do that, but it is worth noting that the Hon. John Hannaford said this when his matter was referred a decade ago:

The Bill of Rights is the foundation stone upon which the concept of freedom of speech in Parliament is founded. It is the anchor that stabilises the power of the Parliament, the rights of members, and the protection afforded to the community through members exercising their freedom of speech.

He went on to say:

As representatives of the community we seek to use the Parliament and the protections afforded by the Bill of Rights to raise matters of outstanding public concern, and thereby achieve an analysis, examination, review or investigation of matters surrounding that concern. If there is a wrong, we seek to correct it. When members raise matters of major concern in the Parliament they do so because they believe a wrong has been committed within the administration of Government, the Parliament, the judiciary or the public sector ...

Indeed, the Leader of the Government said this in relation to his referral:

This House must give an assurance that this procedure is not simply a case of the Government using whatever mechanism is available to it to stymie once and for all any member of this Chamber or indeed another place who would come forward with serious allegations that they believe to be true. We cannot allow that to happen. The reporting of the debate that is taking place on this matter is extremely important. It is extremely important that community members know from this debate that those who want the protection of the Parliament can come forward, irrespective of their position in the community, with complete and utter confidence.

I think the Leader of the Government recognised that the privileges of this House are a substantial matter of concern and they must be protected. It is clear that both the Government and the Opposition—the two primary political parties in this State—have complete and utter confidence in the Commissioner of Police and have said so repeatedly. Indeed, they brook no criticism of the Commissioner of Police in this State and brook little criticism of the actions of the New South Wales Police Force. I am extremely proud of the police for the work they do. Those 16,000 police have an extraordinarily difficult job. They do that job far and away, for the most part, with integrity and hard work in the face of conflicting situations and great difficulty. But that cannot mean that they are free from criticism. That cannot mean that the Commissioner of Police is free from inquiry when matters of substantial concern have been raised about how the Police Force has been operating, particularly in relation to its dealings with the media. This is what I said on the occasion that has been the subject of this referral:

I am calling for an urgent parliamentary inquiry to review the actions of the now police commissioner in giving an order not to publicly release information about a serial predator in a Sydney park because he was concerned, as has been alleged on oath, that it would reflect poorly on the police who had not done enough in a bygone era. This matter is serious. In May of this year former assistant police commissioner Mark Goodwin said on oath in the District Court that the now police commissioner, Mr Scipione, put politics before safety in not telling the public that there was a possible serial predator in a Sydney park.

The substance of the allegation of the evidence of Mr Goodwin given on oath is a serious matter of public concern and it raises potential criticism of the Commissioner of Police. Consistent with past practice, neither the

Government nor the major Opposition party will brook any criticism of the commissioner and they have not wanted to review, critique or consider whether the actions of the commissioner were appropriate. These matters were raised in May in the District Court yet nothing happened. Not only that, they are founded in a Police Integrity Commission telephone intercept that was taken some five years previously. No inquiry has been made by the Police Integrity Commission, the Minister for Police, the Premier or any other government official. Nor has a noise been made by the Opposition in relation to this serious matter that was raised by a former assistant commissioner of police on oath in the District Court.

**The Hon. Luke Foley:** Because we would believe Scipione before we would believe Roger Rogerson's mates, David.

**Mr DAVID SHOEBRIDGE:** I hear the somewhat offensive interjection from the Leader of the Opposition. He simply baldly believes the commissioner without wanting to test the matter or to inquire into it. It may well be that the Commissioner of Police has a full and absolute explanation that would satisfy anyone when they heard it tested under oath. But, unfortunately, that is not what has happened to date.

As I said before, I raised two key pieces of evidence in talking about this matter. The first was the transcript of the evidence in the District Court from May of this year. The second was a telecommunications intercept transcript dated 4 October 2006. That involved then Assistant Commissioner of Police Mark Goodwin and then Superintendent Adam Purcell. Former Assistant Commissioner of Police Goodwin, in the course of his sworn testimony before the District Court, gave evidence about an order he was given by then Deputy Commissioner of Police Scipione to instruct former Superintendent Purcell not to publically release information about a suspected serial child sex offender thought to be operating in a Sydney park—a serious matter. What was contained in that intercept from five years ago? The telecommunication intercept transcript comprises a contemporaneous phone record.

**The Hon. Dr Peter Phelps:** Point of order: The speaker is now canvassing the substance of the issue at hand rather than the motion on the *Notice Paper*. If he wishes to make these sorts of statements he should make them to the Privileges Committee at the time appointed; he should not be making them now. I ask you to direct him to return his comments to the question at hand.

**Mr DAVID SHOEBRIDGE:** To the point of order: The Leader of the Opposition quite clearly called into question my integrity in raising this and called into question the integrity of the substance of my allegations. He could not have been clearer about it. The Government is raising the serious matter of a referral to the Privileges Committee. It would be extraordinary if my contribution on this matter was gagged so that I could not deal with and respond to the quite serious imputations made by the Hon. Luke Foley.

**The Hon. Duncan Gay:** To the point of order: This is about a referral to the Privileges Committee. The issues that are currently being raised by the Mr David Shoebridge are issues to be canvassed at the Privileges Committee. When the member first stood up he indicated that he supported this reference.

**Mr DAVID SHOEBRIDGE:** No I didn't.

**The Hon. DUNCAN GAY:** He indicated that he was happy to go and he would be treated fairly there.

**Mr DAVID SHOEBRIDGE:** I did not say I was happy to go.

**The Hon. DUNCAN GAY:** Well, the comments he is making now are comments that caused the ire and concern of the House some days ago. Under the guise of this motion he is trying to raise them again.

**The PRESIDENT:** Order! The decision of the House to refer one of its members to the Privileges Committee is an extremely serious matter. Unlike some previous motions in relation to such matters, no specific guidance is being given to the committee as to whether it should call the member. There is certainly an obligation on the Chair to allow the member to place his comments in context without necessarily introducing new material. I will extend some latitude to the member. However, he should be careful to largely confine his additional remarks where necessary strictly to the motion before the House.

**Mr DAVID SHOEBRIDGE:** I note your ruling, Mr President. The telephone intercept transcript has then Assistant Commissioner Goodwin instructing the then—

**The Hon. Michael Gallacher:** Point of order: I seek your advice, Mr President. I think it is fair to say that the House has never heard any of this before, therefore it would constitute new material. I am trying to get an understanding of what would therefore be eligible to be admitted in the member's contribution other than where he is going now, which is in my view new material that we have never heard.

**Mr DAVID SHOEBRIDGE:** To the point of order: It is entirely out of order to seek a presumptive ruling as to what material may or may not be allowed. With all due respect to the Leader of the Government, he is simply canvassing your earlier ruling.

**The PRESIDENT:** Order! My ruling was that some latitude is extended to place the earlier comments in context but that it is not permissible for the member to introduce substantial new material. It is difficult to understand all of the circumstances surrounding the allegations that the member made. It is not an easy matter for the Chair. The member should be careful not to introduce substantial new material.

**Mr DAVID SHOEBRIDGE:** It is important to note that there is no absolute right for me to appear before the Privileges Committee. It is not included in the motion and I do not know what procedures the Privileges Committee will undertake. Therefore, it seems impossible to deal with this matter other than by dealing to some modest degree—I do not think it will take me more than two minutes or so—with the substance of the matters that were raised. This is a contemporaneous record taken when neither party had any reason to believe their words were being listened to or to take care about the substance of what they said. The transcript had Assistant Commissioner Goodwin saying that Scipione had ordered Purcell not to publicly release the information because he was:

... concerned about what they are those other incidents and whether we did enough in a bygone era. You know before your time ...

That transcript was tendered in the District Court and Assistant Commissioner Goodwin was called by then Superintendent Purcell to give evidence in the District Court proceedings to meet an allegation that was being made by then Commissioner Scipione that the superintendent had acted inappropriately in publicly releasing the information. In the course of the proceedings Assistant Commissioner Goodwin was called to refute that allegation by the commissioner. He was asked the following question:

Is the only explanation you gave to Mr Purcell at any time about it not being a serial was the embarrassment to the New South Wales Police Force about not doing enough in the past?

Mr Goodwin said, "Yes." Mr Goodwin gave further testimony as follows:

Firstly, in a situation like this there is a moral and duty-bound obligation I think by the police to inform the public of the pending danger in the park there.

Goodwin described in his evidence under oath the order given to him by Commissioner Scipione as "totally inappropriate" and, at a later point, his words in relation to the order from Commissioner Scipione were that the order was "self-serving and inappropriate". In his evidence Goodwin directly criticised the politics in police headquarters, where, he said, "These things are virtually not questioned because, if they are, there's repercussions later." The proceedings continued and once Assistant Commissioner Goodwin's evidence was given in the District Court the presiding judge made the following observation—

**The Hon. Duncan Gay:** Point of order: Surely at this stage we must be well into new material. I request that the honourable member be drawn back to your earlier ruling.

**The PRESIDENT:** Order! My earlier ruling was that it is permissible for the member to put the comments he made which are the subject of the motion in context. The member is starting to go well beyond that point and to give a fuller outline of the allegations he was making. He has gone past the point where I can extend latitude. I ask the member to draw that line of argument to a close and to more substantively concentrate on the issue that is highlighted in the motion, which is the referral of his comments to the Privileges Committee.

**Mr DAVID SHOEBRIDGE:** I note your ruling, Mr President. The referral of course suggests, through the Leader of the Opposition, some inappropriateness in my seeking to have Commissioner Scipione questioned on oath in relation to this matter. After that evidence was given by Assistant Commissioner Goodwin the then judge in the District Court said, "Call your client", to Commissioner Scipione's legal representative—call Commissioner Scipione to meet these allegations by Mr Goodwin. Of course, only Commissioner Scipione

could have met those allegations made by Goodwin because they were about a conversation between then Deputy Commissioner Scipione and Assistant Commissioner Goodwin. But, rather than meet those allegations and go into court the following Monday and give evidence about exactly what was said between Assistant Commissioner Goodwin and then Deputy Commissioner Scipione, Commissioner Scipione, who was the defendant in the case, settled the proceedings and paid Mr Purcell the full entitlements he had been seeking to get from the State of New South Wales for months and years beforehand.

So, rather than clarifying on transcript, in the face of cross-examination on oath, and meeting those serious allegations that had been made against then Deputy Commissioner Scipione by former Assistant Commissioner Goodwin, the Commissioner of Police settled the case. Therefore, those serious allegations made by Assistant Commissioner Goodwin have never been met on oath. They have never been met in a situation where then Deputy Commissioner Scipione could be challenged about whether or not what he did was, as Assistant Commissioner Goodwin said, totally inappropriate, self-serving and a case of politics happening in the police headquarters. It is because that has never been tested, because then Deputy Commissioner Scipione, rather than going and facing those allegations in the witness box settled the case, that the matter was raised here by me in this Parliament for scrutiny and inquiry.

**The Hon. Duncan Gay:** Point of order: The member clearly has gone way beyond the motion before the House. The recent statements were gross allegations against the Commissioner of Police. They have nothing to do with the matter that is before the House. The member is trifling with the House. He is using a very important motion to further his case of denigrating, under parliamentary privilege, the Commissioner of Police.

**The Hon. Michael Gallacher:** To the point of order: It is fair to say that the member would not have expected when he first raised this matter in September to have been able to put on the record as much as he is now putting on the record in this debate on the pretext of: You are denying me my right to defend myself. The House has been exceedingly tolerant about the introduction of new material and the elucidation of matters that have been before the court. I submit that the member should draw his comments about the court matters to a conclusion and save them for the Privileges Committee, should the House decide to refer the member to that committee, where he will be able to argue his conduct in relation to this place.

**The PRESIDENT:** Order! I uphold the two points of order. It seemed that the member had concluded that line of argument and was moving to another matter. I ask the member to bear my ruling in mind when he makes further contributions to the motion.

**Mr DAVID SHOEBRIDGE:** Thank you, Mr President. You are quite correct: I had finished that part of my observations. So the situation was that the Police Integrity Commission had been in receipt of the transcript for five years. The intercept was taken by officers of the Police Integrity Commission.

**The PRESIDENT:** Order! The member is now flouting my ruling by canvassing issues that he has already addressed. I have ruled that the member should not refer to those issues. The member has been extended wide latitude and he should now link any further remarks to the motion before the House.

**Mr DAVID SHOEBRIDGE:** These are matters that I have, by correspondence of 21 September 2011, directed to the Police Integrity Commission, and after chasing them got a confirmation just yesterday that the commission had received that correspondence. I would hope—although I do not hold out any great promise, given the failure to act for five years to date—that the Police Integrity Commission will undertake an inquiry, but I do not know whether it will.

**The Hon. Dr Peter Phelps:** Point of order: Once again the member is canvassing new material. Nothing in his 15 September speech dealt with the Police Integrity Commission. Indeed, the member is referring to events that have taken place after 15 September. If that is not the introduction of new material I do not know what is.

**The PRESIDENT:** Order! I uphold the point of order.

**Mr DAVID SHOEBRIDGE:** The House is considering a motion to refer my conduct to the Privileges Committee because I had the temerity to criticise the Commissioner of Police, and because I did not tell the Leader of the Opposition about that. He seems offended that he was not notified about that beforehand. It seems there is an intent in the motion to inquire into communications between members of this House and the media. Of course, that would be an extremely dangerous precedent. I said before that I am not concerned about the



substance of the referral, because I have no doubt that any fair-minded tribunal would consider the statements that I made founded in evidence, founded in sworn testimony by former senior members of the police and founded in contemporaneous telephone transcripts. And I have little doubt that the Privileges Committee will assess those matters fairly.

It is clear that the matter will be referred, because the majority of members in this House seek to refer it. But I think it is a timely warning to members of this House that, simply because a member says something with which they disagree, find offensive or inappropriate—perhaps challenging a person such as the police commissioner, or seeking an explanation from someone such as a police commissioner who has the unquestioning loyalty of the major parties in New South Wales—that member could be referred to the Privileges Committee. If that is the test for condemning and for attacking a member of this House then that is an appalling state of affairs.

I do not believe the Privileges Committee will assess this matter unfairly; I believe it will assess the matter fairly. But the fact of the referral, I can tell members now, sends a chill into this House, and sends a warning to members of this House who have been elected by the general public, who would stand up here and say what they believe is right, who would challenge power and challenge people in positions of power when they believe that needs to be challenged. It sends a chill through this House. And it is for that reason that I do not support the referral, because it does appear politically motivated. It does appear intended to send a chill through this House to seek to quiet down those who may wish to raise uncomfortable and difficult arguments and may wish to raise matters that discomfort both major parties in this House. But it is clear the referral will happen, and I look forward to further communications with the Privileges Committee.

**The Hon. AMANDA FAZIO** [12.57 p.m.]: In deciding which way to vote on this issue the House needs to focus on not the content of the material that Mr David Shoebridge put before this House but on the manner in which he did that. My understanding is that the concern that has led to the move to refer this matter to the Privileges Committee is not the fact that statements made in this House attract parliamentary privilege; the issue in this circumstance is whether, having given that information to media outlets before it was raised in the House, the comments made by Mr David Shoebridge still attract privilege. The issue is the timing of what was said and the manner in which the matter was put forward rather than necessarily the content of what the member said. That is the issue that the House needs to focus on today.

I will always defend the right of members to put forward in this House matters that they believe are of public importance—matters that they may not be able to air outside the Chamber because what they say outside the Chamber may be considered defamatory. So I support the right of members to bring before this Chamber matters that they deem to be of public importance. But the matter that we are dealing with today is the manner in which that was done and the timing of the release of the information. We are all warned when we first come into this Chamber that if we wish to put matters and issues on the record in this Chamber we have to be very careful about the way in which we disseminate that material after we have raised the matter here so that we still retain privilege and what we say publicly cannot be regarded as defamatory.

In this circumstance the matter was put out before it was raised in the House, and that is why it is a matter of privilege that I believe needs to be discussed by the Privileges Committee. It is not whether people are prepared to defend the Commissioner of Police or unquestionably believe every word he says. That is irrelevant. The timing of the release of the information and putting it on the record of the House afterwards is the issue that members must focus on when considering whether this matter should be referred to the Privileges Committee for inquiry and report.

**Reverend the Hon. FRED NILE** [12.59 p.m.]: The Christian Democratic Party supports the motion to refer the matter to the Privileges Committee. Mr David Shoebridge referred to me earlier regarding a contempt allegation. The contempt I was alleged to have committed did not occur in the House but, rather, in correspondence. The Privileges Committee investigated the matter and said that no contempt issue was involved.

*[The President left the chair at 1.00 p.m. The House resumed at 2.30 p.m.]*

**Pursuant to sessional orders business interrupted at 2.30 p.m. for questions.**

**Item of business set down as an order of the day for a later hour.**

## QUESTIONS WITHOUT NOTICE

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### FIREFIGHTER OCCUPATIONAL HEALTH AND SAFETY

**The Hon. LUKE FOLEY:** My question is directed to the Minister for Finance and Services. I refer to comments made in the final report of the Senate inquiry into the Safety, Rehabilitation and Compensation Amendment (Fair Protection for Firefighters) Bill 2011:

Given the quantity and quality of evidence presented, the committee is confident that a link between firefighting and an increased incidence of certain cancers has been demonstrated beyond doubt.

Why is the Government waiting three years before conducting a further study through Monash University while firefighters continue to develop cancer while saving our lives?

**The Hon. GREG PEARCE:** Will we ever get over the hypocrisy of this mob? Where are they coming from? They had 16 years. This did not matter for 16 years. They did nothing for 16 years. Now all we have is hypocrisy on hypocrisy from this mob. I gave a detailed answer to this question yesterday, and I refer the member to it.

### SPEED ZONES AUDIT

**The Hon. JOHN AJAKA:** My question is addressed to the Minister for Roads and Ports. Will the Minister update the House on the Government's speed zone review?

**The Hon. DUNCAN GAY:** Not a driver in the State would be complaining about our review. Drivers would be complaining about the mess of the roads they inherited from the previous Government. During the break, whilst Opposition members were overseas and relaxing after having done no work, I announced the newest function of the Safer Roads NSW website. It now offers an email update service to alert the community to upcoming changes to speed limits. Members of the public will now be able to sign up to receive updates about changes to permanent speed limits in their nominated area. I encourage people to log on to [www.saferroadsnsw.com.au](http://www.saferroadsnsw.com.au) and sign up to the service.

This new website is part of our commitment to review speed zones. I announced previously that the New South Wales Government had rationalised a number of speed zones across 10 key stretches of road as part of an initial speed zone review. The people love this. Day after day people are saying, "Good on you, Barry. Good on you, Dunc. You're doing the right thing. You're listening" and the Labor Party just hates it. It really hates the public. It never liked people to be happy in the State. It did not want niceness to abound. That is what we want. We want the community to be relaxed, in a state of niceness and driving safely. It is clear that motorists have become increasingly frustrated by a series of speed zone changes on roads across New South Wales, which are distracting and difficult to navigate.

Since the website was launched in July, more than 19,000 people have visited the site and 2,300 people have provided input on speed limits and speed-limit signs throughout the State. We want to hear what people have to say about speed limits or speed-limit signs so that we can continue looking into the areas where people have concerns. The top 100 nominated roads will be announced later this month and will be reviewed by 31 March next year. That is why I encourage everyone to keep logging on to the Safer Roads NSW website to have their say about annoying speed zones in their area.

This is not about whether speed limits will be increased or decreased; it is about ensuring the safety of road users. Speed zones will be streamlined on most corridors while balancing the need for community safety. We have not only reduced the number of speed changes; we have introduced a new policy to restrict the future use of 70 kilometres-an-hour and 90 kilometres-an-hour speed limits when speed zones are set or reviewed. The New South Wales Government knows that it annoys motorists to have to travel through five, 10 or more speed zones on one stretch of road. We want to clean that up. The audit is about striking a balance between the right speed zone for the road conditions and not having an excessive number of speed changes.

**The Hon. JOHN AJAKA:** I ask a supplementary question. Will the Minister elucidate his answer?

**The Hon. DUNCAN GAY:** As part of the audit, the New South Wales Speed Zoning Guidelines were reviewed. The revised guidelines are now available to view on the Roads and Traffic Authority website and will

be used by the Roads and Traffic Authority for all speed zone reviews. Changes to the guidelines include a route-based approach to assessing speed limits, ensuring greater consistency in speed zoning along a route; restricted use of the 70 kilometres-an-hour and 90 kilometres-an-hour speed limits, which will not be able to be used without direct authority of the chief executive officer of the proposed Roads and Maritime Service; use of shorter speed zones to address at-risk locations, supported by specific signs; a more consistent application of the 50 kilometres-an-hour general urban speed; and better community engagement through input from the Safer Roads NSW website. People must not forget that not just speed zones have variants. When drivers see those silly, confusing and unnecessary signs—like the Labor Party advertising signs—they can report those also.

### INDUSTRIAL COURT OF NEW SOUTH WALES

**The Hon. ADAM SEARLE:** My question is directed to the Minister for Finance and Services. Given the Minister's answer on 11 August in this place regarding the future of occupational health and safety proceedings in the Industrial Court of New South Wales that remain only part-heard at 31 December this year, when will parties and stakeholders know what appeal mechanisms will exist for prosecutions that have been decided by the court by 31 December but for which any appeal has not yet been instituted, heard or determined? What will happen to other part-heard prosecutions?

**The Hon. GREG PEARCE:** I inform the member that transitional legislation and regulations are with the draftsmen at the moment. I hope to announce that as soon as the draftsmen complete the work.

### LEICHHARDT POLICE STATION

**The Hon. NATASHA MACLAREN-JONES:** My question is addressed to the Minister for Police and Emergency Services. Will the Minister update the House on the delay to the construction of a new police station for the Leichhardt community?

**The Hon. MICHAEL GALLACHER:** I was extremely disappointed to hear that the development application for Leichhardt police station had been withdrawn by the New South Wales Police Force. It is outrageous. Because of the position taken by the local mayor and some councillors, our hardworking officers may miss out on a brand-new police station. Leichhardt is a long-suffering community that has wanted a police station and has been promised one for so long. Of course, now this \$20 million investment at Leichhardt is at risk to the community.

*[Interruption]*

I know; others are putting up their hands. What really surprises me is the Greens mayor of Leichhardt is demanding that the New South Wales Police Force stump up another \$3 million for a car park. I cannot believe it. They are calling for additional car spaces. The Greens' website says that we need fewer cars on the road. The Greens Labor female mayor—

**The Hon. Matthew Mason-Cox:** The "Greens Labor" mayor?

**The Hon. MICHAEL GALLACHER:** I get confused, they are so similar. The lady mayor has left everybody confused in relation to the decision that The Greens have imposed on the people of Leichhardt. I quote from The Greens website:

4. Transport systems which favour public transport cycling, and other forms of active transport over private vehicle use are both environmentally superior and more socially inclusive;

There is confusion within The Greens. On the one hand, they are saying that they want to see fewer cars on the road but, on the other hand, they are denying the people of Leichhardt a police station because they want more car parking spaces. They cannot argue that Leichhardt is isolated and that there is no public transport to this new area—Leichhardt bus depot is right next door to the police station. There is plenty of transport.

**The Hon. Sophie Cotsis:** What about cycling?

**The Hon. MICHAEL GALLACHER:** Cycle lanes, healthy police—they are probably more worried about the sniffer dogs working out of the police station. This is a community that has been crying out for additional police resources in that area for so long. They had a police station, but it was closed by the previous

Government. One of the worst cases of graffiti I saw in Leichhardt was outside the old police station. Now it falls to this Government to ensure that the people of Leichhardt get that \$20 million investment to ensure that law and order and public safety are a priority.

I call on The Greens members in this Chamber to back the community of Leichhardt, to back the New South Wales Police Force and to tell The Greens mayor and the councillors on that council that this is unacceptable. This community has been waiting far too long for these police resources, and they deserve them. It is a commitment given by both sides of politics, and The Greens should listen to the police and the local community to ensure that the community gets the police station. If the Police Force cannot put it there, what will happen to the people of Leichhardt?

### DISABILITY ACCOMMODATION SERVICES

**The Hon. JAN BARHAM:** My question without notice is directed to the Minister for Finance and Services, representing the Minister for Disability Services. What measures has the Department of Ageing, Disability and Home Care put in place to ensure compliance with its policy that all accommodation services for people with a disability, including licensed boarding houses, have at least one person on each shift with a current first aid qualification?

**The Hon. GREG PEARCE:** I thank the honourable member for that important question. I acknowledge her genuine interest in this area, particularly in relation to vulnerable residents of licensed boarding houses. I commend the member for asking a serious question, unlike the Hon. Walt Secord, who yesterday tried to mislead the House with a little trick question. He is never going to be Minister so he will never be subjected to a motion of the House condemning him for misleading the House.

**The Hon. Luke Foley:** Point of order: The Minister knows very well that if he wants to mount an attack on an honourable member he must do so by way of substantive motion. He has accused the Hon. Walt Secord of misleading the House. I ask you to request the Minister to withdraw the remark.

**The PRESIDENT:** Order! I encourage the Minister to give an answer that is relevant to the question and to ignore all interjections.

**The Hon. GREG PEARCE:** Accommodation services operate under a policy framework that complies with the New South Wales Disability Services Act 1993 and the associated New South Wales Disability Service Standards to support people to live a safe, healthy and happy lifestyle. The healthcare policy and procedures state a minimum requirement for accommodation support funded and operated by Ageing, Disability and Home Care is that a requirement to have at least one member of staff with a current first aid qualification employed on each shift. That is supported in the Youth and Community Services Regulation 2010. The requirement is a condition of funding agreements with the Ageing, Disability and Home Care funded services and it is a requirement of all Ageing, Disability and Home Care-operated accommodation that staff is trained in first aid. This is an essential requirement of the selection criteria for disability support staff. Currency of the qualifications is monitored by regional management.

A risk-based approach in partnership with providers ensures that they are identifying and managing risks of service provision and meeting their performance accountability and quality requirements. There is monitoring and review of service delivery, which occurs throughout the term of the funding agreement. There are site visits and/or desktop reviews. I can provide further information to the member if she would like me to. I am also advised that the Ageing, Disability and Home Care regional staff monitor licensed boarding houses for compliance with the 2010 regulations and licence conditions. Routine monitoring inspections of licensed boarding houses occurs at a minimum of every six to eight weeks. In addition, full service reviews against all regulations and conditions of licence occur once every three years.

There has been little progress over the last decade in relation to regulation of boarding houses, notwithstanding three Ombudsman's reports. On 11 August the Ombudsman sent another message in a special report to Parliament to reinforce his previous messages that more than board and lodging form the need for boarding house reform. As far back as May 2004 the Hon. Carmel Tebbutt, the then Minister, said in this House that a review of the Youth and Community Services Act was underway. However, we have not seen anything of it since. I can tell the honourable member that the O'Farrell Government will strengthen the Youth and Community Services Act—something our counterparts did not do for 16 years. Watch this space for some action.

### CRONULLA FISHERIES RESEARCH CENTRE

**The Hon. STEVE WHAN:** My question is directed to the Minister for Roads and Ports, representing the Minister for Primary Industries. Yesterday the Minister referred us to one example of support for the Government's decision to close the Cronulla Fisheries Research Institute. Is he aware that the Government's decision to close this institute has been criticised by leading fisheries experts, including the United States government fisheries managers, international centres of excellence in Germany, Canada, Brazil and Ireland, the New South Wales Advisory Council on Recreational Fishing, the Lobster Management Advisory Committee, the University of New South Wales, the Australian Marine Science Organisation, Macquarie University, the Chair of the Seventh World Recreational Fishing Conference, Mark Speakman, the Liberal member for the local area, and Minister Graham Annesley, a Liberal member in the other place. How does the Government respond to the concerns raised by these people?

**The Hon. DUNCAN GAY:** Interestingly, when the Opposition wants to garner support in relation to Fisheries the first two experts it looks to are based overseas. The Opposition has never been interested in local conditions for local fishing. The first two experts the Hon. Steve Whan, a former Minister, quoted in his question are based overseas. He did not refer to an Australian-based expert for his argument. The Hon. Steve Whan, a failed Country Labor member who has been rejected by his local community and now sits on Labor's losers' lounge, is trying to peddle the fact that he does not want anything to go to regional New South Wales. That is absolutely disgraceful. Whatever happened to Labor members who stood up for the bush? Where are they? They are certainly not on the Opposition benches.

**The Hon. Steve Whan:** Point of order: I recognise that my quoting members of his own governing party may be difficult for the Minister. On the basis of relevance, I ask that he be drawn back to the question and answer the concerns that have been raised by these people.

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

**The Hon. DUNCAN GAY:** Labor missed a golden opportunity. The member for Port Stephens, who had a landslide—

**The Hon. Michael Gallacher:** An earthquake.

**The Hon. DUNCAN GAY:** It is an earthquake now. It is no longer a landslide, thanks to Labor when it was in government. A newspaper article states:

Port Stephens MP Craig Baumann has offered a personal tour of his electorate to the 150 staff protesting against the closure of the Cronulla Fisheries Research Centre.

And he has no doubt many of them will change their minds about having to move from Sydney.

"I'd be happy to bring them up on a bus and I'd guarantee at least half of them wouldn't get on the bus to go home," he said.

The article continues:

Mr Baumann said hundreds of RAAF staff who were posted to Williamstown had ended up retiring in the area.

"I understand when families are relocated it can be disruptive but my experience from people who get posted at the RAAF base is that it's paradise," Mr Baumann said.

**The Hon. Rick Colless:** Paradise.

**The Hon. DUNCAN GAY:** Absolute paradise. The Labor Party is whingeing and whining and wants to stop regional development. Shame on it.

### GOVERNMENT PERFORMANCE

**The Hon. MATTHEW MASON-COX:** My question without notice is addressed to the Minister for Finance and Services. Will the Minister outline to the House the Government's approach to good governance and finance and any alternative approaches of government that he may be aware of?

**The Hon. GREG PEARCE:** I thank the Parliamentary Secretary for his question. I am happy to respond that this Government is demonstrating a real concern for the welfare of the people of New South Wales

in all of the decisions it takes. Indeed, this Government's first budget has shown that the Liberals and Nationals are dedicated to good government. We also have consistently shown our dedication to transparency in Government with various Acts that limit the influence of lobbyists and reforms to campaign finance. No more will Labor's culture of backroom deals and government by stealth through the offices of Hawker Britton be tolerated. I particularly was interested to read a recent article that talked of an alternative approach to government taken by a member opposite who has occupied high office. An article in the *Australian Financial Review* gives a telling insight into New South Wales Labor and its approach to government. The article referred to a book by Frank Sartor. The article states, "Few in the State ministry—

**The Hon. Steve Whan:** Point of order: I am not sure which standing order applies to my point of order. The Parliamentary Secretary who asked the question appears to be reading a book rather than listening to the answer. I suggest that is disorderly conduct.

**The PRESIDENT:** Order! The standing orders and previous rulings deal with the reading of books in the Chamber. The Hon. Steve Whan should not take such points of order simply to take up the Minister's time.

**The Hon. GREG PEARCE:** I return to the quote in the *Australian Financial Review*, "Few in the State ministry escaped Mr Sartor's criticism."

**The Hon. Penny Sharpe:** Point of order: I draw attention to the standing order that states it is not reasonable for members to read from books as part of their contribution to debate.

**The PRESIDENT:** Order! The rulings relate to lengthy extracts. The Minister may make limited reference to extracts.

**The Hon. GREG PEARCE:** I am quoting from the *Australian Financial Review*, not a book. The article states, "Few in the State ministry escape Mr Sartor's criticism. He recalls an exchange in April 2010—

**The Hon. Amanda Fazio:** Point of order: Question time is a time for members to ask Ministers questions that relate to matters of public affairs that are relevant to their portfolios. It is not a time for Ministers to give book reviews or read onto the record newspaper articles that are publicly available.

**The PRESIDENT:** Order! Without making any judgement about the terms of the question asked, I refer to the terms of a ruling by President Burgmann:

Although a question may be out of order, once the question has been asked, the answer will be in order.

There is no question that in terms of the question that was asked the answer is in order.

**The Hon. GREG PEARCE:** The article states, "He recalls an exchange in April 2010 in which Mr Roozendaal allegedly told him"—that is, Frank Sartor—"I don't give an 'f' about good government. It's all about deals."

**The Hon. MATTHEW MASON-COX:** I ask a supplementary question. Would the Minister elucidate his answer?

**The Hon. GREG PEARCE:** I refer to an extract on page 25 of Mr Sartor's book:

Frank: I have five bills to put through Parliament this session. I need some goodwill with the Greens.

**The Hon. Penny Sharpe:** Point of order: Mr President, your ruling indicated that quoting from lengthy paragraphs was out of order. The Minister throughout his entire answer has quoted lengthy paragraphs from a range of material. That is out of order.

**The PRESIDENT:** Order! As I said, a long line of rulings relate to quotations. For example, Deputy President Willis ruled:

... reasonable quotation is perfectly proper in order to emphasise a member's argument ...

The Minister is in order.

**The Hon. GREG PEARCE:** Continuing with the extract:

Eric: Are any of those bills going to win us any votes? If they aren't we shouldn't do them.

Frank: Not even if they are the right thing to do? It is about good government.

Eric: BS, it's all about getting elected.

I have quoted only four lines so far. I hope that does not offend Opposition members. We can come back to these quotes quite often. Mr Sartor then comments, "He [the Hon. Eric Roozendaal] epitomises why the New South Wales Government is on the nose." I could not put it better myself.

**The Hon. Luke Foley:** Point of order—

**The Hon. Michael Gallacher:** Are you in this book, Luke?

**The Hon. Luke Foley:** I am. The Minister is launching a substantive attack on an honourable member. If he wants to do so he ought to have the guts to do it by way of substantive motion so that the honourable member and his colleagues can respond.

**The PRESIDENT:** Order! If that is what the Minister was seeking to do he would be out of order. I note that the Minister's time has expired.

### ORANGE PIPELINE PROJECT

**The Hon. ROBERT BORSAK:** My question without notice is directed to the Minister for Finance and Services, representing the Minister for Local Government. Is the Minister aware of the growing number of protesters agitating against the plans to build a \$47 million 37-kilometre underground pipeline from the Macquarie River to Orange? Is it a fact that improvements to and expansion of the current stormwater harvesting facilities developed in recent years by the council could provide similar amounts of water for the residents? Will the Minister take steps to protect the ratepayers of Orange by seeking to determine if the pipeline is the best and most economic option available to the local council?

**The Hon. GREG PEARCE:** I thank the honourable member for his question. As usual it is a very interesting question and I look forward to referring it to the Minister for Local Government and getting a detailed answer for him. As I have indicated before to the Hon. Robert Borsak, I enjoy following through on his questions, getting the answers and reading them because I learn something each time he asks a question. He asked a question a little while ago about the Cullerin wind farm. He was concerned that wedge-tailed eagle mortalities were much higher than had been predicted—

**Dr John Kaye:** Point of order: While I would be fascinated to hear the Minister's anti-wind farm diatribe, I do not think it is relevant to the pipeline, which was the topic of the question. Therefore, his answer is thoroughly irrelevant.

**The PRESIDENT:** Order! I remind the Minister of the need for him to be generally relevant in his answer.

**The Hon. GREG PEARCE:** I cannot think what would be more generally relevant than making a plaintiff cry resulting from the good question asked by the honourable member and the answer that was given identifying the fact that wedge-tailed eagles were being killed by these big wind farms.

**The Hon. Amanda Fazio:** Point of order: The Minister was asked a discrete question about a pipeline. If he has an answer to another question previously asked by a member, he should provide it to the House at the end of question time or table it in the House rather than try to answer an obviously different question from the one he was asked. I know the Minister struggles in question time but I ask you as the President to give him some guidance.

**The PRESIDENT:** Order! I uphold the point of order. The Minister should not answer another question. The Minister should be relevant to the question he was asked. If he has nothing further to add, he should resume his seat.

**The Hon. GREG PEARCE:** As I indicated, I will obtain a detailed answer. I am always interested to read the detailed answers when I receive them. I do not apologise for sharing the empathy that the Hon. Robert Borsak has for the wedge-tailed eagles—I feel the same way.

### **POLICE INTEGRITY COMMISSION**

**The Hon. PETER PRIMROSE:** My question is directed to the Minister for Police and Emergency Services, representing the Premier. I refer to two comments made by the Police Integrity Commission inspector in his most recent report. His first comment is:

I have made numerous significant criticisms of the Commission's practices and procedures in my Complaint Reports upholding complaints of unfairness and bias against the Commission.

The inspector also commented:

I cannot be satisfied that such unacceptable practices and procedures will not continue.

What action will the Minister take to ensure that both the New South Wales Police Force and the public can have faith in the Police Integrity Commission?

**The Hon. MICHAEL GALLACHER:** I thank the honourable member for a very important question. As I alluded to yesterday, this matter falls under the purview of the Premier; the Police Integrity Commission does not fall under the responsibility of the Minister for Police. Procedural fairness in relation to matters before the Police Integrity Commission is absolutely crucial; it has been a longstanding concern not only of the inspector but also of the New South Wales Police Force. I can assure the honourable member that the Premier is well aware of this report and the implications of it. The Premier has previously announced a review of the Police Integrity Commission. I will seek further information from the Premier with regard to the specific aspects of the question asked by the Hon. Peter Primrose and I will get an answer for him as soon as possible.

It is of the utmost importance—and I suspect it is important to all members, given that The Greens asked a question on this matter yesterday—that an organisation like the Police Integrity Commission has the confidence of the Parliament, the community and the police in relation to its conduct and the way it participates in investigations into police. It is absolutely crucial that that confidence exists. However, given the reports released by the inspector and made available to the House in the past 24 hours and material available on the website relating to his concerns, I feel that that confidence is not there.

### **NEW SOUTH WALES POLICE FORCE MENTAL HEALTH MATTERS AWARD**

**The Hon. SARAH MITCHELL:** My question is directed to the Minister for Police and Emergency Services. Will the Minister tell the House about the Mental Health Matters Award received by the New South Wales Police Force?

**The Hon. MICHAEL GALLACHER:** As an introductory comment I make the point that quite often police are criticised by the ill-informed, or by those who wish to be ill-informed, about how they conduct themselves in relation to mental health matters. This award, given today by the Mental Health Association NSW to the New South Wales Police Force, is in recognition of the fine work being done by New South Wales police. The award recognises the achievements of individuals and organisations who have worked to improve understanding, awareness, service provision and the general mental health of our community.

I am pleased to inform the House that the New South Wales Police Force Mental Health Intervention Team has received an award for excellence in service or program delivery for its four-day training program to improve the capacity of police working with mental health consumers. This program was conducted by the New South Wales Police Mental Health Intervention Team in partnership with NSW Health and the Schizophrenia Fellowship. It aims to better equip front-line officers to manage people living with a mental illness who may experience a mental health crisis event.

To date, 560 officers have completed this program, and the New South Wales Police Force has committed to ensuring that 10 per cent of its operational force—approximately 1,500 police—receive the training by 2015. The training emphasises communication and de-escalation to reduce the risk of injury to police, mental health consumers and the public during a mental health crisis. The program has been independently evaluated by Charles Sturt University. The evaluation report found that officers who completed



the training are better equipped and more confident to deal with individuals with a mental health problem or a drug-induced psychosis because they have a better understanding of mental health issues. The evaluation also found that there has been an increase in the use of de-escalation techniques by police. Data from NSW Health staff showed the flow-on effect that the increased understanding of officers had for mental health consumers.

Today's award from the Mental Health Association confirms that mental health advocates, and not just academics and bureaucrats, also value the training being provided to our front-line police officers. Police attend an average of 36,000 mental health-related incidents each year—an average of 102 incidents a day across the State. Therefore, it is absolutely essential that our front-line officers receive training and support to engage with mental health consumers safely and compassionately. Those who wish to criticise police in their dealings with mental health consumers should gain a better understanding of the reality of the work being done by our New South Wales Police Force.

### MONARO REGION COUNCIL AMALGAMATIONS

**The Hon. ROBERT BROWN:** My question without notice is directed to the Minister for Finance and Services, representing the Minister for Local Government. Is the Minister aware of comments made by the member for Monaro suggesting that the Snowy River, Bombala and Cooma-Monaro shire councils would benefit from amalgamation? Does the Government intend to facilitate such an amalgamation by either direct means—that is, by legislation—or by indirect means; for example, economic manipulation through changes to road funding rules?

**The Hon. GREG PEARCE:** I thank the honourable member for his question. I will obtain a detailed answer for him.

### REGIONAL RELOCATION GRANT SCHEME

**The Hon. MICK VEITCH:** My question is directed to the newest life member of The Nationals, the Minister for Roads and Ports, representing the Deputy Premier. Given that only 49 applicants have successfully received the regional relocation grant in the first three months of its operation, will the Minister now accept that this policy is doing nothing for regional New South Wales, and will he support the New South Wales Opposition's calls to redirect funding to a program that will create jobs in agriculture and manufacturing in country New South Wales?

**The Hon. DUNCAN GAY:** I thank the honourable member for the question, although it is pretty stupid. Some of his questions and his comments in the House lately have reflected a degree of stupidity that I never thought he had. I suspect someone has been ghostwriting the Hon. Nick Veitch's material.

**The Hon. Eric Roozendaal:** Point of order: The Minister is debating the question, and I ask that he be brought back to answering the question.

**The PRESIDENT:** Order! The Minister is debating the question. I ask the Minister to address the question and provide an answer.

**The Hon. DUNCAN GAY:** I was going to say that the Hon. Michael Veitch was the most popular Labor member in regional New South Wales and I suspect the only popular Labor member in regional New South Wales, but I will not say that.

**The PRESIDENT:** Order! The Minister will ignore interjections.

**The Hon. DUNCAN GAY:** There were 49 fewer packages under Labor, which did not have a campaign. It had nothing in place to help regional New South Wales. Labor lackeys who have deserted the bush—even in this House today—were trying to stop decentralisation in New South Wales. The New South Wales Government is proud to offer a regional relocation grant of \$7,000 to operate for four years as part of its regional kick-start package. I inform the House that in the first quarter of the grant, as was indicated, 49 households have been recipients.

**The Hon. Eric Roozendaal:** Wow, 49.

**The Hon. DUNCAN GAY:** That is 49 more than Labor provided. Labor absolutely devastated towns across regional New South Wales. In fact, when Frank Sartor said that we need to settle the issue soon because

the timber mills are running out of work because logging is now controlled by the National Parks Association as a result of the 2008 court case, what did the Hon. Eric Roozendaal say? He said, "Who cares?" Nobody cared. As a result of our regional relocation grant there will be 49 more households in regional New South Wales than there were when Labor was in Government. The regional relocation—

**The Hon. Steve Whan:** What a waste.

**The Hon. DUNCAN GAY:** The Hon. Steve Whan says "What a waste." The former member for Monaro says that putting up money to get people to move to regional New South Wales is a waste. He will live to regret saying that.

**The Hon. Steve Whan:** Point of order: My point of order relates to relevance. The Minister is flailing around and coming nowhere near the actual question.

**The PRESIDENT:** Order! The Minister's time for speaking has expired.

### HEAVY VEHICLE NOTICES

**The Hon. SCOT MacDONALD:** My question without notice is addressed to the Minister for Roads and Ports. Can the Minister please update the House on the Government's commitment to reduce the amount of red tape for New South Wales truck drivers?

**The Hon. DUNCAN GAY:** In the lead-up to the March election the New South Wales Liberals and Nationals made a commitment to slash the amount of red tape that had built up over 16 years of Labor Government—a lot of ridiculous stuff that served no purpose but to annoy people and businesses trying to work in this State. As a small transport operator and truck driver in a former life—like other members in this House—I am delighted to announce that the New South Wales Government has moved quickly to start reducing the number of heavy vehicle notices that need to be carried by truck drivers.

Unlike Labor, when we promise to do something we deliver on that promise. Labor has always hidden behind a mountain of red tape as a tactic to disguise its lack of business experience. When I became Minister I was shocked to find that some truckies have to carry up to a dozen notices at any one time, particularly if they are travelling across State borders. They literally need to carry a filing cabinet in the sleeping cab in their truck to store the notices. Having seven Labor Roads Ministers in five years was hardly a good environment in which to develop and implement sensible road transport policies.

Following my first Road Freight Advisory Council meeting in early May I instructed the Roads and Traffic Authority to investigate the feasibility of removing the requirement for truck drivers to carry a class 2 B-double notice that identifies approved routes for B-double trucks that exceed 19 metres in length. Requiring a truck driver to carry such a notice with him in his cabin is akin to requiring someone to walk in front of a truck with a red flag—as people were required to do in the first days of the horseless carriage.

**The Hon. Steve Whan:** We don't remember that, Duncan.

**The Hon. DUNCAN GAY:** The member should, because he was a member of the Government that introduced that requirement—that same government, as he said a moment ago, that thought it was a waste of money to put resources into regional New South Wales. The Hon. Steve Whan will be forever condemned for his stupidity and hypocrisy. Not content with this, I also asked the Roads and Traffic Authority to examine the requirement for truckies to carry all three classes of notices in New South Wales which in total add up to about 30 notices. Our approach is based on common sense. Unless there is a demonstrated operational or enforcement purpose for requiring a notice to be carried, the notice will be removed. As part of its investigation the Roads and Traffic Authority—and good on it—has been working closely with the New South Wales Police Force and local government enforcement officers to strike a sensible balance on this issue.

Obviously some types of notices need to be carried to provide key information for the purposes of roadside enforcement. Furthermore, I emphasise that if the requirement to carry a notice is removed, transport legislation still requires the driver and/or operator to comply with all road access conditions, including the need to stick to approved routes. I am delighted to say that as part of the Roads and Traffic Authority's initial investigation it was deemed safe and appropriate to remove the requirement for truckies to carry class 2

B-double notices. This took effect last month. The core issue here is one of road safety, not a pile of red tape with an itemised list of restrictions. This is commonsense government, and it will allow those who move this State to get on with their job properly and not be bogged down in red tape.

### STRATEGIC REGIONAL LAND USE PLAN

**The Hon. JEREMY BUCKINGHAM:** My question without notice is directed to the Hon. Duncan Gay, representing the Minister for Primary Industries. Is the Minister aware of a food security forum being held today in Gunnedah that has been organised by the Mullaley Gas Pipeline Accord and the Caroon Coal Action Group and is being hosted by the broadcaster Alan Jones? Does the Government accept that this event is recognition—

*[Interruption]*

Mr President, I wish to acknowledge—

**The PRESIDENT:** Order! The Hon. Jeremy Buckingham should continue to ask his question.

**The Hon. JEREMY BUCKINGHAM:** Does the Government accept that this event is recognition that the community is losing confidence in the fact that the strategic regional land use policy will protect agricultural land in New South Wales?

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

**The Hon. DUNCAN GAY:** I do not think I could possibly acknowledge those interjections. No, I was not aware of a forum in Gunnedah.

**The Hon. Walt Secord:** Everyone is talking about it.

**The Hon. DUNCAN GAY:** They were not talking about it to me, but it sounds like a good idea.

**The Hon. Jeremy Buckingham:** Point of order: My point of order relates to relevance. The question, rather than relate to the actual forum, related to community concern that the strategic regional land use policy was falling in a heap.

**The Hon. DUNCAN GAY:** Is this a supplementary question?

**The Hon. Jeremy Buckingham:** That was the question.

**The PRESIDENT:** Order! The member's point of order related to relevance. The Minister's answer was in order.

**The Hon. DUNCAN GAY:** My understanding of the original question was that it asked whether I was aware of the forum. No, I was not aware of the forum. However, the member has now told me there is a forum on food security—an appropriate topic on which to hold a forum I suggest. I did considerable work on food security with the New South Wales Farmers Association and others before the State election. I am quite passionate about the subject. I was not aware of this forum but I congratulate Mr Jones and the community on holding a forum on such an important local issue. As the relevant shadow Minister prior to the last election I was moved to formulate policy in those areas, including a strategic land policy across the State, that our Government is currently seeking to implement.

The Hon Jeremy Buckingham has to remember that he and his mates from the Labor Party left us a hell of a mess. Whilst he and his friends were supporting the Labor Party, there was mayhem in this State. We have to start well behind the eight ball. We are not quite where we want to be as yet because we want to ensure that proper protections are in place and that a balance is reached between the needs of farmers and protecting strategic lands in this State. There has to be balance and not the total exclusion of one thing or the other. It must be done on proper environmental and production land grounds, and food security is the absolute key to that. I believe that very strongly. If such a meeting is being held at Gunnedah, I congratulate those responsible for arranging it. I wish them luck, and I hope The Greens are not there to mislead the discussion with fibs, lies and distortions.

## CASINO CRIME

**The Hon. AMANDA FAZIO:** My question is directed to the Minister for Police and Emergency Services. After more than six months in office why has the Minister failed to meet with representatives of Richmond Valley Council who have been seeking a meeting since his Government was elected to talk about rising crime rates in Casino, despite the fact that the then local member of Parliament was the Minister's Parliamentary Secretary for Police?

**The Hon. MICHAEL GALLACHER:** I thank the member for her question. The problem I have is that the demand to see me is so great. Many communities around the State have become so disillusioned as a result of being gutted by the previous Government's preparedness to ignore them completely. They now have renewed confidence and are coming forward to a new government with the assurance that we will improve the lot of their local communities. And we are going to do that. In my capacity as Minister for Police and Emergency Services and Minister for the Hunter I will meet with local communities and will continue to do so. Areas throughout New South Wales such as Richmond, the North Coast and others can be assured that the bad old days of Labor are well and truly gone.

Whenever the Hon. Amanda Fazio travels up the North Coast and tries to spread her poison through the local communities she will find that they have been inoculated. They now smile because they know that when Labor members such as the Hon. Walt Secord visit the North Coast they will not stay very long. Local communities cannot wait for aeroplanes to take these purveyors of poison back to Sydney so that this Liberal-Nationals Government can start to shine some light on their future. I thank the member for her silly question, which again exposes the sheer ignorance of those opposite. They have little understanding, little passion and little belief that the people of the North Coast and those throughout New South Wales deserve better. The people of New South Wales deserve better, and that is what they are getting, and will continue to get, from this Liberal-Nationals Government.

## INFORMATION AND COMMUNICATIONS TECHNOLOGY

**The Hon. TREVOR KHAN:** My question is directed to the Minister for Finance and Services. Will the Minister update the House on the development of the New South Wales Information and Communications Technology Industry Advisory Panel?

**The Hon. GREG PEARCE:** I thank the honourable member for his question and wish him a very happy thirty-sixth birthday.

*[Interruption]*

I promised I would not disclose his age. I probably have, but it was inadvertent. The final stage of the Government's information and communications technology governance framework is now complete with the announcement of the members of the New South Wales Information Communications and Technology Industry Advisory Panel. Almost 200 applications were received for the panel and the group selected comprises some of the top minds in information and communications technology. Each individual brings a particular skill to the table, from the knowledge of the challenges facing small start-up information technology companies to the direction of global information and communications technology trends from both the public and private sector perspectives.

The chair of the panel is John Baird, who is currently the head of information enterprise services of Deutsche Bank, as previously announced. A panel member is Warren Anderson, who is currently the group vice-president of Gartner. Mr Anderson has 22 years experience in the Australian information technology industry, having worked in business management roles with local start-ups and large multinationals. He is also a national board director of the Australian Information Industry Association and chairs the Queensland Digital Economy Program.

Another panel member, Philip Cronin, is the managing director of Intel Australia and New Zealand. Mr Cronin has worked in the Australian information technology sector for 24 years in senior management roles. At Intel he has led the team in providing independent advice to Federal and State governments seeking to extract maximum value from information and communications technology. He is also currently the chairman of the Australian Information Industry Association and was voted in the top 12 most influential people in Australian information and communications technology in 2010 and 2011.

Also on the panel is Barry Dietrich, who is currently the general manager of the technology solutions division at CSG. Mr Dietrich has more than 20 years experience working in the information and communications technology sector with extensive experience working with government to deliver high quality, innovative solutions particularly in health, education and budget management. On the panel also is Bob Hayward, who is the chief technology and innovation officer at CSC Australia. Mr Hayward has extensive information technology sector experience. Prior to working with CSC he was director of information technology services for KPMG Australia and senior vice president and research fellow with Gartner for Asia-Pacific. He has previously been a member of the Shanghai and Dalian Government information technology expert advisory boards and was an information and communications technology adviser to the Beijing organising committee for the 2008 Olympic Games.

Another panel member is Dr Ian Oppermann, the director of the CSIRO information communication and technology centre. Dr Oppermann is a well-respected researcher in the information and communications technology community and is currently a board member or chairs numerous government, research and private sector institutions, including the Australian eHealth Research Centre, the IBM Research and Development Laboratory (Australia) Steering Committee, and the advisory council for the University of South Australia's Institute of Telecoms Research. Prior to working with the CSIRO, he held managerial positions at Nokia and Nokia Siemens Network and was the director of the Centre for Wireless Communications in Finland.

Finally, and most importantly, on the panel also is Jane Treadwell, who is director of Jane Treadwell Consulting. Jane has extensive experience in information and communications technology in Australia and overseas and currently runs her own consulting business. Her main work is with the World Bank and other nations in driving public sector reform/transformation, transparent governance and smart investment that leverages the value of information and communications technology.

**The Hon. Amanda Fazio:** Talk about stereotyping! You are just pathetic. It's a disgrace.

**The Hon. GREG PEARCE:** You did not have anyone. This is the difference. [*Time expired.*]

**The Hon. TREVOR KHAN:** I ask a supplementary question. Would the Minister elucidate his answer?

**The Hon. GREG PEARCE:** Prior to her current role Ms Treadwell worked at executive levels in State and Federal governments in Australia across many portfolios, including the positions of Deputy Chief Executive Officer and Chief Information Officer of Centrelink, and Victorian Government Chief Information Officer. She was recently named iAwards ICT Woman of the Year by the Australian Institute of International Affairs, the Australian Computing Society and the Pearcey Foundation. This is a high-calibre group with extensive experience within government, research institutions and the private sector in Australia and internationally. The Government is most grateful that they are prepared to contribute their time and expertise.

**The Hon. MICHAEL GALLACHER:** The time for question time has expired. If members have any further questions they may place them on notice and we will be more than happy to answer them.

### FRENCHS FOREST HOSPITAL

**The Hon. MICHAEL GALLACHER:** Yesterday Dr John Kaye asked me, as the representative of the Minister for Health, a question about the proposed site of the Northern Beaches hospital. I can now provide the member with the following response. I am advised that fencing on the perimeter of land bordering Warringah Road, Bantry Bay Road, Frenchs Forest Road and adjacent to the Forest High School has been installed for security purposes. The fencing will enable a clean-up program of the site to commence—to remove any dumped material, and to undertake vegetation management along the site perimeters to clear dead vegetation from the site. The secure fencing will deter further illegal dumping of rubbish on the site and prevent unauthorised access to the site. The O'Farrell Government is delivering on its commitment of \$125 million to commence construction of the Northern Beaches hospital. The Government's first budget provided \$5 million towards the planning and design of the Northern Beaches hospital. Labor broke its 2006 promise to build this new hospital, and that became a hallmark of its failure to deliver in health over 16 years in government.

### BROTHELS

**The Hon. MICHAEL GALLACHER:** Yesterday I was asked a question by Reverend the Hon. Fred Nile about sexual servitude in the sex industry. My response is as follows. Any response to sexual servitude and to

related issues involving human trafficking requires a collaborative approach by all levels of government. Sexual servitude is a serious crime, and the New South Wales Police Force has a number of strategies to fight this disgusting crime. The Police Force works cooperatively with other agencies such as the Department of Immigration and Citizenship to detect and deter sexual servitude in New South Wales. The New South Wales Police Force is also actively involved in the multi-jurisdictional Australian Policing Strategy to combat trafficking in women for sexual servitude. These strategies focus on prevention, the resourcing of investigations, assisting victims, managing inter-jurisdictional partnerships and intelligence sharing, education, regulation and legislation.

The Police Force has a dedicated sex crimes squad which investigates serious and complex matters. Several members of the squad have undertaken the sexual servitude investigators course offered by the Australian Federal Police and the expertise of these officers is available to local police around New South Wales. Further, the New South Wales Police Force is supported by tough legislation with offences specifically covering crimes of sexual servitude and carrying penalties of imprisonment of up to 19 years. In addition to operations targeting sexual servitude and illegal workers, local police frequently conduct inspections of premises being operated as brothels or massage parlours, checking on compliance issues, usually in conjunction with the compliance officers of local councils. The New South Wales Police Force will continue to work collaboratively with the Australian Federal Police, local councils and the Department of Immigration and Citizenship to combat this serious crime.

### **MINING ROYALTIES**

**The Hon. MICHAEL GALLACHER:** On 7 September 2011 the Hon. Steve Whan asked me, as the representative of the Minister for Resources and Energy, a question about mining royalties. The Minister for Resources and Energy advises:

This question falls within the portfolio administration of the Treasurer.

### **ADULT LITERACY AND LIFE SKILLS SURVEY**

**The Hon. DUNCAN GAY:** On 8 September 2011 the Hon Paul Green asked me, as the representative of the Minister for Education, a question regarding an adult literacy and life skills survey. The Minister for Education has provided the following response:

TAFE NSW has a range of programs and support services available for students needing language, literacy and numeracy development, including specialist Language and Literacy teachers across all 10 TAFE NSW Institutes.

### **TOORALE NATIONAL PARK**

**The Hon. GREG PEARCE:** On 7 September 2011 the Hon. Robert Borsak asked me, as the representative of the Minister for the Environment, and Minister for Heritage, a question without notice. The Minister has provided the following response:

1. Representatives of the Commonwealth Department of Sustainability, Environment, Water, Population and Communities, and the NSW Office of Environment and Heritage have reached in-principle agreement on the preferred outcomes for modification and rehabilitation works for Toorale's Warrego River infrastructure.
2. The Commonwealth Department of Sustainability, Environment, Water, Population and Communities intends to commission further work to model the anticipated water savings associated with the proposed works. This work will inform the joint development of a decommissioning plan for Toorale's water infrastructure, building on a comprehensive infrastructure audit and a preliminary decommissioning options assessment undertaken in 2009.
3. The water infrastructure audit undertaken at Toorale was commissioned by the Commonwealth Department of Sustainability, Environment, Water, Population and Communities. Any requests for a copy of the consultant's report should be directed to the Commonwealth Government.

**Questions without notice concluded.**

### **LEICHHARDT POLICE STATION**

#### **Personal Explanation**

**Mr DAVID SHOEBRIDGE,** by leave: In relation to an answer given by the Minister for Police and Leader of the Government in the House, the Minister called upon The Greens members in this Chamber to approach Greens mayor Rochelle Porteous, seeking to require her to change her purported position in relation to the JRPP.

**The PRESIDENT:** Order! The member will resume his seat.

**The Hon. Duncan Gay:** Leave is withdrawn.

**The PRESIDENT:** Order! For the benefit of all members, but particularly new members of the House, I will read the ruling made by President Johnson in 1986:

Personal explanations should allow the member concerned to explain a matter reflecting upon the honour, character or integrity of that member, or to explain any matter that reflects upon the member in a personal way. They should not be used to explain matters on behalf of any other person. The matter which is the subject of the personal explanation should not be amplified or debated. Provocative or disputative language should not be used. The use of a personal explanation to reply or to explain a matter upon which a member has been misquoted or misunderstood is outside the scope of the [standing order] ...

It is now Standing Order 88. I issue those words by way of caution to Mr David Shoebridge at this stage. However, it is also a general reminder to all members about the form in which personal explanations should be given.

**Mr DAVID SHOEBRIDGE:** Thank you, Mr President. The only issue here is—

**Reverend the Hon. Fred Nile:** The Hon. Duncan Gay withdrew leave.

**The PRESIDENT:** Order! Leave has been withdrawn.

#### **PUBLIC SECTOR EMPLOYMENT AND MANAGEMENT AMENDMENT (ETHICS AND PUBLIC SERVICE COMMISSIONER) BILL 2011**

#### **ELECTION FUNDING, EXPENDITURE AND DISCLOSURES AMENDMENT BILL 2011**

**Bills received from the Legislative Assembly.**

**Leave granted for procedural matters to be dealt with on one motion without formality.**

**Motion by the Hon. Michael Gallacher agreed to:**

That these bills be read a first time and printed, standing orders be suspended on contingent notice for remaining stages and the second readings of the bills be set down as orders of the day for a later hour of the sitting.

**Bills read a first time and ordered to be printed.**

**Second readings set down as orders of the day for a later hour.**

#### **PRIVILEGES COMMITTEE**

##### **Reference**

**Debate resumed from an earlier hour.**

**Dr JOHN KAYE** [3.39 p.m.]: I will speak briefly on the motion moved by the Leader of the Government to refer the issue concerning Mr David Shoebridge to the Privileges Committee. I listened very carefully to the contributions made by the four previous speakers in this debate, and came away even more convinced that the motion is ill-founded and ill-formed. I did so specifically because the Leader of the Government effectively framed his argument that the purported crime committed by Mr Shoebridge was a lack of novelty in what he said to Parliament. The Leader of the Government said that because, purportedly, the media knew what Mr Shoebridge was going to say before he said it therefore somehow he had breached the privilege of Parliament. That is surprising, given the number of times Ministers of the Crown put out a media release about what they are going to do in Parliament, legislation they will introduce, things they are going to say in Parliament and things they are going to do.

Nowhere in the standing orders is there a requirement for novelty or a requirement that that which is said in Parliament has not been said outside of Parliament or to somebody else. If it were true that it were a breach of the rules of Parliament to make a statement that in some sense had been said to the media or somebody else outside of Parliament this would be a much more quiet Parliament because there would be less to

say. There is no requirement for that which is said in Parliament to be original, new or not said to somebody previously. It is not a breach of standing orders or privilege to say something to somebody before coming into Parliament and then to say it in Parliament.

The second line of argument was from the Leader of the Opposition, whose principal attack on what Mr Shoebridge had said on 15 September was that he had failed to consult with the Opposition. Under those circumstances it would be an offence against Parliament to say anything novel, exciting or interesting if it had not first been the subject of consultation with perhaps the Opposition or the crossbenchers—the Christian Democrats or the Shooters and Fishers. That would be an unbearable restraint on what we could say in this Parliament. Of course, we have the right to speak in this Parliament without consulting the Opposition or the Government. I am surprised by the comments of the Leader of the Opposition. I am surprised by what members of Parliament say, and that is a good thing. We should have the right to say things without first consulting others.

The Leader of the Opposition then said that Mr Shoebridge had "dropped a bucket" on the police commissioner. In the language of another person, Mr Shoebridge sought to explore a potential wrongdoing. After all, that is a key function of parliamentary privilege: to allow members of parliament to explore a potential wrongdoing. Parliamentary privilege exists specifically to allow members of parliament to raise allegations and matters of concern that affect public administration, safety and health. The matters raised by Mr Shoebridge were not frivolous. They were not a frivolous attack on the police commissioner. Indeed, Mr Shoebridge called for a review of actions that were part of allegations made in a court of law under oath and were not subsequently dealt with by the normal processes of the law.

Mr Shoebridge called for a review based on evidence given under oath. The matter was not some kind of frivolous allegation or something he read in a rag, and it was not a whisper or a rumour. The matter was raised in court some six years ago, was the subject of an allegation and a statement made by a member of the Police Force under oath in court, and also was raised during a telephone intercept. There was documentary evidence and sworn testimony in court that suggested a matter of importance. By exposing that matter of importance because of the failure of successive police Ministers, the failure of the Police Integrity Commission and the failure of anybody to investigate those matters, Mr Shoebridge was quite within his rights to use parliamentary privilege precisely as it should be, to raise the matter and seek a parliamentary inquiry.

Members must not forget that Mr Shoebridge was seeking a parliamentary inquiry into these matters. The Minister for Police and Leader of the Government, the Leader of the Opposition and other members of Parliament might not like the allegations, but they were not vexatious, frivolous or fantasy. They were founded in sworn evidence given before a court of law and in documentary evidence. My one concern with this motion is that it will serve as intimidation against this member and other members from performing an important component of their duties—the component to expose potential wrongdoings in the public domain by public officials with grave consequences for the public. After all, that is a key part of our role.

I suspect this motion is ill founded because it confuses the two meanings of breach of privilege, either deliberately or, alternately, because of a mistake. The first meaning involves a member using the protections of parliamentary privilege in a frivolous or vexatious way. Neither of those is true in the case of Mr Shoebridge. The second meaning and the one to which I think the Minister and the Leader of the Opposition were referring—they cannot hear my comments because they are talking—was that a breach of privilege may have occurred because a member says something outside Parliament and therefore loses the protection of Parliament. If a member loses the protection of parliamentary privilege that is that member's hard luck. It is not a matter for the Privileges Committee.

**The Hon. Duncan Gay:** He was letting people know that he was going to use parliamentary privilege.

**Dr JOHN KAYE:** I do not know what Mr Shoebridge did or did not do and, frankly, I do not care because it is not a matter for Parliament.

**The Hon. Duncan Gay:** You should care because he was acting inappropriately.

**Dr JOHN KAYE:** Mr President, it is difficult to continue a complex line of argument on a serious matter with a foghorn going off.

**The PRESIDENT:** Order! This is a serious matter. I encourage members to ensure that the debate continues to be conducted in the same manner in which it was conducted prior to question time. Members will be heard in silence.



**Dr JOHN KAYE:** The second meaning of a breach of privilege involves privilege being surrendered by a member potentially talking about what they are going to say or what they have said outside of Parliament. It is not a matter relevant to the Privileges Committee. It is not a breach of the rules of Parliament. It is not in any way an offence against the Parliament. It is a matter for individual members what they do or do not do outside this Chamber. If that action did occur—I am not saying it did occur—

**The Hon. Duncan Gay:** It did occur.

**Dr JOHN KAYE:** The Minister for Roads and Ports says it did occur. I do not know. He has not presented evidence. However, it does not matter because if it did occur it is not a matter of concern for this Chamber, and the Minister admitted that was not the case when he moved the motion. The Minister said that the principal case was, he alleges, that the matter had been referred to somebody outside of Parliament prior to its being mentioned in Parliament. If that were the case it has nothing to do with whether the matter was frivolous, vexatious or ill motivated.

**The Hon. Duncan Gay:** That's not true.

**Dr JOHN KAYE:** It has nothing to do with those matters at all.

**The Hon. Duncan Gay:** It's premeditation.

**Dr JOHN KAYE:** Mr President, The Greens listened in absolute silence—

**The PRESIDENT:** Order! I remind the Hon. Duncan Gay of my recent ruling. He will allow the member to conclude his remarks in silence.

**The Hon. Duncan Gay:** You're a hypocrite. You talk through all my contributions.

**Dr JOHN KAYE:** Point of order: The Minister at the table referred to me as a hypocrite. I take offence at that language and I ask him to withdraw it.

**The Hon. Duncan Gay:** To the point of order. I will not withdraw the remark. The member talks every time I make a contribution: he harasses me, he heckles me and he talks throughout. I called him a hypocrite. It is hardly unparliamentary and if he is that sensitive I suggest to him that he should go away and think about his own actions.

**Dr JOHN KAYE:** Mr President, I find the language of the Leader of House, particularly in the position of the Leader of the House, quite contemptuous.

**The Hon. Duncan Gay:** Of what?

**Dr JOHN KAYE:** Of the standards of the House.

**The PRESIDENT:** Order! The member will resume his seat. Previous Presidents have ruled that it is offensive to call another member a hypocrite. I maintain that it is offensive. The member has taken offence. Therefore, I ask the member to withdraw the remark.

**The Hon. Duncan Gay:** Mr President, I adhere to your ruling. Given that—

**The PRESIDENT:** Order! The member has made his point previously. Withdrawals cannot be conditional, as the Leader of the Government knows.

**The Hon. Duncan Gay:** I was going to make it more fulsome.

**Dr JOHN KAYE:** "Fulsome" is the wrong word. My concluding remarks are that there has not been a case made in this Chamber for this matter to be taken to the Privileges Committee. The alleged lack of novelty in what Mr Shoebridge said does not make up an offence against the House, nor does a lack of consultation with the Leader of the Opposition. As is my right of free speech, I will not consult with the Leader of the Opposition or anybody else in the Chamber prior to the next speech I make in the House.

The overriding concern with the intent of this motion is that of intimidation. I am concerned that this is an attempt to shut down a right of free speech that has existed in parliaments for over 450 years. It is a right to speak out against the administration, a right to expose matters that have occurred within the administration, and a right used by the current Leader of the Government, the current Deputy Leader of the Government and many members of this Chamber to good effect. I have supported free speech previously and I continue to support free speech. The free speech of members of Parliament is an important and precious commodity and should not be sacrificed because one member of Parliament said something which some people found offensive.

**The Hon. MICHAEL GALLACHER** [3.52 p.m.], in reply: I thank honourable members for their contributions to the debate. It is an important issue because, like the House, it is evolving in terms of what is acceptable and what is not acceptable practice for standards of language and behaviour. Some would say there is even hypocrisy in some cases. Like the community, the House evolves and what is unacceptable at one point in time can change over time to become acceptable. New technologies, the introduction of social networking and the ability to disseminate information immediately are at the core of what we are considering, together with the conduct of Mr David Shoebridge and potential abuse of privilege.

Sadly the contribution of Mr David Shoebridge was more about his putting further allegations on the record than defending his actions or conduct in handling the matters. New matters were raised today and there was a degree of latitude given by the House to allow the member to put his case in relation to why he did not believe he had done anything wrong. As I indicated earlier today, that latitude would not have been so generous on 16 September when these allegations were first raised but, not wanting to allow members to believe that someone was being denied an opportunity to defend themselves, the House allowed it to continue.

On 16 September the honourable member made serious allegations about the Commissioner of Police—within a couple of days of the House unanimously congratulating the Commissioner of Police on his reappointment. We were told today that on 21 September the honourable member wrote to the Police Integrity Commission. Those who listen to radio would know that only a couple of weeks ago the honourable member said on a radio program in Sydney that he had been in receipt of the information for six months.

**Mr David Shoebridge:** That is not true.

**The Hon. MICHAEL GALLACHER:** The member said he had been in receipt of the information for six months.

**Mr David Shoebridge:** I said the Police Integrity Commission had had it for six months.

**The Hon. MICHAEL GALLACHER:** Be that as it may, you said you had been in receipt of the information for six months.

**Mr David Shoebridge:** That is not true.

**The Hon. MICHAEL GALLACHER:** You put the notice of motion on to the *Notice Paper* some time ago but before you stood in the House to raise it on 16 September you released it to the media beforehand, which allowed them to draw attention to your intention to raise the issue. It is a serious matter and should be referred to the Privileges Committee to look at the consequences and potential impact upon the House when matters are raised in this context, and what protections are in place for people who are the subject of such conduct.

Given what we have heard today from the honourable member and his colleague Dr John Kaye about how serious these allegations were, I think it is fair to ask: Why did it take him so long to write to the Police Integrity Commission in the first place? If the matter was so serious was it not more appropriate to discretely refer the matter to the Police Integrity Commission for investigation rather than raising it with the media prior to raising it in the House? The issue is his conduct in relation to the matter.

Mr Shoebridge and Dr John Kaye have referred to the conduct of the Police Integrity Commission. Dr John Kaye asserted that the commission did not investigate these matters. With all due respect to Dr John Kaye, and everybody in this House, we do not know what the Police Integrity Commission investigates unless it investigates it publicly; nor should we know what the commission investigates unless it elects to release the information publicly. Every investigation is potentially a live investigation.

Even though it may not have been publicly announced or revealed at a time to suit the member, it may well be in the best interests of the Police Integrity Commission to keep that matter alive. It may be doing something as we speak. Nobody knows; nor should we know. Therefore, we should not be making assertions on the record today in the context of this debate trying to defend the conduct and actions of a member by suggesting the Police Integrity Commission has done and is doing nothing about the matter. It is unfair. It is improper and an attempt by The Greens members to cloud the issue in relation to the conduct of the member. This matter should be referred to the Privileges Committee to look at his conduct and the handling of the matter in the House and immediately prior to it.

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

**Motion agreed to.**

### **ABORIGINAL LAND RIGHTS AMENDMENT (HOUSING) BILL 2011**

**Bill introduced, and read a first time and ordered to be printed on motion by the Hon. Greg Pearce.**

#### **Second Reading**

**The Hon. GREG PEARCE** (Minister for Finance and Services, and Minister for the Illawarra) [4.00 p.m.]: I move:

That this bill be now read a second time.

As this piece of legislation is an amendment to the Aboriginal Land Rights Act 1983, it is appropriate that I commence my second reading speech by acknowledging the traditional custodians of the land, the Gadigal people of the Eora nation, and I pay my respects to their elders past and present. The object of this bill is to amend the Aboriginal Land Rights Act 1983 to facilitate entering into and the management of residential tenancy agreements of less than three years or periodic agreements by boards of local Aboriginal land councils [LALCs] where other parties to the agreements are natural persons. I refer to the specific elements of this amendment bill.

An amendment to section 42E of the Act will exempt residential tenancy agreements of less than three years from the operation of the section, which is located within that part of the Land Rights Act that imposes specific requirements on how local land councils deal with their land—that is, the amendments will bring the Act more into line with the Residential Tenancies Act 2010. An amendment to section 52G (e) of the Act will ensure that short-term residential tenancy agreements are excluded from the types of "dealing with land" that require approval by resolutions of voting members of a local Aboriginal land council.

An amendment to section 62 of the Act will confer directly on the board of a local Aboriginal land council the functions of entering into, managing and terminating short-term residential tenancy agreements in relation to land vested in the council and managing and terminating those agreements. By adding this specific function to the other board functions set out in section 62, the board becomes empowered to delegate the function to the chief executive officer of the land council in accordance with section 72, which provides that boards may delegate their functions.

Additional provisions include an amendment to section 230 of the Act to make it clear that an administrator of a local Aboriginal land council is empowered to exercise the board function in relation to short-term residential tenancy agreements without requiring the consent of the council at a meeting. However, to put the amendment in context, I need to provide an overview of the Aboriginal Land Rights Act and the land council network. The Aboriginal Land Rights Act commenced operation in 1983. The essence of the Act is captured in the preamble, which sets out the following provisions of the Act:

- (1) Land in the State of New South Wales was traditionally owned and occupied by Aborigines:
- (2) Land is of spiritual, social, cultural and economic importance to Aborigines:
- (3) It is fitting to acknowledge the importance which land has for Aborigines and the need of Aborigines for land:
- (4) It is accepted that as a result of past Government decisions the amount of land set aside for Aborigines has been progressively reduced without compensation.

The Aboriginal Land Rights Act 1983 provides a mechanism for compensating Aboriginal people of New South Wales for loss of their land. The local Aboriginal land councils, of which there are 119, can claim Crown land which, if granted, is transferred as freehold title. Self-determination is the underlying theme of the Aboriginal Land Rights Act and it is unique in that it provides the members of local Aboriginal land councils with real power to utilise their landholdings for the purposes of economic development. The local Aboriginal land councils have statutory functions for the acquisition, management, control and disposal of land with freehold title. Local land councils are corporate bodies whose managing boards are elected every two years by the membership of adult Aboriginal persons, largely based on residence within a local land council boundary.

The roles and functions of the elected boards, staff and members of Aboriginal land councils are set out in the Act to enshrine a separation of powers and to specify certain powers as delegable to foster transparent and effective governance of land councils. However, the rationale for the amendment was borne from the fact that on 23 March 2011 the decision of the Land and Environment Court in *Woods v Gandangara Local Aboriginal Land Council* on the land council's management of its housing tenancy leases meant that all decisions concerning residential tenancy agreements now would require the approval of a member's meeting. This has particularly onerous ramifications for the management by local Aboriginal land councils of the approximately 2,600 houses which they manage as Aboriginal community housing stock.

First of all, it will increase the possibility of circumstances where a conflict of interest may arise—for example, in the circumstance where family members are voting on whether to increase the rent or evict a tenant who is a family member. The decision also meant that local Aboriginal land councils suffer the imposition of the time and expense of advertising and convening meetings if an extraordinary meeting is required to be called. If this anomaly is not corrected, economic viability and good governance will be jeopardised. The decision resulted in strong representations to the Government by the New South Wales Aboriginal Land Council, various local Aboriginal land councils and the Registrar of the Act, which have resulted in this amendment.

The benefits of implementing the amendment include empowering elected local Aboriginal land council boards to administer fair, consistent and financially viable housing policies. As the members of this House know well, clear and definitive corporate governance is the foundation of the most valued institutions in our society, both private and public. We all depend on accomplished corporate governance to ensure sound and fair decision-making. Without attention and commitment to good governance we risk disarray and the erosion of expectations and trust in our institutions and corporations and those who lead and administer them.

The Aboriginal Land Rights Amendment (Housing) Bill 2011 is the O'Farrell-Stoner Government's commitment, made jointly with stakeholders, to ensure that the governance of Aboriginal land councils is free of potential conflicts of interest for members, elected officials and staff. As a consequence this will build the capacity to deliver housing outcomes and services to members, their families and Aboriginal communities across the State. The conflict of interest exists in the fact that a rent-paying tenant can simultaneously be a member of a land council. Balancing conflicting interests is often wrought with complexities.

However, the amendment goes towards resolving this issue, which would have undermined the functioning of local Aboriginal land councils. Aboriginal people from across the network have told the Government that the decision has led to poor compliance with housing policies and agreements. This has resulted in frustrating and contradicting the elected boards' efforts to manage housing in a fair, consistent and financially viable manner. The bill provides certainty for all stakeholders involved in the management of land council housing, including elected land council boards, the New South Wales Aboriginal Land Council and, if relevant, the Aboriginal Housing Office and/or other approved housing providers.

The amendment provides greater clarity of boards' functions and roles and adds significant efficiency to land council administration in land and housing asset management. It does this by assigning boards the statutory function of managing the residential tenancy aspects of their council's community housing assets by empowering boards, if they so choose, to delegate performance of that function to their chief executive officer or other appropriate agents. It also ensures that housing owned and managed by the Aboriginal community housing sector is supported to become sustainable and financially viable. As a result, the quality of living conditions of Aboriginal people residing in land council-managed housing hopefully will be improved.

Importantly, most of the 119 local Aboriginal land councils manage community housing for their members and their families, making up the 60 per cent of housing stock in the Aboriginal community housing sector, or 2,600 of the total 4,300 dwellings managed by approximately 200 Aboriginal housing providers in New South Wales. The number of dwellings managed by any one local Aboriginal land council can be as little

as two or three but can range up to more than 80. In some remote areas local land councils are the largest landowner. Management of their housing by local land councils is a key yet often burdensome part of the overall administration of land councils. However, at the same time, for many members access to land council housing is the most tangible benefit that membership offers.

Local land councils are therefore key players in the delivery and management of housing to many Aboriginal people. Yet the establishment of land councils as housing providers, whilst embedded in good intentions, has nonetheless created an often complex and challenging setting for housing management. While some local land councils adopted the role of housing provider, unfortunately some local land councils have had to deal with a poor tenancy culture, including low or sporadic rental collection and limited maintenance of stock. This has led to a substantial amount of housing stock being substandard, which is why reform in this area is so critical.

These matters are a critical concern for land council boards and administrators, who must balance the rights of tenants with sustainable housing asset management. These matters are also, for similar reasons, an ongoing chief concern and priority of both the New South Wales Aboriginal Land Council and the New South Wales Aboriginal Housing Office. I acknowledge present efforts to develop and implement policies to counter the tenancy trends of the past to ensure the Aboriginal community housing sector of this State is viable and fair well into the future. With the commencement of the Aboriginal Land Rights Act in 1983 came the transfer of land and housing stock, which represented the fundamental basis of the legislation to empower Aboriginal communities to manage their own housing. With that power Aboriginal people not only gained control of the land and housing assets but simultaneously became important corporate citizens of this State in the provision of services to their communities.

The proposed amendments will support and refine a stronger housing culture within local land councils by empowering elected board members and staff of land councils within the legal framework to provide and administer local Aboriginal land council housing equitably through the strengthening of corporate governance. Apart from these benefits, this improved efficiency will strengthen the ability of local Aboriginal land councils to receive benefits under the current process of reform of the Aboriginal community housing sector. The sector reform—known as the Build and Grow Strategy—is partly predicated on ensuring arm's length management of housing stock by Aboriginal community housing providers as a condition for receiving financial support and subsidies and having maintenance carried out. That is a condition of the Commonwealth's funding support under the Remote Indigenous Housing National Partnership and its implementation by Housing NSW through the Aboriginal Housing Office.

The point must also be made that a critical element of tenancy and housing management by local land councils is the ability for both the land councils and their tenants to have their rights under residential tenancy agreements overseen and enforced by the Consumer, Trader and Tenancy Tribunal. In addition, while the decision is delegable to the chief executive officer or the board, if the members are not satisfied with the decision they will always have the option of putting forward a resolution and calling an extraordinary meeting to resolve the issue. The proposed amendment does not provide this specific new statutory function to boards at the expense of the overarching power of the broader membership of local Aboriginal land councils. Those members still set the parameters for a board's management function through their statutory role in developing their council's community, land and business plan.

In conclusion, it is well known that improvements in housing have a direct correlation to better outcomes in health, education and employment, as well as a reduction in crime and family violence. Access to stable and affordable housing can also provide a base from which households can access support, develop positive relationships and participate in the community and economy. In this way, improved housing management will make an important contribution to closing the gap and opening up opportunities for Aboriginal people across New South Wales.

I wish to thank and acknowledge the critical role of the New South Wales Aboriginal Land Council in the development of this bill. The land council has provided insight and skill into what measures will be serviceable and effective for Aboriginal land councils in a complex system. I also wish to acknowledge the work and commitment of both the Office of the Registrar of the Aboriginal Land Rights Act and the staff of Aboriginal Affairs NSW in the development of this bill. I also acknowledge the support of this bill by the Aboriginal Housing Office, which has reviewed the bill and confirmed its view that its provisions will assist

land councils to meet the tenancy and housing stock management benchmarks, which are conditional to their receiving benefits under the ongoing reform of the Aboriginal community housing sector. This bill is a necessary addition to the Land Rights Act and I commend it to the House.

**Debate adjourned on motion by the Hon. Amanda Fazio and set down as an order of the day for a future day.**

## **THOROUGHBRED RACING AMENDMENT BILL 2011**

### **Second Reading**

**The Hon. MICHAEL GALLACHER** (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [4.15 p.m.]: I move:

That this bill be now read a second time.

The primary purpose of the bill before the Parliament is to amend the Thoroughbred Racing Act 1996 in relation to appointment procedures and eligibility requirements and it increases the number of appointed members of the board of Racing NSW. At this point I make it clear that these amendments do not reflect on the current board of Racing NSW or on any particular member of the board.

**The Hon. Steve Whan:** Are you sure?

**The Hon. MICHAEL GALLACHER:** Yes, I am sure. The Government recognises the importance of the racing industry, its employment and economic contribution to the State and its importance to the people of New South Wales as a source of entertainment and social interaction. The Government's broad policy for racing is that it supports the viability and the sustainable economic development of the racing industry while ensuring that the highest integrity and standards apply to racing and associated wagering in accordance with community expectations. The controlling or governing body for the thoroughbred racing code is Racing NSW. Although it is established by the Thoroughbred Racing Act 1996, Racing NSW is independent of government, does not represent the Crown and is not subject to ministerial direction. This recognises that the racing industry has self-management of its affairs. Nevertheless, the Government is responsible for the legislative framework which underpins the racing industry and the governance and integrity standards set out in the enabling legislation.

The thoroughbred racing code, the largest sector of the New South Wales racing industry, comprises some 137 race clubs which conduct more than 750 race meetings a year across the State. Prize money distributed to participants each season is well over \$100 million. The New South Wales racing industry is a significant employer, providing 50,000 full-time and part-time jobs. The industry also makes a significant contribution to the State's economy, estimated to be of the order of \$1 billion annually. It has provided the State with wagering taxes for many years, with the most recent contribution of approximately \$160 million. Apart from regulatory functions under the Act and under the rules of racing, the primary responsibilities of Racing NSW include the registration of race clubs, the allocation of race dates and the distribution of TAB revenue and prize money. Historically, there has been an issue with factional interests within the racing industry seeking to secure a benefit in accordance with their self-interest.

A primary example of this tendency was identified in 1995 by Ian Temby, QC, when he recommended that the Australian Jockey Club revert to a race club and relinquish its governing body role for the industry. The Temby review found that it was inappropriate for the Australian Jockey Club to manage TAB payments and race date allocations for the racing industry at the same time as operating as a race club. The Temby recommendations resulted in the creation of what is now known as Racing NSW as an independent body. Since then several changes have been made to the arrangements for the structure of Racing NSW and to the manner in which members are appointed to improve the governance model and to ensure contemporary, best practice governance in the spirit of continuous improvement.

The bill before the House has come about in part from concern that the existing eligibility arrangements for membership of Racing NSW are not suited to ensuring that its members are able to comply with the duty to act in the public interest and in the interests of the horse racing industry as a whole in New South Wales. For some time I have had my own concerns about whether, under the current arrangements, Racing NSW can operate effectively and meet its statutory duty to the racing industry and to the public. A number of pressing challenges are facing the racing industry, such as the ongoing race fields information usage fee issue, the major redevelopment of Randwick and Rosehill racecourses and the unprecedented competition for the entertainment dollar.

It is questionable whether the Racing NSW membership of five is sufficient to manage the workload—I am referring to its size and to the range of skills—to undertake the many reforms that are necessary to ensure the future viability and sustainable economic development of the thoroughbred racing industry. The bill leaves intact the business and skills criteria provisions for appointment as a member of Racing NSW, but strengthens the eligibility and disclosure and management of pecuniary interest requirements to minimise the influence of factional and personal interests as a basis for decision-making. The bill also retains the independent selection panel process but amends its procedure.

Under the current arrangements persons are not eligible for appointment if they are employees of a race club or racing association, or if they are members of the governing body of a race club or eligible industry body. However, the Act is silent on the operative date of effect, and the practice has been that the prohibition applies at the time of appointment. This arrangement does not afford sufficient separation from the interests and influences of a former role within the industry and the duty of an independent member of Racing NSW. Under the proposed new arrangements the eligibility requirements for appointment to Racing NSW will provide that persons are not eligible for appointment if they are currently, or during the past 12 months have been, either employees or members of a governing body of a race club, racing association or eligible industry body as defined in the Act. The 12-month separation period is considered appropriate and is likely to become the benchmark for appointments to other independent boards established by legislation.

The new provisions will also expressly prohibit membership of Racing NSW if the independent selection panel forms the view that an applicant has a direct or indirect pecuniary interest that is considered to be a conflict of interest which is incompatible with membership of Racing NSW. Examples of conflicts of interest which would be incompatible are already set out in section 21 of the Act—that is, being a member, partner, employee of a specified company, body or person, or having some other specified interest relating to a specified company, body or person.

This concept will be extended to cover any direct or indirect pecuniary interests that members may acquire or that may become apparent following their appointment as members. As currently occurs, a member will be required to disclose any direct or indirect pecuniary interest in a matter to be considered at a meeting of Racing NSW. In the past, such conflicts of interest were left to the board to manage and determine whether the member should participate in the consideration of an issue. However, under the proposed amendments, a member will be prohibited from participating in the consideration of that matter. Should a serious conflict of interest exist, the Minister may ask that the member show cause why his or her appointment should not be terminated.

These amendments will ensure that self-interest is, and is seen to be, eliminated and that consequently board decision-making is made in the best interests of the whole of the thoroughbred racing industry and the public interest. Currently, the selection panel is limited to recommending appointees for the precise number of vacancies on the board. Under the new provisions the selection panel will be required to provide a list of recommended appointees that exceeds the number of vacancies so as to enable the Minister to make a selection.

This arrangement gives the Minister greater purview over the appointment process and, coupled with the expansion of the board from five to seven members, reflects the need to broaden the skill base of the board and allows for the appointment of the best available talent. Similarly, the selection panel will be required to provide a list of eligible appointees for the Minister's consideration for appointment to the positions of chairperson and deputy chairperson. While it is appreciated that Racing NSW is independent of government, the appointment of the chair and deputy chair by the Minister will provide for stability and allow Racing NSW to focus on its statutory responsibilities to the racing industry and to the public.

The bill also provides that the selection panel will continue to be able to make recommendations concerning the term of office for which a person is to be appointed. However, this would not be binding on the Minister as is presently the case. Given the concerns about the existing arrangements, the bill provides that the terms of existing appointees be terminated and that a fresh appointment process be undertaken, with existing appointees eligible to reapply under the new arrangements. The current appointees are Chairperson Alan Bell, Deputy Chairperson Alan Brown, Mr Ken Brown, AM, Ms Kim Harding and Mr Arthur Inglis.

To provide for business and governance continuity, appropriate transitional arrangements have been included so that all existing Racing NSW members continue in office—under caretaker provisions—until such time as the fresh selection process is undertaken and new appointments are made. The proposed amendments are intended to provide for the future viability and growth of the New South Wales thoroughbred racing industry.

A strong, viable industry will continue to provide an economic benefit to the State generally and to regional and rural communities in particular. The Government has the prerogative to ensure that the legislation is appropriate in its policy objectives, reflects current best practice and meets community expectations. I commend the bill to the House.

**The Hon. STEVE WHAN** [4.26 p.m.]: The Opposition does not oppose the Thoroughbred Racing Amendment Bill 2011. However, there are some issues that we would have liked to have been able to address in consultation with industry if we had had the time. Over the years that Labor was in government when I was in the other House, and in my short time in this House, there were many occasions when members of the then Opposition complained bitterly about bills being rushed through both Houses of this Parliament and the little notice they were given when bills were introduced. They claimed that they would never do that if they were in government and that it was a sign of disorganisation.

This bill, which was introduced yesterday in the other place, was rushed through that House without the Opposition having any time within which to consult. However, we were able to make a few phone calls and to establish that the industry in general is reasonably comfortable with the direction being taken by this Government. The Opposition does not oppose the bill but the fact that the Government is rushing this legislation through the House is a sign of its disorganisation. It has had 16 years within which to prepare an adequate number of bills for debate in this Parliament but it has failed to do so.

The Minister in the other place and the Minister in this Chamber said nothing in their agreement in principle or second reading speeches to justify this bill being rushed through both Houses of Parliament. However I acknowledge that Minister Souris's office provided me with a briefing on this bill. Yesterday morning Frank from Minister Souris's office made a couple of phone calls to me which I missed. He was finally able to catch up with me to give me a briefing—only minutes before the Minister introduced the bill in the other place. I thank him for giving me the courtesy of that briefing, which I appreciate as it helps to smooth the passage of legislation through this Parliament.

I return to the point I was making earlier about the concerns that we would have liked to have been able to address, in consultation with the industry. Racing NSW has been developed over the past few years. When Labor was in government a number of reforms were implemented that will be continued by this legislation. Minister Graham West implemented some of those reforms and Minister Kevin Greene undertook to implement additional reforms to try to ensure that industry was operating effectively. One key area of reform was the move to make Racing NSW a body that was selected by the Minister. Another key area of reform was the attempt to remove some of the conflicts of interest.

That has had the general support of the industry and I am pleased to see the Government and Minister Souris continuing it. That is welcome. However, it is something we need to keep a close eye on because, by definition, putting the selection of the panels in the Minister's hands creates the opportunity for Ministers and politics to influence selection. That is something we want to avoid. We want to ensure that when the seven new members are selected they reflect a good cross-section of the industry and also have broad experience that will add to Racing NSW. We want to ensure that it prospers in future and is able to work through what are often challenging times in the industry.

The bill continues some of the work started by the previous Government. I acknowledge particularly the efforts of Kevin Greene and Graham West in undertaking this work towards better regulation and transparency in the industry. As the Minister said in his second reading speech, the bill expands the board of Racing NSW from five members to seven. The Minister will make the selections based on a list of persons provided for appointment by the specially established selection panel. As we just heard from the Minister, he will be presented not just with seven names but with a larger number from which he will be able to select the board.

The Minister will also be responsible for the selection of the selection panel, which again is a critical set of appointments. Previous Ministers also undertook that work but there have been some changes to do with probity. The bill also provides that a person is not eligible to be appointed as a member of Racing NSW if the person is currently or during the previous 12 months has been either an employee or a member of a governing body of a race club, racing association or eligible industry body. The selection panel also cannot include a person in a list of persons recommended for appointment to Racing NSW if the panel is satisfied that a relevant pecuniary conflict of interest would result.



There are some reasonably relevant and important changes to try to ensure that Racing NSW is able to work smoothly in the future. However, I am concerned that as a result of this bill being rushed through we have not had the opportunity to fully consult the industry and ensure that this will be a transparent process that will benefit the industry overall. It is something we will keep an eye on. When this Government was in Opposition it said it would try to eliminate mates being appointed to boards. We will be watching carefully to see who is selected from the best candidates. In this legislation the Minister has also given himself and his successors the opportunity to choose the chair and deputy chair whereas previously they were elected from the five members of the board. A lot of power is being put in the Minister's hands and that is something we will watch very carefully.

The bill establishes a selection panel whose experience must be in any of the fields of business, finance, law, marketing, technology, commerce, regulatory administration and/or regulatory enforcement. The panel is also expected to conduct a probity check, the level of scrutiny of which is determined by the Minister. Again it seems there is the opportunity for the Minister to be directly involved. In view of the Minister's discretion in this matter I would like an assurance from the Minister in reply that the probity check for each candidate will be the same and a different level of scrutiny will not be applied to different candidates for the positions on the board. We want to make sure that when the Minister sets the rules they are applied evenly across the board to all candidates.

One of the few people I was able to speak to in the industry asked me to seek an assurance that having a board and a selection panel that are both appointed by the Minister does not place in jeopardy the affiliation of Racing NSW with Australian Racing. I understand that in the past it has been an issue with Australian Racing, which was concerned not to affiliate with bodies that were seen as government bodies. I recognise that the bill makes it clear that Racing NSW, once appointed, will operate independently and does not have to take direction from the Minister. However, the fact that its members and the selection panel are all appointed by the Minister raises the question of whether the Government has checked with Australian Racing to see that this does not jeopardise in any way the affiliation of Racing NSW.

The bill does not appear to provide set terms of office but I understand from the briefing I received that the maximum term will be eight years. I would like some clarification as to whether the Minister intends to stagger members' terms or whether all seven members will be appointed at once. There is obviously an argument for members to have staggered appointments so that their terms do not all expire at the same time and Racing NSW does not lose a great deal of experience in one hit. A reasonable practice is often to stagger the appointments. The Minister's discretion to remove members from office is another increase in the Minister's power. I do not disagree with that but I seek an assurance that strict criteria will be applied if this provision is ever to be used. I would like to know whether there are any avenues or grounds for appeal for people who may be so removed.

Once the bill has been assented to it essentially wipes the board clean and all seven appointments will need to be made to Racing NSW. There are some transitional provisions but obviously the process of the selection panel assessing candidates and the appointment of members will be a fairly lengthy one. We need to make sure that we keep a close eye on the way the Government operates. While I have a great respect for Minister Souris I have in mind the recent controversy over appointments to the casino authority. We will watch the Government very carefully to ensure that it upholds the standards it says it would have adopted about the appointment of people who are either lobbyists or mates or have some other connection. We heard a lot of rhetoric about jobs for the boys when the Coalition was in Opposition, but so far it has not lived up to that rhetoric.

As I said, the Opposition does not oppose the legislation. However, we place on record the fact that, despite all the statements made by the Coalition when it was in Opposition about giving members adequate time to consider legislation and consult with industry players, that has not happened in this case. This legislation was rushed through the other place yesterday in a matter of an hour or so. The Opposition and, I presume, the crossbenches were given only same-day notice that the bill was being introduced. That does not bode well for the way the Government manages its business. I do not blame Minister Souris for this; I blame the management of business by the Government, which has been shambolic at best in the time it has been in Government. Time after time we have seen the Government desperately searching for business to keep both Houses going. This is yet another example. I can just imagine the call made to Mr Souris's office yesterday morning by the managers of business, "Quick, we need something to go on with. Are you ready to go with that bill?" I suspect that is probably what happened.

As a result, we have not had the opportunity for proper consideration of the legislation. My opportunity was confined to two phone calls for two discussions. One relayed an indication of support from a prominent

member of the racing industry. That is disappointing when we are expected to provide an Opposition response in the other place within a very short time. I hope we will not see that often repeated. I noticed a tweet today from somebody observing the Federal Parliament saying that the House of Representatives passed 22 pieces of legislation this morning.

That is probably more than we will have for most of this session from this Government, which seems to have no real legislative agenda despite having 16 years to think about it. Nevertheless, as I said, the Opposition will not oppose the bill. We simply put on record our concerns about lack of consultation. I hope that in response the Minister will answer a number of questions that have been asked. I put on record that, given the lack of consultation on this bill, we will be watching very carefully to make sure that the power this bill gives the Minister is not abused. If the Government bears any negative results from its hastiness, that will be on its own head.

**Dr JOHN KAYE** [4.41 p.m.]: On behalf of The Greens I address the Thoroughbred Racing Amendment Bill 2011. In doing so, I join with the Opposition in stating that The Greens will not be opposing this legislation. We have some disquiet about some aspects of the legislation, but its overall thrust is sensible. The key ingredient of the legislation is to create standards for eligibility requirements around pecuniary interest tests for members of the board of Racing NSW. This is a very important matter. The racing industry is worth about \$1 billion to the economy. Each year it returns about \$160 million in contributions to New South Wales revenue from wagering taxes. Also, importantly, this industry is the object of a large amount of wagering. Wagering, along with gaming, is part of the edifice of gambling which attracts a lot of people and gets them to spend a lot of money, but it causes many people to spend too much money; in fact, it addicts people. So there is a huge public policy issue in terms of the way thoroughbred racing is conducted in New South Wales.

There are really two areas of interest in this bill. The first is the powers it creates for the Minister. The Hon. Steve Whan did a good job of outlining the new powers that the Minister will have over the board. In particular, the Minister gets to appoint the board members from individuals who are suggested by the independent selection panel; the Minister gets to select the independent selection panel; the Minister gets to choose the chair and deputy chair; and the Minister gets to remove members under certain criteria. These are substantial powers given to a Minister who is a member of a Government which, as I said before, earns \$160 million each year on wagering. So, right there, we have automatically a conflict of interest—and not necessarily one that can be easily resolved in the context of a democratic administration. Nonetheless, this is a conflict of interest that needs to be managed very carefully because of the capacity to use the thoroughbred racing industry to raise more revenue for the New South Wales Government.

The second aspect of the legislation relates to the issue of pecuniary interests. The Greens welcome additional pecuniary interest tests. It is worthwhile going through, without naming, three of the existing members of the board of Racing NSW. I do not do this in any way to disrespect those members of the board, but to point out why The Greens support this legislation. One member of the board of Racing NSW is on the board of a major thoroughbred auctioneering company. The key issue here of course is that if yearling prices rise that company will directly benefit. There have already been criticisms, aired in the *Daily Telegraph* of 15 August 2011 in an article titled "Board Games", that the prices of yearlings and stallions are overly inflated in the industry. So, already, there is a financial interest for one member of the board of Racing NSW.

Another member of the board is a horse breeder. This horse breeder has been very successful, and congratulations to them; I would not take that away from them. They have had a number of winners and, according to *racenet.com.au*, a particular horse owned by this member of the board would be likely to collect a minimum of \$62,000 every time it wins in town on a Saturday. Section 29A of the existing Thoroughbred Racing Act 1996 states that Racing NSW has power to set minimum standards of races and race meetings including the "prize money paid on races conducted by a race club." This means that this individual can clearly benefit financially from a position on the board of Racing NSW. I do not make the allegation that he or she has, but there is clearly a conflict of interest in both setting the prize money and being a horse breeder.

Another member of the board is also a racehorse owner and breeder, and likewise stands to gain substantially from prize money. So, clearly, there is a need to remove conflicts of interest from the board. The board members make decisions about the operation of the racing industry, how the prize moneys are set, and how the racing industry evolves in a way that reflects the needs primarily of the community, but also the industry itself, and not self-interest. Our analysis of the bill suggests that a number of those people could not be reappointed as they have a direct or indirect pecuniary interest in matters before the board. I accept the suggestion of Minister Souris that the legislation does not reflect on the current board of Racing NSW or on any

particular board member, and I do not seek to do so either. But I do think the range of interests held by existing members of the board reflects badly on the existing legislative framework, and therefore I support the legislation.

I did raise concerns about the increase in the powers of the Minister. Those ministerial powers are quite broad. As I said, the Minister is a member of a Government that makes approximately \$160 million a year from wagering taxes. That balancing act will be difficult. As the Hon. Steve Whan clearly said, this is a matter that needs to be watched carefully, to make sure that the board is not stacked with people who will necessarily focus on maximising revenue to the Government, that it is not stacked with people who are party mates, and that it is not stacked with people who are purely there to grow the industry in a way that would do damage to people who potentially have a problem with gambling.

This legislation has been introduced fairly precipitously. There has not been a large amount of time for consultation or analysis regarding it. Certainly, at first glance, there is enough good in the bill to suggest that it ought to be passed. But, as the previous speaker said, there is a real need to ensure that the operation of the legislation is not adverse, and that requires monitoring. I hope that in reply the Minister will address these issues, and will indicate to members of the House how the interaction between the Minister and the board will be transparent. How will the Minister ensure that the Parliament and the public are aware of those interactions and will be able to track those interactions very carefully? I make no reflection on the Minister, who knows much more about racing than I do, and in a few short conversations has taught me more about racing than I learned in any other way.

**The Hon. Amanda Fazio:** You didn't know anything.

**Dr JOHN KAYE:** Me or the Minister?

**The Hon. Amanda Fazio:** You.

**Dr JOHN KAYE:** That is probably true.

**The Hon. Michael Gallacher:** You were looking out the window at university.

**Dr JOHN KAYE:** The late Gavin Brown was at the University of New South Wales when I was there. He was an extremely fine individual.

**The Hon. Michael Gallacher:** A great Scot.

**Dr JOHN KAYE:** Yes, a great Scot—like the Minister. He was a fine individual and a man I considered very much not a mentor but a beacon of an academic—a man I consider one of Australia's most talented mathematicians. He was a pure mathematician except when it came to racing, when he became a highly applied mathematician. It is said that he had the Department of Pure Mathematics transferred to the higher levels of the new building at the University of New South Wales specifically so he and his graduate students could watch the finish line at Royal Randwick racecourse.

It is said also that he applied his not inconsiderable mathematical skills to maximise returns on the wagering of his own and his graduate students. At one stage it was suggested that he was able to fund a large amount of research from his wagering benefits. I do not know whether that is true; it probably is not, but it speaks a lot about the interaction between Gavin Brown, gambling and horseracing. I am not sure whether he lost interest in the matter when he became Vice Chancellor of the University of Sydney. Unfortunately, the man no longer is with us, which is a great loss to universities, to the world of gambling, I am sure, and probably to State revenue.

I make those remarks because it is important for members to understand that a number of people interact with the horseracing industry in a positive and culturally beneficial way. Other people interact with the horseracing industry in an entirely negative way for themselves and society. Managing the balance is tricky and nobody will ever get it exactly right, but it requires vigilance and monitoring, and for the public to be engaged in the process. I hope the Minister in his reply will address the ways in which this legislation will be used, and also how Minister Souris will ensure that the public is informed.

**The Hon. NIALL BLAIR** [4.51 p.m.]: I support the Thoroughbred Racing Amendment Bill 2011. I shall comment on some of the closing remarks of Dr John Kaye and on the good contribution of the

thoroughbred racing industry to New South Wales, particularly in regional areas. As the husband of a former jockey who rode in many bush picnic races throughout regional New South Wales, I can categorically confirm the great social benefit of race meetings, particularly for the people of regional New South Wales. The industry employs many people and usually a great day at the races is had by all.

The governing body for thoroughbred racing in this State—Racing NSW—is not only responsible for the regulation of the industry as required by the Thoroughbred Racing Act 1996 but also is responsible for the commercial activities, promotion and development of the industry. Its responsibilities include the registration of race clubs, the allocation of race dates, insurance coverage for the industry and training. The responsibilities also include the important tasks of distributing TAB revenue in the form of prize money, and allocating funds for capital development and improvements at racecourses.

Unsurprisingly, history has shown an issue with factional interests within the New South Wales thoroughbred racing industry seeking to secure a benefit in accordance with its self-interest. In view of the significant benefits the racing industry provides the State in economical and social terms, similar to those I outlined briefly at the commencement of my contribution, it is imperative that the governing body for thoroughbred racing acts in the public interest and in the interests of the thoroughbred racing industry as a whole. Over the years several efforts have been made to arrive at an appropriate governance model and to ensure contemporary, best practice governance in the spirit of continuous improvement. The aims of the legislation are to strengthen the eligibility requirements for appointment to Racing NSW, to minimise the opportunity for conflicts of interest and to address the need to broaden the skills base of the board by increasing the membership from five to seven members.

A person will not be eligible for appointment as a member of Racing NSW if he or she currently, or during the last 12 months has been, either an employee or member of a governing body of a race club, racing association or eligible industry body. Simply being a member of a race club, such as the Australian Turf Club, or an eligible industry body, such as the New South Wales Thoroughbred Breeders or the Australian Jockeys Association, will not exclude a person from being eligible. However, it is considered important that a member of Racing NSW be sufficiently separated from the interests and influences of a former role as an employee or member of a governing body so as to minimise the risk of factional interests. The bill also contains provisions that will strengthen the requirements to ensure the disclosure and proper management of pecuniary interests by removing personal interests from the decision-making process.

In the first instance a person interested in appointment to Racing NSW will be required to disclose to the selection panel any perceived conflict of interests, including pecuniary interests. The selection panel's role then is to assess whether the conflict would be incompatible with serving as a member of Racing NSW. Appointed members who acquire an interest that may be incompatible with their role will be required to disclose the details of that to the board. In practice, they will be prohibited from taking part in any discussions regarding an issue in which they have an interest.

At present, management of such matters is left to the board, and this has not proven to be effective in dealing with perceived conflicts. Should a serious conflict of interest exist or the member's position has become untenable due to a conflict, the Minister may ask the member show cause why his or her appointment should not be terminated. These amendments are aimed at ensuring that factional and self-interest is, and is seen to be, eliminated from board machinations, and that the governing body is acting in the best interests of the New South Wales thoroughbred racing industry and the public. I commend the bill to the House.

**The Hon. SARAH MITCHELL** [4.57 p.m.]: The Thoroughbred Racing Amendment Bill 2011 improves on the current arrangements that were established in 2008, whereby a selection panel appointed by the Minister and assisted by a probity advisor makes recommendations regarding eligible persons for appointment. The selection panel will continue to be required to satisfy itself that a proposed appointee has experience in a senior administrative role or at a senior level in one or more of the fields of business, finance, law, marketing, technology, commerce, regulatory administration or regulatory enforcement. The bill retains this independent selection panel process, but amends its procedure to provide that a list of recommendations for appointment is made to the Minister from which a final selection is made. In other words, the selection panel will be required to submit to the Minister a list of recommended persons in excess of the number of vacancies.

Another change to the current arrangements is that the Minister will appoint the Chairperson and Deputy Chairperson of Racing NSW from a list of eligible persons recommended by the selection panel. Under the current arrangements the board selects its chairperson and deputy chairperson from among its membership.

While this is in keeping with the principle of independence of government, it is considered that there is a need to strengthen the stability of the board and provide an environment for it to focus on its statutory responsibilities to the racing industry and the public. Similarly, the terms of office of appointees will be recommended by the selection panel, but the Minister will make the final determination. These amendments provide the selection panel with flexibility when recommending appointees and give the Minister greater purview to ensure the best possible appointments are made.

Coupled with the increase in board membership from five to seven members, the skill base of Racing NSW will be broadened and the best talent can be made available. The bill provides that the terms of the existing board be terminated and that a fresh appointment process be undertaken. However, to provide for business and governance continuity, transitional arrangements have been included so that current members continue in office under caretaker provisions until new appointments are made. These changes are in no way a reflection on the current Board of Racing NSW or any individual member, each of whom should be thanked for their dedication and service to the thoroughbred racing industry. The bill expressly provides that they are eligible for consideration for appointment under the new arrangements. I commend the bill to the House.

**The Hon. MARIE FICARRA** (Parliamentary Secretary) [4.59 p.m.]: The racing industry is a major contributor to the welfare of this State, both economically and socially. It is a major employer, providing some 50,000 full-time and part-time jobs, and it contributes in the order of \$1 billion annually to the State's economy. It makes an important contribution to Government revenue, with approximately \$160 million in wagering taxation provided in the last financial year. It offers entertainment and a pastime to thousands of enthusiasts, and provides a focus for social interaction in rural, regional and metropolitan communities. I have to admit that I like going to the races, not to gamble but for the atmosphere, the conviviality. Many of my friends do invest in horses: they can afford to do so and I cannot. I do enjoy being with them and watching that competitive spirit and the fun of losing so much money. The competition for the entertainment dollar has never been stronger, with the public having an immense range of sports, activities and entertainment to choose from. Failure by the racing industry to adapt to this ever-changing environment will see this important industry fall behind, which is something that this State cannot afford. It is extremely important for the future viability of the racing industry that it has a strong leadership which possesses the skills and capabilities to face the challenges of today and tomorrow.

Many pressing issues are currently facing Racing NSW, not the least being the ongoing legal battle over the race field information use approval fee. It is incumbent upon Racing NSW to continue to fight to ensure that those who profit from using New South Wales race fields should pay their way and make fair compensation to the racing industry for using racing as a wagering platform. The Government supported the race field legislation when in opposition and is committed to the legislation and its purpose, that is, to ensure that all wagering operators pay an appropriate fee to the New South Wales racing industry for the use of its race fields.

The High Court has reserved its decisions in the present cases brought by Northern Territory bookmaker Sportsbet and Tasmanian licensed betting exchange Betfair. It is hoped that they will be handed down before the end of the year. Regardless of the High Court's decisions, there will continue to be the need to ensure that the racing industry receives its fair share of the wagering dollar. The racing industry and the Government have recently made major investments into the redevelopment of Royal Randwick and Rosehill Gardens racecourses to strengthen the position of Sydney racing, which in turn provides benefits to the provincial and country racing sectors. These major capital works projects require formal oversight and project management by Racing NSW, and periodic reporting of project expenditures to the Government.

Other matters on the horizon include racing broadcasting rights, which in today's world of electronic communications is critical to generating revenue for the thoroughbred racing industry. There are concerns that the Racing NSW membership of five is insufficient to manage the workload in terms of size and range of skills. An increase of two members is proposed for operational reasons and also to increase the skills base available to improve the decision-making process. It is the Government's policy to support the viability and the sustainable economic development of the racing industry while ensuring that the highest standards of integrity apply to racing and associated wagering in accordance with community expectations. An important part of achieving these policy objectives is the provision of the legislative framework that underpins the racing industry and in particular the governance and integrity standards required by the industry itself and by the public. This legislation aims to fulfil that goal. I commend the bill to the House.

**The Hon. MICHAEL GALLACHER** (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [5.05 p.m.], in reply: I thank honourable members for

their contributions to the debate. The New South Wales racing industry has undergone unprecedented change in recent years—changes seen as necessary to ensure its sustainability and future growth. The world of sport, leisure and entertainment is constantly evolving, as is the manner in which the public participates in such activities and spends its finite leisure dollar. In view of the significant benefits that the racing industry provides the State in economic and social terms it is imperative that the Government provides the thoroughbred racing industry with a leadership structure that operates with independence and with the best interests of the whole of the thoroughbred racing industry and public interest in mind. The Government is aware of and will address the matters that have been raised in debate to ensure continued public confidence in the racing industry.

The Hon. Steve Whan asked for assurances in relation to probity checks. The Minister determines the levels of probity check for all candidates. It should be noted that an independent probity adviser assists the selection panel with their responsibilities, and I am told there are no issues in relation to that. The new procedure will not affect any national affiliation issues. In the existing legislation the independent selection panel recommends candidates: The only difference is that the list of recommendations is to be greater than the number of vacancies. Where the Minister asks a member of Racing NSW to show cause if there is a conflict of interest issue the decision to terminate the appointment will be subject to the usual procedural fairness obligations.

Dr John Kaye expressed concerns in relation to the appointment process. I am advised that the provisions in the Act remain untouched: an independent selection panel makes recommendation for an appointment; the panel must make recommendations on the basis of merit and the skills criteria set out in the Act; and the panel makes recommendations to the Minister for appointment and the terms of office for those appointments. The change in procedure is that the panel is to give the Minister a list of potential appointees which is greater than the number of vacancies and the Minister chooses from that list. The current procedure is that the panel must recommend a number of persons equal to the number of vacancies. The revised procedures represent the usual practice of managing selection processes and it is appropriate to have a list of eligible persons in the event of an unforeseen circumstance which may prevent a person from taking up a position.

It is proposed that the chair and deputy chair positions will be handled in a similar fashion: a list of persons recommended by the panel from which the Minister makes a choice. The important thing is that only persons that have met the benchmarks for eligibility, conflict of interest, merit and the skills criteria prescribed in the Act are recommended for the Minister's consideration by the panel.

In my second reading speech I acknowledged the current members, including Chairman Alan Bell, Deputy Chair Alan Brown, Mr Ken Brown, AM, Ms Kim Harding and Mr Arthur Inglis. On behalf of the Government I acknowledge their service and commitment to the State's thoroughbred racing industry. It is appropriate that their contribution be considered along with the new benchmarks for eligibility and conflicts of interest when considering new candidates. I thank members for their contribution and commend the bill to the House.

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

**Motion agreed to.**

**Bill read a second time.**

**Leave granted to proceed to the third reading of the bill forthwith.**

### **Third Reading**

**Motion by the Hon. Michael Gallacher agreed to:**

That this bill be now read a third time.

**Bill read a third time and returned to the Legislative Assembly without amendment.**

## **BUDGET ESTIMATES AND RELATED PAPERS**

### **Financial Year 2011-2012**

**Debate resumed from 11 October 2011.**

**The Hon. MATTHEW MASON-COX** (Parliamentary Secretary) [5.10 p.m.]: I continue my contribution on the superb budget of the O'Farrell-Stoner Government. Members may recall my comments on the last occasion. The Hon. Amanda Fazio was listening with great interest.

**The Hon. Michael Gallacher:** And taking notes.

**The Hon. MATTHEW MASON-COX:** Yes. I look forward to her contribution on the budget. I was detailing the legacy the Government inherited after 16 years of Labor. I commented on the \$5.2 billion black hole and some of the contingent liabilities inherited from the previous Government. Since I began my earlier contribution an excellent book has come out from an insider of the previous Government detailing the issues that lie at the heart of the demise of the former Government. It is instructive for us to reflect on comments in the book that go to the heart of why Labor was so much on the nose in New South Wales and why the rout on 26 March this year was so comprehensive.

I turn to the book entitled *The Fog on the Hill*, which is a wonderful variation on the great Chifley "The light on the hill" speech. For decades Labor in this place has referred to "The light on the hill", that great inspirational speech by one of their own, former Prime Minister Ben Chifley. In the speech Ben Chifley, a former train driver, declared that the great mission for Labor was in seeking the light on the hill. The book *The Fog on the Hill* is a great contribution by another Labor member, former member for Rockdale the Hon. Frank Sartor.

**The Hon. Steve Whan:** Point of order: I draw attention to the Hon. Matthew Mason-Cox's use of props, which he has been waving around. He can quote small sections of a book but it is out of order to wave it around and use it as a prop.

**DEPUTY-PRESIDENT (The Hon. Paul Green):** Order! That is not a point of order. The Hon. Matthew Mason-Cox has the call.

**The Hon. MATTHEW MASON-COX:** I will reflect on the single issue that brought things to a head for the former Labor Government, that is, the power sale that we had to have. It is instructive to look at how it was described by the ultimate insider, Frank Sartor. He sums it up in a way that does justice to the events at the time. The Hon. Amanda Fazio was part of that last act of the Labor Government. We all remember clearly her proud act of the proroguing of Parliament. On page 249 of his book in the chapter entitled "'The Transaction' and its many consequences" Mr Sartor says:

The implementation of the New South Wales' failed power sale should get a permanent place in textbooks on government studies as a great case study in how not to do things. It is only rivalled by the sheer incompetence of the solar bonus scheme, which also scored the trifecta of flawed policy, dumb politics and appalling implementation.

He goes on to say:

Along the way Roozendaal and Keneally left a trail of collateral damage. They greatly devalued the power station assets, the trading rights of which were sold; achieved a poor financial outcome; decided to open a coalmine at Cobbora near Gulgong to prop up The Transaction with cheaper coal at a public cost of \$1.5 billion; stopped an action to curb fugitive emissions from coalmines; stopped a revamp of the greenhouse gas abatement scheme in New South Wales and tied the state into an inflexible power supply policy for decades to come.

This goes to the heart of the legacy of the Labor Government, which so greatly betrayed the people of New South Wales. We, as the new Government in this great State, now have to deal with that baggage. The Tamberlin inquiry into the electricity transaction will report at the end of this month. We look forward to that report, which will look at in great detail the events leading up to the sale, particularly the infamous night when, because of the sale, directors of those important companies resigned and a whole catalogue of those involved with the sale signed up as directors to finalise the transaction. We await the report of that inquiry, when we will be able to better assess how to move forward on the transaction and the whole industry in New South Wales. It is a complete and utter mess but we need to seek detailed and expert advice about how to fix the problem.

The Hon. Frank Sartor also reflected on the malaise in the Labor Party in his eight years as the member for Rockdale. During question time today comments were made about his conversations with former Treasurer the Hon. Eric Roozendaal. These conversations are most instructive in relation to how the Labor Party operated behind closed doors. It goes again to the heart of their fiscal responsibility, or lack thereof. I note in particular the issue of the Riverina red gums national park, a controversial issue at the time. The last act of Nathan Rees as

Premier in the other place was to declare defiantly in question time, "I now announce the Riverina red gums national park, no matter what the rest of you think, particularly those on the right side of the Australian Labor Party caucus. I do it publicly and dare me if you will to unstitch the promise I have delivered."

**The Hon. Michael Gallacher:** They dared.

**The Hon. MATTHEW MASON-COX:** They certainly unstitched Nathan immediately afterwards and soon learnt the implications of that decision. Rees's announcement resulted in serious implications for people employed in that industry in that region. The Hon. Frank Sartor went in to bat for the industry and sought an adjustment package that would recompense the workers more appropriately for their loss of livelihood.

**The Hon. Steve Whan:** Is that what he said?

**The Hon. MATTHEW MASON-COX:** He does reflect on that in his book. He says that he had a discussion with the then Treasurer, the Hon. Eric Roozendaal, to try to resolve the impasse. Quoting from his diary note at the time, he goes on to say:

I saw Eric at 1.00 p.m. over the red gum issue. He listened to me for 10 minutes and then went back to his limited self. He epitomised why the New South Wales Labor Government is on the nose.

An abstract of this conversation went along these lines—

**The Hon. Steve Whan:** Point of order: My point of order is relevance. I have come into the Chamber to listen to the wisdom of the wannabe Treasurer. I am yet to hear anything at all about the budget in his contribution. I ask that the member be brought back to the budget, which he should be speaking to.

**The Hon. Dr Peter Phelps:** To the point of order: As the Hon. Steve Whan would or should know, the take-note debate on the budget bills is wideranging, extensive and all encompassing. Therefore, the Hon. Matthew Mason-Cox is well within the conventions of this House to continue as he has been.

**The Hon. Amanda Fazio:** To the point of order: The comments of the Hon. Matthew Mason-Cox are out of order because the standing orders do not allow boring repetition. The exact quotes that he is reading out were read out by the Minister for Finance and Services during question time. Therefore the quotes of the Hon. Matthew Mason-Cox are boring repetition.

**The Hon. MATTHEW MASON-COX:** To the point of order: This is the first time that I have read out this excerpt from the magnificent contribution of the Hon. Frank Sartor and, indeed, it is a much more fulsome excerpt and there is much more to listen to, which I am sure will invoke the interest of members.

**DEPUTY-PRESIDENT (The Hon. Paul Green):** Order! There is no point of order. Standing Order 91, Rules of Debate, states that a member may read reasonable lengths of extracts from books, newspapers, publications or documents. Be they boring repetition or not, members are entitled to read from such material.

**The Hon. MATTHEW MASON-COX:** As I was saying, after Eric went back to his "limited self", Frank went on to say, "We need to settle the issue soon because the timber mills are running out of work since logging is now controlled by the National Parks Association due to a court case in 2008", to which Eric replies, "Who cares?" Frank, of course, does. He says, "If the industry falls apart we will have failed to properly deal with the issue and we will be seen as an incompetent Government. It is about good government". Eric responded, "I don't give a f... about good government; it's all about deals", to which Frank responded, "I have five bills to put through Parliament this session. I need some goodwill with The Greens". Eric responds, "Are any of those bills going to win us any votes? If they aren't we shouldn't do them".

**The Hon. Steve Whan:** Point of order: Mr Deputy-President, I ask you to rule on the question of whether this wideranging view of the budget has anything to do with the budget. The Hon. Matthew Mason-Cox has been speaking for nearly 10 minutes and has not spoken about the budget at all.

**The Hon. Dr Peter Phelps:** To the point of order: It is absolutely clear that debates on the budget are of a very wideranging nature. This is a clear example of a member speaking directly to an issue relating to New South Wales—the river red gums, which is still an issue of contention in this House because it has been brought up by the Opposition. I suggest that the Hon. Matthew Mason-Cox is fully in order and he should be allowed to continue without unnecessary interruptions from those opposite.



**DEPUTY-PRESIDENT (The Hon. Paul Green):** Order! I do not uphold the point of order. I remind the Hon. Matthew Mason-Cox that his comments must be relevant to the motion before the House.

**The Hon. MATTHEW MASON-COX:** Thank you, Mr Deputy-President. I will conclude very shortly. I will just read a few more lines because it is a very instructive exchange between these key members of the former Government, which impacts directly on our ability to solve the problems caused to the budget as a result of the actions of the former Government at that time. As I was saying, after mentioning his disregard for good government Eric says, "Are any of these bills going to win us any votes? If they aren't we shouldn't do them", to which Frank replies, "Not even if they are the right thing to do? It is about good government." That is the Hon. Frank Sartor going to the heart of the matter: "It is about good government". Eric replied in his inimitable fashion, "B...s... It is all about getting elected, Frank". That is where I finish my quotes. There are many more contributions in this book and I certainly recommend it—it is very entertaining reading.

**The Hon. Michael Gallacher:** Has it got a happy ending?

**The Hon. MATTHEW MASON-COX:** I do not believe it has a happy ending. But I believe the way in which it builds to a crescendo of stark incompetence and culpability in terms of betrayal of the people of New South Wales means that we all know the ending. On 26 March the ending was a resounding repudiation of the former Government. Now we are trying to fix up this mess. I mentioned in my previous contribution that we in this Government have made sure that the commitments we made in the weeks, months and years leading up to the election of this Government in March this year have been delivered, unlike the situation with the former Government. An enormous number of promises have been made by this Government.

**The Hon. Dr Peter Phelps:** Point of order: I strongly and vehemently object to the way that the Hon. Steve Whan is waving around props he has in front of him. I find it deeply offensive and deeply disorderly in this House.

**The Hon. Amanda Fazio:** To the point of order: The Hon. Steve Whan is not waving a prop around; in fact he is researching for his contribution to the budget estimates debate, which he may be able to make if the Hon. Matthew Mason-Cox ever stops.

**DEPUTY-PRESIDENT (The Hon. Paul Green):** Order! There is no point of order.

**The Hon. MATTHEW MASON-COX:** As I was saying, a veritable mountain of promises were made by this Government prior to its election, and we have delivered in spades in this budget. I will reflect particularly on a region of New South Wales, one of the regions that responded vigorously to Country Labor: the southern region of New South Wales. I note that the former member for Monaro, who is sitting on what the Leader of the House refers to as "the losers lounge", felt the vindication of the people of New South Wales at the ballot box in March this year. The current member for Monaro has done an absolutely wonderful job delivering on promises in his electorate and those around the southern seat of Monaro.

Before I turn to the specific initiatives that this Government has delivered on in the southern country region of New South Wales I will make a couple of comments in relation to our regional policies. I have mentioned particularly the Restart NSW Infrastructure Fund and the fact that 30 per cent of it will be dedicated to regional New South Wales infrastructure. I also mention the Jobs Action Plan. As members are aware, 40 per cent of the jobs targeted under our Jobs Action Plan will be delivered in regional New South Wales—that is, 40,000 extra jobs in regional New South Wales—by way of a payroll tax exemption or rebate which will deliver further employment and further economic growth to regions that have been neglected for so long under the former Labor Government.

I also mention the regional relocation grants—\$7,000 per applicant towards their relocation costs to incentivise them to move to those great regions of our State where we are able to promote their economic growth. The regions are waiting to see our decade of decentralisation implemented by this Government. These things will be delivered over time, as we saw in relation to a whole range of issues recently raised in the Primary Industries and Energy portfolio. We are looking to decentralise functions appropriately to the regions and ensure that they are vibrant places in which to do business and that the employment prospects of people in those regions are enhanced.

In relation to specific outcomes, I note in particular the Wagga Wagga Base Hospital redevelopment, which is long overdue. The member for Wagga Wagga, Daryl Maguire, has done an excellent job in that regard.

That hospital will service the wide region around Wagga Wagga—the Riverina in particular—and it is a very important tertiary hospital providing essential services to that region. Similarly, development planning for the Dubbo Base Hospital and Parkes and Forbes hospitals is funded in this budget, along with the South East Regional Hospital in Bega. Every community deserves a vibrant hospital that provides services locally where that can be accommodated within the budget priorities.

In the past 16 years funding for these regional hospitals has gradually declined. There has not been the funding to invest in infrastructure in relation to upgrading these hospitals or some of the key services that have slipped over time. I note that issues such as dialysis have been neglected for a long time in regional New South Wales and I was very gratified to see the member for Monaro deliver on a dialysis unit upgrade for Cooma Hospital. Cooma Hospital is a wonderful little hospital that does a great job serving not only its own community but also the many thousands of people who come to the snowfields during winter.

As tourism flourishes in the mountains more people go hiking in the off-season. It is important to provide critical services to people who come into the region as well as to the local community. All those hospitals in regional New South Wales will see additional nursing positions and planned surgical procedures. I referred earlier to Queanbeyan Hospital and note that the former member for Monaro, the Hon. Steve Whan, has left the Chamber. Under the former Government the new hospital in Queanbeyan failed to provide real services to the community and had limited use of its operating theatres. In reality people in Queanbeyan were going to Canberra Hospital to access services that could have been provided locally in their community.

Recently the member for Monaro sat down with the Minister for Health, the Hon. Jillian Skinner, and the Australian Capital Territory Minister for Health to work through how better to utilise that important regional health facility. Over time people from Canberra, Queanbeyan and the region will utilise Queanbeyan Hospital for other procedures and we will get the most out of a regional approach to health that was long overdue under the local or district health boards for which this Government has articulated its support over many years. In the area of education there are new building developments at Albury TAFE, new connected learning facilities being funded by the budget, as well as the new Aboriginal Training Centre at Orange TAFE. There has been continued building at Bega and Jerrabomberra public schools and Bomaderry, Karabar and Ulladulla high schools. Those building projects will be funded under this budget.

To be balanced, one must note that some of these projects were commenced under the previous Government but they will continue and we have ensured that funding will continue to flow. Under this Government value for money will be the touchstone of building projects in New South Wales. I note also the continued building projects at Nowra and Queanbeyan TAFEs. In the area of police and justice, funding has been provided in this budget for the continued planning and construction of police stations at Deniliquin and Parkes, as well as the redevelopment of the Riverina Juvenile Justice Centre at Wagga Wagga. I am also pleased to note the construction of a new correctional facility at Nowra which is close to the heart of the Mayor of that wonderful region—our own Deputy-President Paul Green.

In the area of roads and transport the Newell Highway will get some new overtaking lanes. Locals out west were pleased to see the overturning of the anomaly relating to speed limits on the Newell Highway. Work will continue on the Tarcutta and Holbrook bypasses and the dual carriageway, the Gerringong upgrade, the South Nowra duplication, the Victoria Creek realignment and the long-awaited Bega bypass. These projects, in particular those on the Princes Highway, are important for local communities. People have been put at risk over time with the gradual decline of that important byway along the New South Wales coast. Some terrible accidents have occurred at blackspots in the area and these need to be addressed.

The member for Bega, the Hon. Andrew Constance, fought strongly to ensure adequate funding for the upgrade of some dangerous sections of road in his electorate. Similarly, the member for South Coast, the Speaker in the other place, fought strongly to ensure upgrades to some of the key blackspots in her electorate and further north in Kiama and up to Wollongong. It is wonderful to see the rejuvenation of that road, but in reality it will take time. I know that people in New South Wales are impatient for change and want to see those problems fixed. However, I ask them to be patient. It will take time but this Government is determined to deliver.

In relation to water infrastructure the upgrade of Blowering, Wyangala and Shoalhaven dams will proceed. When I visited Wyangala a few months ago it was great to see that the water levels had risen considerably. Over the past few years those water levels were treacherously low. I enjoyed spending time at the beautiful park in Wyangala. With the rains over the past 12 months the water level in that dam has risen along

with the confidence of people in that region, which lead to a surge of support for the Coalition at the March election. Rain raises the hearts of country people. At the weekend I visited Harden and Young where the countryside is looking magnificent: I have not seen it looking so good for a number of years. The confidence of farmers is high and it is wonderful to see a real spring in the step of country people. We are looking forward to a great season, particularly in south-west New South Wales.

I refer, next, to disability services, one of the largest and most important investments in New South Wales. I acknowledge that the Hon. Walt Secord, who is in the Chamber, is listening to my contribution. I am looking forward to hearing his contribution to the budget debate. The Hon. Walt Secord was part of that disgraceful final act of the Labor Government in its dying days last year.

**The Hon. Walt Secord:** I wasn't a member of Parliament.

**The Hon. MATTHEW MASON-COX:** The Hon. Walt Secord was part of the spin doctoring machine that supported the former Government in this place for far too long. I have wanted to share this with him and to put it to members in this place: How long does it take to turn a poor policy idea into government policy and to issue a press release? One Secord! It takes only one Secord to do that. We are proud to have the Hon. Walt Secord on the backbench as he reminds us all of that appalling contribution over time. I have also wondered how many Secords there are in a Whan and what sort of unit of measurement that might imply. I will leave that for members to reflect upon. I am sure there are other units of measurement that can be brought forward and I look forward to sharing those ideas with Walt.

**The Hon. Lynda Voltz:** Point of order: As the member knows full well, he has to refer to members in this Chamber by their titles and not by their first names.

**The DEPUTY-PRESIDENT (The Hon. Jennifer Gardiner):** Order! All members shall give other members the courtesy of referring to them by their correct titles.

**The Hon. MATTHEW MASON-COX:** I will return to the important area of disability services. This budget makes a \$2.8 billion investment in disability services—the most significant investment in Australia. That is an additional \$2 billion under the new phase of Stronger Together over the next five years which will boost capacity by an estimated 47,000 new places.

**The Hon. Mick Veitch:** That was done by the Labor Government.

**The Hon. MATTHEW MASON-COX:** I acknowledge it is building on the contribution made by the former Government in Stronger Together. I acknowledge also the great contribution of the Hon. John Della Bosca in that regard in his time as Minister for Ageing and Disability Services. He did an extraordinarily good job of bridging the enormous gap in disability services that has been selflessly borne over many years by carers and by people with disabilities. The Hon. John Della Bosca finally brought that issue to the fore in New South Wales. I look forward to that issue being dealt with by the Federal Government through the National Disability Insurance Scheme. I am sure that all members in this place, in a bipartisan fashion, would welcome decisions being made in that regard to ensure that disability services across this nation are funded appropriately and that people do not fall through the cracks.

**The Hon. Mick Veitch:** The most significant public policy debate in disability services at this moment.

**The Hon. MATTHEW MASON-COX:** It is. I acknowledge the Hon. Mick Veitch's contribution because I know that this issue is also very close to his heart. To see governments finally acting on one of the great abuses of human rights, in my view, that have occurred in this country for generations is certainly warming to the soul.

In closing—I know members will be upset to hear those words—I will make a couple of points. This budget is about rebuilding New South Wales. It will rebuild confidence by taking control of the finances of this State. It is important because it is a budget that delivers on our commitments and it will ensure that those commitments will continue to be delivered over the forward estimates. It is important to remember the statement made by the Treasurer in delivering the budget in the other place when he said that a government that loses control of its budget loses control of its destiny. I do not think there is a purer example of that than the former Labor Government, which lost control over its budget and its destiny for a number of years prior to its demise on 26 March.

I congratulate again the Treasurer for his magnificent work in relation to this budget. I congratulate the other members of the expenditure review committee—the Minister for Finance and Services, the Hon. Greg Pearce, the Premier and the Deputy Premier. Those four were integral and critical to the formation of the budget along with each of the Ministers responsible for their various departments and they worked as a team committed to delivering for the people of New South Wales. I also acknowledge the work of the Acting Secretary of the Treasury, Michael Lambert, who did a magnificent job on the early work as well as the first phase of the Commission of Audit. I also acknowledge Philip Gaetjens, Secretary to the Treasury, who brought the final elements together and saw it through in the final weeks of formation and decision-making in relation to the budget.

I also acknowledge the members of the Treasurer's office, the ministerial staff, who put in an enormous effort, along with Treasury officials who worked tirelessly and spent many late nights working diligently on this budget. All those public servants who have had a part in this process can be very proud of the contribution they have made. It is a proud day for New South Wales. Finally we have a Coalition Government that is committed to ensuring that this State is put back on track. I commend the budget and I commend the proposals, promises and the continuing commitment of this Government to the members of this House.

**The Hon. Dr PETER PHELPS** [5.42 p.m.]: Once upon a time socialists used to care about economics. Once upon a time the Left tried to make something of its understanding of economic theories. We all remember the great debates about the extent of socialisation of, the means and the distribution of production. We remember the arguments between the gradualist Fabians and the extreme revolutionaries because in the past socialists used to care about economics.

**The Hon. Lynda Voltz**: Point of order: While there is normally wideranging debate this is the take-note debate on the budget and that is the subject we are discussing. I am not sure what subject the Hon. Peter Phelps is discussing but it is certainly not the New South Wales budget.

**The Hon. Dr PETER PHELPS**: To the point of order: If the Labor Party wishes to contend that economics has no part in budgets it would explain a lot about the previous 16 years.

**The Hon. Lynda Voltz**: To the point of order: If the member was talking in any way about economics and the budget before the House that would be nice, but he is not. He is rambling in some strange direction that has nothing to do with the budget.

**The DEPUTY-PRESIDENT (The Hon. Jennifer Gardiner)**: Order! There is no point of order. The Hon. Dr Phelps was clearly talking about economics, which is relevant to the State budget.

**The Hon. Dr PETER PHELPS**: As I said, once upon a time the Left used to care about economics, but now it seems they have suddenly been filled with an almost religious belief that economic principles do not apply to them, and that there is no need to pay attention to the grand theories of economics which once they would happily have subscribed to. We need look no further than what is called the Occupy Wall Street movement, which happens to be the avatar of the Left these days. Occupy Wall Street is quite a remarkable movement. One hears them complaining about the evils of corporatism, the evils of capitalism and the evils of globalisation while they have their iPads and mobile phones, they are listening to iPods, they have their distressed Levis and their Columbia jackets and they are wearing Birkenstock sandals. Of course, they are all terribly opposed to globalisation, capitalism and corporatisation.

What are they talking about? They say that bailouts of companies are obscene. They ask why all this money is being given to companies; it is outrageous. They say, "We are the 99 per cent. It is obscene." But these are the same people who say we should spend as much as we possibly can to try to get a Keynesian stimulus to improve the economy. They are opposed to spending but they support spending as the key driver of economic reform. It is hard to understand what these feral lefties actually believe in. What is their critique—that bankers get too much money? That is a fairly damning critique, but what do they actually stand for? The simple fact is they stand for nothing these days. They have thrown aside all the basic economic principles that apply to mainstream life. The fundamental economic principle that they have thrown out the window is that if there is a cost increase—

**Mr David Shoebridge**: Point of order: This is a debate about the New South Wales budget and the member is clearly straying to talk about the Federal Opposition because he is making statements such as, "They

refer to nothing, they are founded in nothing and they have no principles in relation to economic management." This debate is about the New South Wales budget, not the Federal Opposition and the member should be brought to account.

**The DEPUTY-PRESIDENT (The Hon. Jennifer Gardiner):** Order! There is no point of order. Members have always been extended wide latitude during debate on the budget estimates. Provided the member refers to the State budget from time to time he will be in order.

**The Hon. Dr PETER PHELPS:** One of the things that members opposite and indeed the Left more broadly seem to forget is that if costs increase it makes something less attractive and if costs decrease it makes things more attractive. I will repeat that for the benefit of members opposite. If costs increase that makes things less attractive but if costs decrease things are more attractive for people to buy. That is a fairly fundamental piece of economics. Everyone who does first-year economics and anyone at high school who does a bit of Marshallian supply and demand will understand that if one wants to make things attractive one decreases their cost, and if one wants to make them less attractive one increases the cost. Why is this so? It is because people make rational decisions. If they get money for doing nothing as opposed to getting money for doing something what is their rational decision? It is to do nothing and to get money. That is what many of the Occupy Wall Street crowd seem to understand.

It is not just macroeconomic theory to which this relates. There are a couple of wonderful books by two American economists called *Freakonomics* and *SuperFreakonomics*, which although they largely talk about economics also have a very strong game theory element to them. They show that economics and game theory are every bit as relevant to our everyday lives and our decision-making in relation to taxation—

**The Hon. Lynda Voltz:** Point of order: My point of order relates to relevance. I am conscious of your last ruling. The member should at least occasionally refer to the State budget. In the time he has been speaking he has not once referred to the State budget and I ask you to bring him back to the debate before the House.

**The Hon. Dr PETER PHELPS:** To the point of order: To realise why taxation is so important in the lives of ordinary people one has to understand the economic basis which drives the motivation for taxation and the subsequent effect it has on demand for particular goods and services. If taxation is not part of the budget, I would be very happy to hear that.

**The DEPUTY-PRESIDENT (The Hon. Jennifer Gardiner):** Order! There is no point of order.

**The Hon. Dr PETER PHELPS:** Many things show just how far divorced the Left has become from economic reality. One needs to look no further than the Federal Government's carbon tax. The deleterious effect that that tax will have on every person in New South Wales is plain for all to see. Seeing members of the Labor Party in Federal Parliament clapping and flapping, honking away like a bunch of demented fur seals reminded me of the Duc d'Orleans, who quite happily voted for regicide, and soon after found the guillotine placed above himself; or, perhaps even more appropriately, watching the Labor Party vote for the carbon tax being in many ways like watching turkeys vote for Thanksgiving.

The carbon tax is the perfect example of what is wrong with the Labor Party in Australia today. That is a clear case where the union leadership is more interested in their own preselection than in the welfare of their members. They are more interested in toeing the party line than they are in standing up for the rights of their members. Who can forget the famous assertion by Paul Howes that if one job went he would be opposed to the carbon tax? Well, after a thousand jobs went at BlueScope Steel what did he do? He justified it. What a sorry state of affairs. But why should we be surprised? I mean, a promise given by a Labor Party parliamentarian is worth absolutely nothing. We know it is worth absolutely nothing because if it was not then the words "There will be no carbon tax under any government I lead" would have some substance in legislative action. But they do not. So we are to have a carbon tax. And we are told that things will become more expensive. Labor says, "Don't worry about that." When we ask, "How does that affect us?" we are told, "You will be compensated."

**Mr David Shoebridge:** Over-compensated.

**The Hon. Dr PETER PHELPS:** Will we be over-compensated? That remains to be seen. Having a carbon tax to try to tax a natural gas strikes me as an exercise in futility, to say the least. But, then again, economics has never played too much of a role in the lives of the modern Left. It goes to a wages policy that seeks to price people out of the market. Despite continually making excessive demands for wage increases, one

suddenly wonders why Australian jobs are going overseas. It is because Australian workers are pricing themselves out of the marketplace. One has a return to neo-protectionism because one failed in the first instance to maintain wages policy. An appropriate wages policy would have meant that Australian workers would not have priced themselves out of the marketplace.

If one has a religious belief that economic principles do not apply, then one would introduce higher tax rates, and one would introduce something like a mining tax. If people honestly believed that economics do not apply to them, then a mining tax is perfect because a mining tax presupposes that there is no liquidity in capital, that there is no mobility in capital, and that corporations will not look around the world to other, lower-tax regimes—that they will make a strategic decision to look at Australia's relative stability, which has a high tax rate, as opposed to a country which might have substantially lower or even negligible tax rates but which has less stability. Again, it becomes a rational decision for businesses to determine where they will invest. So why is Labor so surprised when the big mining companies say, "We might not be investing in the future in New South Wales, and we might not be investing in the future in Australia"?

**Mr David Shoebridge:** Point of order: I think some initial introduction on economics and the economic bases of the budget has some general relevance, but 25 minutes on that goes beyond the earlier ruling that the member must be generally relevant in his contributions and at some point relate his contributions to the budget. He is now 25 minutes into his speech without making any reference to the State budget—not one reference.

**The Hon. Dr PETER PHELPS:** To the point of order: The member outrageously asserts that the carbon tax has no relevance to people in New South Wales, that a wages policy has no relevance to them, and that a mining tax has no relevance to New South Wales. This is the most unbelievable point of order that I recall hearing in this place.

**The Hon. Lynda Voltz:** To the point of order: If the member were talking about the mining royalties that form part of the State budget that would be relevant.

**Mr David Shoebridge:** The increase in mining royalties.

**The Hon. Lynda Voltz:** The increase in mining royalties. Not at any stage has the member mentioned any measure in the New South Wales budget, and that is what this debate is about.

**The Hon. Dr PETER PHELPS:** Further to the point of order: I am talking about the concerns of the people in the community and the threats to the viability and financial success of this State. That is absolutely within the remit of this take-note debate.

**The DEPUTY-PRESIDENT (The Hon. Jennifer Gardiner):** Order! I repeat that it is traditional to extend wide latitude to members during the budget debate. Various Presidents have made rulings to that effect, particularly President Johnson and Deputy-President Gay. However, I refer the Hon. Dr Peter Phelps to a ruling by Deputy-President Healey:

Traditionally, there has been a free ranging debate on the budget. The practice has been that when a member is speaking to the budget he will to some degree direct his remarks to the papers.

I ask the member to direct his remarks to the budget papers from time to time so that he will be clearly in order.

**The Hon. Dr PETER PHELPS:** Then I will refer to the Solar Bonus Scheme, which I presume members opposite would recognise forms a substantial part of the budget. Is there any objection from members opposite if I refer to the Solar Bonus Scheme? No; excellent. Frank Sartor said that the Solar Bonus Scheme scored the trifecta of flawed policy, dumb politics and appalling implementation. Let us go back and look at what the Solar Bonus Scheme was. At the time it was the creation of the Hon. John Robertson. It was going to employ a lot of electricians. I feel sure the Hon. John Robertson had that in the back of his mind when he so assiduously supported that scheme—considering that he was a former leader of the Electrical Trades Union. Is there no conflict of interest there between policy and private interest? No, no conflict whatsoever. It just happened that a massively expensive scheme would be put in place to advantage the members of the then Minister's own trade union. That is a terrible state of affairs.

Look at the implementation of the scheme. First of all, it was implemented on an almost open-ended basis, leading to a much greater take-up than was ever expected. Well, why would one expect that? It was

because the Left does not care about economics. If one is offering something at substantially above market rates, why act so surprised when all of a sudden it is massively taken up? Let us go through just how bad this scheme was. On average, in New South Wales it costs 6¢ to 8¢ to produce through non-renewable means a kilowatt of power. But one is guaranteed 60¢ for each kilowatt of power produced. Think about that: cost of production 6¢, return 60¢. That is absolutely ridiculous. Let us look at the retail cost. I looked at my own electricity bill for this. Bear in mind that I am in country, and I pay consumer retail rates, so basically I am being ripped off three ways.

It costs me 23¢ a kilowatt hour. I am paying retail at roughly one-third of the rate that the previous Labor Government was willing to mandate as a wholesale rate. That is 60¢ compared with 23¢, and one wonders why the take-up was so great, creating a massive budget blow-out. One wonders because the Left has no idea about economics. Why is it so surprising that if such a sweet deal is offered people take it up? Members opposite should have known, but they turned their backs on it because they turn their backs on economic theory.

**Debate adjourned on motion by the Hon. Dr Peter Phelps and set down as an order of the day for a future day.**

### ADJOURNMENT

**The Hon. DUNCAN GAY** (Minister for Roads and Ports) [6.00 p.m.]: I move:

That this House do now adjourn.

### LAND CLEARING

**The Hon. LUKE FOLEY** (Leader of the Opposition) [6.00 p.m.]: New South Wales Labor can be very proud of the end of broad-scale land clearing in this State. Hailed by environmentalists as the greatest environmental outcome in the State's history, the Native Vegetation Act 2003 protects threatened species and ecosystems across New South Wales. Prior to these laws, the rate of clearing was so great that in 2001 the Federal Government's State of the Environment report named land clearing the single biggest threat to wildlife in Australia. Australia was the only developed country still destroying these assets, coming in behind countries such as Brazil and Indonesia for hectares lost annually. More than half of this State's native vegetation has been cleared and in some cases, such as the sheep-wheat belt, well over 70 per cent. Even in the 1990s New South Wales was still knocking down vegetation every year at a rate of between 60,000 and 100,000 hectares—or 200,000 football fields.

Australia has the worst record in the world for mammal extinctions, with 27 in New South Wales alone. The main causes have been the loss of habitat due to land clearing and feral animals. In the lead-up to the 2003 election Bob Carr promised to end broad-scale land clearing. Labor promised to put a stop to more than a century of virtually unregulated land clearing to stop the rate of species extinctions. When Premier Carr enlisted the help of the Wentworth Group of Scientists in early 2003 his aim was not only to deliver the environmental dividend but also to deliver for farmers. The Native Vegetation Act 2003 cuts red tape, focuses on outcomes, rewards innovation and provides resource security for farmers. Creating simplicity was a key aim. The legislation package to limit clearing included funding to reward good management of farm lands and the creation of locally driven catchment management authorities to support landholders in improving the productivity and sustainability of their farms.

The new laws were negotiated and welcomed by environmentalists and farmers alike, including the Total Environment Centre, the World Wildlife Fund and the NSW Farmers' Association. Then President of the NSW Farmers' Association, Mal Peters, called it a great step forward for farmers. Total Environment Centre's Jeff Angel said it was as important as saving the State's rainforests. Clearing bush creates greenhouse gases by releasing the carbon stored in trees. Halting the destruction halts the greenhouse impacts. Around 2,000 property vegetation plans have been agreed to by farmers and catchment management authorities. The property vegetation plan process has enabled three million hectares of native vegetation to be conserved, restored or managed across New South Wales. Clearing rates have been lowered to around 2,000 hectares per year.

The Carr and Beattie governments' land clearing laws in New South Wales and Queensland single-handedly delivered the Kyoto target for the entire country—the target, of course, that John Howard refused to sign up to. Now, environment Minister Robyn Parker has bowed to the cries of her rabid colleagues in The Nationals and announced a review of this historic legislation. Under parliamentary questioning from Labor, she has refused to rule out lifting or diluting the existing controls on broad-scale

land clearing. In her 13 September media release announcing the review, Minister Parker described the native vegetation laws as "prescriptive", leaving "many in the farming and natural resource management communities disenfranchised".

Of course, the vast majority of responsible farmers got on board and enjoy the clarity, flexibility and solid environmental improvements that the native vegetation laws deliver. Farmers take seriously their role as stewards, responsibly managing environmental assets for the good of the whole community. Very few defend the individual's right to degrade environmental assets as they like. I fear they have the ears of Katrina Hodgkinson and Robyn Parker. While Robyn Parker is saying the Native Vegetation Act will survive, I fear she will gut it by fiddling the all-important details of the way the Act works on the ground. [*Time expired.*]

### FISHING ACTIVISM

**The Hon. ROBERT BORSAK** [6.05 p.m.]: Tonight I will speak about the need for fishers, particularly spearfishers, to become politically active and proactive in defending their activities. Last week I spoke at a conference of spearfishers in Brisbane to outline what the Shooters Party—now the Shooters and Fishers Party—has achieved because shooters are forced by various governments to become politically active. Political representation is fundamental to successful continuation and development of all outdoor sporting activities. Hunters, whether underwater or on the ground, who want to harvest their own food and participate in healthy outdoor activities are being stymied by big government bureaucracies driven by green, animal rights agendas and a supposed need to exclude people from public land and waters on the spurious grounds that they need protecting from the very conservation hunters and fishers who are best placed to help conserve these areas.

The Greens rode this wave of enthusiasm, painting themselves as protectors of the environment, when they are in fact social and economic political engineers. We had to become involved in politics or eventually we would have become extinct. Over the past 16 years the political activities of the Shooters Party—now the Shooters and Fishers Party—has focussed on meeting the requirements of our growing constituency and seeking to promote, educate and mainstream our activities, particularly in New South Wales. It is important for interest groups to know that, unless you are in the Parliament represented by your own members, all sides of the existing major political parties will only ever give you lip-service or, in the case of the Labor-Green coalition, actively oppose you and your activities.

The Shooters and Fishers Party has a proud record in this place. We have introduced or had passed nearly 20 bills in the upper House. Without this direct action, nothing would have been achieved. Even these achievements in the greater scheme of things have been small in themselves, but equally important and vital to our long-term development as politically active shooters and fishers. The Greens and Labor agenda, particularly in New South Wales, has been to progressively shut down access to public land for almost all activities, whether timber harvesting, grazing, hunting or, indeed, anything that involves consumption of a resource or the taking of game.

In New South Wales millions of hectares of public land was alienated and locked up under these programs during 16 years of the Labor-Green alliance. This "successful" Green agenda has been followed on the oceans off coastal New South Wales, with the establishment of six marine lockout areas called marine parks. This was to be followed up by the establishment of another three marine parks, which would have effectively locked up coastal New South Wales from the Victorian border to the Queensland border to any and all productive recreational fishing.

We campaigned actively in 2007 and exposed the New South Wales Labor Government's plans, effectively scuttling The Greens' efforts. We also caused the complete failure of the Torn Blue Fringe Report that was to have provided the backdrop for the creation of the greater Sydney Marine Park. We are well aware of the crazy restrictions placed on spear fishers. There is no estuary diving and no off-beach entry with spear guns—they may frighten some poor topless bather.

Our policy is access for all, and that includes marine parks. Recently the O'Farrell Government has been denying us access to national parks for feral animal control. Our agenda also includes sustainable bag limit controlled access for fishers in marine parks and their sanctuary zones. Following similar lines as the Game Council New South Wales, we have given notice of a bill to set up a recreational fishing authority in New South Wales as a self-governing manager of recreational fishing resources for the benefit of fish conservation and recreational fishers. Locked up marine parks are of no benefit to anyone. They are a public resource that should be used for conservation, not just protection.



## SCHOOL STUDENTS AND POLITICS

**The Hon. SARAH MITCHELL** [6.10 p.m.]: I have always thought that it is extremely important for school students to be aware of our political system. I am pleased that since my election there have been several occasions where I have been able to directly engage with school students across this State. Tonight I wish to speak about a few of these events. I have made no secret in this place that I am a proud resident of Gunnedah. Just a few weeks ago I had the absolute pleasure of speaking to school students in Gunnedah about my role as a member of Parliament and about our political system in general.

The first school I went to was my old primary school, Gunnedah South. During my visit I spent time with both the year five and year six students. I talked with them about what I do and how our Parliament operates. They asked me questions about my day-to-day life as a member of Parliament, the different political parties and what I thought about current political issues such as the carbon tax and refugees. I had a great time at Gunnedah South Public School and was impressed by the students. I thank the Assistant Principal, Nicki Walsh, for asking me to come along. I also acknowledge two of the teachers who were there on the day, Gary Humphries and Donna Stanford, who teach years five and six respectively. Gunnedah South really is a terrific school. As a former student it was a real thrill for me to go back and visit in my capacity as a member of this place.

The following day I had the opportunity to visit the year six students at St Xavier's primary school, which is also in Gunnedah. Once again I talked about my role as a member of Parliament and our system of Government. We then had a frank and open discussion about a range of issues, including how much politicians get paid and whether we are worth it, what inspires people to get involved in politics, issues surrounding food and water security, and whether maternity leave exists for politicians. Our discussion went for almost 90 minutes. I was told by teachers Moya Ryan and Marnie Waterford that it was no mean feat to keep the students' interest for that amount of time—particularly given the topic was politics. I was incredibly impressed by the students at St Xavier's. I thank the staff from the school, including Kate Pinn, for asking me to visit. I think it is important for primary school students to be aware of our system of government and what their elected representatives do. I commend both Gunnedah South and St Xavier's primary schools for showing such an interest.

I also think that it is important for high school students to have an interest in our political system. I shall briefly inform the House of two recent events I participated in that involved high school students. As many members would be aware, the YMCA convenes a Youth Parliament in New South Wales each year, where high school students from across the State come to Sydney and participate in a mock Parliament in the other place. This year I was invited to chair one of the sessions, along with a number of colleagues from this House and the other place. I was thoroughly impressed by the students who participated. They were bright, articulate and incredibly engaged with the political process.

I single out one particular participant, Miranda Broekman from Gunnedah, who was here as the Tamworth electorate representative. I have known Miranda for a number of years. She is an intelligent young lady who is passionate about her community. It was great to see Miranda in action on the floor in the other place. I am sure that she will one day become a fantastic member of Parliament if that is the path she chooses to take. The whole point of the Youth Parliament program is to encourage students such as Miranda. I am proud to support the event. Last week I received in my office a document produced by the YMCA that outlines the bills, Acts and recommendations from the 2011 Youth Parliament. I encourage all members to have a look at it because it is a great read. It is encouraging to know that we have some talented up and coming politicians across this State.

The final event that I would like to mention occurred yesterday when the member for Bankstown, Tania Mihailuk, the Hon. Marie Ficarra and I participated in a young women's leadership seminar in the theatre at Parliament House. During the seminar we all spoke about our experiences as female members of Parliament and the role of women in politics in general. All the girls participating in the seminar were impressive and I really enjoyed the opportunity to speak with them. I commend the Parliamentary Education Office for organising this worthwhile event. I encourage other female politicians in this place to support the event in the future.

As members of Parliament I believe it is our duty to talk to school students and engage with them as often as we can so that we can ensure the leaders of the future are well advised of the political process in this State. I was pleased to do so on the occasions I have just mentioned.

## SNOWY RIVER WATER FLOWS

**The Hon. STEVE WHAN** [6.15 p.m.]: I refer to the release of water down the Snowy River, which is a huge step on the way to a healthier Snowy River. The achievement can be credited to quite a lot of people, but mostly the communities along the Snowy River and the Snowy River Alliance, who have been working for decades to get this result. The Snowy River was dammed under the Snowy Mountains scheme from the late 1960s. There has been only one spill over the floodgates from the dam at Jindabyne. As a result, the Snowy River had become degraded and was not a healthy habitat for native fish. Consequently, tourists were not attracted to the area to fish.

The task of rehabilitating the Snowy River started back in the 1990s when the corporatisation of the Snowy Mountains Hydro-electric Authority occurred. A large lobby started in the community that tried to get Snowy River water built in to the agreements. That culminated with this House playing a strong role in getting the government of the day to undertake a study into the Snowy River part of that corporatisation process. That study said that the river needed additional flows to be healthier. The community and the Snowy River Alliance have pushed for 28 per cent of natural flow down the Snowy River. The governments have agreed to 21 per cent.

That process started in 2002, when I had the pleasure of joining premiers Bob Carr and Steve Bracks on the banks of the Snowy River at the Mowamba aqueduct to start the release of water. A number of people in the community are strongly involved, including the current Snowy River Alliance Chairman, Angel John Gallard, who was involved for many years before I was. I had the pleasure of working with one of his predecessors, Jo Garland, who lived in Dalgety at the time, and Vicki Wallace, who is still heavily involved. They and their committees have worked tirelessly to get the Snowy River active again. They had the support of many conservation groups during the campaign. On that day in 2002 I remember there being many national conservation figures on the banks of the river to see the release of the water.

A number of things still need to happen. This week's release of 12,000 megalitres per day is the biggest release in 40 years from the Jindabyne Dam. It has resulted in some spectacular pictures from the dam and the town of Dalgety as the water has gone under the bridge. I have a picture of myself standing near the middle pylon of the bridge with then Premier Bob Carr. Today that middle pylon is submerged in several metres of water and is a spectacular sight. More importantly, below the surface the process of all this water being released has started to take away the silt that has built up over the last 40 years and inhibited river life. In time the flow of water will scour the riverbed so we will have a healthy river. For example, one can see the pebbles and stones on the bed of the Thredbo River and it is a habitat suitable for native fish and other fish species. Tourists will be encouraged to return to the Snowy River, which in turn will boost the local communities.

Some important work is still to be done and it requires a continuing commitment from all levels of Government. I acknowledge the work of the former Labor governments of Victoria and New South Wales and the Federal Independent member, Craig Ingram, who lost his seat at the last election. Craig was elected on the support garnered by the promise of getting the Snowy River flowing, and he was very successful in doing that. A number of things need to happen, including the reappointment of the Snowy Scientific Committee, which has not met since January. However, it is essential to the ongoing health of the river. The current Government needs to continue that commitment.

It was pleasing to see members of the current Government at the event. However, at the time the arrangement was announced one Minister in the Government said that "the deal between New South Wales and Victoria is perhaps one of the saddest and sleaziest we have seen between two State governments". I hope those comments do not reflect the current views of the Government, given it was so keen to associate itself with the great news this week in Jindabyne and Dalgety. I am disappointed I was not able to be there for the big flows. I saw the initial flow on Friday and I was present last year when it started. The local community enthusiastically received it.

In the limited time I have left I want to wish good luck to all the students starting their Higher School Certificate examinations next week, most importantly my daughter, who is studying hard. This is a tough time for Higher School Certificate students and their parents. I wish them luck over the next few weeks.

## SOLVING THE JIGSAW ANTI-BULLYING PROGRAM

**The Hon. JAN BARHAM** [6.20 p.m.]: Children who are bullied are three times more likely to develop depressive symptoms and have higher levels of stress, anxiety, depression, illness and suicide. Children

who are supported, nurtured and empowered have increased resilience, which helps them live fulfilled lives. Many children grow up in a nurturing environment at home. Their views are encouraged and listened to and they feel special, unique and loved. The majority of children find their place and move through school without much hassle from their peers. However, 25 per cent of children and young people experience some form of bullying. This is any kind of abusive behaviour focused on an individual, including violence and other psychological interference.

The Australian Covert Bullying Prevalence Study found that the majority of teaching staff—67 per cent—felt that other teachers at their school needed more training to enhance their skills to deal with bullying. The Solving the Jigsaw Program was developed by Emergency Accommodation and Support Enterprise [EASE], a domestic violence support service based in Bendigo, Victoria. It was launched in 1997 into two local schools as an early intervention program aiming to address violence and bullying at school by changing a culture of violence and creating a culture of wellbeing. The course is now available in 54 Victorian primary and secondary schools and, since 2002, 25,000 children have been empowered by the program. New South Wales has only one fully trained Solving the Jigsaw facilitator, Byron Shire resident Jan Daly. Ms Daly is fully accredited and is implementing the program into a local school, Brunswick Heads Public School.

The program is integrated into school welfare support and policy and enhances the Department of Education's current initiatives of changing bystander awareness and behaviour. Solving the Jigsaw operates under the assumption that bullying, violence, abuse and other traumatic experiences increase the risk of poor life outcomes. A way to address this is to increase the resilience of our young people and provide them with the time and the tools to reflect and grow. The program builds relationships, trust and understanding through a combination of weekly catch-ups that encourage connection, belonging and intimacy within the group. Structured activities provide opportunities for students to learn about key concepts, values, tools and challenges, and to explore their beliefs and practise problem solving. Although these activities are planned, the program is flexible and can respond to any important issues that might arise.

Solving the Jigsaw deals with bullying and violence by talking openly about violence and about its types, effects and where it occurs. The program explores concepts of the misuse of power, deliberate harming and the use of power to control and belittle. It teaches children, young people and teachers strategies for dealing with violence and bullying. Over 92 per cent of teachers indicated that the program had a significant impact on participating children. The Solving the Jigsaw Program has won many important awards, including the Excellence Award in School Based Programs, the National Association for Loss and Grief Award and the National Child Abuse Award for Community Development, Capacity Building and Strengthening. A documentary showing a group of children and their journey through their school-based Solving the Jigsaw program titled *Kids Business* won the Australian and New Zealand Mental Health Services media award. It also received a highly recommended commendation in the Human Rights Awards in 2009.

The Hon. Michael Gallacher recently stated in a response to a question by the Hon. Mick Veitch on the effects of cyber bullying on the lives of children that this Parliament and our community "must endeavour to educate our children about these matters in their early years" and "think more broadly in terms of protecting and educating our young people" about the potential damage that can be caused by bullying. Professor Ken Rigby from the Division of Education, Arts and Social Sciences at the University of South Australia stated:

... only on rare occasions is education about bullying incorporated into teacher training in a systematic manner.

He advised that the need to provide teacher training was a longstanding issue that had been raised in the National Safe Schools Framework. It identified key elements of successful approaches to address bullying, including ensuring that:

... appropriate pre-service and in-service training is conducted for all staff about bullying, violence, harassment and protection issues.

The New South Wales Legislative Council 2009 Bullying of Children and Young People report also recognised that the release of teachers to obtain the training is a resourcing issue. We are all aware of the harm that can be done to children and young people when they are bullied. Instead of managing the emotions of children after they have experienced bullying, we need to provide the training and personal empowerment so that they are able to understand themselves and others better. Providing young people with a platform that they can use to improve their life skills must be a priority. Supporting the implementation of the Solving the Jigsaw Program in New South Wales would be a positive step in changing the culture of violence to wellbeing.

### WAR WIDOWS GUILD OF AUSTRALIA NSW LTD

**The Hon. CHARLIE LYNN** (Parliamentary Secretary) [6.25 p.m.]: On 4 May 1945 the Commander of the 7th Division in New Guinea, General George Vasey, was due to return to his command after a period of recuperation in Australia. On the night before his departure he discussed the plight of women who had been widowed during the war with his wife, Mrs Jessie Vasey. Up to that time Mrs Vasey had been active with the Australian Imperial Force [AIF] Women's Association in Melbourne, which worked to support women whose husbands were away at war. The association had been swamped by the number of bereaved women seeking help. The following day Mrs Vasey was widowed when the plane carrying General Vasey back to New Guinea crashed near Cairns. The tragedy intensified Mrs Vasey's ambition to assist war widows and she established the War Widows Guild on 22 November 1945.

Mrs Vasey's immediate aim was to provide an interest and financial return for war widows and develop a long-term policy for an increase in the war widow pension. She told the inaugural meeting that she wanted to dispel the apathy towards war widows that existed at the time. There was no more noble cause. For the next 20 years Mrs Vasey guided the destiny of the guild. In the guild's twentieth annual report it was recorded that guild members knew they could depend on Mrs Vasey's strong guiding hand and were fortified by her forthright personality and fighting spirit, which made her such a formidable protagonist. Allied to these dynamic qualities, the report noted, was her gaiety of spirit and devastating charm. She was clearly loved by them all. They said they suffered a great loss by her death on 22 September 1966 and noted that Australia would be a poorer, duller place without her challenging presence. I am pleased to inform the House that the strength and success of the guild she founded continues today.

Today there are 98,000 war widows in Australia, 74,870 of whom receive income support. Around 35,000 war widows, or 36 per cent, live in New South Wales. Only 2 per cent of these, about 2,000, are aged under 70 years. The War Widows Guild in New South Wales has 9,500 members with an average age of 85. The wider membership ranges from 25 to 104 years. Her Excellency Professor Marie Bashir, AC, is the patron. Today I was honoured to represent the Premier, the Hon. Barry O'Farrell, at the annual guild walk and picnic day at the Kokoda Track Memorial Walkway, Concord. The event was attended by 400 members from around the State. The annual walk and picnic day is a tribute to the guild's dynamic leadership and organisation under State president Anne Bonner and chief executive officer Patricia Campbell, the dedicated staff and the families.

Our war widows are Australia's unsung heroines. We cannot begin to imagine the devastating losses they suffered at a time when income support and concessions were not available. As a large family they have soldiered on, looking after each and providing bereavement and welfare support from their own resources. It is an absolute credit to them that they have such a strong membership today—an ageing membership that relies very much on the support it receives from the guild. There are still issues that we have to address. They get many concessions but New South Wales is the only State that does not extend concessions to war widows for council rates and so on.

Next year is the seventieth anniversary of World War II. During that period I will recommend that a national day be recognised for war widows so that their support can be acknowledged, because they kept the home fires burning while our soldiers were away overseas in Europe, the Middle East and later on in the Pacific islands. We owe war widows a great debt for the burden they have carried. I think next year would be an appropriate time to salute their sacrifices and their service.

### TRIBUTE TO KEITH HOLMAN

**The Hon. LYNDA VOLTZ** [6.29 p.m.]: I acknowledge the death today of Keith Holman, one of Wests' great players who was named in the list of Australia's 100 Greatest Players. He was picked to play in the Team of the Century and only got pipped by Andrew Johns for the number nine. I acknowledge on his passing that he was one of the greats of rugby league.

*[Time for debate expired.]*

**Question—That this House do now adjourn—put and resolved in the affirmative.**

**Motion agreed to.**

**The House adjourned at 6.30 p.m. until Thursday 13 October 2011 at 11.00 a.m.**

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