LEGISLATIVE COUNCIL

Thursday 10 November 2011

The President (The Hon. Donald Thomas Harwin) took the chair at 11.00 a.m.

The President read the Prayers.

DARULFATWA

Motion by the Hon. Shaoquett Moselmane agreed to:

1. That this House notes that:

   (a) at an Iftar dinner celebrating the holy month of Ramadan, Darulfatwa, the Islamic High Council of Australia, honoured Al-Azhari Sharia Course graduates,

   (b) Darulfatwa is a high Islamic authority in Australia and was founded to meet the growing needs of the Australian Muslim community,

   (c) Darulfatwa aims to bring Australian Muslims together and acts as the leading representative for Muslims in Australia, and

   (d) under the umbrella of Darulfatwa exists a number of organisations that include: Al-Amanah Islamic College, Islamic Charity Projects, Muslim Community Radio, the Sufi Society of Australia, Al-Ashraf Muslim Society of Australia, the African Australian Islamic Association, the Muslim Society of Liverpool, the Muslim Women Welfare of Australia, the Lakemba Islamic Association, the Islamic Association of Auburn, the Muslim Youth of Truth, Sydney Eid Festival Inc., El-Eslah Islamic Association, the Australian Arabic Family Association, the Nile Cultural Association, Ahle Sunnat Islamic Centre of Australia, the Multicultural Australian Women's Association and Blacktown Islamic Association.

2. That this House congratulates:

   (a) Darulfatwa, the High Islamic Council of Australia, for bringing Australian Muslims together and acting as the leading representative for Muslims in Australia, and

   (b) all Al-Azhary Sharee'ah Course Graduates for the past 12 years.

3. That this House wishes Darulfatwa and all organisations under its umbrella, and the wider Australian Islamic community, a Ramadan Mubarak and Eid Karim.

WORLD DIABETES DAY

Motion by the Hon. Natasha Maclaren-Jones agreed to:

That this House:

(a) notes that diabetes is the world's fastest growing chronic disease, affecting more than 3.5 million Australians who suffer from diabetes or pre-diabetes, and is our sixth highest cause of death by disease,

(b) acknowledges that 14 November 2011 is World Diabetes Day and that education and prevention is the theme, and

(c) urges members of this House to raise awareness about this important health issue.

GREEK NATIONAL DAY

Motion by the Hon. Lynda Voltz, on behalf of the Hon. Amanda Fazio, agreed to:

1. That this House notes that:

   (a) Friday 28 October 2011 was the 71st Greek National Day known universally as "Ohi or Oxi Day",

   (b) early in the morning on this day in 1940 the Greek Prime Minister Ioannis Metaxas rejected the ultimatum made by Italian dictator Benito Mussolini which demanded that Greece allow Axis forces to enter Greek territory and occupy certain unspecified "strategic locations",

   (c) in support of the decision of the Prime Minister, the Greek population, irrespective of political affiliation, took to the streets shouting "Ohi" or "No",

(d) Greece's valiant and heroic efforts against the fascist Italian army resulted in the first defeat of the Axis powers in World War II,

(e) the six months of fighting caused by the Greek resistance of the Axis powers also delayed Germany's invasion and campaign against what is today the Commonwealth of Independent States (the former Soviet Union),

(f) this was a major turning point of World War II, signalling the beginning of the end of the German Third Reich and changed the fate of the free world as we know it,

(g) the sacrifice and success of the Greek armed forces, the Greek guerrillas, and the ordinary Greek citizens drew the admiration of the free world and kindled hope for the final victory of the Allied powers, and

(h) the Greek Orthodox Community of New South Wales held a celebration of the 71st Greek National Day at the Greek Community Club at Lakemba on 28 October 2011 attended by the Greek Ambassador to Australia and at which the Leader of the Opposition, the Hon. John Robertson, MP, was represented by the Hon. Amanda Fazio, MLC, and the Hon. David Clarke, MLC, represented the Government.

2. That this House congratulates the Greek Orthodox Community of New South Wales for organising this important celebration.

MAJAJANA MULTICULTURAL ORGANISATION

Motion by the Hon. Marie Ficarra agreed to:

1. That this House notes that:

(a) on 15 October 2011, the Majajana Multicultural Organisation celebrated its 5th annual ritual of Karwa Chauth Vrat Pooja at Quakers Hill, New South Wales,

(b) the ritual was attended by approximately 350 people, mostly women from New South Wales' Indian community, and

(c) Karwa Chauth Vrat Pooja is a significant event for Indian women, who fast for their husbands' longevity.

2. That this House acknowledges:

(a) the work of Mrs Neena Kaur, President of the Majajana Multicultural Organisation, in developing a joyful and festive evening,

(b) those that attended, particularly:

(i) the Hon. Dr Geoffrey Lee, MP, member for Parramatta,

(ii) the Hon. Marie Ficarra, MLC, Parliamentary Secretary to the Premier,

(iii) Mrs Neena Kaur, President of the Majajana Multicultural Organisation, and

(iv) Ms Apana Vats, Master of Ceremonies, and

(c) the work of Mrs Neena Kaur and the Majajana Multicultural Organisation.

BUSINESS OF THE HOUSE

Formal Business Notices of Motions

Private Members Business item No. 342 outside the Order of Precedence objected to as being taken as formal business.

TRIBUTE TO LESLIE BRUCE SPENCE

Motion by the Hon. Shaoquett Moselmane agreed to:

1. That this House notes the passing of Leslie Bruce Spence on 9 October 2011.

2. That this House notes that:

(a) traditional New Year's Day celebrations for Beatrice and Jack Spence in 1936 were interrupted by the birth of Leslie Bruce Spence on 1 January of that year,

(b) Les began his education at the Tharbogang Public School, then moved to Griffith Primary School and then Griffith High School,

(c) leaving at the age of 15, Les joined the mechanics division of the Water Conservation and Irrigation Commission and went on to be in charge of the workshop and, after 40 years of service, was presented with a Certificate of Appreciation by then Liberal Premier, Mr Nick Greiner,

(d) Les played football and was known as the tackling machine, being part of the Black and White Premiership team,

(e) National Service in 1955 temporarily interrupted Les's football career and in 1958 he attempted a comeback but was forced to retire due to a shoulder injury,

(f) on 17 June 1957, Les and Joan were married and in 2007 celebrated 50 years of marriage, receiving letters of congratulations from the Governor General, the Governor of New South Wales, former Liberal Prime Minister Mr John Howard, Riverina National Party member Ms Kay Hull, Murrumbidgee National Party member Mr Adrian Piccoli, MP, and Mr Morris Iemma,

(g) in politics Les was one eyed, believing there was only the Labor Party, though he was more qualified than most for his one eyed point of view because in 1966 when grinding a flywheel he had welded together a piece broke off and took his left eye,

(h) Les was President of the Griffith Branch of the Australian Labor Party, Murrumbidgee State Electorate Council and Riverina Electorate Council, and was at the forefront when Gough Whitlam came to town, again in 1983 when Opposition Leader Bob Hawke campaigned in Griffith, and in 2001 Les and Joan when hosting Kim Beazley,

(i) Les and Joan were recipients of the McKell Award in 2007,

(j) Les served his community in many ways, being President of the Pioneer Park Committee and serving as a member of the Griffith TAFE Board, the Griffith Hospital Board and later the Board of Greater Murray Health Service,

(k) in 2001, Les was a recipient of a Centenary Medal which was presented by Ms Kay Hull,

(l) Les dearly loved Joan, was proud of his four sons, his daughters-in-law and his grandchildren, and each has memories of their dad and grandfather, and

(m) most of Griffith will remember Les's "old Yella", his yellow Dodge.

3. That this House expresses its condolences on the passing of Leslie Bruce Spence to the people of Griffith, to the rank and file of the Australian Labor Party comrades in Griffith and to his family and sons Patrick, Dennis, Michael and Leslie.

ST GEORGE MIGRANT RESOURCE CENTRE

Motion by the Hon. Shaoquett Moselmane agreed to:

1. That this House notes:

(a) St George Migrant Resource Centre is celebrating its 30th Anniversary,

(b) the St George Migrant Resource Centre provides support services to people of culturally and linguistically diverse communities in the St George and Sutherland areas of Sydney, and currently is delivering Settlement Grants Programs, Multicultural Community Aged Care Package Programs, Community Care Programs and Multicultural Day Care Programs,

(c) the St George Migrant Resource Centre operates with an access and equity framework, educating, supporting and providing information to migrants and refugees to maximise their access to the social and economic opportunities afforded to other Australians, and

(d) the Migrant Resource Centre's objectives are to:

(i) identify and address gaps in services and resources for people of non-English speaking backgrounds in the local area,

(ii) resource non-English speaking background communities,

(iii) provide information, referral and advocacy services to non-English speaking background individuals and groups using a community development model,

(iv) promote and monitor access and equity among government and non-government organisations,

(v) promote the planning and coordination of relevant services and to organise multicultural activities in the area,

(vi) encourage representative participation of target groups in the activities and management of the centre, and

(vii) provide a supportive, safe and equitable workplace that promotes the delivery of the above objectives and professional development of staff.

2. That this House congratulates the St George Migrant Resource Centre, its management committees, past and present, all the community organisations who have helped grow this St George institution as well as all four local government authorities in the St George Sutherland Shire areas for its 30 years of dedicated service delivery and for helping to improve the lives of hundreds of refugees and many thousands of migrants making St George and Sutherland their home.

BUSINESS OF THE HOUSE

Formal Business Notices of Motions

Private Members' Business item No. 348 outside the Order of Precedence objected to as being taken as formal business.

IRREGULAR PETITION

Leave granted for the suspension of standing orders to allow the Hon. Jeremy Buckingham to present an irregular petition.

Tweed Shire Coal Seam Gas Exploration

Petition objecting to the granting of petroleum exploration and production licences for coal seam gas in the Tweed Shire and demanding a ban on all coal seam mining, received from the **Hon. Jeremy Buckingham**.

PETITIONS

Coal and Coal Seam Gas Mining Moratorium

Petition opposing mining and exploration on agricultural land, congratulating the Government on placing a 60-day moratorium on new coal and coal seam gas mining, and calling on the Government to place a permanent moratorium on new coal and coal seam gas mining, received from the **Hon. Jeremy Buckingham.**

DISTINGUISHED VISITORS

The PRESIDENT: I welcome to my gallery a delegation from The People's Congress of Ningxia Hui Autonomous Region, People's Republic of China, led by Mr He Xueqing, Director-General, Environment and Resources Protection Working Committee, and accompanied by the Deputy Chairman of the People's Congress of Ningxia Hui.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Order of Business

Dr JOHN KAYE [11.11 a.m.]: I move:

That standing and sessional orders be suspended to allow a motion to be moved forthwith that Private Members' Business item No. 262 outside the Order of Precedence relating to public secondary education in Dubbo be called on forthwith.

This motion should be urgently heard because it calls on the Minister for Education to listen to teachers, parents and students in Dubbo and abandon the college model and return public secondary education in Dubbo to three year 7 to year 12 comprehensive high schools. It is urgent because unless change is made in a hurry the quality of secondary public education in Dubbo will continue to decline, despite the best efforts of the truly excellent teachers in the area. This motion is urgent because in 2003 the then Labor Government enforced a campus model structure on public secondary education in Dubbo and created Dubbo College as the only public school in the area offering secondary education.

This motion is urgent because in 2009 the then Labor Government commissioned the Kennedy report. This report was based on massive public consultation and created the most authoritative summary of outcomes,

data and community and professional educator concerns about the model in Dubbo. This matter is extremely urgent because, as we speak, Dubbo is suffering a high staff turnover. The lack of opportunity for secondary teachers to teach across all years of high school has resulted in a high rotation of teaching staff. This motion is urgent because teachers have to be given an opportunity to teach across all years to pursue their personal and professional development. This motion is urgent in order to address student outcomes, which are being undermined by the collegiate structure. The high staff turnover has damaged student outcomes and the rapid rotation of staff leaves no time for students and teachers to build the type of relationships necessary for students to achieve at a high level.

This motion is urgent because academic outcomes in general have been in decline since the inception of the collegiate model in Dubbo. In 2009, 10 per cent of Dubbo College's Higher School Certificate results were in the band below the minimum standards for core subjects compared with a statewide average of only 4 per cent. According to the National Assessment Program—Literacy and Numeracy test results, Aboriginal students at Dubbo College achieve on average lower results than their counterparts across all other parts of New South Wales. This motion is urgent because the Minister for Education must arrest declining enrolments. The collegiate model has produced declining enrolments. Prior to the introduction of the campus structure, enrolments in public schools in Dubbo were 2 per cent higher than the statewide average. By 2009 the figure was 4.8 per cent below the statewide average. It can be argued that there are common concerns about a range of issues affecting Dubbo College that have driven up enrolments in non-government schools and decreased enrolments in the public system.

Dubbo's three private schools—Dubbo Christian School, St Johns College and Macquarie Anglican Grammar School—have all entered periods of sustained growth since the introduction of the collegiate model. This motion is urgent because the collegiate model is denying students choice and availability of a wide range of subjects. Although increased subject choice was a major reason behind the implementation of the collegiate model in 2003, the reality is very different. In fact, there has been a major decline in the availability of subjects. This motion has resulted from consultation with the Dubbo community and Dubbo teachers. It expresses the anxiety they feel about the fact they cannot deliver the highest quality education to which they are committed and which they work very hard to achieve. This Chamber at least owes the Dubbo community a debate on this motion. I commend the motion for urgency to the House.

The Hon. DUNCAN GAY (Minister for Roads and Ports) [11.16 a.m.]: The Government opposes urgency on this motion. The basis of our opposition to urgency relates to paragraphs 2 (a) and (b) of the motion, which state:

> 2. That this House:
>
> (a) condemns the Minister for Education's decision to ignore the wishes of the Dubbo community and the advice of educational experts, and
>
> (b) calls on the Minister for Education to listen to teachers, parents and students in Dubbo and immediately announce the abolition of the college model and the creation of three Year 7 to 12 comprehensive public high schools.

This matter is not urgent because the Minister for Education has already done what the motion calls for. The Minister for Education has consulted extensively with the community. The motion is not urgent because a decision was made after carefully reviewing the information available and visiting the community to consult with representative groups, including students. It is not urgent because the Minister has met with the Aboriginal Education Consultative Group representative, Aunty Pat Doolan. Anyone from Dubbo knows that there is no finer woman in that community than Pat Doolan. The Minister has met with Parents and Citizens Association representatives Therese Garnsey from the Senior Campus, Rob van Dartel from the South Campus and Sonia Strachan from the Delroy Campus. The Minister has met with parent representatives Sharon Lane from the Senior Campus and Valda Hampton from the South Campus.

The motion is not urgent because the Minister has met with student representatives Nicole Short from the Senior Campus, Irunika Hapuwida from the South Campus and Heath Worth from the Delroy Campus. The Minister has met with Public Service Association representatives: Michael Fogarty, regional organiser; Robin Higgins from the South Campus; Sandy Birkett from the Delroy Campus; and Annette Evans from the Senior Campus. The Minister has held meetings with teaching staff representatives: Noel Creenaune, New South Wales Teachers Federation; Vicki Budden from the Delroy Campus; Julie Manton from the South Campus; and Therese Cross from the Senior Campus.

Prior to making the decision the Minister for Education met with college principals Richard Skinner from the Senior Campus, Peter Bray from the Delroy Campus and Mel Johnston from the South Campus. It is not urgent that this matter is delayed for consultation because the Minister has also met with the Primary Principals Association representative Greg Shortis, the principal of Dubbo Public School. Minister Piccoli has met with principals from primary schools in the area as well as the principal of Denison College, Bathurst, Geoff Hastings; the principal of Wellington High School, Don Harvey; and the principal of Menindee Central School, Brian Debus. Minister Piccoli also met with Anne-Marie Furney from the western region. The principals summed up their position in their letter to John Kaye in which they stated:

> The Principals of Dubbo Public Education schools are concerned regarding your recent interviews on local TV where you were highly critical about the attendance and behaviour of students at the Dubbo College junior campuses. We believe you are being given misleading information on which you based negative comments that are extremely harmful to the welfare and education of students attending our schools.

If anyone wants further evidence why this matter is not urgent and why the principals do not need to be consulted, the principals have said it themselves. They do not want John Kaye meddling in their affairs—and who can blame them?

The Hon. LYNDA VOLTZ [11.21 a.m.]: The Opposition will not support urgency on this matter. There has not been any debate in this urgency motion on why this matter is more urgent than the legislation before the House today. We have two weeks left to get the legislation through and today is reserved for Government Business. Private Members' Business tomorrow will be an opportunity to look at motions such as this. If The Greens wanted us to consider urgency they should have stated why this matter needed to be moved today rather than being moved as a contingency motion tomorrow. They have not done so. Their debate on urgency seemed to be a substantive debate as opposed to why this matter is more urgent than any other matter.

The Hon. ROBERT BROWN [11.22 a.m.]: The Shooters and Fishers Party cannot support urgency on this matter. I note that three of the four items of Private Members' Business in the Order of Precedence on the *Notice Paper* for tomorrow are Dr John Kaye's colleagues' items of business—Ms Cate Faehrmann, the Hon. Jeremy Buckingham and Ms Jan Barham. I wonder whether Dr John Kaye discussed with his own party whether they would be prepared to have their Order of Precedence waived. I do not believe this item should interfere with Government Business today.

Question—That the motion be agreed to—put.

The House divided.

Ayes, 5

Ms Barham
Ms Faehrmann
Mr Shoebridge

Tellers,
Mr Buckingham
Dr Kaye

Noes, 30

Mr Ajaka	Mr Lynn	Mr Searle
Mr Blair	Mr MacDonald	Mr Secord
Mr Brown	Mrs Maclaren-Jones	Ms Sharpe
Mr Clarke	Mr Mason-Cox	Mr Veitch
Ms Cotsis	Mrs Mitchell	Ms Westwood
Mr Donnelly	Mr Moselmane	Mr Whan
Ms Ficarra	Reverend Nile	
Mr Foley	Mr Pearce	
Miss Gardiner	Dr Phelps	*Tellers,*
Mr Gay	Mr Primrose	Mr Colless
Mr Khan	Mr Roozendaal	Ms Voltz

Question resolved in the negative.

Motion negatived.

STATUTE LAW (MISCELLANEOUS PROVISIONS) BILL (NO. 2) 2011

Second Reading

The Hon. DAVID CLARKE (Parliamentary Secretary) [11.31 a.m.], on behalf of the Hon. Michael Gallacher: I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

The Statute Law (Miscellaneous Provisions) Bill (No. 2) 2011 continues the established statute law revision program that is recognised as a cost-effective and efficient method for dealing with amendments of the kind included in the bill.

The form of the bill is similar to that of previous bills in the statute law revision program.

Schedule 1 contains policy changes of a minor and non-controversial nature that the Minister responsible for the legislation to be amended considers to be too inconsequential to warrant the introduction of a separate amending bill. That schedule contains amendments to 24 Acts and one regulation. I will mention some of the amendments to give members an indication of the kind of amendments that are included in this schedule.

An amendment made by schedule 1 will update the definition of dog in the Companion Animals Act 1998 by adopting the recently re-classified species name for dingoes, to ensure that dingoes continue to be regulated under that Act.

Schedule I amends various Acts in the portfolios of the Minister for Fair Trading jointly with the Minister for Finance and Services. An amendment to the Residential Parks Act 1998 will remove an offence, relating to the contravention of a rent order, that is similar to an offence contained in the Consumer, Trader and Tenancy Tribunal Act 2001.

Amendments to the Residential Tenancies Act 2010 will clarify that a rent increase is taken to be validly imposed for the purposes of the Act if the 12-month period prescribed for bringing proceedings to challenge the increase has expired without a challenge being made.

Schedule 1 makes a number of amendments to the Security Industry Act 1997. These include clarifying the types of bodyguard and crowd control activities that are security activities requiring a licence under the Act. Other amendments to that Act will clarify that patrolling or protecting property is a security activity if it involves the use of any dog, not just a "patrol" dog.

Amendments to that Act, as well as to the Explosives Act 2003 and the Commercial Agents and Private Inquiry Agents Act 2004, will clarify that the restructure within the NSW Police Force that involved the replacement of the Security Industry Registry with the Security Licensing and Enforcement Directorate does not affect the delegation of the functions of the Commissioner of Police under those Acts.

Amendments made by schedule 1 to the National Parks and Wildlife Act 1974 will provide a defence to prosecution for environmental offences, such as picking native plants, where the act was done with the authority of a licence issued under the Act, to enable work to be done for scientific, educational or conservation purposes.

The Road Transport (Vehicle Registration) Act 1997 amendments allow the Roads and Traffic Authority to cancel the registration of a vehicle immediately if it becomes a written-off vehicle rather than after 14 days notice has been given to the registered operator of the vehicle. However, a person does not commit an offence for driving an unregistered vehicle until the registered operator is notified of the cancellation of registration of the vehicle.

Amendments to the Superannuation Act 1916 replace references to HealthQuest, which was dissolved as a statutory health corporation in 2009. The amendments will enable the SAS Trustee Corporation to have regard to the medical advice of persons nominated by the corporation in determining whether a contributor is incapable of performing his or her duties, and will enable persons nominated by the corporation to conduct medical examinations of employees retired through infirmity.

Schedule 1 also amends the Innovation Council Act 1996 to change the name of the "New South Wales Innovation Council" to the "New South Wales Innovation and Productivity Council", to better reflect the current work of the council.

Finally, in relation to schedule 1, I would mention the amendments to the Water Management Act 2000. Schedule 1 includes a number of miscellaneous amendments to that Act to improve the operation of various provisions in relation to water entitlements and access licences.

Schedule 2 deals with matters of pure statute law revision consisting of minor technical changes to legislation that the Parliamentary Counsel considers are appropriate for inclusion in the bill. Examples of amendments in schedule 2 are those arising out of the enactment of other legislation, those correcting numbering and typographical errors, and those updating terminology.

Schedule 3 makes amendments by way of statute law revision consequent on the renaming of the Police Service Act 1990 to the Police Act 1990, and on the change of name of the policing organisation of New South Wales to the NSW Police Force.

Schedules 4 and 5 continue the program of repealing Acts and instruments that are redundant or of no practical utility, and consolidating Acts and instruments that have ongoing operation.

Schedule 4 contains amendments that enable, or are consequential on, the repeal of Acts and instruments by schedule 5. The amendments include the transfer, into various Acts, of the provisions of Acts and instruments repealed by schedule 5.

Schedule 5 repeals 61 principal Acts and Regulations, and various provisions of Acts and instruments, including those that contain only amendments that have commenced.

For abundant caution, the bill, in conjunction with section 29A of the Interpretation Act 1987, continues to provide a power for the Governor, by proclamation, to revoke the repeal of any Act or instrument repealed by the bill and restore its operation.

Schedule 6 contains general savings, transitional and other provisions. These include provisions dealing with the effect of amendments on amending provisions, and savings clauses for the repealed Acts.

The various amendments are explained in detail in explanatory notes set out beneath the amendments to each of the Acts and statutory instruments concerned or at the end of the schedule concerned.

If any amendment causes concern or requires clarification, it should be brought to my attention. If necessary, I will arrange for Government officers to provide additional information on the matters raised. If any particular matter of concern cannot be resolved and is likely to delay the passage of the bill, the Government is prepared to consider withdrawing the matter from the bill.

I commend the bill to the House.

The Hon. ADAM SEARLE (Deputy Leader of the Opposition) [11.31 a.m.]: I lead for the Opposition in debate on the Statue Law (Miscellaneous Provisions) Bill (No. 2) 2011. The bill seeks to make a number of minor amendments to various Acts and a regulation to amend certain other Acts and instruments for the purpose of effecting statute law revision in the usual way, and to make various consequential or ancillary changes. The most notable change the bill seeks to effect is renaming the New South Wales Police Service the NSW Police Force. The bill also corrects a range of spelling errors in various pieces of legislation and other matters of that nature. The bill appears to be in the usual form of statue law revisions. The substance of the various provisions does not seek to change the law in any substantive way. For those reasons the Opposition does not oppose the legislation.

Dr JOHN KAYE [11.33 a.m.]: The Greens support the Statue Law (Miscellaneous Provisions) Bill (No. 2) 2011. It follows the usual practice of bringing a number of relatively minor amendments by way of statue law revision to the Parliament. We appreciate that the Government acted on the issues we raised with them and took a number of matters out of the legislation. We thank the Government for doing that. We support the process of statue law bills as they come through about twice a year. They serve a useful purpose.

Reverend the Hon. FRED NILE [11.34 a.m.]: The Christian Democratic Party supports the Statue Law (Miscellaneous Provisions) Bill (No. 2) 2011, which makes minor amendments to various Acts and regulations. We have no problems with the content of the bill and so we support it.

The Hon. Dr PETER PHELPS [11.34 a.m.]: I will briefly add my support to the Statue Law (Miscellaneous Provisions) Bill (No. 2) 2011. It is a wonderful day when we see the elimination of at least 38 further Acts of Parliament. I am reminded of Syme in *Nineteen Eighty-Four*, one of Winston Smith's companions at the Ministry of Truth. He spoke about the beauty of getting rid of words. Surely there is nothing more beautiful than getting rid of laws. The destruction of laws is a beautiful thing. Of course, the great wastage is in the rules and the regulations, but there are hundreds of further Acts that could also be done away with. It is not only the bad laws; there are also the unnecessary laws. After all, what justification is there for a law that simply says a person can do something? Surely the proper role of government is simply to acknowledge, rather than allow, freedom of action—provided it does no harm to others.

Every Act of Parliament detracts from the natural rights of members of society. No law gives people more freedom—every law is an imposition of one sort or another. Every law we enact takes away some of the freedom that a citizen possesses as part of his or her natural rights. Indeed, I live for the day when the sum total of statue laws in this State amounts to no more than 100 or so Acts of Parliament. There will be nothing else. Even that might be too many. We will de-legislate and de-legislate until the whole notion of a legislated society disappears and a society based on natural rights and freedoms re-emerges. Mr President, don't you see the beauty in that?

The Hon. DAVID CLARKE (Parliamentary Secretary) [11.36 a.m.], in reply: I thank honourable members for their thoughtful contributions—more or less. Certainly the Hon. Dr Peter Phelps's contribution was thoughtful. I commend the bill to the House.

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

Motion agreed to.

Bill read a second time.

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

Third Reading

Motion by the Hon. David Clarke, on behalf of 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.

REDFERN-WATERLOO AUTHORITY REPEAL BILL 2011

Second Reading

The Hon. MATTHEW MASON-COX (Parliamentary Secretary) [11.38 a.m.], on behalf of the Hon. Greg Pearce: I move:

That this bill be now read a second time.

I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

Recently I introduced into this House legislation to commence the important process of the reform of the New South Wales Planning System. This included the commitment of the New South Wales Government to repeal Part 3A of the Environmental Planning and Assessment Act. Recently the New South Wales Government has also announced a range of further reforms of the New South Wales planning system that handed responsibility for key planning decisions back to local governments; back to the community, and also outlining how truly State significant development will be assessed into the future.

Today I continue this reform process with the introduction of the Redfern-Waterloo Authority Repeal Bill. This bill will result in the cessation of the Redfern-Waterloo Authority, with the transfer of planning consent for developments on the Redfern-Waterloo sites up to $10 million being transferred to the City of Sydney, and the strengthening of the capacity of the Sydney Metropolitan Development Authority to ensure that the renewal of this important area for Sydney and New South Wales continues into the future.

The Redfern-Waterloo Authority [RWA] was established in 2004 to implement development and urban renewal strategies to address the long term problems associated with social disadvantage in the Redfern-Waterloo communities. The Redfern-Waterloo Authority was established with the bipartisan support of the major political parties and this Government will continue its commitment to this important area through the Sydney Metropolitan Development Authority.

The Redfern-Waterloo Authority has made some significant achievements over the past six years, with the establishment of positive developments in the area, and the introduction of important employment and human service programs. This has been evidenced with the opening of the National Centre for Indigenous Excellence, the community health facility on Redfern Street and the key commercial developments on Australian Technology Park. The Aboriginal Employment Program, which was established by the Redfern-Waterloo Authority, has created over 800 employment opportunities for members of the Aboriginal community, and this Government included in its recent budget financial support for this important program into the future.

The Sydney Metropolitan Development Authority was established in December 2010 to lead timely and orderly social and economic development of high quality urban precincts.

This new authority will target nominated strategic locations in the Sydney Metropolitan area with the aim to deliver on housing and employment targets, aligning land use with transport infrastructure and ensuring the opportunities from government's investment in infrastructure are maximised.

The authority has been developed to capture the positive experience of cooperative urban renewal at Redfern-Waterloo over the last decade for the benefit of other strategic precincts in Sydney.

The new authority is a Development Corporation under the Growth Centres (Development Corporations) Act and has broad powers to plan and co-ordinate urban renewal effort on behalf of government, in consultation with local government and the private sector, and also to deal in land, leverage assets, undertake compulsory acquisition, and to enter into partnerships with the private sector and local/national governments.

The Redfern-Waterloo Authority Repeal Bill 2011 will repeal the Redfern-Waterloo Authority Act 2004 and dissolve the Redfern-Waterloo Authority.

The bill will transfer all the assets, rights, liabilities of the old Redfern-Waterloo Authority, along with certain functions of that Authority to the new Sydney Metropolitan Development Authority.

The bill inserts a new Part 4 into schedule 6, Savings, transitional and other provisions, of the Growth Centres (Development Corporations) Act 1974 to ensure that the Sydney Metropolitan Development Authority is able to take over, as necessary, the role and functions of the abolished Redfern-Waterloo Authority.

For example, one of the assets being transferred to the new authority is the subsidiary company Australian Technology Park Sydney Limited [ATPSL], and clause 17 will ensure that the new authority has such functions as are necessary or convenient for the purposes of managing that subsidiary.

However, those functions do not include selling or disposing of an interest in the company, or approving of another person becoming a member of Australian Technology Park Sydney Limited. The clause will also enable Australian Technology Park Sydney Limited to continue to exercise any function that it could exercise immediately before the repeal of the Redfern-Waterloo Authority Act 2004. The ongoing development of the Australian Technology Park will be an important part of the future renewal in the Redfern-Waterloo area and therefore it is important that the Sydney Metropolitan Development Authority, which has responsibility for the Redfern-Waterloo precinct, is able to utilise this important asset for this purpose.

I am pleased to announce that the repealing of the Redfern-Waterloo Authority Act also brings to an end the switching off of the Heritage Act provisions within the Redfern-Waterloo area. The unique heritage of Redfern and Waterloo needs to be respected and preserved, especially where it is of State significance. The bill does not seek to transition or preserve this switching off mechanism, a move which should be welcomed by all.

Since its inception, the Redfern-Waterloo Authority has played an important role in planning for the Redfern-Waterloo area.

This includes preparing the Redfern-Waterloo Plan which sets out the strategic vision for the improvement of the area over a 10-year period and makes provision for urban design, human services, employment, development, infrastructure, land use zoning, public land renewal and related functions.

The Redfern-Waterloo Authority has worked in close cooperation with the Department of Planning and Infrastructure to ensure the strategic vision for the Redfern-Waterloo area is complemented by appropriate planning controls in environmental planning instruments applying to the land.

The Redfern-Waterloo Authority also determines development applications for certain developments in the area, under delegation from the Minister for Planning and Infrastructure. It also manages contributions for affordable housing and other social infrastructure where developers are required to make financial contributions as a condition of their planning approvals.

Despite the repeal of the Redfern-Waterloo Authority Act, these important planning functions will continue to be undertaken. For example, proposed clause 19 of the bill provides for the continuing operation of the Redfern-Waterloo Plan with the authority being specifically charged with implementing the plan.

Consistent with the recent reforms to the planning system, including the repeal of part 3A of the Environmental Planning and Assessment Act 1979, steps have been taken to return certain planning decisions to the City of Sydney.

For example, the Minister for Planning and Infrastructure has delegated to the City of Sydney his functions of determining development applications for development under $10 million in the Redfern-Waterloo area.

Importantly, clause 18 of the bill continues the operation of sections 30-32 of the Redfern-Waterloo Authority Act, which are provisions that require developers to make financial contributions towards affordable housing and other social infrastructure.

Under the new arrangement, the City of Sydney will be able to impose conditions on development consents and the contributions will be payable direct to the Sydney Metropolitan Development Authority. The authority will then be responsible for ensuring those contributions are used for the purposes set out in the adopted contributions plans.

Together these measures will ensure proper urban renewal planning and development continues to be undertaken for the Redfern-Waterloo area.

Finally, clause 20 will ensure that section 33 of the Redfern-Waterloo Authority Act 2004 continues to have effect. This provision requires the Aboriginal Housing Company and other relevant representatives of the Aboriginal community to be consulted in relation to the area of land bounded by Eveleigh, Caroline, Louis and Vine Streets in Redfern. This Government is committed to the future development of the Block. Redfern is a spiritual home to the Aboriginal community and the Block is symbolic of both the struggle and optimism for the future of Australia's first people.

The Redfern-Waterloo Authority Repeal Bill is an important step in the ongoing renewal of the Redfern-Waterloo area. Whilst the Redfern-Waterloo Authority is being dissolved, the Government, through this bill, is ensuring the ongoing commitment to the renewal of this important area of Sydney and New South Wales. The bill gives the Sydney Metropolitan Development Authority the necessary powers and capability to continue the work initiated by the Redfern-Waterloo Authority, and it will also enable local government to have a greater role, with the transfer of development consent for development up to $10 million to the City of Sydney on the Redfern-Waterloo sites. This change reflects the ongoing reforms that this Government has introduced to the New South Wales planning system.

I commend the bill to the House.

The Hon. LUKE FOLEY (Leader of the Opposition) [11.38 a.m.]: The Opposition supports the Redfern-Waterloo Authority Repeal Bill 2011. The bill deals with repealing the Redfern-Waterloo Authority

Act 2004 and amending the Growth Centres Act 1974 to allow the transfer of assets, rights, liabilities and certain functions of the Redfern-Waterloo Authority to the Sydney Metropolitan Development Authority. I note that on 21 February 2010 the former Labor Government announced the set-up of the new Sydney Metropolitan Development Authority as part of wider reforms that built on the success of the Redfern-Waterloo Authority model. It was always Labor's intention to incorporate the Redfern-Waterloo Authority within the Sydney Metropolitan Development Authority to expand on its capacity to deliver meaningful urban developments, particularly in the area of transport.

The Redfern-Waterloo Authority brings with it to the Sydney Metropolitan Development Authority a number of key assets that are of Sydney, regional and statewide significance. These include the now iconic Australian Technology Park, which continues to be a source of innovation excellence for the community and business. The Australian Technology Park acts as a catalyst for the development and funding of new intellectual property. This activity lies at the heart of long-term job creation momentum in New South Wales by raising the growth potential of the economy. Indeed, as the global financial crisis continues, the Australian Technology Park remains crucial in supporting and creating new job and business opportunities.

The Redfern-Waterloo Authority also maintains its jurisdiction over key development sites in Redfern, Waterloo and the former Carlton and United Breweries site at Broadway. These sites provide the potential to demonstrate the benefits of medium- and high-density housing in solving Sydney's well-documented housing supply problems. The Labor Opposition, as per the early October Reserve Bank of Australia research paper on urban structure, sees it as imperative for policy development to take account of the strong linkages between the planning process, zoning regulations and housing supply. The incorporation of the Redfern-Waterloo Authority into the Sydney Metropolitan Development Authority maintains key provisions in relation to the Aboriginal Housing Company. The bill maintains that this body and other relevant representatives of the Aboriginal community must be consulted on all developments in the area bounded by Eveleigh, Caroline, Louis and Vine streets in Redfern.

In this way the transfer of the Redfern-Waterloo Authority to the Sydney Metropolitan Development Authority allows the positive innovation, residential and cultural developments in the Redfern-Waterloo area to promote similar advances in the Sydney area. This will allow the Sydney Metropolitan Development Authority to further enhance its ability to promote urban renewal. Against this background the Opposition sees the bill as in many ways endorsing the good work already done by the former Labor Government when it comes to Redfern and Waterloo. We support the amendment of the Growth Centres (Development Corporations) Act 1974 to repeal the existing Redfern-Waterloo Authority Act 2004—something that I am sure will be endorsed by the Government Whip—and transfer its assets and the majority of its functions to the Sydney Metropolitan Development Authority.

The Hon. DAVID CLARKE (Parliamentary Secretary) [11.43 a.m.]: The Coalition Government continues to deliver on its promise to the people of New South Wales to clean up the dysfunctional environment planning system in this State left by the previous Government, a discredited Labor Government—a Labor Government that once was but now is no more. The Coalition Government is delivering on its promise to return decision-making to the people of New South Wales. It has been delivering on its election promise to change the Environmental Planning and Assessment Act to make it an instrument conducive to good planning and an environment agreeable to the people of New South Wales, instead of being what it had become under Labor—an instrument to bludgeon the people of New South Wales to live in an environment dictated to them rather than an environment decided by them.

The people of New South Wales have been in an angry mood on this issue for a long time now. They have been crying out for the decision-making process that determines the environment in which they live to be returned to them, and the Coalition Government agrees. The Coalition Government not only agrees but is delivering on its promise to do something about it. The bill before us, the Redfern-Waterloo Authority Repeal Bill 2011, is part of the commitment by the Coalition to deliver on its election promises. The bill repeals the Redfern-Waterloo Authority Act 2004 and amends the Growth Centres (Development Corporations) Act 1974, resulting in the cessation of the Redfern-Waterloo Authority and the transferring of its assets, rights, liabilities and certain functions to the Sydney Metropolitan Development Authority. This authority was established in 2010 to drive the social and economic development of high-quality urban precincts, with its initial precinct being Redfern-Waterloo, including the Australian Technology Park and Granville.

Planning consent for developments on the Redfern-Waterloo site up to $10 million will be transferred to the City of Sydney, which is in keeping with the spirit motivating the repeal of part 3A of the Environmental

Planning and Assessment Act 1979. Sole membership of the Australian Technology Park Sydney Ltd will be transferred from the Redfern-Waterloo Authority to the Sydney Metropolitan Development Authority, allowing it to undertake immediate renewal development of the remaining development lots of the Australian Technology Park. All funds, including development contributions held by the Redfern-Waterloo Authority through the Redfern-Waterloo Authority Fund, will be transferred to the Sydney Metropolitan Development Authority. The bill ensures that the Aboriginal Housing Company and other relevant Aboriginal community representatives will continue to be consulted with respect to the land bounded by Eveleigh, Caroline, Louis and Vine streets, Redfern, an area which for a variety of reasons has deep significance for the Aboriginal community.

Another positive feature of this bill is that the repeal of the Redfern-Waterloo Authority Act will result in the switching-off provisions of the Heritage Act relating to the Redfern-Waterloo area being discontinued. This good and positive bill further delivers on the Government's election commitments. It is yet another step in returning decision-making in environmental matters to the people of New South Wales. It will have a positive and improved impact on the environment and the heritage of the Redfern-Waterloo area. It is yet another good bill introduced by a good Minister for a good government—namely, the Liberal-Nationals Government of Barry O'Farrell.

Mr DAVID SHOEBRIDGE [11.47 a.m.]: I speak on behalf of The Greens in support of this legislation. The Greens have long been opposed to the Redfern-Waterloo Authority. It is an authority that took a good deal of decision-making away from the City of Sydney local government authority and centralised that decision-making, particularly in relation to some very controversial planning provisions as well as decisions relating to development approvals, in a body that has little if any scope for either community oversight or community involvement. Therefore, the repeal of the Redfern-Waterloo Authority Act and the abolition of the Redfern-Waterloo Authority is something with which The Greens wholeheartedly agree. We are pleased that the Government has brought the legislation to the House.

There are a number of other matters to which The Greens would like to draw particular attention. The first is the removal of section 29 from the Redfern-Waterloo Authority Act. With the passage of this bill that section will be repealed and not repeated or saved in any provision in the new Act. The old section 29 effectively allowed the bypassing of the State Heritage Register by simple dint of the Minister for Planning. That was a poorly thought-out provision that placed at peril much of the heritage in the Redfern-Waterloo area. That heritage is essential for keeping the sense of history of one of the most historic industrial parts of Sydney. The Greens warmly welcome the repeal of section 29 and genuinely praise the Government for not inserting such an anti-heritage provision in the amended Growth Centres (Development Corporations) Act.

The Greens maintain a concern about the use of the Growth Centres (Development Corporations) Act to bypass the proper role of local government. It is notable, and again laudable, that the Government is returning to the City of Sydney jurisdiction to approve developments valued up to $10 million. It is another good result from this legislation, and The Greens commend the Government for taking that step. Of course, the City of Sydney and the Central Sydney Planning Committee have enormous skills in dealing with developments valued up to $1 billion. There seems to be no reason not to return all planning authority decisions to the City of Sydney. Indeed, we hope the Government will consider that step during its current planning review. As I said earlier, these development authorities have a poor track record in community consultation on development matters and in genuine, open community consultation on plan-making decisions.

Very large developments and plan-making decisions will remain with the development authority—in this case, the broader Sydney Metropolitan Development Authority—rather than the Redfern-Waterloo Authority. There is an ongoing concern that will produce inconsistent planning decisions for a large tract of land that adjoins the City of Sydney and a suboptimal outcome. I make that reservation while noting the improvements to the Act that the Government proposes. I ask the Parliamentary Secretary in his speech in reply to address the matter of affordable housing levies provided from the Carlton and United Breweries site, which are targeted to be something of the order of $32 million by 2014. I seek an assurance that the abolition of the Redfern-Waterloo Fund, as detailed in the bill, will not be an opportunity for the Government to redirect those affordable housing levies away from affordable housing in the Redfern-Waterloo area.

That issue is of real concern for a number of groups, including Redfern Eveleigh Darlington Waterloo Watch [REDWatch] and others. The Greens seek from the Government confirmation and a guarantee that those funds set aside for affordable housing will be retained for that purpose in the expanded Sydney Metropolitan Development Authority. We understand that that is the intention and that all the assets, liabilities and the like of the Redfern-Waterloo Authority will transfer to the new Sydney metropolitan authority, but we seek that

confirmation. The Greens support the bill and welcome these modest changes and improvements by the Government for planning in the Redfern-Waterloo area as well as the return to the City of Sydney of greater development authority for the area. We look forward to further developments from the Government in the current planning review.

The Hon. NATASHA MACLAREN-JONES [11.53 a.m.]: I support the Redfern-Waterloo Authority Repeal Bill 2011, which builds on the planning reforms previously introduced by the Minister for Planning and Infrastructure. I commend the Hon. Brad Hazzard for his commitment to reforming the New South Wales planning system. This bill delivers another election commitment to give key planning decisions back to local government. I acknowledge that the Redfern-Waterloo Authority was established with bipartisan support and I acknowledge also the bipartisan support for this bill. Over the past six years the Redfern-Waterloo Authority has delivered a number of strategies and significant achievements, including the creation of more than 800 employment opportunities for members of the Aboriginal community through the Aboriginal Employment Program. Other achievements include the National Centre for Indigenous Excellence, the community health facility on Redfern Street and the Australian Technology Park.

The Sydney Metropolitan Development Authority was established last year to drive high-quality development in the Redfern-Waterloo area, but the Redfern-Waterloo Authority has continued its functions. This has led to a costly duplication of administration. Having one authority, rather than two separate bodies, to oversee the whole area not only will improve governance and planning, but also will ensure efficiency when dealing with the various landowners, businesses, community groups, local government, the development industry, government agencies and other stakeholders. The new Sydney Metropolitan Development Authority will work strategically to deliver housing and employment opportunities to targeted locations in metropolitan Sydney whilst aligning land use with transport infrastructure. This bill gives the Sydney Metropolitan Development Authority the necessary powers and extra capability to continue the work of the Redfern-Waterloo Authority, and also will enable local government to have a greater role.

The Redfern-Waterloo Plan will continue under the guidance of the new authority. This plan sets out the strategic vision to improve the area over a 10-year period and makes provision for urban design, employment, development, infrastructure, land-use zoning and public land renewal. The New South Wales Government is committed to smaller government, and the recent announcement by the Minister for Planning and Infrastructure to delegate to the City of Sydney powers to determine development applications under $10 million in the Redfern-Waterloo area delivers on this commitment. This is good governance and allows the City of Sydney to work hand in hand with the Sydney Metropolitan Development Authority to achieve the goals of both entities. As the Minister for Planning and Infrastructure stated previously, the unique heritage of the area must be respected and preserved. This bill will continue to protect the unique culture and historic nature of the Redfern and Waterloo areas.

The new authority will continue to work with local residents and businesses to ensure their inclusion in the management of urban renewal affecting their communities. The bill will also transfer ownership of the Australian Technology Park, Sydney, from the Redfern-Waterloo Authority to the Sydney Metropolitan Development Authority, allowing for continued renewal on the remaining development lots of the park. This will allow the Australian Technology Party to continue to be the nation's pre-eminent technology and business precinct and home to many leading Australian and international information technology [IT], communications and science companies. The Redfern-Waterloo Authority Repeal Bill 2011 is an important step in the ongoing renewal of the Redfern-Waterloo area. I commend the bill to the House.

The Hon. CHARLIE LYNN (Parliamentary Secretary) [11.56 a.m.]: I support the Redfern-Waterloo Authority Repeal Bill 2011, which will repeal the Redfern-Waterloo Authority Act 2004 and amend the Growth Centres (Development Corporations) Act 1974 to transfer the responsibilities and assets of the authority to the Sydney Metropolitan Development Authority. The Growth Centres Commission was a mixed bag that could best be described as good in parts but a failure overall because it was only a bandaid solution to a bigger and deeper problem—the planning framework in New South Wales. The standalone statutory bodies were not properly resourced and did not get the support and leadership from government and administrative instrumentalities through the different Acts and regulations that were required to fulfil its mandate. It was a good idea with some outcomes but, like most things, it ended up an overall failure and was consigned to the planning reform graveyard.

The former Government set up the administrative architecture to implement the metropolitan strategy. The North West Growth Centres Commission and the South West Growth Centres Commission were

established as part of this structure, as well as the Sydney Metropolitan Development Authority, which was established in 2010 and assumed responsibility for the Redfern-Waterloo Authority. This procedure was designed to cut through the labyrinth of red tape and bring about a coordinated approach between multiple stakeholders, government agencies, local government, the development industry and landowners to ensure that effective management, proper consultation and communication of the strategy were done in a comprehensive yet timely and efficient manner so that new-release areas could be rolled out within a realistic time frame. These reforms were seen as a step in the right direction. To be fair, there were some improvements in coordination and communication between the then Department of Planning and stakeholders, and progress was made.

However, like anything without leadership—from the elected Government through to the responsible Ministers and a planning framework that backed reforms with the tools and resources needed to do the job properly—the reforms ended up, just as many others that preceded it, as nothing other than add-ons that got in the way and defeated the original charter and objectives by causing additional delays. It was a case of a good idea with poor implementation. The Redfern-Waterloo Authority was established in 2004 by former Minister Frank Sartor and was to report directly to the Minister. To be fair, the idea was well intentioned: to provide the leadership necessary to cut through red tape and achieve a realistic outcome that allowed for increased densities as part of the renewal of an historic precinct while respecting and protecting the environment and heritage components in the precinct.

Like the North West Growth Centres Commission and the South West Growth Centres Commission, the Redfern-Waterloo Authority sounded like a good idea that would achieve a balanced outcome in a realistic time frame. For New South Wales to become the economic driver of Australia again we must ensure that there is a proper rollout of new residential, industrial, commercial and employment developments, and supporting infrastructure. In creating bodies such as the Redfern-Waterloo Authority, the North West Growth Centres Commission and South West Growth Centres Commission, the Government tried to bypass the malaise created by the existing planning framework, but it did not work. The former Government had already abolished those commissions.

I endorse the action to abolish the Redfern-Waterloo Authority and to transfer its responsibility to the Sydney Metropolitan Development Authority. This action is necessary as the new Government has embarked on a full and comprehensive review of the planning framework, and all aspects should be considered as part of this review. For the reasons that I have outlined, I congratulate the Minister on his work. I commend the bill to the House.

The Hon. MATTHEW MASON-COX (Parliamentary Secretary) [12.01 p.m.], in reply: I thank honourable members for their comments and contributions to the Redfern-Waterloo Authority Repeal Bill 2011. I note the unanimous support of the Chamber in this regard. In relation to a query from Mr David Shoebridge about the affordable housing levies from the Carlton United Breweries site, I note that there will be no change to the affordable housing provisions tied to the site. These contributions will be forwarded to the Sydney Metropolitan Development Authority instead of the Redfern-Waterloo Authority. There will be no change to the value or how these contributions will be expended. This Government's commitment to affordable housing in this important region will continue.

As I have indicated, the Redfern-Waterloo Authority Repeal Bill is an important step in the ongoing renewal of the Redfern-Waterloo area. Through this bill the Government is ensuring the ongoing commitment to renewal of this important area of Sydney and New South Wales. Moreover, this bill reflects the ongoing reforms that this Government has introduced into the New South Wales planning system. Accordingly, I strongly 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. Matthew Mason-Cox, on behalf of the Hon. Greg Pearce, agreed to:

That this bill be now read a third time.

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

INDUSTRIAL RELATIONS AMENDMENT (NON-OPERATIVE AWARDS) BILL 2011

Second Reading

Debate resumed from 11 October 2011.

The Hon. SOPHIE COTSIS [12.04 p.m.]: I lead for the Opposition in debate on the Industrial Relations Amendment (Non-operative Awards) Bill 2011. What a riveting piece of legislation. The Coalition spent 16 years in opposition and what does it come up with in the industrial relations area? Millions of working people in New South Wales are listening to the Government's industrial relations agenda and they are riveted by it. I cannot believe this; it is fantastic and excellent policy. What is the Coalition Government's positive vision for working people in New South Wales? I want the Government to make a landmark speech for the hardworking men and women of New South Wales—the sole traders and the small business operators, the people who wake up and 3.30 a.m. or 4.00 a.m. and get ready for work. What is the vision of this O'Farrell Government for those people, apart from cutting wages and conditions?

The Hon. Dr Peter Phelps: Lower taxes and less regulation.

The Hon. SOPHIE COTSIS: The member wants a kumbayah state—no regulations. This bill extends that power, allowing the commission to rescind non-operative awards.

The Hon. Matthew Mason-Cox: Will you support it?

The Hon. SOPHIE COTSIS: I will keep the member guessing. This is the Government's signature piece on industrial relations. The Government will completely smash up the industrial relations system in New South Wales.

The Hon. Lynda Voltz: Point of order: It is very difficult to hear the member's contribution due to the number of interjections from the other side of the Chamber.

The PRESIDENT: Order! Orderly debate is assisted and facilitated by members directing their remarks through the Chair. Despite the member with the call directing her remarks to Government members, I counsel them to not interject. The member is entitled to be heard in silence.

The Hon. SOPHIE COTSIS: The bill unwinds the former Labor Government reforms, which protected private sector awards in the face of a changing industrial relations environment as New South Wales private sector and community sector employees were transferred to the Federal system. Non-operative awards exist as a practical measure that provides a benchmark for fair pay. The creation of an award is an expensive and painstaking process, using a wealth of knowledge and information gained over many years of industrial experience. It is part of our State's employment and industrial relations heritage. I believe that all members of this Chamber should respect our State's history of industrial relations law and making laws that protect low-paid workers and people in areas of the workforce that need the protection of the law. The previous Labor Government introduced legislation to preserve these awards for that reason.

The ongoing role of the New South Wales awards needs to be considered. Most private sector industrial relations have been referred to the Commonwealth. The New South Wales Industrial Relations Commission operates in a different environment than it operated previously. New South Wales Labor has a long and proud history of protecting the rights of working people. The same cannot be said of the Coalition, which is determined to destroy the working rights of men and women in New South Wales. It is determined to govern for the very few instead of the many.

The Hon. Matthew Mason-Cox: It is your policy.

The Hon. SOPHIE COTSIS: No, it is not. The Coalition did not take a policy to the election.

The PRESIDENT: Order! The Hon. Sophie Cotsis will resist the temptation to respond to interjections. The Hon. Matthew Mason-Cox will refrain from interjecting.

The Hon. SOPHIE COTSIS: Only last year the Coalition, then in Opposition, supported the Labor Government when it introduced these protections for the non-operative award. Last November the Hon. Greg

Pearce, who is now the Minister for Finance and Services, stood in this Chamber and agreed to support the Labor Government's reforms. The Coalition was happy to fool the people of New South Wales into thinking it would represent the working people of New South Wales once it got into office. Prior to the election the Coalition did not present one industrial relations policy, there was not one whisper—everything was softly, softly.

I have checked *Hansard*, which shows that the Coalition said, "Yes, we want to ensure that the protection of workers remains in New South Wales." *Hansard* shows the Coalition's softly, softly approach—until it got over the line. How quickly and dramatically things have changed. In just a few short months the O'Farrell Government's agenda of dismantling our industrial relations system piece by piece, as we have seen, is well underway. The Coalition should have put its industrial relations agenda into the public domain prior to the election. When it was asked to do so, it refused. The people of New South Wales took the Coalition on good faith.

I have had many meetings with working people in New South Wales. I have travelled to the far North coast, the mid North Coast and the Central West. I have had many meetings and conversations with working people in this State. I have put on record in previous debates that many of those people have said to me, "We did not support the Labor Party; we supported the Coalition. However, the Coalition has let us down because they did not tell us that they were going to remove the independent umpire. They did not tell us what their industrial relations policies were." People are disappointed and upset. People have been rallying outside the offices of members in the Central West—outside the offices of the member for Orange, the member for Bathurst, the member for Coffs Harbour and the former member for Clarence. We also rallied outside the office of the Deputy Premier, Minister for Trade and Investment, and Minister for Regional Infrastructure and Services.

People are very angry that they do not have the right to appear before the Industrial Relations Commission to put forward their work value case. As soon as the O'Farrell Government walked into office, it started to rip apart the industrial relations system of this State. The first thing the Government did was trade away workers' rights through watering down occupational health and safety legislation. Another of the first acts of the O'Farrell Government was to oppose the 30,000 social and community service workers in their case for equal pay. Of those 30,000 workers, 87 per cent are women. Most of those women have a degree—they start on $35,000 to $37,000, and they serve society's most vulnerable. This Government continues to refuse to commit funding to this sector.

Today is an historic day for social and community sector workers. I am proud to be a member of the Labor Party. Today I am proud that my party has committed to deliver a pay rise for social and community workers. I will read the media release issued by the Prime Minister of Australia, Julia Gillard, and the Minister for Workplace Relations, Senator Chris Evans.

The Hon. Matthew Mason-Cox: Point of order: My point of order relates to relevance. The House is dealing with the Industrial Relations Amendment (Non-operative Awards) Bill 2011, not press releases from the Prime Minister.

The PRESIDENT: Order! I will extend a little latitude to the Hon. Sophie Cotsis. It is not yet clear whether the media release is not relevant to the bill before the House.

The Hon. SOPHIE COTSIS: This is relevant to industrial relations and to the working people of New South Wales. It is relevant because it is an historic and important matter. I will table the media release, but I will also read a couple of paragraphs as this is an historic day. It states:

> **GILLARD GOVERNMENT TO DELIVER HISTORIC PAY RISE FOR SOCIAL AND COMMUNITY WORKERS**.
>
> The Prime Minister today announced the Government was prepared to provide over $2 billion to deliver an historic rise to 150,000 of Australia's lowest paid workers in the social and Community Services sector - the vast majority of them are women.
>
> This is an important step on the road to closing the long-standing pay gap between men and women and delivering fairness to the workplace.
>
> Workers in this sector have been underpaid for too long because their work was viewed as women's work. They work in incredibly challenging jobs.

Members know social and community sector workers and have visited them in their workplaces in their electorates. I hope that Government members will put their money where their mouth is. The majority of these workers are women.

The Hon. Dr Peter Phelps: Point of order: I ask that the attention of the Hon. Sophie Cotsis be drawn to the subject matter of the bill. The matter on which she is speaking should be dealt with in an adjournment speech. It is not of direct relevance to the bill. Even given the general broadness of a second reading debate, this is a specific item that has been raised in an industrial relations debate. To speak to it now is unnecessary and outside the remit of the bill.

The Hon. Lynda Voltz: To the point of order: The House is dealing with an industrial relations bill that refers specifically to awards. The member is referring specifically to people covered by awards. Her comments are generally relevant to the debate.

The PRESIDENT: Order! The member is starting to stray from the bill. However, I extend a little latitude during second reading debates.

The Hon. SOPHIE COTSIS: This is an historic day and we will be making further comment about it. I call on the Government to make a commitment to the 30,000 community sector workers of New South Wales. I refer to the Industrial Relations Amendment (Non-operative Awards) Bill 2011. Not only has this Government treated social and community sector workers with contempt, but it has also treated our teachers, nurses, firefighters, prison officers and other public sector workers with contempt. They have had their wages capped at 2.5 per cent, below the rate of inflation, with no access to the independent umpire.

These are the workers at the coalface, the workers who are preparing our next generation, treating our illnesses and making our community safe. The Government needs to look at a workforce plan for the future for our aging population. The Government is cutting wages and conditions, which will make it harder to recruit and retain staff, particularly in the growing areas of western Sydney and in rural and regional communities. These workers cannot afford cost of living increases as a result of the pay cut that the O'Farrell Government is serving up to them. Our State cannot afford to treat these vital workers as an inconvenient expense instead of an essential investment in the well-being of our community. I can go on about the many attacks this Government—

The Hon. Dr Peter Phelps: Please do.

The Hon. SOPHIE COTSIS: I will—has made against working people of this State. The Coalition never once put forward its industrial relations agenda prior to the election. This Government sacked 48 industrial relations workers from the New South Wales Industrial Relations office, closed five regional offices and slashed funding by 28 per cent. They cut jobs in other regional offices, such as Newcastle and Wollongong. They cut total spending on Industrial Relations services, such as helping businesses comply with workplace laws. In 2009-10 New South Wales Industrial Relations recovered close to $3 million in underpayments for workers in New South Wales.

New South Wales Industrial Relations provides an important service and this Government has slashed a quarter of its budget, cut jobs and closed regional offices. Under its decentralisation policy the Government has closed regional offices. Government members are hypocrites. The Government will sack more than 5,000 public sector workers. It has already started bit by bit, piecemeal by piecemeal, transferring workers into the Federal system, as we saw with the 13,000 TAFE employees. Regional and rural communities—communities in Penrith, Coffs Harbour, Gosford, Wagga Wagga and Orange—will be hit with a double whammy: job cuts that affect the local community and the loss of face face-to-face workplace services.

The National Party members of the Coalition stand idly by while their own communities take a hammering from the Premier from the North Shore. It is not right. Perhaps they have not noticed that the O'Farrell Government tried to hide these cuts by removing New South Wales Industrial Relations as a separate budget line item. The Government is ideologically bent on destroying working men and women's rights, which also will impact on their families and communities. The Government's actions will ultimately destroy the quality of their work and the services they provide to the community. The Opposition does not oppose this amending bill but we state that it is a symptom of a much larger disease. We are not obsessed with ideology in the same way that the Government is. It has to sit down and negotiate with workers. The O'Farrell Government has launched a crusade against the men and women of this State.

[*Interruption*]

The Hon. Lynda Voltz: Point of order—

The PRESIDENT: Order! I call the Hon. Dr Peter Phelps to order for the first time.

The Hon. SOPHIE COTSIS: I challenge Government members to take some time out and visit workplaces and working people in New South Wales. I am happy to take them to a local council depot at 4.30 a.m.

The Hon. Matthew Mason-Cox: Point of order: My point of order is relevance. The bill before the House is in relation to non-operative awards—that is, awards that are redundant. The Hon. Sophie Cotsis is having a fanciful discussion about meetings with her in depots across New South Wales. I ask that she be brought back to the leave of the bill.

The Hon. Lynda Voltz: To the point of order: The bill is in relation to the Industrial Relations Commission and its role and awards under the Act. The Hon. Sophie Cotsis is being generally relevant.

The PRESIDENT: Order! I remind members of my earlier ruling in relation to the wide-ranging contributions that may be made during the second reading debate. However, I am reminded of a ruling given by Deputy-President Kelly, which states:

> Although members are granted a great deal of latitude in their comments during the second reading stage, the majority of their speech should address the bill that is being debated.

I do not uphold the point of order at this time.

The Hon. SOPHIE COTSIS: I conclude my remarks.

The PRESIDENT: Order! The Hon. Dr Peter Phelps has the call.

The Hon. Sophie Cotsis: This will be good. He should talk about ideology.

The Hon. Dr PETER PHELPS [12.24 p.m.]: I acknowledge that interjection from the Hon. Sophie Cotsis, and I will briefly talk about ideology. I continue what I said in my earlier interjection—that is, the New South Wales Right of the Australian Labor Party stands for nothing. At least the Left—

The Hon. Lynda Voltz: Point of order: The Government Whip should know that he should confine his comments to the long title of the bill.

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

The Hon. Dr PETER PHELPS: At least the Left has some vestige of residual ideology, albeit the dead-end, blind path and hopeless elephant trap of socialism. At least they stand for something, wrong-headed as it may be.

The Hon. Walt Secord: Point of order: My point of order relates to relevance. The Hon. Dr Peter Phelps has been speaking for almost a minute and has not mentioned the bill.

The PRESIDENT: Order! The Hon. Walt Secord has been in the Chamber today and heard my previous rulings. I again remind members that wide-ranging contributions are permissible during the second reading debate. There is no point of order.

The Hon. Dr PETER PHELPS: I acknowledge the Hon. Walt Secord's intervention that the Labor Party has no influence on and no relevance to the industrial relations system in Australia today, certainly not in New South Wales. This bill seeks to ensure that New South Wales private sector State awards which no longer have any application to any employer or employee are rescinded. The Minister in his second reading speech described the various enactments of the previous Government as Kafkaesque. I have to agree: they are Kafkaesque. Given their generally absurdist nature, they could have been written by Milo Minderbinder of *Catch-22*. Richard Sheridan's *School for Scandal* is probably a more appropriate literary analogy for the previous Government. But Kafkaesque they certainly are.

On 21 January 2010 the New South Wales Labor Government referred industrial relations powers to the Commonwealth, establishing a national workplace relations system for the private sector. But the referral meant that only those awards that apply to the public sector and local government employers and employees as well as workers deemed to be employees pursuant to schedule 1 of the Industrial Relations Act continue to have

practical application in New South Wales. This is the bizarreness of it: The former Labor Government set about preserving awards that no longer had any application to anyone. As the Minister said, it is something out of *Yes Minister*. I can picture it: "Sir Humphrey, what is this about non-operative awards?", "Well, Minister, they are excellent awards because there is no industrial relations in relation to them." "But, Humphrey, there is no-one on these awards." "Yes, Minister, that is why they are so excellent. There is no industrial disputation whatsoever."

Mr David Shoebridge: Point of order: The Hon. Dr Peter Phelps should address the Chair, not some mythical voice in his mind.

The PRESIDENT: Order! I remind members that they must direct their remarks through the Chair.

The Hon. Dr PETER PHELPS: The bizarreness of Labor's previous amendments as such is this: The amending Act provided the commission with the power to declare an award non-operative if the commission was satisfied that an award did not have any current application to any employer or employee. In fact, they gave power to the commission to declare that no-one was covered by an award that covered no-one. What brilliance! The Act required the commission to update non-operative awards to give effect to any flow-on of a national decision or the making of a State decision. The unions would go before the Industrial Relations Commission and refer the judge to file documents which showed that an award covered zero employees and zero employers, but then they would ask the judge to declare that the award which covered no-one and was covering no employer should be retained and amended. It is absolutely bizarre.

The Industrial Relations Commission judge, having declared that the award was non-operative because it covers no-one, would then ask the union how it wanted the award updated. The union would go through the award that applied line by line, page by page, pointing to things that needed to be updated, despite the fact that the award had no effect in New South Wales and it covered no-one. Kafkaesque is too kind a word to describe this previous Labor amendment to the Act. The outcome of all that is that the Industrial Relations Commission would declare the award that applied to no-one non-operative because it applied to no-one but would then make an order to amend the award in accordance with the submissions put forward by the unions. Surely everyone in this Chamber would recognise this happened. If we applied the pub test to this, if we took this notion down to the front bar of any pub in New South Wales—

The Hon. Sophie Cotsis: When did you last go to the pub?

The Hon. Dr PETER PHELPS: The latest I went to the pub was in Parkes—

The PRESIDENT: Order! I remind honourable members that interjections are disorderly at all times.

The Hon. Dr PETER PHELPS:—where I spoke to—

The PRESIDENT: Order! The member with the call will refrain from responding to interjections.

The Hon. Dr PETER PHELPS: In relation to industrial relations I can say that I recently visited Parkes—

The Hon. Sophie Cotsis: Did you speak to workers?

The Hon. Dr PETER PHELPS: In the front bar I spoke to a paid-up member of the Rail, Bus and Tram Union, who declared, of course, that he would never again be voting Labor due to the carbon tax. But if you asked him if he believed that we should retain and update, at great expense, awards that have no practical effect on any employee in New South Wales and which are never likely to ever again have any impact upon any worker or employer in New South Wales, I think you would find that does not pass the front-bar test, even outside the portiere of the Legislative Chamber.

Prior to the 2010 non-operative award amendments, the purpose of reviews was to modernise and consolidate awards relating to the same industry and to rescind obsolete awards at least once every three years. That was the system before Labor changed it. The previous system made sense: Update awards which are in effect and rescind those awards which have no further application. But by virtue of its amendments, the previous Labor Government did away with that system. One has to ask why. The Labor Government tells us itself: "The redundant awards continue to play an important benchmarking role". This is the continuation of outdated ideas of comparative wage justice.

The Hon. Matthew Mason-Cox and the Hon. Steve Whan, who unfortunately is not in the Chamber, know that we live in a different media market to many Sydney members of Parliament. The media market of the Australian Capital Territory comes into Queanbeyan, and in Queanbeyan at this stage one hears a lot of discussion about Australian Capital Territory public servants and Australian Capital Territory industrial relations. It should come as no surprise that teachers in the Australian Capital Territory are currently issuing a log of claims based on New South Wales awards. Here is the real reason: There is no real reason for the people of New South Wales to have these awards remain on the books; it is simply to serve as a stalking horse for their union mates in other States and Territories so they can say that the people of New South Wales have an award like this and therefore they want an award exactly like it.

Even though no-one in New South Wales may be covered by the award, they point to its existence and say that the award exists. It does not exist; it is a paper award. All awards are technically paper awards, but it is a Potemkin award in the sense that it exists on paper but it has no-one covered by it. I support this bill very strongly. Let us remove this silly amendment that was put in by Labor in 2010 and bring back a bit of common sense to the industrial relations system in New South Wales.

Mr DAVID SHOEBRIDGE [12.34 p.m.]: The Greens will not oppose the Industrial Relations Amendment (Non-operative Awards) Bill 2011 as we did not oppose the former Government's bill to put in place provisions for non-operative awards. In January last year, after the transfer of all State private sector industrial matters, there was a concern that there may be people who still had potential claims covered by existing State awards. The system was basically untested by the end of last year. There was a concern that not only might people have some claim directly under an award but they might also have some claim that would be validated by reference to an existing award.

There could be contract claims, where there may well be an arguable case that in the course of entering into a contract the worker and the employer has made reference to the award conditions and therefore, knowing what those award conditions were year in year out, it may be a necessary reference for deciding a contractual claim. There may be cases whereby, as a matter of equity or justice, when there is an issue in relation to a contractual claim for a private employer a reference to the State awards may be appropriate in order to determine what is a fair outcome or what is the bargained agreement between an employee and employer. It was for those reasons that The Greens supported the non-operative bill brought in by the former Government. It is for those reasons that The Greens have some modest reservation in not opposing this bill.

In my researches, and I have consulted with a number of people in relation to this, there has not been any case in the past 12 to 18 months whereby those kinds of claims have been made in any litigated or reported decision, either in the Industrial Relations Commission or in any of our civil courts. It is for those reasons that The Greens, with some reluctance, do not oppose this bill, it now being more than 18 months after the transfer of the private sector employees' industrial matters to the Commonwealth. There is one concern that I might ask the Parliamentary Secretary to address in his reply. Clause 12 of schedule 1 puts in place a transitional provision which provides:

> All awards that were declared to be non-operative awards under this Act before the commencement of the *Industrial Relations Amendment (Non-operative Awards) Act 2011* are taken to have been rescinded on the commencement of this clause by the Commission in accordance with section 20 (2).

How does that mandatory rescission, which operates through the transitional provisions, play against the discretionary power to rescind that has been given to the commission in section 20 (2)? To be clear: The bill gives the commission discretion to rescind an obsolete award; it does not compel the rescission of an obsolete award because there may be arguments why it ought not to be rescinded. Yet the transitional provisions say every single non-operative award is automatically rescinded. As I read the bill, those two provisions do not sit well together and I would be interested to know what the intention of the Government was in moving the transitional provisions as currently drafted.

For the sake of clarity, one of the reasons The Greens do not oppose this bill is that there will still be a record of the non-operative awards. The non-operative awards will be retained in the records of the Industrial Relations Commission and will still be able to be referred to should those kinds of disputes I spoke about earlier come to the fore, although they will not be refreshed on an annual basis. The Greens accept that a fair amount of the Industrial Relations Commission's time will be devoted to updating the awards, and when we look at the balance of the time and the resources of the Industrial Relations Commission in updating the awards as against a now very academic possibility of an employee or an employer having reference to an updated award, the balance falls in favour of not opposing this bill. For those reasons The Greens do not oppose the bill.

The Hon. TREVOR KHAN [12.39 p.m.]: I support the Industrial Relations Amendment (Non-operative Awards) Bill 2011. The objects of the bill are to amend the Industrial Relations Act 1996 to enable the Industrial Relations Commission to rescind awards that have no current application to any employer or employee, and to provide that all awards declared to be non-operative awards under that Act are taken to have been rescinded by the commission. On this occasion I congratulate Mr David Shoebridge on his analysis of why the Coalition did not oppose the Industrial Relations Amendment (Non-operative Awards) Bill 2010. At that time there was a rationale to allow the provision of non-operative awards to continue.

The Hon. Sophie Cotsis heckled the Coalition about why it did not oppose the bill at the time. The explanation was given: There was a logical reason for the Coalition to adopt a reasoned, non-dogmatic, non-political stance to allow matters to proceed at that time. The reality is that time has passed by and the Minister's current approach to the presentation of this bill is amply justifiable. It has already been observed that the commission's time and money is being wasted in proceedings to keep non-operative awards up to date. That is plainly a misapplication of the limited resources of the State—the money of the people—for reasons that are not practical nowadays. It is also clear that removing areas of confusion for employers and employees is entirely justifiable. These non-operative awards floating around create the potential to mislead employers and employees as to the appropriate award.

The Hon. Sophie Cotsis asked whether anyone had appeared before the commission. I have. When I was a legal practitioner and when I worked as an industrial officer I was frequently confronted with the question of the appropriate award to cover an employee. Surely it is appropriate for this place to ensure that laws are in place that simplify regulations and minimise the confusion that employees and employers are confronted by. This legislation achieves that result. We can entirely strip away the hysteria of the Hon. Sophie Cotsis about all the various things that she put on the record for her own reasons. This is a sensible, modest piece of legislation that achieves positive outcomes for the commission, employers, employees and—most importantly—the people of New South Wales.

The Hon. DAVID CLARKE (Parliamentary Secretary) [12.43 p.m.]: On 26 March this year the people of New South Wales tossed out the Labor Government by a massive margin. That election was a disaster for Labor in every part of the State. In regional and metropolitan areas, in Labor's marginal seats and its safe seats—it was a day of disaster everywhere for Labor. For the past 16 years Labor governments have been a disaster for the people of New South Wales. Labor was incompetent and lazy when in government. For 16 years Labor took its orders not from the people but from special interest groups. New South Wales used to be the economic engine room that drove Australia but it no longer is. Labor has trashed this State's economy. Labor has not been the friend of small business and free enterprise; it has been their enemy. Small business has been drowning in overregulation and superfluous regulation. Labor placed a lot of millstones around the neck of small business, but the biggest millstone has been successive Labor governments.

Since early last year New South Wales has been part of a national workplace relations system for the private sector under the jurisdiction of the Commonwealth. That system applies the same rules to all private sector workplaces across the nation. Awards applying to public sector and local government employers and employees, and certain other designated employees, are excluded from the national scheme. The national workplace relations system has the effect that the vast majority of New South Wales private sector State awards no longer apply to any employer or employee. Everyone but the previous Labor Government understood that there was a clearly defined and straightforward delineation of who was covered by the national workplace relations system and who was not. Labor still does not understand that in opposition. If Labor did understand what was going on, why did it expend time and resources to preserve awards within the private sector that had no application or relevance in this State? As the Minister for Finance and Services, the Hon. Greg Pearce, said in his fine second reading speech:

> In November 2010 the Industrial Relations Amendment (Non-operative Awards) Bill 2010 amended the Industrial Relations Act. One could be excused for thinking it was an episode of *Yes Minister* but that is what the former Labor Government was intent on doing.

He called it "a farcical piece of legislation that required the Industrial Relations Commission to keep in force awards that have no operation and that apply to no-one and to nothing." He also said, "They gave power to the commission to declare that no-one was covered by an award that covered no-one." The bill before us rectifies that bizarre and ridiculous situation. It amends the Industrial Relations Act 1996 to restore the power of the Industrial Relations Commission of New South Wales to rescind awards that have no application to any employer or employee. It also provides that any award that has already been declared non-operative by the commission is rescinded.

Specifically, the bill removes the power of the commission to declare an award non-operative. It removes the requirement for the Industrial Registrar to keep a register of non-operative awards and for a copy of it to be published on the industrial relations website. It removes the requirement for the commission to vary non-operative awards to give effect to any flow-on of a national or State decision. It also restores the power of the commission to rescind an obsolete award. The bill is necessary to clean up yet another mess created by the former Labor Government. I commend the bill to the House.

Reverend the Hon. FRED NILE [12.47 p.m.]: The Christian Democratic Party supports the Industrial Relations Amendment (Non-operative Awards) Bill 2011. The bill amends the Industrial Relations Act 1996 to restore the power of the Industrial Relations Commission of New South Wales to rescind awards that do not have any current application to any employer or employee, and provides that any award that has already been declared non-operative by the commission is rescinded.

As members know, as a result of the establishment of the national workplace relations system the vast majority of New South Wales private sector State awards no longer apply to any employer or employee. Mr David Shoebridge asked a question as to whether the non-operative awards have to be rescinded by the commission and what would happen if the commission did not rescind them. At schedule 1 [12] under "Certain awards taken to have been rescinded" the bill reads:

> (1) All awards that were declared to be non-operative awards under this Act before the commencement of the Industrial Relations Amendment (Non-operative Awards) Act 2011 are taken to have been rescinded on the commencement of this clause by the Commission in accordance with section 20 (2).

That implies that the commission does not have to take any action; it is automatic on the passage of the legislation. The Christian Democratic Party supports the bill.

The Hon. MATTHEW MASON-COX (Parliamentary Secretary) [12.49 p.m.], in reply: I thank members for their contributions to the debate on the bill, and what a range of contributions we heard. I will start with the comments of the shadow Minister for Industrial Relations, the Hon. Sophie Cotsis, which can only be described as a rant against the reform agenda of this Government, of which members of the Government are very proud. The reality is that this Government is putting in place, with teeth, the policy that the former Labor Government had as its own for many years—the 2.5 per cent pay increase for members of the public service. I will not go into that in any great detail but it is worth acknowledging that this Government will ensure that the policy is indeed implemented.

I note also the invitation from the Hon. Sophie Cotsis to meet at various depots around New South Wales. We will not be taking up the Hon. Sophie Cotsis' kind invitation. I know the Hon. Greg Pearce has extended an invitation to go camping on various occasions but we will not be meeting at any depots at any time soon. It is still unclear to me after the member's contribution whether the Opposition supports or opposes this bill.

The Hon. Sophie Cotsis: I said that we support it.

The Hon. MATTHEW MASON-COX: I am very pleased to hear that. It is very welcome.

The Hon. Sophie Cotsis: I did say that.

The Hon. MATTHEW MASON-COX: I am sorry, I did not hear it. I acknowledge that. I did not understand whether you supported it or not. I note also the comments of Mr David Shoebridge, which I thought added some clarity. He acknowledged the redundant nature of the bill passed in the previous Parliament. He raised some issues about the reasons one would pursue some of these awards existing in the future. This Government clearly wants to ensure that redundant awards, like redundant legislation, are removed so that there is clarity in this important area for employers and employees.

Members also commented on the discretion to rescind non-operative awards, particularly the transitional provisions. The amendment put forward by The Greens in our view fundamentally alters the effect of the bill such as to render a key part of it inoperative. It interferes with the provisions of the bill which will provide greater clarity, in the Government's view, for employers and employees and remove the confusion that a number of members referred to. The Greens want to keep on the books a huge number of awards that have no operation and apply to no-one. It is red and green tape that this Government wants to see removed in relation to this area and it is a very important part of our program to remove confusion.

These comments were picked up by the Hon. Trevor Khan in his contribution. It is clear that confusion exists for employers and employees. Recently I went to the New South Wales Industrial Relations website and found it confusing with the previous awards being listed along with the direction to go to Fair Work Australia to understand the new awards. The reality is that a double system is operating in New South Wales and all it does is confuse people about what is the status quo. Let us do away with this confusion and bring the bill into force and ensure it no longer is a problem.

The comments of the Government Whip were as always very lucid. His observation that this bill deserves an episode of *Yes Minister* on its own is quite appropriate. His other observation that this bill would not survive the front bar test in a local pub, particularly the local pub in Parkes, is particularly apposite. I note there was no clarity about what the Whip was drinking in the front bar of the local pub in Parkes. I am sure it was a schooner of local beer.

The Hon. Dr Peter Phelps: It was a schooner and I bought the unionist a beer as well.

The Hon. Lynda Voltz: Point of order: As fascinating as the reminiscences about what people drink in the front bars of hotels and the comments across the Chamber are, comments should be directed through the Chair.

The PRESIDENT: Order! The Parliamentary Secretary is speaking in reply. I remind members that interjections are disorderly at all times.

The Hon. MATTHEW MASON-COX: The Hon. David Clarke gave another impassioned contribution in defence of small business in this State and referred to the regulatory burden that has been inflicted upon them over the past 16 years by the previous Labor Government. I thank members for their comments. In the main they have been constructive. I note the commission will no longer be required to declare an award non-operative where there are no employees or employers under a particular award. That is a step forward by anyone's standards.

Non-operative awards for no-one should not exist in this State. It is doublespeak. It is perhaps more of an insight into the Australian Labor Party. Perhaps we should declare the Australian Labor Party also to be non-operative because it too is a relic and an empty shell. Let us not go down that lane. Let us continue to focus on the importance of this bill. As members have said, the bill also contains the transitional arrangements to provide that all awards already declared non-operative by the commission are to be rescinded from the commencement of the Act. Accordingly, I strongly commend this important 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.

In Committee

Clauses 1 and 2 agreed to.

Mr DAVID SHOEBRIDGE [12.58 p.m.]: I move The Greens amendment No. 1 on sheet C2011-126:

No. 1 Page 4, schedule 1 [12], lines 8 to 19. Omit all words on those lines.

In my contribution to the second reading debate I pointed out that the clauses proposed in item [12] of schedule 1 to the bill, which contains the transitional provision that by operation of this Act declares all non-operative awards to have been rescinded, does not sit well with the discretion given to the Industrial Relations Commission in proposed new section 20 (2) in item [6] to rescind an obsolete award. Everything that has been declared non-operative to date is by force of law rescinded. However, the commission in future will have a discretion as to whether to rescind an obsolete award. The two clauses do not sit comfortably together, because giving the commission discretion, as the body of the Act quite properly does, allows it to be persuaded in a case where it may be relevant that there is a reason to maintain an award as an operative award. That reason could be one of the examples I gave.

A company may have a broad contract with a number of workers and that contract makes reference to the award. That contract continues to have application and for that reason it would be inappropriate to rescind it;

indeed, it should be retained. Although its terms do not apply directly to the entitlements, through operation of contract they apply to a series of employees. There may be other occasions about which this Parliament does not know when it is appropriate, for other reasons, to retain a non-operative award on the books and to continue to update it. Therefore, the discretion should remain with the commission.

I imagine that for 99 per cent of the time it would be a fairly automatic exercise by the commission, ordinarily done in chambers without having an open hearing, to simply rescind non-operative awards. However, the way the transitional provisions operate, automatically rescinding all non-operative awards that have to date been declared non-operative removes that discretion from the commission. The Greens believe that the commission should retain the discretion. We have not heard a valid argument from the Government as to why it is providing a forward discretion but removing it for all past non-operative awards. In the absence of any compelling reason, The Greens move this amendment to retain the discretion in the commission.

The Hon. SOPHIE COTSIS [1.00 p.m.]: The Opposition supports The Greens amendment.

The Hon. MATTHEW MASON-COX (Parliamentary Secretary) [1.00 p.m.]: The Government opposes the amendment for the reasons I enunciated previously.

Mr DAVID SHOEBRIDGE [1.01 p.m.]: I invite the Parliamentary Secretary to give a reason. I listened to his speech in reply to the second reading debate and it simply did not provide a reason for the Government undertaking a carte blanche rescission of all non-operative awards to date. Surely there must be a reason; it is a brief bill with only one schedule and about a dozen items. I ask the Parliamentary Secretary to justify one of a dozen items in a very small bill. Surely it is within his ken and knowledge to step forward, remove himself from the front bar of a pub and state why the proposal in item [12] should be supported by this Parliament.

The Hon. MATTHEW MASON-COX (Parliamentary Secretary) [1.01 p.m.]: I am not sure where the pub analogy is heading, but we have dealt with the issue of confusion and other aspects. I simply restate the Government's intention to oppose this amendment.

Question—That The Greens amendment No. 1 [C2011-126] be agreed to—put and resolved in the negative.

Greens amendment No. 1 [C2011-126] negatived.

Schedule 1 agreed to.

Title agreed to.

Bill reported from Committee without amendment.

Adoption of Report

Motion by the Hon. Matthew Mason-Cox, on behalf of the Hon. Greg Pearce, agreed to:

That the report be adopted.

Report adopted.

Third Reading

Motion by the Hon. Matthew Mason-Cox, on behalf of the Hon. Greg Pearce, agreed to:

That this bill be now read a third time.

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

[*The President left the chair at 1.04 p.m. The House resumed at 2.30 p.m.*]

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

QUESTIONS WITHOUT NOTICE

ORICA PLANT INCIDENT

The Hon. LUKE FOLEY: My question is directed to the Minister for Finance and Services. What action has WorkCover taken to investigate yesterday's ammonia leak from the Orica plant at Kooragang Island?

The Hon. GREG PEARCE: Was that question predictable?

The Hon. Greg Donnelly: It is all a big joke for you.

The Hon. GREG PEARCE: I was simply acknowledging that it was predictable. Members opposite had 16 years to deal with these issues—16 long years—and they did not do anything.

The Hon. Dr Peter Phelps: If only they had that magical seventeenth year, all the problems would have been solved.

The Hon. GREG PEARCE: One would not think they could possibly get 17 years, because if one looks today's Newspoll—

The Hon. Luke Foley: Point of order: My point of order is related to relevance. The question was a direct one about a serious incident that occurred yesterday and what action, if any, the Minister's agency is taking. I ask that the Minister be directed to answer my question.

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

The Hon. GREG PEARCE: As I was about to say before I was so rudely interrupted by the non point of order from the Leader of the Opposition, who no doubt met with the former Minister for the Environment, Mr 13 Per Cent—

The Hon. Luke Foley: Point of order: My point of order relates to relevance. The Minister might think this is a time to crack jokes, but two workers were injured yesterday. What is his agency doing to investigate the matter?

The PRESIDENT: Order! I refer the Minister to my earlier ruling. His answer should be generally relevant to the question.

The Hon. Duncan Gay: Point of order: My point of order is about the point of order. The Leader of the Opposition misled the House in his point of order by saying that the Minister was cracking jokes. That did not happen. That is an unfortunate way for a member to take a point of order.

The PRESIDENT: Order! I counsel all members to take points of order, not debate the matter. I have made a number of similar rulings this week.

The Hon. GREG PEARCE: As I was trying to say earlier, before I was interrupted by the Leader of the Opposition on several occasions, I am aware of two incidents that occurred in the vicinity of the Orica plant at Kooragang Island on 9 November 2011. One incident involved an ammonia leak and the other involved a high-pressure steam leak. WorkCover was advised of the incidents on 9 November 2011 and took part in an inter-agency meeting to discuss the circumstances. WorkCover attended the site early on 10 November 2011 and has since returned with its technical expert to examine the circumstances surrounding the ammonia and steam leaks. WorkCover is actively investigating both matters to ensure measures are in place to stop similar incidents from occurring in the future.

F3 ACCIDENT MANAGEMENT

The Hon. JOHN AJAKA: My question is addressed to the Minister for Roads and Ports. Will the Minister update the House on accident management on the F3?

The Hon. DUNCAN GAY: The F3 is a vital link on the State and national road network and a key freight corridor. It carries more than 75,000 vehicles each day. However, because of the often large distances between exits it is difficult for motorists to exit the freeway when an incident occurs and the road is closed. The Government recognises that significant resources are needed to manage the traffic needs of the freeway. That is why at the end of October I announced the establishment of a new field response unit for critical incidents on the F3 freeway to improve incident management and service delivery for motorists. In making the announcement I was joined by our Central Coast Liberal team—the Minister for Resources and Energy, Special Minister of State, and Minister for the Central Coast, as well as the member for The Entrance, the member for Gosford, the member for Wyong and the member for Swansea. They have been fighting like demons to achieve improvements on the F3. They are some of the best members to succeed on the Central Coast.

Since becoming operational the unit has improved incident management and service delivery on the F3 for motorists. The new field response unit has two full-time traffic commanders, new light and heavy vehicle tow trucks and other essential traffic management equipment housed at a depot just north of the Hawkesbury River—how sensible. The depot has direct access to both the northbound and southbound carriageways on the F3 and the Old Pacific Highway. It is also close to a major diversion point for detours. Members will know it is the site opposite Peat Island, where there is already an ambulance station. The location of the depot is particularly helpful as it will cover the critical stretch of road between Berowra and Mount White. If it is successful, we hope to roll out similar field response units across other motorways to reduce the amount of time taken to respond to critical incidents.

Just this week motorists on the F3 benefited from the new field response unit for critical incidents. On Tuesday a car travelling south on the F3 freeway overturned and caught fire at Brooklyn, 500 metres south of the Hawkesbury River bridge, closing all southbound lanes. The incident occurred at 12.05 p.m. and within one minute of the accident it had been published on the Live Traffic NSW website. By 12.30 p.m.—just 25 minutes after the accident—the car fire had been extinguished, the vehicle had been removed from the road and the road had been swept for debris. At approximately 1.00 p.m. all three southbound lanes were reopened and the diversion was lifted. This is a remarkable effort from a fantastic team.

The speed at which this incident was cleared demonstrates what the Transport Management Centre can achieve now that the new field response unit has been established. It is a far cry from the days when motorists were caught on the F3 for hours on end and those opposite could not wait to blame the hardworking people at the Roads and Traffic Authority and the Transport Management Centre for their perceived failures.

The Hon. Steve Whan: I think that was you lot.

The Hon. DUNCAN GAY: Yet again the Government is getting on with the job of fixing years of Labor failure. Well, it was the members opposite who criticised the leader of the Roads and Traffic Authority to take the blame for their— [*Time expired*.]

WATER PRICE INCREASES

The Hon. ADAM SEARLE: My question without notice is directed to the Minister for Finance and Services. Given that in opposition the Minister repeatedly called on the previous Government to reject the Independent Pricing and Regulatory Tribunal price increases, why has he announced that his Government is committed to accept any water price increase proposed by the Independent Pricing and Regulatory Tribunal?

The Hon. GREG PEARCE: The Deputy Leader of the Opposition has obviously read some submissions—I congratulate him on doing so—unlike most of the other lazy Opposition members who do not read at all. I congratulate the Deputy Leader of the Opposition on showing diligence in his role in Opposition. It is a good quality. Unfortunately, he cannot overcome the problem that he is a member of a party that is led by John Robertson, Mr 13 Per Cent.

The Hon. Adam Searle: Point of order: The Minister is debating the question. He has not even attempted to be generally relevant.

The PRESIDENT: Order! I query whether complimenting the Deputy Leader of the Opposition is debating the question. Nevertheless, the Minister is moving beyond mere compliments. I encourage the Minister to return to the question.

The Hon. GREG PEARCE: The Government presented its submission to the Independent Pricing and Regulatory Tribunal last Friday, 4 November in accordance with the timetable requirements agreed to by the Independent Pricing and Regulatory Tribunal.

The PRESIDENT: Order! The Minister will ignore the interjections and continue with his answer.

The Hon. GREG PEARCE: The Government's submission to the Independent Pricing and Regulatory Tribunal on Sydney Water prices stressed the need to contain increases. The Government's primary concern is the effect of rising utility prices on households across New South Wales. At a time when many households are finding it hard to make ends meet, rising power and water bills place additional pressure on household budgets and force families and those on fixed incomes to make difficult choices about their household expenditure. The Government's submission calls on the Independent Pricing and Regulatory Tribunal to ensure that approved Sydney Water prices are properly justified and affordable for households.

The Hon. Dr Peter Phelps: Unlike the carbon tax.

The Hon. GREG PEARCE: Unlike the carbon tax. The Government recognises that funding is needed to maintain and expand Sydney Water's infrastructure but it is vital that the Independent Pricing and Regulatory Tribunal looks carefully at Sydney Water's proposed expenditure. We must ensure that investment is targeted at those projects that are absolutely necessary and that they are completed in the proposed time frames. The Independent Pricing and Regulatory Tribunal also should ensure that operating expenditure reflects the costs of operating Sydney Water efficiently.

Households and businesses should not have to pay for any waste or mismanagement in the delivery of water services. The Government encourages the Independent Pricing and Regulatory Tribunal to benchmark Sydney Water's performance against other relevant national and international water utilities to see whether it meets best practice. The New South Wales Government's submission also highlights environmental matters, focusing on the regulatory and environmental performance of bulk water delivery to Sydney, the Blue Mountains and the Illawarra.

PROSTITUTION

Reverend the Hon. FRED NILE: I ask the Minister for Police and Emergency Services, representing the Premier, a question without notice. Is the Government aware that according to media reports the brothel agency MyCallOut Australia is offering at a cost of $15,000 the virginity and four days of sexual exploitation of a 19-year-old Chinese student, who is apparently attending the University of Sydney? Is it a fact that no New South Wales laws are available to the New South Wales Police Force to take action on this case or similar cases because the relevant legislation was repealed? Will the Government reintroduce the penalty of pimping, living off the earnings of a prostitute and selling sex for money? If not, why not?

The Hon. MICHAEL GALLACHER: I thank Reverend the Hon. Fred Nile for his question. Like all fair-minded members in this Chamber, I was appalled and sickened by the advertisement to which he refers, which was revealed yesterday in popular media. As abhorrent as it is, I am advised by the New South Wales Police Force that if persons involved are over the age of 18 years—and this young woman has been clearly identified as 19 years of age—and are participating of their own accord, then no criminality is involved. I understand from media reports that the young woman has been spoken to, so there is no question that she is being held against her will. She had a willing conversation with the media in relation to this matter. In addition, the New South Wales Police Force has advised me that all offences relevant to prostitution can be found in part 3 of the Summary Offences Act 1998. I am sure the Reverend the Hon. Fred Nile would be aware of that.

I note that Reverend the Hon. Fred Nile has a motion on the *Notice Paper* for leave to be given to bring in a bill for an Act to prohibit the advertising of sex services and for other purposes. I suspect that the member's motion would cover the matters he has raised. As this matter is not a question for the police Minister but for the Attorney General, I will refer the member's question to the Attorney General and ask that he provide a response on the Government's position. When the honourable member's motion is dealt with in the House he will have the opportunity to expand on this issue and other matters, and gauge the opinion of all members.

EMERGENCY VOLUNTEER SUPPORT SCHEME

The Hon. DAVID CLARKE: My question without notice is addressed to the Minister for Police and Emergency Services. Will the Minister inform the Chamber about efforts to support the hardworking members of our emergency services?

The Hon. MICHAEL GALLACHER: Each and every day thousands of emergency volunteers selflessly dedicate their time and effort to protect New South Wales communities in times of need. That is why I am pleased to announce that emergency service agencies and related volunteer-based organisations will receive grants worth a total of $873,000 in this year's round of the Emergency Volunteer Support Scheme. The scheme, which is jointly funded by the State and Commonwealth governments, provides funding for projects that assist with volunteer recruitment and retention, as well as money for training equipment and facilities. In 2011 the scheme will provide grants to support emergency services volunteers from the New South Wales Rural Fire Service, State Emergency Service, Marine Rescue New South Wales, Volunteer Rescue Association and those taking part in the Ambulance Service New South Wales Community First Responders Scheme.

A number of agencies that work with the emergency services—including Surf Life Saving New South Wales, St John Ambulance, the Australian Red Cross, the Salvation Army, Anglicare and Adventist Development and Relief Agency Australia—also will receive funding in recognition of the valuable contribution their volunteers make to the community. Given today's significance for the State Emergency Service, I am pleased to confirm that I have approved grants for six projects worth $67,000 to support our State Emergency Service volunteers. Rural Fire Service volunteers will be happy to hear that they will receive funding for 13 projects to a tune of nearly $165,000 for initiatives such as upgraded training facilities for the Blaxland, Bungwahl, Kurrajong, Marchmont, Mount Hunter and Wollombi brigades, and first aid training support for volunteers in the Hawkesbury.

Our welfare partners also will receive support, with the Australian Red Cross to receive over $50,000 to train volunteers in welfare call management and St John Ambulance Australia $140,000 for a range of volunteer training and recruitment projects. With summer almost upon us I also am happy to confirm that Surf Life Saving will receive two grants totalling $130,000. These funds will help Surf Life Saving to revamp its volunteer communication strategies and to deliver a targeted conference for club captains to exchange ideas relating to volunteer management, recruitment and retention. Each of the organisations I have mentioned, as well as all of the other agencies that have received funding, play a vital safety disaster recovery or welfare role in our community. The funding that these fine organisations will receive under this new scheme will ensure that they can continue to provide their volunteers with the very best possible support.

PRESCHOOL FEES

Dr JOHN KAYE: My question is directed to the Minister for Roads and Ports, representing the Minister for Education. Given that principals in public schools with attached preschools are reporting that this is the first year in which the department has requested data on preschool enrolments, how will the Government be able to assess the impacts of the imposition of fees of up to $40 a day without baseline data?

The Hon. DUNCAN GAY: I thank the honourable member for his question regarding schools with attached preschools. The question asks for particular detail and I believe it is best answered by the Minister for Education. I will refer the matter to him.

COMMUNITY SECTOR PAY EQUITY

The Hon. SOPHIE COTSIS: My question is directed to the Minister for Finance and Services, and Minister for the Illawarra. Now that the Federal Government has committed more than $2 billion to the social and community services sector to fund its share of the equal pay test case will the Government commit to fund its share for New South Wales social and community sector workers?

The Hon. GREG PEARCE: That is a very good question from calm Sophie. We do not see calm Sophie very often.

The Hon. Lynda Voltz: Point of order: The Minister should refer to members by their correct title.

The PRESIDENT: Order! I again remind members that they should refer to other members by their correct title.

The Hon. GREG PEARCE: I am sorry for that moment of affection. It will not happen again.

The Hon. Michael Gallacher: Eric is getting jealous now.

The Hon. GREG PEARCE: The Hon. Eric Roozendaal is getting jealous.

The Hon. Michael Gallacher: You're going camping, are you?

The Hon. GREG PEARCE: You are coming camping? The Hon. Steve Whan wants to come camping.

The PRESIDENT: Order! I remind the Minister not to respond to interjections. I call the Hon. Eric Roozendaal to order for the first time.

The Hon. GREG PEARCE: This is a very important question because we have been calling for the Federal Government to take some responsibility in this matter, certainly for the entire time that we have been in government. It has been a disgrace that the Federal Government has abrogated its responsibilities in this matter until now. As the shadow Minister indicated in her question, the current Prime Minister—the Prime Minister of the day for the time being—today announced that the Commonwealth and the Australian Services Union have reached an agreed position to put to Fair Work Australia on the equal remuneration case.

The PRESIDENT: Order! Opposition members have asked a question. They should listen to the Minister's answer in silence.

The Hon. GREG PEARCE: As I said, the current Prime Minister as of today has announced that the Commonwealth and the Australian Services Union have reached an agreed position to put to Fair Work Australia on the equal remuneration case for the social and community services sector. As I said earlier, we have been calling on the Federal Government to do this for the entire time that we have been in government. Incidentally, Labor members did not ask the Federal Government when they were still in government, even though the case had been going for many months, before they finally faced the people and left office.

As I understand it, the current Prime Minister as of today called the Premier this morning to outline the current position of the Prime Minister as of today. We do not have much detail at this stage, but I am informed that the key features of the position agreed between the current Prime Minister as of today and the Australian Services Union are that the Commonwealth is to provide more than $2 billion to fund its share of any wage increases awarded in the case. However, there is to be a six-year phase-in period for wage increases, commencing on 1 December 2012. The current Prime Minister as of today has pushed out the wage increases for these very deserving workers to 1 December 2012. Whether she will be around or not in 2012— [*Time expired.*]

The Hon. SOPHIE COTSIS: I ask the Minister a supplementary question. Will the Minister elucidate his answer? Will the Government fund this case?

The Hon. GREG PEARCE: The current Prime Minister as of today has pushed out the pay increase for these deserving workers to 1 December 2012. That mob opposite, when they were still in government, did nothing to resolve this case. Has the time expired already?

The PRESIDENT: Order! A supplementary question has been asked and the Minister has commenced his answer. I ask the Clerk to start the clock.

The Hon. GREG PEARCE: I can keep going for a long time.

The Hon. Eric Roozendaal: Time seems to stop when you talk, Greg.

The Hon. GREG PEARCE: The Hon. Eric Roozendaal just made an interjection in which he referred to me as Greg. That is my name, but he takes points of order all the time insisting that members refer to other members by their correct title. The Hon. Eric Roozendaal should refer to me as the Minister for Finance and Services, and Minister for the Illawarra.

The Hon. Eric Roozendaal: Point of order: Mr President, you often rule that Ministers should ignore interjections. Therefore, I ask you to bring the Minister back to the supplementary question, which is very important. I am interested in hearing his answer.

The PRESIDENT: Order! I remind all members that interjections are disorderly at all times.

The Hon. GREG PEARCE: I am advised that the key features of the position between the current Prime Minister as of today and the Australian Services Union are that the Commonwealth is to provide more

than $2 billion to fund its share of any wage increases awarded in the case but there is to be a six-year phase-in period for wage increases, commencing on 1 December 2012. Before the last election the Prime Minister as of today ruled out a carbon tax, so how could anybody believe anything she says about what is going to happen in December 2012 when this is November 2011? There is absolutely no way anyone could have any confidence in this. However, we are very keen to ensure that these very deserving workers get the pay that they deserve. So we will work with this in good faith— [*Time expired*.]

HUNTER REGION INFRASTRUCTURE

The Hon. MATTHEW MASON-COX: My question is directed to the Minister for Finance and Services, and Minister for the Illawarra. Will the Minister update the House on the New South Wales Government's commitment to developing infrastructure in the Hunter?

The Hon. GREG PEARCE: The Parliamentary Secretary astonishes me with his broad interest in all areas of New South Wales. I did not know that he had an interest in the Hunter.

The PRESIDENT: Order! The Government Whip will come to order. I call the Hon. Mick Veitch to order for the first time.

The Hon. GREG PEARCE: Last Friday, with the hardworking member for Port Stephens, Craig Baumann—Landslide Baumann as we call him—I had the pleasure of attending the unveiling of the stage two upgrade to the Boulder Bay Wastewater Treatment Works in Port Stephens.

The Hon. Amanda Fazio: Did they try to process you?

The Hon. GREG PEARCE: The treatment works are now ready for the influx of summer visitors to Port Stephens. The Hon. Amanda Fazio has made an interjection. I was looking for the smell at this wastewater plant and I was told that several Labor members had visited the plant before me. I was then shown the liquid that was undergoing treatment at the plant. It was explained to me that the liquid has no air in it so anyone who falls into that liquid sinks straight to the bottom and disappears. I am happy to arrange a site visit for the Hon. Amanda Fazio on any occasion that she would like to go there to pursue her interests.

This major project has been undertaken to increase the plant's capacity to serve 45,000 people to around 58,000 people. The stage two upgrade was designed to accommodate seasonal fluctuations in flow rates, giving plant operators more consistent control over its operations. Clearly the Liberals and Nationals are getting on with the job of securing vital infrastructure upgrades that will benefit the entire community. This significant investment is evidence of that. Time and again Labor preferred to be distracted by its own scandals rather than to focus on vital infrastructure upgrades for the Hunter.

This Government continues to invest in infrastructure to improve the performance and reliability of the Hunter's wastewater network. The Boulder Bay Wastewater Treatment Plant is now equipped to service the current and future need of residents as well as visitors of Port Stephens during peak tourism periods. This investment in the treatment works is a great result for this community and region which has seen a significant rise in new residents and visitors to the area. I am pleased to be part of a Government that responds to the needs of local communities by delivering infrastructure and that has busy local members, such as Craig Baumann, who are prepared to fight for the interests of their communities and to ensure that this Government continues to deliver.

WHOOPING COUGH

The Hon. PAUL GREEN: My question without notice is directed to the Minister for Police and Emergency Services, representing the Minister for Health. Given the recent 50 per cent increase in whooping cough on the North Coast, what steps has the Minister taken to deal with this on a regional level?

The Hon. MICHAEL GALLACHER: I will obtain a detailed answer to that important question from the honourable member as soon as possible by referring it to the appropriate Minister.

ELECTRICITY ASSETS SALE

The Hon. MICK VEITCH: My question is directed to the Minister for Finance and Services on behalf of the Treasurer. In light of recent media comments made by the member for Orange and the member for Bathurst that they will not support the sale of New South Wales poles and wires, will the Minister stand by the Liberals and Nationals election commitment and categorically rule out selling the poles and wires?

The Hon. GREG PEARCE: I will take that question on notice and get a detailed response from the Treasurer as requested.

RURAL FIRE SERVICE

The Hon. SARAH MITCHELL: My question without notice is directed to the Minister for Police and Emergency Services. Could the Minister update the House on advice being provided to councils in relation to the work of the New South Wales Rural Fire Service?

The Hon. MICHAEL GALLACHER: The Liberal-Nationals Government believes it is vital that the community can rely on the Rural Fire Service to protect and assist them during bushfires and other emergencies. For this reason the total funding allocation for the Rural Fire Service amounts to $284.4 million—an increase of 23.9 per cent on the previous financial year.

The Government and the Rural Fire Service also understand the importance of consulting regularly and often with councils, which are some of our most important stakeholders. That is why the commissioner will be hosting the first of six forums with councils around the State—an increase on the four forums that were held last year. At each conference the commissioner will give a full briefing concerning issues such as the bushfire season outlook, hazard reduction and other topics of interest. The commissioner will also discuss this year's allocations for the Rural Fire Fighting Fund with councils. At this time of the year, following the budget, the Rural Fire Service sends notifications to councils concerning the allocations for the 2011-12 Rural Fire Fighting Fund.

I am advised by the Rural Fire Service that unfortunately this year a miscalculation was made in the council notifications that were sent out earlier this week. The Rural Fire Service quickly identified the issue and is sending out revised notifications today. In light of their history, the Commissioner of the Rural Fire Service immediately engaged the independent audit bureau to conduct an urgent inquiry into whether any systemic issues lead to these errors occurring in consecutive years.

I remind the House that the Liberal-Nationals Government is conducting a review of the funding arrangements for emergency services. As part of this review we have committed to consulting all stakeholders, including councils, while also ensuring that existing levels of funding are maintained. This Government's commitment to its stakeholders remains unchanged. Alterations to the current funding arrangements will not take place without appropriate consultation. It is important to note that this is unfortunately the second year in a row that this has occurred. I have had discussions with the Commissioner of the Rural Fire Service this afternoon in relation to it. That is why the independent audit bureau has been engaged to look into this matter to ensure that it does not happen again.

FAIR WORK AUSTRALIA EQUAL PAY CASE

Mr DAVID SHOEBRIDGE: My question without notice is directed to the Minister for Finance and Services. Given that the Minister has failed to put one dollar aside in the present budget to fund the equal pay case and has only slender budget surpluses forecast for 2012-13 and beyond, will the Government blow its budget surpluses or will it fund the equal pay case?

The Hon. GREG PEARCE: I know Mr David Shoebridge is interested in this area. I point out that implicit in his question is a compliment to the Government because we now hear that the Prime Minister is suggesting that funding will be made available from 1 December 2012. That is outside this financial year, so there will be another budget between now and the Prime Minister's suggested commencement date. We will consider this issue in due course through the budget process.

ELECTRICITY ASSETS SALE

The Hon. LYNDA VOLTZ: My question is directed to the Leader of the Government in this House. Does the Minister stand by his statement in this Chamber on 28 August 2008 that:

> The Government's Ministers pledged that they would not sell our State's power in any restructure, but not 12 months later, in a backflip, they announced that they would. That is a betrayal.

Therefore, is the Government's reversal of the election commitment to keep the electricity network in public hands and its refusal to sell off New South Wales electricity poles and wires an even greater backflip and betrayal over electricity assets?

The Hon. MICHAEL GALLACHER: I repeat this Government's continuing and unrelenting commitment that it will fix this State and will ensure that the past 16 years of neglect, lies and incompetence of the previous administration are not repeated. Those of us who were here in 2008 remember the way in which those opposite went about their shoddy deals, how they were not prepared to tell the truth and how they tried to fudge the figures. We all remember their performance once that was exposed. I can assure the Hon. Linda Voltz that we will continue to do what we said we would do in 2008—the very best we can for the people of New South Wales through honesty and transparency. We will continue to deliver on those commitments.

STANDING COUNCIL ON TRANSPORT AND INFRASTRUCTURE

The Hon. JENNIFER GARDINER: My question is directed to the Minister for Roads and Ports. Can the Minister update the House on the most recent meeting of the Standing Council on Transport and Infrastructure?

The Hon. DUNCAN GAY: At the inaugural meeting of the Standing Council on Transport and Infrastructure on Friday 4 November, transport, infrastructure and planning Ministers from the Commonwealth, States and Territories and representatives of the Australian Local Government Association came together to consider a range of national initiatives. The new standing council will for the first time bring together responsibilities for strategic planning with infrastructure and transport policy and regulation. Bringing these functions together under the umbrella of one ministerial council provides a unique opportunity for the development of integrated solutions to address national infrastructure and transport planning and delivery challenges.

As I reported previously to the House, on 19 August 2011 the Council of Australian Governments signed intergovernmental agreements to establish the national maritime regulator, the national rail safety regulator and the national heavy vehicle regulator. The new regulators will come into effect from January 2013. I am pleased to report that at the most recent meeting in Canberra representatives endorsed the draft national heavy vehicle law. New South Wales supported the draft law on the condition that further work is done to ensure that fatigue outcomes and safety standards for the community are not diminished.

I am particularly pleased that Bruce Baird was unanimously endorsed as chair of the national heavy vehicle regulator. Bruce was nominated by New South Wales and is an outstanding appointment. As a former Minister for both transport and roads in New South Wales, Bruce Baird is the perfect choice to lead these reforms. That is a great endorsement, supported by the Federal Minister and the Labor, Liberal and National Party State governments. This unanimous decision reflects well on a great person from New South Wales. These reforms will support the growth of the transport sector, with flow-on benefits for the nation of up to $30 billion over the next 20 years.

As part of these national reforms, Roads and Maritime Services will host a workshop next month with representatives from other States and Territories to discuss ways to manage heavy vehicle speeding with national chain of responsibility investigators. After the removal and review of the three strikes scheme, recommendations were made to develop a national framework to manage heavy vehicle speeding and to ensure parties in the supply chain were kept accountable. Information from the Roads and Maritime Services workshop will contribute to a new compliance framework.

Progress is also continuing on the establishment of the single national maritime safety regulatory system, which is being carried forward by the Australian Maritime Safety Authority. The national system will streamline regulation of the commercial vessel industry, replacing seven State and Territory regulators. It is anticipated that the draft national maritime law will be released for public consultation in early 2012. The representatives also endorsed the draft national rail safety law, which is due to be introduced into the South Australian Parliament, as the host jurisdiction, in early 2012. The law will then be introduced in all other parliaments, including the New South Wales Parliament, by the end of next year. [*Time expired.*]

ABORIGINAL LANGUAGES

The Hon. JAN BARHAM: My question without notice is directed to the Minister for Roads and Ports, representing the Minister for Education. What funding has been set aside to ensure that the New South Wales Government achieves goal 26 of the New South Wales State Plan, which is identified as a priority action—namely, to increase access to Aboriginal languages through the teaching of Aboriginal languages in schools and TAFE?

The Hon. DUNCAN GAY: I thank the member for her important question, which is about what funding has been set aside for goal 26 of the State Plan, which relates to the teaching of Aboriginal languages. I am disappointed to say that I do not know the answer. Given that it is such an important question I will refer it to the Minister for Education and seek an urgent response.

SPEED CAMERAS

The Hon. HELEN WESTWOOD: My question without notice is directed to the Minister for Roads and Ports. Given that the Government sought significant media attention when shutting down 38 speed cameras earlier this year, why has the Government turned on an additional 32 cameras without any information being released to the public?

The Hon. DUNCAN GAY: Is the member referring to the press reports over the weekend?

The Hon. Helen Westwood: Yes.

The Hon. DUNCAN GAY: The reports in the Sunday papers was wrong—dead wrong. The commitments that we made to the people of New South Wales are commitments that we stand by. The member may not be used to governments doing that given that she worked for 16 years with the people sitting beside and behind her on that side of the Chamber. We said we would leave those cameras in safety mode with just a warning sign. We also indicated that those safety cameras would still have a red light function. Frankly, anyone who runs a red light deserves to cop a fine. We also said that the fines would remain in place for anyone clocked travelling more than 30 kilometres over the speed limit. That is what we said we would do and that is what we have done.

MINISTER FOR THE ILLAWARRA

The Hon. MARIE FICARRA: My question is directed to the Minister for the Illawarra. Can the Minister update the House on his recent activities as Minister for the Illawarra?

The Hon. GREG PEARCE: I thank the member for her interest in my representation in Cabinet of the Illawarra region. As the House knows, I take my role as Minister for the Illawarra seriously. In recent weeks I have participated in a number of Illawarra engagements, meeting with local government, and with education, business and community leaders. On 15 October I attended the opening of Brooks Ridge, an exciting new opportunity for young home buyers in Horsley that is part of the long-delayed West Dapto land release. The Stockland Group is offering land, and local builders are offering well-designed sustainable dwelling options at affordable prices.

At the Fraternity Club in Fairy Meadow I participated in the Illawarra Stingrays' end of season awards. These talented sports stars have a lot to celebrate after winning their "threepeat", a third consecutive win, in the Football NSW women's grand final and a third consecutive Premier League championship. The following day I had the great pleasure of cheering with 3,000 others as the Wollongong Hawks beat the Adelaide 36ers 97-89, with team captain Mat Campbell scoring 16 points in his 500th National Basketball League game, including from the free-throw line in the last 20 seconds of the game. Mat Campbell has been a wonderful example for youngsters in the Illawarra with his commitment to the league and the Wollongong Hawks, which has been his only club. I am sure the House will join with me in acknowledging these two great teams on their successes.

Last week in Nowra I chaired the meeting of the Illawarra Employment Lands Taskforce. I note that the Hon. Eric Roozendaal missed the meetings of the task force when he was Minister. The Illawarra Employment Lands Taskforce discussed the planning and economic development concerns in the region. Representatives of local councils and of the departments of Premier and Cabinet, Planning and Infrastructure, and Trade and Investment NSW attended.

At the Southern Councils Group meeting at the beautiful pavilion in Kiama I sat with local leaders, including the mayor of Kiama, the Liberal mayor of Shellharbour, Kellie Marsh, and the Lord Mayor of Wollongong, Gordon Bradbery. The Southern Councils Group is the peak organisation representing local government in the Illawarra and South Coast regions. The meeting provided an opportunity for a frank discussion of issues and opportunities for the Illawarra and South Coast. In Port Kembla I met with representatives from the Mount Keira Scout Camp Management Committee and with the chair of the Kum-Ba-Yah Girl Guide Camp. I thought the Hon. Sophie Cotsis might want to join us on our camping trip at the Mount Keira camp because it plays an important role in scouting.

The Hon. Sophie Cotsis: I'll do it for charity.

The Hon. GREG PEARCE: I acknowledge the interjection. The Hon. Sophie Cotsis said that she will do it for charity. We will both be camping out for charity at the Kum-Ba-Yah Girl Guide Camp. I promised that I would visit the camp, and I will now do so accompanied by the Hon. Sophie Cotsis.

The Hon. Sophie Cotsis: I'll do it for the children's hospital.

The Hon. GREG PEARCE: Okay. I will do it for a local Illawarra charity and the Hon. Sophie Cotsis will camp out for the children's hospital. That is the best contribution the member has made so far as a shadow Minister. I congratulate the Hon. Sophie Cotsis on that wonderful contribution. Finally, I congratulate Narelle Clay, who last week received the Illawarra Business Person of the Year Award. [*Time expired*.]

NATIONAL TRUST PROPERTIES

The Hon. ROBERT BORSAK: My question without notice is directed to the Minister for Finance and Services, representing the Minister for Heritage. Has the National Trust written to the Minister outlining a plan to mothball about 10 historic properties because it no longer can afford to keep them open to the public? What impact would such closures have on the State's tourism industry? What steps is the Government taking to ensure that the properties remain open and accessible to the public?

The Hon. GREG PEARCE: I thank the member for his question. For many years I was a member of the National Trust.

The Hon. Robert Borsak: I am now.

The Hon. GREG PEARCE: The Hon. Robert Borsak is a member now; it is a commendable thing to do. The National Trust has a proud history undertaking remarkable work in preserving some absolutely vital properties across New South Wales. To my knowledge, the National Trust, certainly in the past 30 years, always has been short of funds and has experienced difficulty with funding requirements. I am not aware of the letter referred to by the member, but I will make inquiries of the Minister about it and provide an answer. I certainly will do what I can to support the National Trust.

POLICE ASSOCIATION INDUSTRIAL ACTION

The Hon. PETER PRIMROSE: My question is directed to the Minister for Police and Emergency Services, and I refer to the following comments of the Minister made in question time on 25 May about the Police Association:

> I have been a member for 31 years and I will continue to be a member for another 31 years.

Does the Minister support the current industrial action being undertaken by the New South Wales Police Association?

The Hon. MICHAEL GALLACHER: I thank the member for his question. I have indicated publicly that I am disappointed about the industrial action. At the end of the day, the Police Association, representing its members, and I, representing the Government, want the best outcome for police. We want that outcome to focus on getting more injured police back on their feet and working in the Police Force. But if they cannot continue with their career in the Police Force, they will have income protection to ensure that they are able to return to employment outside the Police Force. It is morally reprehensible for those opposite to continue to support the current scheme, which is financially unsustainable and, quite frankly, is a poisoned chalice. The moment one sips from that poisoned chalice and takes a lump sum, one goes down a path of lifetime unemployment.

When a prospective employer asks an injured police officer, "Have you had a job in the past three years" the effect of an answer along the lines, "No, I've been on long-term sick leave because of psychiatric or psychological impairment" is extremely detrimental to that officer's prospects of obtaining employment. No wonder the association rightly points out that many police are incapable of getting a job. We have indicated that we want to ensure that such police have a future.

We recognise that the scheme Labor built puts in place a false economy and causes people with psychological and psychiatric impairment to regard the offer of a lump sum as an easy option. But it is the wrong option. I will continue to tell the association that our focus—and this is long overdue; over six years—is on getting injured police back to work and on ensuring that their lives are as happy as we can make them so that they and their love ones can remain in the police family or they can obtain employment outside the Police Force. The solution by those opposite was to give these officers a cheque with the message, "Walk away. We've got nothing to do with you." The members opposite are an absolute disgrace.

The Hon. PETER PRIMROSE: I ask a supplementary question. In light of the Minister's answer, does he believe his situation is analogous to former Federal Minister Phillip Ruddock's membership of Amnesty International?

The Hon. Greg Pearce: Point of order: That is a completely different question and is not supplementary.

The PRESIDENT: Order! I uphold the point of order. The question is a new question, not a supplementary question.

OPERATION UNITE

The Hon. CHARLIE LYNN: My question is addressed to the Minister for Police and Emergency Services. Will the Minister please update the House on Operation Unite, a nationwide operation planned for early December that targets alcohol-related crime?

The Hon. MICHAEL GALLACHER: What a great way to conclude question time. We on this side of the House know all about being united to resolve issues. For those who are interested, Operation Unite is an important initiative, given that alcohol misuse has some involvement in the majority of police engagements on our streets. Operation Unite is conducted nationwide and throughout New Zealand targeting alcohol-related crime, including antisocial behaviour, street crime and drink driving. In 2011 Operation Unite will be conducted in two phases.

Members may recall that the first phase took place on 13 and 14 May, when police arrested 563 people and charged them with a total of 830 alcohol-related crime offences, including 12 charges of assault police, 26 charges of resist arrest, and 47 charges of assault. Police also conducted 32,485 random breath tests across the State, and that resulted in 207 motorists being booked for drink-driving offences and 23 people being charged for driving whilst disqualified. Police also conducted 4,799 business inspections and detected a total of 299 licensing breaches and 18 security breaches.

The second phase of Operation Unite for 2011 will take place on Friday 2 December and Saturday 3 December, when the New South Wales Police Force will be out in force. I am advised that approximately 2,300 police will be deployed over those two December nights, and they will include officers from all local area commands, region enforcement squads, the Public Order and Riot Squad, the Dog Squad, the mounted police unit, the Alcohol and Licensing Enforcement Command, the highway patrol, and even the Aviation Support Branch and the Marine Area Command.

Police will be armed with the new powers the Government has provided for them and police can now move on intoxicated persons regardless of whether the person of interest is alone or in a group. This will assist police in diffusing potentially volatile situations and help to stem alcohol-related violence. For those who refuse to comply with police directions and continue to play up, police are now armed with a new intoxicated and disorderly offence, and police can issue offenders with an on-the-spot fine of $200. This will assist police to encourage both responsible service and responsible consumption of alcohol. Operation Unite is an excellent example of a coordinated, targeted and effective response to alcohol-related crime. I do not doubt we will see some excellent results when the operation takes place next month.

If members have further questions, I ask that they place them on notice.

Questions without notice concluded.

CLUBS, LIQUOR AND GAMING MACHINES LEGISLATION AMENDMENT BILL 2011

The PRESIDENT: I report the receipt of the following message from the Legislative Assembly:

MR PRESIDENT

The Legislative Assembly having considered the message dated 19 October 2011 in which the Legislative Council requested the concurrence of the Legislative Assembly with an amendment to the Clubs, Liquor and Gaming Machines Legislation Amendment Bill, informs the Legislative Council that the Legislative Assembly disagrees with the proposed amendment because:

> The amendment would result in unintended consequences and does not add to the existing statutory arrangements which require strict assessment of proposed increases to gaming machine entitlement numbers that may be held by a club.
>
> Registered clubs wishing to amalgamate or de-amalgamate do so for reasons of survival and maintaining long term financial viability.

The current statutory arrangements for amalgamated clubs are:

- No forfeiture of gaming machine entitlements if transferring within the same Local Government Area [LGA]; and
- A reduced "1 in 6" forfeiture rate (instead of the usual "1 in 3") if transferring between amalgamated club premises in different LGAs.

The bill as passed by the Legislative Assembly simply intends to restore the former position of amalgamated clubs which have decided that de-amalgamation is the current preferred course of action.

The bill would also remove all forfeiture of gaming machine entitlement transfers between amalgamated club premises.

Clubs that previously amalgamated have done so under the relevant forfeiture arrangements. To require a further forfeiture is a major disincentive, and is likely to deter clubs from participating in the amalgamation process.

The bill would not change the policy in the Gaming Machines Act 2001—i.e. any overall increase in gaming machine numbers in an LGA is subject to an appropriate assessment.

A proposed gaming machine threshold increase to enable a club to increase the maximum allowable number of gaming machines is still subject to a Local Impact Assessment [LIA]. In higher gaming machine density LGAs, such as a Band 3 area, the more rigorous Class 2 LIA would still apply. A Class 2 LIA would also still apply for larger increases in lower density areas, such as Band 1 and Band 2 areas.

An increase in gaming machine entitlements is a separate and distinct matter which is unrelated to transfers upon amalgamation, or restoring gaming machine entitlements to former clubs after a de-amalgamation process.

The proposed Legislative Council amendment would abandon the recognition of the special relationship between related clubs—a relationship which allows larger, more successful clubs to support and assist smaller clubs to continue to operate and provide facilities for communities.

The proposed Legislative Council amendment would be a significant disincentive for clubs to participate in the amalgamation process. Clubs considering possible amalgamation and de-amalgamation scenarios to improve their future viability would be placed in a position where such actions would be counterproductive to survival and outweigh the costs of participating in amalgamation and de-amalgamation.

Legislative Assembly — Shelley Hancock
10 November 2011 — Speaker

Consideration of message set down as an order of the day for a later hour.

BUSINESS OF THE HOUSE

Postponement of Business

Government Business Orders of the Day Nos 4 to 7 postponed on motion by the Hon. John Ajaka.

CHILDREN (EDUCATION AND CARE SERVICES) SUPPLEMENTARY PROVISIONS BILL 2011

Second Reading

Debate resumed from 20 October 2011.

The Hon. PENNY SHARPE [3.36 p.m.]: I lead for the Opposition in debate on this bill. The Opposition does not oppose this bill. The object of the bill is to provide for the regulation of children's education

and care services that are not subject to the Children (Education and Care Services) National Law and to align the regulation of those services, where practicable, with the national law. Last year, the previous Government passed the Children (Education and Care Services National Law Application) Act. This Act provided the legislative foundation for nationally consistent standards to ensure quality education and care is provided by long day care, family day care, preschool and outside school hours care services, known as the national quality framework.

The bill before Parliament today deals with the children's education and care services that were not brought under the national law. These include home-based education and care services—other than family day care services—mobile education and care services, centre-based education and care services, and other education and care services of a kind prescribed by the regulations. The bill proposes that these services are removed from the care and protection Act and instead placed into a new Act. As the Minister pointed out in his second reading speech, the care and protection Act deals predominantly with the issues of child protection rather than education and care. Therefore, moving these services under a separate Act makes sense and, as I have foreshadowed, the Opposition does not oppose this.

The bill consists of largely technical amendments that are necessary as a consequence of the national quality framework which begins on 1 January 2012. The national quality framework aims to raise quality and drive continuous improvement and consistency in education and care services. It aims to do this through a national legislative framework, a national quality standard, a national quality rating and assessment process and a new national body called the Australian Children's Education and Care Quality Authority. It creates a jointly governed uniform national approach to the regulation and quality assessment of education and care services and replaces existing separate licensing and quality assurance processes. The funding and regulation of children's services is very complex and this national approach should hopefully result in less red tape for service providers, a higher standard of care for children and more comprehensive information for families. This is important; many families rely on child care and parents want to be confident that services are providing good care for their child. A robust regulatory environment is essential to provide this certainty for parents.

The legislation before the House deals with those services that will be subject to the existing New South Wales regulatory framework. Importantly, it aligns with the administrative and compliance-related provisions of the national quality framework. The Minister has advised that feedback from the National Quality Framework Reference Group has been reflected in the development of the bill. The bill will also align application processing times under the New South Wales regulatory framework with the equivalent processing times under the national framework, provide for recognition under the New South Wales framework of approvals and certificates issued under the national quality framework, align the processes for cancelling and suspending licences and approvals and align the penalties.

The bill will also align investigation, compliance, monitoring and enforcement powers under the New South Wales regulatory framework with the equivalent powers under the national framework. Importantly, the bill preserves current operating requirements for services that will continue to be regulated under the New South Wales regulatory framework. The Opposition supports the Council of Australian Governments' reforms and the national quality framework for early childhood education and care and school age care. Giving children the best start to their education through high-quality children's services is essential. We support the bill.

The Hon. DAVID CLARKE (Parliamentary Secretary) [3.41 p.m.]: I speak in support of the Children (Education and Care Services) Supplementary Provisions Bill 2011, the purpose of which is to provide for the regulation of certain children's education and care services that are not subject to the Children (Education and Care Services) National Law (NSW), known as the national law, and to align the regulation of those services, where practicable, with the national law. The children's education and care services that are the subject of this bill comprise, and are referred to as, State-regulated education and care services, home-based education and care services—but not family day care services—mobile education and care services, centre-based education and care services and other education and care services of the kind prescribed by the regulations. These services, plus those regulated under the national law, are currently regulated under chapter 12 of the Children and Young Person's Care and Protection Act 1998 which will be repealed by this bill.

Starting on 1 January 2012, a national system regulating early childhood education and care services known as the national quality framework, will commence. Most categories of early childhood education and care services are currently regulated under the Children and Young Persons Care and Protection Act 1998 but, from the beginning of 2012, will be regulated under the national quality framework. These types of services comprise long day care, preschools, family day care and out-of-school-hours care. To make sure these service

classifications are not regulated under two schemes, they need to be taken out of coverage of existing New South Wales laws in readiness for the new national quality framework in early 2012 and placed under the new Act.

The bill makes it an offence for a person to provide a State-regulated education and care service unless as an approved provider in that service and the service is an approved education and care service. It will be an offence not only to provide the service but to advertise the service, unless as an approved provider. The bill clarifies that the national law alignment provisions provide for the grant of provider approvals for State-regulated education and care services and makes it an offence to contravene a condition of a provider approval. The bill also confirms that the national law alignment provisions make provision for the grant of service approvals for State-regulated education and care services and makes it an offence to contravene a condition of a service approval. Additionally, the national law alignment provisions provide for the grant of supervisor certificates for State-regulated education and care services and make it an offence to contravene supervision certificate conditions.

The bill applies the national law to State-regulated education and care services as if those services were education and care services within the meaning of the national law and provides for the application of the Children (Education and Care Services National Law Application) Act 2010 in respect of the national law alignment provisions. There is provision that a person who holds a provider approval under the national law is taken to be an approved provider of State-regulated education and care services under the proposed Act, the effect of which will mean that there is no need for an approved provider under the national law to obtain a separate provider approval under the proposed Act in order to provide State-regulated education and care services. The bill has a practical purpose and with alignment will come greater transparency and benefits to early childhood education. As such, it is a bill worthy of support.

The Hon. NATASHA MACLAREN-JONES [3.45 p.m.]: I support the Children (Education and Care Services) Supplementary Provisions Bill 2011. Education is perhaps the greatest gift we can give our future generations. If we fail to give children an education, if we fail to give them opportunities, ultimately we fail them, often leaving them to become dependent upon the State. I am proud to live in a nation that values education highly; one that does not support gender discrimination in education as occurs in other parts of the world where young girls are denied access to an education and suffer a lost future. It is only by educating the next generation of Australians that we can ensure that they have the opportunity to succeed and further themselves, which will ultimately benefit the future of all Australians. This contributes more to equality than anything else, by allowing everyone the chance to achieve if they have the drive and willingness to do so. This bill once again demonstrates the Government's commitment to the long-term investment in this State, and most importantly its people.

By educating young Australians we are providing them with the essential skills to be productive, innovative and to reach their full potential. There have been endless Australian success stories of people who, through education, have come from the most basic of education or upbringing to go on to become leaders of industry and enterprise, Australians who have demonstrated that with hard work, determination and a sound education this is truly a land of opportunity.

The Hon. Trevor Khan: And equality.

The Hon. NATASHA MACLAREN-JONES: And equality. It is widely acknowledged that for education to be successful, it should begin in the early stages of a child's development, which can start with preschool, family care centres and out-of-school care. That is why the O'Farrell-Stoner Government is making the necessary changes to ensure the regulation and streamlining with national law of certain child education and care services not currently subject to the Children (Education and Care Services) National Law alleviates them of the regulatory burden across jurisdictions.

With the commencement of the national quality framework it is important to ensure all areas of childhood education and care services are aligned. The O'Farrell-Stoner Government is committed to finishing the job that the previous Government left unresolved, by leaving out many areas of the original Children (Education and Care Services) National Law. This bill will reduce confusion and unnecessary red tape. It means that those involved in child care only need to comply with one set of regulations, rather than complying with competing jurisdictions. In doing so, this allows a better focus on children themselves, ensuring quality of care. This will help to streamline the delivery of services and provide every child with the necessary protection and

care they deserve. Under this bill authorised service providers under the national quality framework will no longer have to apply for a separate authorisation for the services listed under the Children (Education and Care Services) Act.

The final part of the bill will streamline the national quality framework with penalties for those who do not comply with the Act. The message is clear: under this Government, those who choose not to comply with these new protective laws will face judicial penalties as a consequence. Most importantly, the bill will reassure parents that all children at preschool and in other care will be equally protected under this legislation. This will provide confidence and strikes a balance within the child care and early childhood education industries and will ensure that these service providers are not burdened by regulation. As I said in my opening statement, by educating the next generation we give them the opportunity to succeed and further themselves. By moving this bill, the Government continues its commitment to future generations in New South Wales. I commend the bill to the House.

The Hon. SARAH MITCHELL [3.48 p.m.]: I speak in support of the Children (Education and Care Services) Supplementary Provisions Bill 2011. The national quality framework is the regulatory system that will apply around Australia from 1 January 2012 to long day care, preschools, family day care and out-of-school-hours care. Other types of education and care services for children in New South Wales will continue to be regulated under the existing Act as amended by the passage of this bill. These include occasional care, home-based care and mobile services. The bill makes some practical changes to the regulatory framework that applies to occasional care, home-based care and mobile services, to better align them with the national quality framework. One of the main areas that this bill aligns is the processes for obtaining approvals of services, their providers and their supervisors. The bill ensures that, regardless of whether a service comes under the national quality framework or the Act established by this bill, similar approval processes apply. There will also be consistent time frames for determining these applications for approval

In addition, consistent processes and time frames will apply when approvals are amended, suspended or cancelled. Importantly, the same process will apply when transferring a service approval to a different provider or when the supervisor of a service changes. Service providers and their staff, as well as the regulatory authority's staff, will need to be familiar with similar sets of rules. This will mean greater equity, certainty and simplicity. Significantly, the bill also allows provider approvals issued under the national quality framework to be recognised as the equivalent approvals under the New South Wales regulatory framework. This means that providers will not have to apply for the same sort of approval twice. This approach removes unnecessary red tape for service providers but maintains the safeguards we need to ensure that these services are operated by fit and proper persons. I congratulate the Minister on putting forward these changes in the interests of a cohesive and effective framework for early education, childhood education and childcare services. I commend the bill to the House.

The Hon. NIALL BLAIR [3.50 p.m.]: I support the Children (Education and Care Services) Supplementary Provisions Bill 2011. The national quality framework is a regulatory system that will apply around Australia from 1 January 2012 to long day care, preschools, family day care and out-of-school-hours care. Other types of education and care services in New South Wales will be regulated under the Act established by this bill. These include occasional care, home-based care and mobile services. This bill ensures that the Department of Education and Communities, which regulates early childhood education and care services, continues to have at its disposal all the tools it needs to respond to breaches that can pose a risk to children at those services. Good regulatory practice recognises the need for enforcement measures and it is in everyone's interest that compliance is as consistent as possible between those services covered by the national quality framework and those that are not.

The bill ensures that regardless of whether a service comes under the national quality framework or the Act established by this bill similar compliance and enforcement provisions will apply. Service providers and their staff, as well as the regulator, will need to be familiar with only one set of provisions. This will mean greater equity, certainty and simplicity. Importantly, the bill also aligns the penalties that will apply for offences under the two regulatory schemes as closely as possible. For example, under both schemes there will be different penalty amounts for individuals and corporations. As well as ensuring equity, certainty and simplicity for the early childhood education and care sector, this bill gives service providers a consistent message about the importance of complying with requirements, which are all about the safety, health and wellbeing of the children.

The Hon. Trevor Khan: It is always about law and order.

The Hon. NIALL BLAIR: It is all about the children. I congratulate the Minister on putting these changes forward in the interests of a cohesive and effective framework for early childhood education and care services. I commend the bill to the House.

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

CHILDREN LEGISLATION AMENDMENT (CHILD DEATH REVIEW TEAM) BILL 2011

Second Reading

The Hon. JOHN AJAKA (Parliamentary Secretary) [3.53 p.m.], on behalf of the Hon. Greg Pearce: I move:

That this bill be now read a second time.

The Government is pleased to introduce the Children Legislation Amendment (Child Death Review Team) Bill 2011, which delivers on the Government's election commitment to support the Ombudsman's role in independently reviewing child deaths in New South Wales. The Government is committed to real reform. The Hon. Pru Goward, the Minister for Family and Community Services, and Minister for Women, is working with Government colleagues, including Mr Andrew Constance, the Minister for Ageing, and Minister for Disability Services to improve services for vulnerable children, young people and families; improve accountability and transparency about what we do, what we do well, what we need to do better and how we are working to improve; reduce the number of children in out-of-home care and increase restoration and permanency to their support and care; improve the performance of the Family and Community Services cluster and its divisions, as well as Community Services, to integrate services, including for regular clients of the cluster with complex and varied needs; and, of course, keep our children safe.

This legislation is another example of the Government boosting accountability and transparency and in so doing meeting an election commitment. The Child Death Review Team was established in 1996 with the primary objective of preventing or reducing the incidence of child deaths in New South Wales. It does so by identifying trends and patterns relating to the causes of child deaths and then making recommendations on legislation, policies, practices and services to government and non-government agencies and the community towards the prevention of further child deaths. In 2008 the Hon. James Wood, AO, QC, handed down the report of the Special Commission of Inquiry into Child Protection Services in New South Wales. The report recommended that the Ombudsman be appointed as the convenor of the team and that the secretariat and research functions associated with the team be transferred from the Commission for Children and Young People to the Ombudsman.

Clearly, Justice Wood recognised the importance of allocating this task to an independent body with forensic capacity and a depth of experience in investigating the deaths of children living in parlous circumstances. It is also implicit that the commission recognised a strong culture of independence within the Ombudsman's office. In 2009 the New South Wales Parliament passed legislation that finally transferred responsibility for the New South Wales Child Death Review Team from the Commission for Children and Young People to the New South Wales Ombudsman. At the time the Coalition knew and observed that the Labor Government's bill went only part way to transferring the team. We said at the time that the Labor Government was seeking to pervert the commissioner's recommendation. That is why we, in Opposition, proposed amendments to strengthen Labor's bill. Labor, bitter and twisted about external scrutiny, had no intention of doing the job properly.

Labor's transfer was so problematic and ineffective that on 4 November 2010 the Ombudsman went to the lengths of releasing a report. The report entitled" Unresolved issues in the transfer of the NSW Child Death Review Team to the Office of the NSW Ombudsman" detailed the difficulties experienced by the Ombudsman due to the botched and twisted nature of the former Government's transfer. Transparency and accountability were foreign notions to the previous Government. The transfer came into effect on 11 February 2011. Since then the Ombudsman has been the convenor of the Child Death Review Team and his office provides support and assistance to the team in the exercise of its functions. But the transfer remained incomplete—a bitter Labor piece of payback to an Ombudsman who had been too independent. Labor in government had to be dragged kicking and screaming to implement Justice Wood's recommendation in the first place. When it did make the transfer, it was as Labor had always intended it to be, that is, half-hearted. It did not fulfil Justice Wood's recommendation or indeed his vision.

With this bill the Liberal-Nationals Government will finish the job and complete his vision. The measures in the bill will remove the administrative complexities brought about by Labor's half-hearted transfer and acknowledge the importance of the Ombudsman's independence. Let us hope that Labor now has the decency to do the right thing by the children of New South Wales and support our efforts to do what it should have done. It is in everyone's interest that there is strong independent oversight. I would have thought that was especially attractive to the Opposition.

This bill completes the transfer and boosts accountability and transparency by supporting the Ombudsman's independence and his office's work with child deaths. The team reports annually to Parliament on child deaths in New South Wales. To date it has published eight special research reports on issues including child deaths involving parental substance dependence, suicide and risk-taking deaths and sudden unexpected deaths in infancy. The death of any child is always a tragedy. The work of the team is enormously important to the community.

I take this opportunity to thank the members of the Child Death Review Team for their dedication to this complex and difficult task. The bill will assist them in carrying out their work by strengthening their autonomy and ensuring that the Ombudsman can carry out his team's functions more efficiently and, crucially, more effectively. Some of the changes in the bill were the focus of a special report to Parliament by the Ombudsman in November 2010. Other changes in the bill were subsequently requested by the Ombudsman during consultation on the bill.

The first amendment I draw to the attention of the House concerns the legislative provisions and parliamentary responsibility. The bill will transfer the legislative provisions regarding the Child Death Review Team from the Commission for Children and Young People Act 1998 to the Community Services (Complaints, Reviews and Monitoring) Act 1993. This will mean that the Ombudsman's functions in relation to the Child Death Review Team and in relation to community services and reviewable deaths will now all be contained in the same Act.

The bill will also ensure that the Ombudsman will not have to report to two different parliamentary joint committees in relation to his Child Death Review Team functions. Currently, the Ombudsman reports to the Committee on the Office of the Ombudsman and Police Integrity Commission in relation to all of his functions. This includes his functions with respect to the Child Death Review Team that he took on in February this year. The Committee on Children and Young People, of which I was previously a member, also currently has parliamentary responsibility for monitoring and reviewing the work of the Child Death Review Team, as does the Commission for Children and Young People. To avoid this duplication of roles in relation to the Child Death Review Team the bill will transfer parliamentary responsibility for the Child Death Review Team from the Committee on Children and Young People to the Committee on the Office of the Ombudsman and Police Integrity Commission.

The Committee on Children and Young People will continue to apply its valuable experience and knowledge of issues affecting children and young people, and it will continue to be responsible for monitoring and reviewing the work of the Commission for Children and Young People. The Committee on Children and Young People will continue to be responsible in general for examining trends and changes in services and issues affecting children, but the bill will ensure that only one parliamentary committee—the Committee on the Office of the Ombudsman and Police Integrity Commission—will have oversight of the Child Death Review Team.

The bill also makes a small number of changes of an administrative nature to the appointment of members of the Child Death Review Team and to the team's research and reporting functions. These changes were requested by the Ombudsman in order to enhance the efficiency of the Child Death Review Team. The bill will appoint the Deputy Ombudsman in his capacity as Community and Disability Services Commissioner as a statutory member of the Child Death Review Team. The other statutory members of the team are the Ombudsman, as the convenor of the team, and the Commissioner of the Commission for Children and Young People.

The Deputy Ombudsman leads the Community Services division within the Ombudsman's office, and I understand that staff supporting the work of the Child Death Review Team are also within this division. Appointing the Deputy Ombudsman as a statutory member of the team will therefore ensure that he is best placed to support the team in carrying out its functions. The non-statutory members of the team include experts in child health care, indigenous health care, medical specialists and representatives from the NSW Police Force, the Coroner's office, the Department of Family and Community Services, the Department of Education and

Communities, the Ministry of Health and the Department of Attorney General and Justice. The bill extends the maximum term of office of these members of the team from the current period of two years to three years. Team members are also eligible for reappointment.

With respect to the team's research functions, the bill will remove a requirement for the team to obtain ministerial approval before it can undertake research on preventing or reducing the likelihood of child deaths. The team will still require the approval of the Minister before conducting research in the specific area of reviewable deaths, as those deaths are already looked at by the Ombudsman in another capacity rather than by the team. This means that the team's research cannot be constrained by the political agenda of the government of the day. With respect to the team's reporting functions, the bill removes the requirement to provide a copy of its draft reports to the Minister. In addition, the bill makes it clear that a member of the team can disclose information, such as extracts from a draft report, to any person or organisation for the purpose of obtaining information or advice or enabling comments to be made to the team in connection with the draft report. This will ensure that the team will be able to consult more widely in the preparation of its reports and recommendations should it wish to do so.

The Child Death Review Team has a task that is vital to the welfare and wellbeing of the children of New South Wales. The team's work has added greatly to our capacity to understand the causes of child deaths in New South Wales and, importantly, how to reduce the numbers of preventable child deaths. The recommendations that have flowed from the team's reports have led to improvements in our policies and practices. As a result of its work we now have better systems in place to prevent or reduce these deaths. The team's research is being translated into action to make our State a safer place for children. Its work has identified areas of concern for policymakers and the wider community, some of which would not have been recognised otherwise.

The team not only makes recommendations but also monitors and follows up with agencies on the implementation of its recommendations. To take one example from its latest annual report, the team has been monitoring the implementation of its recommendation regarding the risk of drowning for children and young people with epilepsy. A fact sheet on epilepsy and seizures is now available from a number of New South Wales children's hospitals, which includes educational messages on the dangers of children and young people swimming alone, and the importance of supervising children at risk of a seizure when bathing or swimming.

The bill will assist the Child Death Review Team in carrying out its valuable role of researching and advising the Government and the community on ways to prevent or reduce child deaths. We are serious about reform to improve services and boost accountability and transparency in the work we do for vulnerable children, young people and families. After 16 years of Labor the reform process undoubtedly will be long and challenging—there is so much to do. This bill not only is part of that reform challenge but meets another election commitment and is part of the Government's elevation of accountability and transparency in the way we work and improve. I commend the bill to the House.

The Hon. PENNY SHARPE [4.06 p.m.]: I lead for the Opposition in debate on the Child Legislation Amendment (Child Death Review Team) Bill 2011. I indicate from the outset that the Opposition opposes the bill because we believe it is not in the best interests of children and young people in New South Wales. There are approximately 1.7 million children and young people in New South Wales, and they make up approximately 23 per cent of our population. Children and young people in New South Wales cannot vote. The Government, and indeed the Parliament, therefore has the responsibility to make sure that their needs are at the forefront of our decision-making.

Children and young people are some of the most vulnerable people in this State. They rely often upon the adults in our community for their welfare and protection as well as improving their general wellbeing. One of the most important tasks that we policymakers take on is to try to improve the lives of children and young people. As members of Parliament we can do this in three important ways: through legislation, through parliamentary inquiries, and through our role in oversighting the work of public authorities and agencies. The bill removes the oversight of the reports from the Child Death Review Team from the Committee for Children and Young People and places it with the Committee on the Office of the Ombudsman and Police Integrity Commission. Labor believes this change is detrimental to children and young people in New South Wales.

The Labor Opposition believes that when determining who can and will provide the best parliamentary oversight of the work of the Child Death Review Team, the Committee for Children and Young People is the best option. To understand why, we need to understand the history of the development of the Committee for

Children and Young People. The Committee for Children and Young People was established in April 2000 with the mandate to take on the responsibility of examining trends and changes in services and issues affecting children and young people. During this time the committee has produced many important reports that have made recommendations to government on how to improve the lives of children in our communities. I point to just some of the reports: the use of prescription and over-the-counter medications by children and young people; issues in the education of children in out-of-home care; and children, young people and the built environment.

In addition, there have been reports "The Fatal Assault of Children and Young People" and "Children and Young People 9-14 Years". At the same time the committee has oversighted and reported to Parliament on the Child Death Review Team reports, including its annual reports and trends in child deaths; suicide and risk-taking by children and young people; and fatal assaults on children and young people. The work of this committee is specialised. Through its work it has built up expertise on, and understanding of, the issues relating to children and young people in New South Wales. It has attracted members of Parliament with their own expertise and commitment to young people, such as the member for Macquarie Fields, a paediatrician, who has been a member of child death review teams in New South Wales for more than 10 years; the member for Auburn, who before entering Parliament was a children's lawyer; and Reverend the Hon. Fred Nile, whose commitment to the protection of children has always been unwavering.

The changes in the bill mean that this committee, with the expertise and specialist-nature commitment of members of Parliament, will no longer be able to review the complex causes of child deaths in New South Wales. Although the Committee for the Ombudsman and Police Integrity Commission will also look after this task, it does not have a similar level of expertise or experience. While I am sure that all members of this committee are dedicated to the task they perform, they have not shown a particular interest in children and young people by putting up their hands for this committee in the first place. Through the oversight of the data contained in the Child Death Review Team reporting there is an opportunity for committee members to understand the complexity and follow up with inquiries and reports that make further recommendations to Parliament and to government.

It is important to note that 93 per cent of child deaths in New South Wales are not reviewable by the Ombudsman. The Ombudsman reviews deaths that are as a result of, or if there is a suspicion of, death due to neglect or abuse if the child was in care or in detention. The change in committee oversight outlined in this bill is unnecessary, and again I argue that it is counterproductive. The Child Death Review Team remains an essential part of trying to ensure that every child in New South Wales has the best opportunity to grow and thrive. The team examines the tragedy of a child's death and tries to make sense of it so that we can all learn lessons and try to put in place measures to reduce the number of similar tragedies in the future. Since the introduction of the Child Death Review Team in 1996 the number of deaths in this State has decreased from 833 to 565. The direct standardised mortality rate has reduced from 51.4 to 32.5 deaths per 100,000 children. That is good news that is not well known or often acknowledged.

Having said that, there is always more that can be done. The Opposition acknowledges the other provisions in this bill that are mainly administrative and follow on from the recommendations of the Ombudsman and others. We do not oppose those aspects of this bill. The fundamental question of which form of parliamentary oversight for child deaths and the wellbeing of children and young people best serves children and young people in New South Wales is not answered by the Government's bill. The Government's bill simply seeks administrative efficiency. Our concern about parliamentary oversight and how we can best serve children and young people is so grave that we cannot support the bill.

The Hon. CHARLIE LYNN (Parliamentary Secretary) [4.11 p.m.]: I support the Children Legislation Amendment (Child Death Review Team) Bill 2011. The Government is fulfilling an election commitment to boost accountability and transparency in community services. Children are the most important treasures we will ever have. By introducing this bill the Government is helping to prevent and reduce the number of child deaths. The Child Death Review Team assists government in preventing and reducing the number of deaths of children in New South Wales. The Child Death Review Team does this through data analysis and research, and by making recommendations. The team maintains a register of child deaths in New South Wales, classifies deaths according to cause, demographic criteria and other relevant factors, identifies patterns and trends according to the deaths, and makes recommendations to government and non-government agencies to prevent further deaths.

The Wood Special Commission of Inquiry into Child Protection Services recommended the transfer of responsibility for convening the Child Death Review Team from the Commission for Children and Young People to the Ombudsman. The Coalition in opposition strongly supported that transfer. In April 2009 the Labor

Government half-heartedly passed legislation to implement this recommendation, with the then Coalition Opposition proposing amendments to strengthen Labor's bill. In November 2010 the Ombudsman released the report "Unresolved issues in the transfer of the NSW Child Death Review Team to the Office of the NSW Ombudsman". The title speaks for itself, but for those on the other side who do not seem to understand I will explain that the report detailed the difficulties the Ombudsman was experiencing due to the incomplete nature of the former Labor Government's transfer.

The transfer came into effect on 11 February this year. Following the transfer, in March the Coalition released the out-of-home care policy Recovering Children at Risk and committed to supporting the Ombudsman's role in independently reviewing child deaths by transferring responsibility for coordinating the Child Death Review Team from the Commission for Children and Young people to the Ombudsman. This Government is supporting the majority of the Ombudsman's requests for legislative amendments to enhance efficiencies in the Child Death Review Team's operations, protect the Ombudsman's independence in his new role, and create better alignment between research activities of the Child Death Review Team and the Ombudsman's work on reviewable deaths.

Amendments to the bill will include: transferring the Child Death Review Team functions from the Commission for Children and Young People Act 1998 to the Community Services (Complaint, Reviews and Monitoring) Act 1993, removing certain statutory roles for the Minister in relation to the Child Death Review Team research and reports, rationalising the number of parliamentary committees to which the Ombudsman must report, extending the maximum term of office of Child Death Review Team members from the current period of two years to three years, removing a requirement to obtain ministerial approval before undertaking certain Child Death Review Team research programs, and removing the requirement for the team to provide a copy of its draft report to the Minister, with a final copy of the report instead being provided to the Minister.

Through these amendments the Coalition Government will finish the job that Labor failed to complete. This Government supports the Ombudsman's independence and the work of his office on child deaths. These amendments are an important step in boosting accountability, transparency and efficiency for the most important task of preventing child deaths. As a parent, I am sure all members of this House agree with my belief that children deserve to have an independent, efficient and transparent Ombudsman responsible for coordinating the Child Death Review Team in its research and recommendation role to prevent child deaths. The member for Auburn in the other place summed up the Opposition's pathetic track record in relation to this extremely serious issue when she questioned the need to rush this legislation. But child welfare and wellbeing necessitate it. The effective member for Camden, Chris Patterson, was right when he said:

> We make no apologies—zero, zip, zilch—for bringing this legislation forward as quickly as possible and putting it in place. The concern of the member for Auburn with democracy ahead of child welfare falls flat. This is a very important bill that needs to be addressed immediately.

He rightly continued:

> Get with the program; pick it up and run with it and support children in our State.

This is a good bill and the reason it is being brought forward is that we are not going to sit on it for five days and not deal with it. We are going to deal with it today, and we make no apologies for doing so. I commend Minister Goward for her work on this bill and for the sincere passion she brings to her portfolio. She is to be commended because we finally have a Minister who lives, eats and breathes this portfolio, and who will do everything she possibly can to advance child welfare in this State. I commend the bill to the House.

The Hon. WALT SECORD [4.16 p.m.]: I am grateful to have an opportunity to speak to a bill with such gravity as the Children Legislation Amendment (Child Death Review Team) Bill 2011. I know that all members share the stated aim of this bill, which is to reduce the number of tragic deaths of our children—even if we disagree on the best ways to achieve that aim. I strongly support the difficult but vital work of the Child Death Review Team. It documents child deaths in New South Wales, classifies them, identifies patterns and makes recommendations. For more than 15 years those recommendations have informed changes in a raft of policy and service areas such as policing, education, health, community services, housing and more.

Child protection requires a long-term and broad view. It is complex. People who work in this field shudder each time someone speaks as if there are quick solutions to these tragedies because they understand that there are very few simple solutions to child neglect. The narratives that lead children to situations of high risk are often long and complex. Indeed, they are unfortunately often multi-generational. No government should expect to

unwind those complexities in a few years, nor should it speak as if it can. This area has challenged governments of all persuasions. Regrettably, this is another area where the Government made much noise before the election and painted this issue in deceptively simple terms that did a disservice to those working every day to prevent more abuse. Seven months later, we are disappointed in that deception and in the Government's inaction.

On October 28 during budget estimates hearings the Minister for Family and Community Services, Pru Goward, under questioning from my colleague the Hon. Helen Westwood was forced to admit that she had broken her promise to notify the community immediately of any death of a child known to the Department of Community Services. In April she vowed to the community and the Parliament that they would be told immediately when a child known to the department died. Now she says she will tell the Parliament and the community "whenever it's possible". It is not that I do not understand there are circumstances in which immediate notification may not be in the best interests of child protection, but I highlight this because it is typical of the Minister's overt bluster that is followed by covert non-delivery. Minister Goward also defended her policy of capping the number of kids removed from homes. Labor has always found this to be obscene. It explicitly says that a child at risk will be left at risk because an arbitrary cap has been met.

I turn now to the specific initiatives in the bill. The Children Legislation Amendment (Child Death Review Team) Bill 2011 will transfer the legislative provisions regarding the Child Death Review Team out of the Commission for Children and Young People Act 1998 and into the Community Services (Complaints, Reviews and Monitoring) Act 1993. The bill will also transfer responsibility for parliamentary monitoring of the Child Death Review Team from the Committee on Children and Young People to the Committee on the Office of the Ombudsman and Police Integrity Commission. The bill extends the maximum term of office of Child Death Review Team members from two years currently to three years. The bill also removes the requirement of the Child Death Review Team to provide a copy of its draft report to the Minister and takes away the current requirement that ministerial approval must be obtained before some Child Death Review Team research programs are undertaken. Further, the bill enables the Child Death Review Team to disclose information for the purposes of obtaining information for a draft report.

We support the work of the Child Death Review Team and so will generally support steps to empower that work. Labor believes the best way to do this is to take advantage of child-related expertise and knowledge. To that end, we are not opposed to extending the terms of office for members of the Child Death Review Team or to changes that may enhance the expertise of the team and the quality of the reports it produces. Instead we question a governance arrangement that does not take advantage of the knowledge within the Commission for Children and Young People. Our shadow Minister for Family and Community Services, Mrs Barbara Perry, has distilled our concern in one question: Who is best to oversee the Child Death Review Team—the Committee on Children and Young People or the Committee on the Office of the Ombudsman and Police Integrity Commission? To answer this it is important to look into the functions of the Child Death Review Team.

The Child Death Review Team, with the assistance of the Commission for Children and Young People, maintains a registry of child deaths, classifies these deaths according to cause, identifies demographic criteria for each case, analyses and identifies any patterns in these deaths and undertakes research to produce recommendations to prevent the death of our children. Their work ultimately yields changes across government services and across the community and the non-government sector. The Commission for Children and Young People can take credit for its role in the reduction of child deaths since the Child Death Review Team was created in 1996. In 1996 the number of child deaths was 52 per 100,000. Since the Child Death Review Team was created, and through almost 16 years of dedicated support by the previous Government, the rate of child deaths has reduced to 32 deaths per 100,000. This will never be good enough but it is a credit to the Child Death Review Team. It has succeeded in providing real solutions that have reduced the instances of child deaths. This is the commission that has expertise in child and youth issues.

Alternatively, the expertise of the Office of the Ombudsman and Police Integrity Commission is to review only suspicious deaths, deaths by abuse or neglect, or of a child in care or detention. This amounts to a very small proportion of child deaths. That means 93 per cent of children do not die of a condition reviewable by the Ombudsman. Why then would we ask the Ombudsman to oversee this team? The areas of expertise do not match. The two areas—child death and suspicious child death—are distinct, requiring different skills and direction. So, as we identify the functions of the Child Death Review Team, it becomes clear that it is the Commission for Children and Young People that has the ideal expertise to guide this vital work. It therefore appears evident that the Government and the Minister, in her simplistic bluster, have failed to understand the operation of the Child Death Review Team and failed to take advantage of the knowledge currently available in her own department.

In fact, to justify this move the Minister has even suggested that the current arrangement allows the government of the day to modify reports into child deaths. That is absurd. It has always been the case that any report is drafted and then ticked off by all independent members of the Child Death Review Team. So what exactly is the Minister suggesting? Working towards preventing the death of children is arguably one of the most serious matters we can consider in this place. This is the work that Labor established. This is work that Labor invested in and through which it achieved more than any previous government. The work of the Child Death Review Team is vital to why there are dramatically fewer child deaths than previously. We therefore continue to support that team and that work, both of which are dedicated exclusively to making children safer. We therefore support parts of the bill that improve the team's work, but the change in oversight is not one of them. I thank the House for its consideration.

The Hon. NATASHA MACLAREN-JONES [4.24 p.m.]: I am pleased to support this very important bill and acknowledge the hard work and determination of the Minister for Family and Community Services, Pru Goward, in bringing forward these reforms. I also congratulate Andrew Constance, Minister for Ageing and Minister for Disability Services, on the assistance he provided in formulating the Children Legislation Amendment (Child Death Review Team) Bill 2011. All members would agree that protecting our children and ensuring child safety and welfare in this State is of the upmost importance. The Child Death Review Team assists the Government in preventing and reducing the number of deaths of children in New South Wales. This bill not only delivers on another key election commitment of the O'Farrell-Stoner Government but also demonstrates the Minister's commitment to the Ombudsman's role as an independent auditor of child deaths in New South Wales.

The death of any child is a tragedy and we must always look at new and innovative ways to provide these otherwise at-risk children with the best opportunities in life. Members of my immediate and extended family have worked as foster parents for many years and I have seen and heard of terrible cases of severe neglect and abuse of a child. I would like to thank Jill and Denis Brutnell for the care they have given to over 100 children. Being a foster parent is tough, and I commend the work of all foster parents because without them many of these children would not get a second chance. Children are our greatest asset and as legislators we have a responsibility to protect those who are too vulnerable to help themselves.

Foster care is one of a range of options used to provide care and protection for children who cannot live with their biological parents, and adoption is another. Unfortunately, over the past 30 years we have seen a decline in the number of adoptions in this country. In 1972 there were 8,500 adoptions in Australia; we now have 412, and of those only 61 are termed "local or domestic adoptions". In New South Wales between 1973 and 1977 there were 1,936 adoptions compared with just 165 adoptions during the last reported year of 2010-11. What concerns me is the biology-first culture embraced by bureaucrats in this country who put the interests of the biological parent ahead of the long-term interests and protection of the child. Adoption has become the poor relation of child protection in this country.

Unfortunately for children, State and Territory welfare departments have a history of swinging between a policy of removing children at risk to a policy of family preservation. Sadly, a parent or parents who may wish to adopt out a child are in some cases referred for counselling to groups whose stated aim is the abolition of adoption. We need to reduce the hurdles to adoption across jurisdictions and streamline processes for foster parents to adopt. Sometimes the opportunity to adopt can be the difference between life and death, and we must change the adoption culture in New South Wales so that prospective parents who are prepared to provide a loving and nurturing family environment can do so. As legislators we have an obligation to provide children at risk with the best opportunity to reach their full potential, and the Child Death Review Team is an important part of that process.

As I have said, this bill is an important step towards improving the health and wellbeing of our children. Relocating the Child Death Review Team under the responsibility of the Ombudsman, as recommended by Justice Wood in 2008, is a positive step. The bill makes a number of other changes including transferring the Child Death Review Team functions from the Commission for Children and Young People Act 1998 to the Community Services Act 1993. In doing so it falls out of the responsibility of the Committee on Children and Young People and therefore it makes sense for the Ombudsman to report directly to the Committee on the Office of the Ombudsman and Police Integrity Commission. To facilitate this, the bill reduces the number of committees the Ombudsman must report to as the Commissioner for Children and Young People is a member of the Child Death Review Team. It is important to note that the Committee for Children and Young People may continue to be kept informed of the team's deliberations.

Furthermore, the bill removes some ministerial roles including the need for ministerial approval for research to be undertaken by the team. The research functions of the team are to maintain a register of child deaths in New South Wales, classify the deaths as to cause, identify demographic criteria and patterns and trends relating to the deaths, and make recommendations to government and non-government agencies for the prevention of further deaths.

Again, I congratulate the Minister on taking this step as it demonstrates that the Government is serious about having complete transparency. The New South Wales Office of the Ombudsman will have full authority to investigate any matter without any interference, coercion or direction from the Minister. The second provision removes the requirement for the Child Death Review Team to provide a copy of the draft report to the Minister. Instead, only a final report will be provided. The Government is committed to preventing and reducing the number of child deaths in New South Wales. This bill is another means to help the vulnerable members of society. I commend the bill to the House.

The Hon. JAN BARHAM [4.30 p.m.]: I support the Children Legislation Amendment (Child Death Review Team) Bill 2011. In the foreword of the 2010 annual report of the NSW Child Death Review Team the Ombudsman states:

> The death of a child is a profound loss, first and foremost to family and friends, and to our whole community. The work of reviewing child deaths has one core purpose: to prevent, to the degree possible, other children dying. It is a significant responsibility as well as a great opportunity to make a difference.

All members who have contributed to this debate echo those words and acknowledge the major responsibility of the Child Death Review Team in reviewing and preventing child deaths. The bill addresses the final implementation of some recommendations from the 2008 Report of the Special Commission of Inquiry into Child Protection Services in NSW by the Hon. Justice James Wood, AO, QC. A number of changes increase the accountability, transparency and independence of the Ombudsman as convenor of the Child Death Review Team. The Ombudsman states that the resources and expertise of his office will benefit the team through extensive understanding of the range of relevant government services from human services and health, to transport and local government.

The extensive experience of the Ombudsman's office in reviewing child deaths has been important in seeing a reduction in deaths. The Ombudsman said that Justice Wood's vision was to ensure that the scrutiny and reporting of reviewable child deaths was enhanced through an integrated function that examines all child deaths in New South Wales to enable the making of more systemic recommendations to prevent child deaths. The bill transfers the functions of the Child Death Review Team to the office of the Ombudsman, including reporting to the single Committee on the Office of the Ombudsman and the Police Integrity Commission. This bill integrates also a single reporting function by the Ombudsman to the Parliament rather than to two committees. That appears to be a sensible approach.

The bill removes the requirement for the Minister's approval for the Child Death Review Team to undertake research—another sensible move. There is no reason to complicate and delay research into an important issue by requiring the Minister's approval. I am pleased that that has been rectified. The Child Death Review Team's first report after the transfer of functions in February 2011 notes 540 child deaths, of which 82 per cent were from natural causes. The work being done by the team to define leading causes of death and the preventable deaths offers important guidance for society. This is important research and enables the Ombudsman and the team of experts to provide information about ongoing education and enhancement as an important task to prevent child deaths.

It is frightening that drowning remains a major cause of child deaths, despite years of education in the public arena. I know from a local government perspective that a great deal has been done in an endeavour to prevent or reduce the number of child drowning deaths by increasing regulations for the fencing of backyard pools, much to the annoyance of many people. However, the problem remains and significant effort must be undertaken to not only investigate and research the cause, but also to continue to enhance community education to get the message through. Something is terribly wrong when preventable deaths are not being reduced. Last year in New South Wales 14 children died from drowning and 32 died as a result of transport incidents. Many of these fatalities can be avoided through proper safety education. There are a number of activities where human error can come into play—such as walking across a road, riding bicycles, driving motor cycles and using watercraft—and education and a real commitment to safety are important. The Government must make an additional effort to ensure that the community is appropriately educated.

Sadly, the report indicates that death by suicide remains quite high for all ages but, particularly, for young people. Suicide deaths have associated risk factors: mental ill health was responsible for the death of 11 young people last year, with depression being the most commonly identified illness. Members have said many times in this place that society needs to change its attitude towards those who suffer from mental health issues and learn to deal with this problem more openly. The frightening statistic from the report is that three of those young people had attempted suicide previously. The indicators were present, as was the opportunity to avoid those deaths, if appropriate measures had been in place to deal with attempted suicides. Substance misuse—cannabis and alcohol—was a contributing factor for eight young people, two of whom suffered from chronic substance misuse. Social isolation and exclusion is another risk factor associated with suicide and, from recent events, bullying also must be included.

Child deaths in these areas are preventable. The Commission for Children and Young People does excellent work in this area. However, it is important to note that the bill identifies the important task of the Ombudsman working effectively with a team that understands the importance of researching those deaths and making recommendations. Analysing data, making recommendations and ensuring that only the final report goes directly to the Minister strengthens the Ombudsman's important role. My final point is the importance of extending the term of Child Death Review Team members from two years to three years. This will provide additional time for team members to follow through on information resulting from data analysis.

The Greens support the bill and commend it to the House. We need to ensure that the Government makes the additional commitment to provide the required resources once the Child Death Review Team and the Ombudsman make their recommendations. We do not want a repetition of past reports, where no further action was commenced once the Ombudsman's report was delivered to the Parliament and made available in the public arena. The loss of life and the impact on vulnerable people is shocking for our society. I hope that this bill goes some way to correct the terrible situations of the past. I commend the bill to the House.

The Hon. DAVID CLARKE (Parliamentary Secretary) [4.40 p.m.]: I wish to briefly comment on the Children Legislation Amendment (Child Death Review Team) Bill 2011. At the outset I say that any action that can be taken to prevent harm to our children will always have my support. They are amongst our most vulnerable in the community. Governments need to do all in their power to give them the protection they need and to provide whatever resources are needed to achieve this purpose. How tragic it is to read or hear of those all too frequent occasions where children have suffered deprivation, injury or even death because of abuse, mistreatment or neglect.

All of us need to be ever vigilant to prevent such heart-wrenching tragedies from continuing to occur. That is why I support the bill. I pay tribute to the Hon. Pru Goward, the Minister for Family and Community Services, for driving this piece of legislation and introducing it into Parliament. The core purpose of this bill is to assist the Government to reduce and to prevent the number of deaths of children from birth to 17 years in New South Wales through data analysis, research and recommendations.

The bill will transfer, with some modifications, provisions relating to the Child Death Review Team from the Commission for Children and Young People Act 1998 to the Community Services (Complaints, Reviews and Monitoring) Act 1993. The Child Death Review Team was established to obtain information related to child deaths in New South Wales and to review an analysis of that information for the purpose of making recommendations as to measures to prevent or reduce child deaths. In particular, the Child Death Review Team's function are to maintain a register of child deaths in New South Wales; to classify these deaths according to cause, demographic criteria and other relevant factors; to identify trends relating to the deaths; and to make recommendations to government and non-government agencies for the prevention of further child deaths. They are all worthy purposes.

The background to this bill is that in 2008 the Special Commission of Inquiry into Child Protection Services in New South Wales recommended the transfer of responsibility for convening the Child Death Review Team from the Commission for Children and Young People to the Ombudsman. In April 2009 the New South Wales Parliament passed legislation to this effect, with the full support of the Coalition Opposition. Most importantly, the Coalition was right when it proposed amendments to strengthen the bill. We saw that it contained obvious defects, as has been demonstrated by events.

The Coalition's concerns proved well founded when on 4 November 2010 the Ombudsman released a report entitled, "Unresolved Issues in the Transfer of New South Wales Child Death Review Team to the Office of the New South Wales Ombudsman". This report made clear that the Ombudsman was experiencing great

difficulties because of the Labor Government's botched transfer of power to the Ombudsman. That transfer, such as it was, came into effect on 11 February this year. The Ombudsman sought legislative and administrative amendments to improve the operation of the Child Death Review Team, to ensure the Ombudsman's independence was protected in the new role, and to create a better alignment between the research activities of the Child Death Review Team and his work on reviewable deaths.

This bill largely meets the majority of the Ombudsman's requests: The transferring of the Child Death Review Team functions to the Community Services (Complaints, Reviews and Monitoring) Act 1993. These comprise removing certain statutory roles of the Minister relating to research and reports to streamline the process, including removing the requirement for the Child Death Review Team to provide a draft report to the Minister as well as a final report; rationalising the number of parliamentary committees to which the Ombudsman must report; and extending the maximum term of office of Child Death Review Team members. On this whole issue, the former Labor Government dragged its feet. It was half-hearted in its actions. However, the Government is not dragging its feet. The Government's actions will not be half hearted. The Government's measures mean something—they have been put forward by a Coalition Government for the children of New South Wales.

The Hon. JOHN AJAKA (Parliamentary Secretary) [4.45 p.m.], in reply: I thank all honourable members for their contributions to the debate. I am extremely surprised to hear that Opposition members oppose the Children Legislation Amendment (Child Death Review Team) Bill 2011. Then again, perhaps I should not be surprised because when they introduced the previous bill they failed to complete what should have been a clear task, which was recommended by Justice Wood. The Hon. Penny Sharpe says that this bill is not in the best interests of the children of New South Wales. With all due respect, she is clearly wrong. This bill is in the best interests of our children. The Opposition criticises the transfer of responsibility for oversight of the Child Death Review Team from the Parliamentary Committee on Children and Young People to the Parliamentary Committee to the Office of the Ombudsman and the Police Integrity Commission.

Without this proposed bill, the Ombudsman would have to report to both parliamentary committees in relation to his Child Death Review Team functions. It would add unnecessary duplication and complexity to the Ombudsman's responsibility. The Ombudsman would be reporting on different but complementary aspects of his work relating the child deaths to each committee. The Parliamentary Committee on the Office of the Ombudsman and the Police Integrity Commission has a statutory role to monitor the exercise of the functions by the Ombudsman and to review reports of the Ombudsman. The Child Death Review Team is a function of the Ombudsman. Therefore, the Parliamentary Committee on the Office of the Ombudsman and the Police Integrity Commission is the appropriate body to have oversight of the Child Death Review Team. Splitting child death reporting between two parliamentary committees would mean neither committee would achieve a full understanding of the area. As I said in the second reading speech, one must look at the recommendations of Justice Wood.

We are completing a job that the former Labor Government failed to implement the first time around. The real reason Opposition members oppose this bill is that they are embarrassed by the fact that they failed to complete the job in an appropriate manner. That is the substance of their opposition. If Opposition members had said, "We do not oppose this bill" they would have been admitting that they failed to do the job required. Let us look at the contribution of the Hon. Walt Secord, who said we should not wind back the former Government's legislation. That is a nonsense statement. We are not winding anything back; we are moving forward. We are completing a task that those opposite failed to complete. We are not winding back and we are not removing; we are adding what should have occurred the first time around. We are moving forward. The Ombudsman referred to the difficulties being experienced in a report.

Those opposite just refused to listen; they refused to acknowledge that an error was made, that there was an omission on their part that needed to be rectified. This is typical of their entire 16 years in government. They never moved forward because, to move forward, they must acknowledge an error, a mistake. They must acknowledge it in order to rectify it. We have rectified those errors. Again, the Opposition does not take that into account. The Liberal-Nationals Government cares about the best interests of our children. That is why this bill has been introduced. I congratulate the Minister on introducing the bill. I commend the bill to the House.

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

The House divided.

Ayes, 26

Mr Ajaka	Mr Gallacher	Mr Mason-Cox
Ms Barham	Miss Gardiner	Mrs Mitchell
Mr Blair	Mr Gay	Reverend Nile
Mr Borsak	Mr Green	Mrs Pavey
Mr Brown	Dr Kaye	Mr Pearce
Mr Buckingham	Mr Khan	Mr Shoebridge
Mr Clarke	Mr Lynn	*Tellers,*
Ms Faehrmann	Mr MacDonald	Mr Colless
Ms Ficarra	Mrs Maclaren-Jones	Dr Phelps

Noes, 13

Ms Cotsis	Mr Searle	Mr Whan
Mr Donnelly	Mr Secord	
Mr Foley	Ms Sharpe	*Tellers,*
Mr Moselmane	Mr Veitch	Ms Fazio
Mr Primrose	Ms Westwood	Ms Voltz

Pair

Ms Cusack Mr Roozendaal

Question 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. John Ajaka, on behalf of the Hon. Greg Pearce, agreed to:

That this bill be now read a third time.

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

CHILDREN (EDUCATION AND CARE SERVICES) SUPPLEMENTARY PROVISIONS BILL 2011

Second Reading

Debate resumed from an earlier hour.

Dr JOHN KAYE [5.00 p.m.]: On behalf of The Greens I address the Children (Education and Care Services) Supplementary Provisions Bill 2011. I thank the House for its indulgence in delaying the completion of the second reading until I had the opportunity to speak on the bill. I appreciate the courtesy extended to me by the House. The bill amends the Children (Education and Care Services National Law Application) Act 2010 to delete references to the Children and Young Persons (Care and Protection) Act 1998 in anticipation of the national quality framework being implemented in January 2012. The Greens voted in favour of the 2010 bill and we will vote in favour of the 2011 bill. We support the transition to the national quality framework and the improvements it will bring in child care, early childhood services and early childhood education. The bill establishes new regulation processes for the services not included under the national quality framework, that is, occasional care, home-based care and mobile services. The aim is to mirror the administrative and compliance-based mechanisms of the national quality framework.

The national quality framework is part of the Council of Australian Governments Early Childhood Education National Partnership, which aims to deliver universal access to early childhood education. This

extremely important outcome recognises that the education of a child begins at birth, runs through to formal schooling and continues after schooling. One of the great advances that has been made is the understanding that child care and early childhood education are important to the development of a child and a child's engagement with education at school and in his or her future life. The national quality framework will take effect on 1 January 2012. The key requirements will be phased in over time and the final implementation will take place by 2020.

Requirements such as qualifications, educator-to-child ratios and other key staffing arrangements will begin next year and will be completely implemented by 2020. Eight years sounds like a long time. Given the benefits that the final implementation of the framework will bring, it is disappointing that it will take eight years. In fact, from the signing of the Council of Australian Governments document in December 2009 it will take 11 years to fully implement the framework. However, given the scale of the undertaking and the nature of the changes—the increased number of teachers per student, the new qualification requirements and the new staff-to-child ratios—it is reasonable to allow such a period of time.

The qualification requirements are that 50 per cent of educators in each preschool and long day care centre must have at least a diploma level Early Childhood Education and Care qualification or be actively working towards obtaining one by 2014. Family day care educators will be required to have a certificate III level Early Childhood Education and Care qualification or be actively working towards one by 2014. Coordinators will be required to have a diploma. From January 2014 preschool and long day care centres with fewer than 25 children must have an early childhood teacher present some of the time and those with 25 to 29 must have an early childhood teacher present all the time. For larger services New South Wales requirements will remain in place.

In relation to staff-to-student ratios the greatest benefit will be seen at long day care and preschool centres, which will be required to have a 1:4 staff-to-child ratio for children aged from birth to 24 months, with this requirement to be implemented by 1 January 2012; a 1:5 staff-to-child ratio for children aged between 25 months and 35 months, to be implemented by January 2016; and a 1:11 staff-to-child ratio for children aged 36 months and above, to be implemented by January 2016. Family day care will require a 1:7 staff-to-child ratio with no more than four children under school age, with this requirement to be implemented by January 2014. These exciting developments will raise equality of early childhood care and education, professionalise the sector and encourage the educational growth potential of our young people. They will have long-term positive implications for our society with Australia becoming a better educated society and a society better able to engage in its democracy, its economy and its culture.

This initiative has had substantial positive feedback. Almost all the organisations we have had contact with strongly support the legislation, even those that recognise the cost implications for their member organisations. Nothing comes for free. It must be recognised that both the qualifications and staffing requirements will impose greater costs on early childhood service providers and care and education providers. We are keen to ensure that the cost is not borne by the parents but by the State and Federal governments. It is unreasonable to expect parents, many of whom are already struggling, to cope with these costs.

Yesterday I and the shadow Minister, the Hon. Penny Sharpe, attended a meeting of 80 to 90 public preschool parents and teachers, who raised their concerns about the up to $40-a-day fees to be imposed. In recognition of the importance of preschool education, they made it clear that they did not want public preschools placed on a competitive fee basis with the community and private sector. It is a great shame that as the Government introduces this legislation, which will provide great benefits, it is caught up in a fight with the community, the sector, the Teachers Federation, The Greens and Labor over public preschool fees. I hope the Government listens, understands that it has embarked on the wrong direction and back down.

As I understand, there is no plan to offer financial or other assistance to implement the necessary changes. It would be unreasonable to place this burden on parents, teachers and care workers. I look forward to the Parliamentary Secretary addressing this issue in reply. This is one instance where I would be extremely happy to be wrong. If the Government is going to put its shoulder to the wheel and address these issues by providing additional financial assistance, that would be an extremely positive step. Child Care New South Wales contacted The Greens, and I believe all members of Parliament, and asked that the legislation be delayed. It wants a further two years to prepare for these reforms, claiming that the requirements would impose an unnecessary burden on its members.

I note that Child Care NSW represents the for-profit operators. It can be seen from its website that it is very clearly oriented towards those people who wish to invest in child care in order to make a profit from it.

Any investor in any industry ought to be aware of changes to the industry. They ought to be aware that if they are contemplating investing in or being involved in or are currently involved in child care they should follow the proposed regulatory changes very carefully.

This is not something that has happened overnight. The Council of Australian Governments meeting which announced the national quality framework and announced the intention to move in this direction was in 2009. These organisations have known for two years that this was a multiparty direction; it was not just a direction of one government or another, it was a direction of all governments, and when it was announced there was no opposition. Every political party, all of the main organisations that were concerned with the care of children and young people, unanimously celebrated the beginning of the professionalising of the sector—the beginning of the recognition of the important work done by early childhood educators and early childhood carers. Understanding that there would be costs and understanding that it would take adjustments to the system, everybody recognised that this was a step in the right direction.

It is a bit rich for the profit-making childcare sector to say it is good and they like it but they want another two years. The debate over how this should be done is now over. The debate now should clearly be about going forward, assessing the benefits and finetuning, not about delaying. The Greens will not support the call from Child Care NSW to delay this legislation. Every party is committed to higher-quality child care and early childhood education and every party has its own particular spin on how that ought to be done. But it is good to see what will probably be the last piece of legislation before we seriously begin the process of implementing the framework. We look forward to seeing that framework implemented over the next eight years, but The Greens mostly look forward to what happens 10, 15, 20 years down the track when we see the benefits of that framework in relation to what happens to children as they pass through school and enter life after school, when they are better prepared to be good citizens because they have had a good start in life. The Greens support the legislation.

The Hon. CHARLIE LYNN (Parliamentary Secretary) [5.12 p.m.]: I speak in support of the Children (Education and Care Services) Supplementary Provisions Bill 2011. The national quality framework is the regulatory system that will apply around Australia from 1 January 2012 to long day care, preschools, family day care and out-of-school-hours care. Other types of education and care services in New South Wales will be regulated under the Act established by the bill. These include occasional care, home-based care and mobile services. The bill ensures that the Department of Education and Communities, which regulates early childhood education and care services, continues to have at its disposal all the tools it needs to respond to breaches that can pose a risk to children attending those services. Good regulatory practice recognises the need for enforcement measures, and it is in everyone's interest that compliance is as consistent as possible between those services covered by the national quality framework and those that are not.

The bill ensures that regardless of whether a service comes under the national quality framework or the Act established by this bill similar compliance and enforcement provisions will apply. Service providers and their staff, as well as the regulator, will need to be familiar with only one set of provisions, ensuring greater equity, certainty and simplicity. Importantly, the bill also aligns as closely as possible the penalties that will apply for offences under the two regulatory schemes. For example, under both schemes different penalty amounts will apply for individuals and corporations. As well as ensuring equity, certainty and simplicity for the early childhood education and care sector, the bill gives service providers a consistent message about the importance of complying with requirements that are all about the safety, health and wellbeing of the children. I congratulate the Minister on putting forward these changes in the interests of a cohesive and effective framework for early childhood education and care services. I commend the bill to the House.

The Hon. JOHN AJAKA (Parliamentary Secretary) [5.14 p.m.], in reply: I thank the Hon. Niall Blair, the Hon. Penny Sharpe, the Hon. David Clarke, the Hon. Natasha Maclaren-Jones, the Hon. Sarah Mitchell, Dr John Kaye and the Hon. Charlie Lynn for their contributions to the debate and for their support of the Children (Education and Care Services) Supplementary Provisions Bill 2011. A national system for the regulation of early childhood education and care services, known as the national quality framework, is to start on 1 January 2012. As we have discussed, the purpose of the bill is to amend existing New South Wales law to take account of the changes that will result from the commencement of the national quality framework in this State and to make some adjustments to the national quality framework law in the New South Wales Act from 1 January next year.

The types of services concerned are commonly known in New South Wales as long day care, preschools, family day care and out-of-school-hours care, which includes vacation care—words that are very

familiar to me, having six daughters. In relation to Dr John Kaye's comments about the 1:11 ratio by 2016, New South Wales is retaining its existing ratio of 1:10 for children aged three to school age. In relation to Dr John Kaye's comment about fees in preschools, I believe Minister Piccoli answered all the issues raised in his speech yesterday, which can be found on the website of the Department of Education and Communities. I refer Dr Kaye to the Minister's speech. In relation to Dr John Kaye's comments about cost, I am advised that this bill does not have a direct impact on families. I am also advised that the implementation of the national quality framework will have only a modest financial impact and the cost will be spread over years.

It is important to reiterate that the national quality framework law was passed by the New South Wales Parliament in November 2010, under the previous Government. A discussion paper about the alignment proposals was issued by the Department of Education and Communities to its national quality framework reference group this year, and feedback from this group was reflected in the development of this bill. It is also a logical progression from the changes earlier in the year when the Minister for Education assumed responsibility for early childhood education and care services in lieu of the Minister for Community Services. These changes recognise that early childhood education and care services are mainstream services with a focus on early childhood and development and that they are available to all families rather than forming part of the statutory child protection system.

The bill makes other very practical changes. To the extent feasible, the bill aligns administrative provisions that apply to services that will not be under the national quality framework with those that will be under it. Examples include the time frames for processing applications for licences and approvals and the processes and time frames for suspending and revoking licences and approvals. This sort of alignment provides more equity and transparency across the early childhood education and care sector in day-to-day dealings with the regulator. I commend the bill to the House.

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

Motion agreed to.

Bill read a second time.

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

Third Reading

Motion by the Hon. John Ajaka, on behalf of the Hon. Duncan Gay, agreed to:

That this bill be now read a third time.

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

REMEMBRANCE DAY

The PRESIDENT: Order! Further to my statement yesterday concerning Remembrance Day, I inform honourable members that tomorrow the House will rise on a long bell at 10.15 a.m. until 12 noon to allow members to attend Remembrance Day services. I remind those members attending the service at the Cenotaph that they should be seated by 10.30 a.m.

BUDGET ESTIMATES AND RELATED PAPERS

Financial Year 2011-2012

Debate resumed from 12 October 2011.

The Hon. Dr PETER PHELPS [5.19 p.m.]: On the last occasion I spoke about the disgraceful John Robertson Solar Bonus Scheme which really should be called the solar bogus scam. This scam corrupted the free market of energy purely for political gain. Let us examine the economics of it because, as I said, the political Left in Australia seems to have lost all contact with any semblance of accepted economic theory. The economics of the scheme are that producers will get a gross feed-in tariff of 60¢ per kilowatt hour. Yet, if the producers sold it for 60¢ they could immediately buy it back at a rate of less than half that—somewhere in the

order of 23¢ to 25¢. Something is sold at a wholesale price of 60¢ and is then bought at a retail price of 23¢. Does anybody see a problem with this model where the retail price is less than half the wholesale price? Of course there is no economic model that makes this scheme viable.

The fact that John Robertson was such a staunch supporter of the scheme indicates that he should never, ever go anywhere near the reins of government. Any small business person who agreed to buy something at 60¢ wholesale and then sell it for 23¢ retail would rapidly become bankrupt. The economic bankruptcy of the Labor Party is on no better display than in its initiation of the solar bogus scam. Compare this amount to coal or hydroelectricity which on average costs about 3¢ to 6¢ per kilowatt hour to produce. Even if prudential hedging for those sources is factored in it only adds about an additional 2¢ per kilowatt hour. Let me put it this way: For producers, this scheme is around 10 times more profitable per kilowatt hour than the wholesaling of coal-fired electricity or hydroelectricity. That is a corruption of the market of the highest order.

I would divide the types of people who decided to invest in this scheme into two groups: people who placed environmental consciousness at the height of their decision-making, and people who were looking for investments. As I said in my inaugural speech, if environmentalists want to save the world I am happy for them do so, but they have no right to demand that I and millions of other households pay for their conscience. Anthropogenic global warming alarmists are forever telling us about how we must sacrifice our wealth and our lifestyle to save the planet. We are told that Australia must lead the way on the carbon tax—despite the rest of the world doing nothing. I call on the environmentalists who have put forward their conscience and said we must have a solar scheme on our roofs to apply the same sort of mentality and morality to themselves. If they want to save the world, let them don the hairshirt and let them wear the cost.

Of course the idea that photovoltaic power is some sort of great white energy hope is a complete and utter myth. We could put photovoltaic units on every house in Australia at a cost of around $200 billion and it would only meet about 10 per cent of our energy requirements. So the John Robertson Solar Bonus Scheme is everything The Greens and the modern Left generally loves: middle-class symbolism which allows the pretentious to flaunt their moral superiority while engaging in a scheme that is simultaneously ridiculously expensive and completely useless.

I will now turn to those people who considered putting photovoltaic units on their roofs because they were primarily investors who wanted a long-term return on that investment. All good investors do due diligence on investments before they lay out any money. Even the most cursory examination of the John Robertson solar bogus scam would have shown a reasonable investor that it was an uneconomic product. The produce cannot be sold at market feed-in rates because the genuine wholesale price is not 60¢. Let us suppose that, similar to coal or hydro, the genuine wholesale price is only around 8¢. If an investor were to apply that 8¢ return they would find that the rate of return on their capital investment was uneconomic. The only way that it becomes economic is for the Government to intervene and corrupt the market. The Government must force 3.1 million households that do not have photovoltaic units to subsidise the approximately 132,000 that do.

The Mandatory Renewable Energy Target is another example of the market being deliberately corrupted by government to advance particular political interests. It is a disgrace. It is for these reasons that I made a conscience decision not to get involved in the John Robertson Solar Bonus Scheme. However, I do not blame people for signing up to the scheme when the Government was literally throwing money away.

The Hon. Steve Whan: You are a man of principle.

The Hon. Dr PETER PHELPS: Yes. I am an economic moralist, not an economic rationalist. When the Government is throwing money away I do not blame people for doing the economically rational thing and accepting money for nothing. But let this be an experience, lesson and warning to others. When someone suggests that a person should part with money for a money-making scheme which is completely economically unviable and will only succeed with political patronage, that person should be wary of crooks and swindlers. People should be very worried when someone says something is available for purchase that has no market value but for which the Government will hypothecate and fabricate a market value.

To put it in layman's language, imagine if a group of pseudo-capitalists had approached the previous Labor Government and said they wanted to start a new car company. Let us call it Robertson Motors. Robertson Motors will produce cars—the Robbo 2011—at the same standard as a basic Falcon or Commodore. The problem is that while Ford or Holden can do that for about $20,000 a piece, Robertson Motors can only produce the Robbo 2011 for $60,000 a piece.

How are we going to subsidise it? We will put a toll on every road in New South Wales so that every motorist has to pay to subsidise the production of the Robbo 2011. That is a direct analogy with what the previous Government did to the people of New South Wales in relation to the electricity market. How many people would stand for that? How many people would say, "We are going to subsidise a car production industry with tolls on every road in New South Wales"? Maybe the socialists opposite might do so but not anyone with an ounce of economic integrity. I turn now to the Auditor-General's report to show what an absolute debacle this has been and what a disaster it is for our budget. The Auditor-General says:

> The Scheme lacked the most elementary operational controls, had no overall plan, and risks were poorly managed.

The Hon. Amanda Fazio: Point of order: My understanding is that this time is for debate on the budget estimates—that is, to debate items that are actually in the budget. While his earlier comments related to budget expenditure the member is now discussing a matter that is not relevant. In fact, he is discussing a report that was released well after the budget was handed down. I ask you to direct the Hon. Dr Peter Phelps to address the budget in his speech.

The Hon. Dr PETER PHELPS: To the point of order: I refer you to page 9 of Budget Paper No. 1, which refers to the cost of the scheme, and I am referring to the cost of the scheme as outlined by the Auditor-General. I refer also to page 5-3 of Budget Paper No. 2, which discusses various outcomes in relation to the total cost of the scheme over the life of the scheme. Therefore, I believe my remarks are completely in order.

DEPUTY-PRESIDENT (The Hon. Natasha Maclaren-Jones): Order! There is no point of order.

The Hon. Dr PETER PHELPS: The Auditor-General said:

> I anticipate that the total tariffs to be paid under the Scheme will be between $1.05 billion and $1.75 billion. The most probable range will be between $1.25 billion and $1.44 billion, significantly more than the original $362 million estimate.

So the bottom range of the scale of the most likely outcome is four times what the previous Government predicted—an estimate error of some 300 per cent. Three hundred per cent wrong, that is how badly wrong those opposite got it. That is the legacy we have to deal with in this budget and in subsequent budgets to pay for their absolutely ridiculous scheme—a scheme that the Auditor-General said lacked the most elementary operational controls, had no overall plan and whose risks were poorly managed. The Auditor-General went on to say:

> The New South Wales Scheme was far more generous than other States and contributed to many more people joining the Scheme than were expected. Under the Scheme, people could effectively sell electricity to the government one day and buy the same amount back the next day at half the price.

The Auditor-General also said:

> The Scheme had three broadly stated objectives with no specific targets to measure progress.

Remember, this is all being done in the context of the great mythology of anthropogenic global warming due to greenhouse gases and carbon dioxide. He continued:

> These objectives did not include reducing emissions or obtaining value for money.
>
> No cost-benefit analysis was undertaken before the Government's decision to introduce the scheme.
>
> Little was done early enough to identify and reduce relevant risks. I found no contingency planning, analysis and assessment of options and exit strategies to address potential high risk situations.
>
> There was no budget for dollars or the number of connections and consequently very little control over the cost of the Solar Bonus Scheme.

I have never heard a more damning indictment. A lot of time and a lot of media print were spent on electricity privatisation but, quite frankly, the electricity report has nothing compared with this. The Solar Bonus Scheme was an abject disaster. I refer now to Liberal values. As members opposite will recall—especially the Hon. Peter Primrose—I am quite prepared to hammer Labor members about their hypocritical stance towards the guiding principles of the Australian Labor Party. Unlike those opposite, I am prepared to live by my party's values. That is why we would never have introduced such a terrible and disastrous scheme in the first place. This is what it says on the New South Wales Liberals website under the heading "Our beliefs":

> We work towards a lean government that minimises interference in our daily lives and maximises individual and private sector initiative.

Yet the John Robertson Solar Bonus Scheme is about government diktat that reaches into my power bill every quarter and corrupts the private energy sector. The other thing it says on our website is:

> We believe ... in government that nurtures and encourages its citizens through initiative, rather than putting limits on people through the punishing disincentive of burdensome taxes and the stifling structures of Labor's corporate state and bureaucratic red tape.

Yet the John Robertson Solar Bonus Scheme distorts the market through the bureaucratic requirement for uneconomic energy, thereby distorting real individual initiative and, effectively, placing a burdensome tax on every household in New South Wales. Our website also says:

> We believe [in] ... the encouragement and the facilitation of wealth so that all may enjoy the highest possible standards of living.

That is genuine wealth—the wealth of creation not wealth by plunder—so that all, not just those with photovoltaic panels, may enjoy the highest possible standard of living. It continues:

> We believe ... that, wherever possible, governments should not compete with an efficient private sector, and that businesses and individuals, not government, are the true creators of wealth and employment.

That is perhaps the final, most damning nail in the coffin of this abhorrent Labor scheme, this socialist Labor scheme. The John Robertson solar bogus scam violates every principle of this core principle of Liberal belief. Are we prepared to state, as our beliefs proclaim, "In short, we believe in individual freedom and free enterprise and if you share this belief, then ours is the party for you"? I certainly am. Labor and The Greens entered into a corrupt scheme that sought to steal from one group to give to another group. It was a bad scheme and from the perspective of the genuine capitalist it was an evil scheme. It was morally reprehensible. So what would a true Liberal do? You would have a market-based mechanism whereby those who wanted to buy renewable energy bought it at the rate it cost to produce it. Let those who wish to wear their environmental credentials on their sleeves pay the cost of it. At Balmain dinner parties it is very easy to exclaim that you are green as you pass the Petaluma from hand to hand, but it is very easy to take the purported moral high ground when you are using other people's money.

I wish to address one final aspect of this matter. The only argument that possibly can be made from an economic point of view for continuing to support this scheme is that there are externalities, to use the economic term, in the existing production of electricity that are not currently catered for in the price structure—in other words, carbon dioxide. You know that this scheme only makes sense if you accept the hysterical ramblings of the Green cultists who normally reside over in that corner of this Chamber. If you believe in the alarmist nonsense of the extremist Greens—the mob that thinks no price is too high to pay for their anti-human extremist ideology—then the John Robertson solar bogus scam is for you. If you do not, and if you understand basic economic theory, you will recognise in the John Robertson solar bogus scam, as Frank Sartor said:

> ... the sheer incompetence of the solar bonus scheme, which also scored the trifecta of flawed policy, dumb politics and appalling implementation.

There is no greater damning evidence—damned by one of the people sitting around the Cabinet table when it was implemented and damned by the Auditor-General in his report. The scheme was also damning for ordinary electricity payers of New South Wales and for the State Government's budget for many years to come. Moving on and into the realm of Green extremism, I refer to carbon tax. Let there be no doubt, the carbon tax introduced by the socialist Gillard Government will be a disaster for New South Wales, resulting in significantly higher prices in every aspect of our life. Those prices will continue to rise over the coming years. Any idea, presumption or misleading statements that compensation will cater adequately for the effects of a carbon tax are completely and utterly false. If you believe that, you will believe anything—and recent Newspolls indicate that most people do not believe it whatsoever.

But the carbon tax presents a greater problem. The Greens, who love to talk about the need to maintain food security in Australia, should examine the impact of these types of policies—the carbon tax and its subsidiary measures—on food security in Australia. I refer specifically to an article in the *Australian* of 12 October 2011, which talks about Tasmanian grazier Roderic O'Connor, who has deliberately transposed food production for tree production. The article states:

> Even more startlingly, the Cressy farmer has discovered he can earn as much by leaving native trees on his property standing and being paid for their carbon content, as he would by cutting them down.

I am not sure whether The Greens intend for us to eat gumnuts and eucalyptus leaves or perhaps boil bark and eat it.

The Hon. Amanda Fazio: You can't eat eucalyptus leaves.

The Hon. Dr PETER PHELPS: That is exactly right, unless you are a koala—and even then only certain types of eucalyptus leaves are favourable for the koala. But this self-described grazier is making "as much by leaving native trees on his property standing ... as he would be" by being a grazier. How does that improve food security in Australia? The carbon offset credit averages $15 for each one sold. As the cost of carbon offsets increases, so too will the incentive for more productive arable land. The Hon. Steve Whan knows that around Tumut, Tumbarumba and the southern parts of his former electorate a lot of good arable land was taken up with tree plantations. I would like to believe that we are bipartisan on this issue and hope to return to proper agricultural production.

The Hon. Steve Whan: No, you need an industry.

The Hon. Dr PETER PHELPS: You need an industry, but to have land that could be more effectively used—

The Hon. Steve Whan: Pine for mills.

The Hon. Dr PETER PHELPS: Very thirsty pine. To use land more effectively, as it has been for the past 100 years, you need productive, arable land. When we thought that plantations were going the way of the dinosaur, along came a Federal Government incentive not only to keep forests but also to grow new ones to make money from carbon credits. That is terrible. I do not blame Labor because The Greens have been the chief spruikers of this nonsense. The Greens should explain how they match their view of food security with the economic incentive to reduce food security by planting unproductive trees. Maybe there is a certain Green logic, but I suspect that it is just a general lack of economic logic—the irrationality of the Green movement writ large once again.

I refer also to horizontal fiscal equalisation, which I raised in my maiden speech and which remains of grave concern to me. Budget Paper No. 2 at page 6-8 refers to the disadvantages of current horizontal fiscal equalisation. That is just a polite way of saying that New South Wales does not get back what it puts in. Money raised by the Federal Government through Federal taxes from New South Wales goes to support other States, in particular South Australia and Tasmania. Horizontal fiscal equalisation may well have had some sort of siren-like charm back in the days of a closed economy, big government, big unions and big business, but it has no place in modern society.

If we are to remain a genuine federal relationship in Australia—if federalism is to be the key and we are not to abolish the States—there can be no rationale for the current levels, and indeed maintaining this farce of horizontal fiscal equalisation. What purpose do the States serve in this instance? A thrifty, industrious, productive, inventive, lively, pro-capitalist State that is roaring along suddenly finds itself cut off at the knees when a substantial portion of its wealth is stolen from it to give to the lazy, the indolent, the stupid and the poor—the people who are not prepared to take advantage of their natural resources and human resources and turn them into something productive. If that is the way of the future, then count me out. I strongly disagree with horizontal fiscal equalisation, as should ever member of the New South Wales Parliament. The idea that we owe Tasmania, South Australia and Far North Queensland a living is abhorrent. It emphasises equality at the expense of efficiency.

Successive definitions of horizontal fiscal equalisation have made no reference to the impacts that the pursuit of equity may have on the flow of labour and other resources to uses that maximise Australia's welfare as a whole. It inhibits incentives for States to undertake economic reform or to promote economic growth. Why would you bother with economic growth if you can go "runnin' home to momma" every time you are in a bad situation and have the Commonwealth Grants Commission say, "Well, poor little Tasmania, poor little South Australia, we will take some money from Western Australia or New South Wales and give it to you"? It also inhibits improvements in revenue capacity or service delivery that would reduce the disabilities that gain States a higher share of goods and services tax revenue.

The current horizontal fiscal equalisation program is complex and lacks transparency. Notwithstanding the 2010 simplification process, the capacities of States to raise revenue are assessed in seven categories with 13 sub-categories while States' needs for spending are assessed in 12 expense categories and two capital categories with 43 components and 93 disabilities. Further, data can be deficient, lacking in quality, or a disability can be difficult to measure accurately, leading to the use of judgement by the Commonwealth Grants

Commission. The extent of the Commonwealth Grants Commission's judgement reduces the objectivity and the reliability of the methods. In turn, this reduces acceptance of the outcomes. I, for one, do not accept the outcomes as they currently stand.

Furthermore, the GST cross-subsidies mean that some States, including New South Wales, cross-subsidise others. New South Wales, Victoria, Queensland and Western Australia currently receive less than their population share of GST. If they receive less than their population share of GST consider how much less they receive in terms of GST actually accumulated. The other States receive a sum larger than their population share. New South Wales and Victoria have largely carried the burden of cross-subsidising the smaller States for a long time. In 2011-12 New South Wales is estimated to provide a subsidy, based on State populations, of $652 million to recipient States. Even if New South Wales got an equitable share, think what we could do with that $652 million.

The GST cross-subsidy can also be estimated by comparing State GST revenue payments with the estimated amount of GST generated in each State. On this basis, economic activity in New South Wales is estimated to generate $16 billion in GST revenue compared with $15.2 billion in GST revenue that New South Wales will receive. Let me put it another way: That is a cross-subsidy that we give to the mendicant States and Territories to the tune of $869 million. Imagine what we could do with that extra $869 million. That is the reason horizontal fiscal equalisation must go. It is archaic, it is stupid, it is unhelpful, it is economically illiterate in the modern age and if it is going to occur we should abolish the States. There is no point working hard when the hard work of New South Wales is simply going to be taken and given to other States that are not prepared to work as hard.

The financial implications of the Federal Government's precommitment measure on gambling will also hit State revenue. The economic irrationality of the Federal Labor Government continues to amaze me. The idea that placing a burden upon one aspect of gambling will reduce gambling rather than transferring gambling to other areas strikes me as being naive and bizarre wishful thinking. The idea that placing an obstruction on poker machine gambling in the form of precommitment on poker machines will reduce the level of problem gambling is completely irrational. If a person is a problem gambler they are already operating on an irrational level. It will lead to people using the internet, going to the TAB, using on-course betting or going to the casino—that is a simple fact. Imposing a burden such as that will not cause them to reduce their poker machine uptake, it will simply cause them to substitute—any economic model will tell you that.

Similarly, the idea that a carbon tax on an international scale will have any net impact on the world falls foul of an observable phenomenon in relation to cartels. That is that a cartel only works as long as the cartel remains unified. The economic incentive to break from the cartel is always very tempting and it will always be profitable. It is called the paradox of cartels. Cartels are good and they work but the opportunity for a breakout is always there and always very enticing. The same can be said for the carbon tax. If a worldwide scheme of carbon trading were to be implemented there is no doubt that there is an incentive for deceit and fabrication in that market. If the United Nations created a carbon dioxide assessment agency to manage carbon dioxide credits around the world it would rely upon local reporting and the incentive to break away from it would be very strong. A country may have only $200 million worth of legitimate carbon credits available but at the same time it could fabricate additional capacity. How will it be assessed?

Let me put it this way: If the United Nations Atomic Energy Commission, one of the most important regulatory bodies in the world—a body assigned to looking for and hunting down illegal and unauthorised use of nuclear and fissile material for the production of nuclear weapons—cannot gain access to countries; if that body, on this most important issue of nuclear proliferation, cannot conduct objective and assessable audits, how the hell are you going to have a United Nations agency that will go to every corner of every country to assess claimed carbon credits? There are certain countries in East Africa that may not be averse to fraudulent schemes at a local level. I am not suggesting the governments are involved.

The Hon. Amanda Fazio: It should be West Africa.

The Hon. Dr PETER PHELPS: I acknowledge the interjection: West Africa. The point is that there is no way of doing this. The socialist Labor-Greens alliance in Canberra committing Australia to this hodgepodge utopian future that shows no prospect of coming to fruition in the medium term demonstrates the economic irrationality of the Left of politics in Australia. The police compensation scheme is another major impost and

ticking time bomb left by the previous Government that we will have to manage in the forward estimates—not just in 2011. Let me remind members opposite that a 2010 committee with a Labor majority chaired by Mr Paul Gibson and Mr Paul McLeay stated:

> Although the New South Wales Police Force has adopted a variety of strategies to reduce the unsustainable financial burdens of the scheme the Committee is concerned that the disincentives to return to work contained within the scheme remain.

That is not the Government's assessment of the scheme: That is a report of the Legislative Assembly Public Accounts Committee constituted by a majority of Labor Party members and chaired by a Labor Party member. It said that the scheme is not financially sustainable and is a burden on this State. But what did those opposite do about it? Absolutely nothing. The committee chair Mr Paul Gibson asked Deputy Commissioner Burn to explain why the New South Wales Police Force medical retirement rate was three or four times higher than in other jurisdictions. Under questioning from Paul Gibson, the deputy commissioner acknowledged that the provisions under the 2005 scheme were more generous than in other States and may provide disincentives to return to work.

Finally—and this is important—in this entire report the committee made only three recommendations, but this was the key recommendation: that the New South Wales Police Force develop a new injury compensation model with a return-to-work focus. This was not the Coalition; this was a Labor committee in the other place. It said it wanted a new injury compensation model with a return-to-work focus. Instead, we got nothing but massive debts and unfunded liabilities which, in the State Superannuation Scheme alone, amount to $20 billion. Labor's economic mismanagement is on show for all to see. Labor has abandoned all credibility and all semblance of economic ability, and we should not be surprised.

Debate adjourned on motion by the Hon. Steve Whan and set down as an order of the day for a later hour.

ADJOURNMENT

The Hon. JOHN AJAKA (Parliamentary Secretary) [6.01 p.m.]: I move:

That this House do now adjourn.

MURRUMBIDGEE ELECTORATE

The Hon. SHAOQUETT MOSELMANE [6.01 p.m.]: In September 2011 I was appointed as the Australian Labor Party's duty representative for the electorate of Murrumbidgee, as well as for the electorates of Rockdale, Oatley, Heathcote and Pittwater. I am delighted and privileged to have been given the honour of representing these communities and, in particular, the people of the rural electorate of Murrumbidgee. Every member of this community is dependent upon farming. Therefore, it is critical that the viability of farming and, in particular, irrigation in the Murrumbidgee and surrounding electorates is given our utmost attention and commitment. As a city dweller, I am particularly delighted to have the responsibility to watch over a rural electorate. It will provide me with a great opportunity to understand the challenges between city and country and to keep this House informed of the issues that affect the people of the electorate of Murrumbidgee and surrounding areas.

On Friday 28 October I travelled to the Murrumbidgee electorate. Over a dinner hosted by the Hon. Tony Catanzariti I met with Mr Ron Anson, President of the Murrumbidgee State Electoral Council, and Mr Bryce Wilson, the Chair of Country Labor Policy Caucus. On the following morning I met with members of the Murrumbidgee State Electoral Council. They included Mr Paul Maytom, the Mayor of Leeton Shire Council; Councillor Les Saunders; Mr Joe Burns, Secretary of the Murrumbidgee State Electoral Council; Mr Peter Knox, a former Labor candidate for the seat of Murrumbidgee; Mr William Wood, from the Young Labor Regional Executive for Western New South Wales; former Labor Party candidates for the seat of Murrumbidgee; and other State Electoral Council delegates. It was a delight to meet with these people, who are truly the salt of the earth. They are sincere in their commitment to their farming communities. They expressed their concerns on a number of issues, but water was high on their agenda.

After visiting various farms—including rice and wheat farms, vineyards and citrus plantations—I noted the significance that water and irrigation holds for the local community and the local economy. Mayor Maytom said that the Murray-Darling Basin Authority, under the chairmanship of Craig Knowles, was consulting well and was listening to their concerns. As the duty member of the Legislative Council I will be staying in touch

with members on the ground. I will provide feedback to our shadow Minister and the Minister for Primary Industries, and Minister for Small Business when the highly anticipated draft plan for the Murray-Darling Basin is released on 28 November this year.

Another matter of concern to the local people was policing. People expressed their disappointment that only a handful of police officers are available and if police are sick they are not replaced. I was told that at times police have been unable to attend some emergencies as a result of low police numbers and the failure to replace police who are on sick leave. Some police appear to be on permanent sick leave. Interestingly, an article in the *Sydney Morning Herald* of 8 November 2011 by Saffron Howden and Nick Ralston entitled, "From cop shop to crock shop as police sick leave goes viral, costing State a fortune", shows that the problems experienced by the people of Griffith are, in fact, statewide and that policing is an issue that the Government must quickly address.

Concern was also expressed about a shortage of emergency doctors at the Leeton Base Hospital. Ambulances have had to be diverted to other towns, leaving Leeton without adequate services. Frustration and anger was apparent when it came to discussions about the local member, the Minister for Education. I was told that he had made many promises prior to the last State elections, only to abandon the people of Murrumbidgee when elected into Government. Some local people described the Minister for Education as "the invisible man" or stated that he had "gone into hiding", others said he had "abandoned his constituency". The people of Murrumbidgee want to know where he has been and how he can resolve the issues of policing, health and education.

The Minister for Education is struggling in his portfolio—he is breaking promises on league tables, not ruling out increases to class sizes, allowing an increase in fees in government preschools and allowing a closure of local schools. People also want to know why he has abandoned teachers. One Labor member emailed me a clipping from the local newspaper from 2003, which reported on how the member for Murrumbidgee, who is now the Minister for Education, used to urge teachers to go on strike. Is it any wonder that The Nationals primary figure fell from 12.5 per cent at the election to an embarrassing 6 per cent, according to today's Newspoll? There is a lot to tell, but the bottom line is that Murrumbidgee has been let down. The people of Griffith and the surrounding areas deserve better. Finally, I convey the Australian Labor Party's condolences on the passing of Leslie Spence and pass on our sympathies to his family.

RESPECT PROJECT

The Hon. JAN BARHAM [6.05 p.m.]: The Respect Project is a multimedia project operating on the mid North Coast that focuses on 10-year-old to 15-year-old Aboriginal youth. It uses film-making processes to provide a way to address their real-life dramas. For several years the Respect Project has been engaging Aboriginal community members in the development of short films, providing insight into traditional Aboriginal stories and culture. The Respect Project is targeted at young people at risk and their families, especially those who have had contact with the criminal justice system. The project brings together local Aboriginal land councils, the police, Corrective Services, community development bodies and education providers, among others, with the support of non-government organisations such as Great Lakes Community Resources and the Forster Film Festival.

The project has most recently published a film and DVD resource entitled *Respect*, which features local Aboriginal actors. It focuses on issues such as drug and alcohol abuse, domestic violence, history, culture and respect within these communities. *Respect* has been shown and well-received in schools, detention centres, prisons and offender programs across the region. In relation to the film His Honour Judge J. C. Nicholson, SC, said, "The film 'Respect' does more in 30 minutes than I achieve in a two-hour summation in a six-year sentence."

On 18 October I was invited by the Respect Project to host a discussion about the project. The Attorney General, and Minister for Justice and the member for Canterbury both attended the discussion to speak with members of the board of directors of the Respect Project about a proposed expansion into TAFEs across the mid North Coast. I thank them for their interest and ongoing attention to this project. I note that funding had previously been made available under the previous Minister for Community Services, the member for Canterbury. Local Aboriginal community representatives included Nathan Moran, the Chief Executive Officer of the Birpai Land Council; John Clark, OAM, the Chair of the Biripi Medical Centre and Chief Executive Officer of the Taree Indigenous Development and Employment; Sheree Drylie, the Chief Executive Officer of the Forster Land Council; and Mark Rutherford, the Aboriginal Liaison Officer with Corrective Services.

These people were amongst the project members who spoke eloquently at the meeting about the positive impact that the project has had on their communities. The mid North Coast region is amongst those in New South Wales experiencing a growing number of young Aboriginal people in detention. As a result of engagement with the project, these local organisations have been able to trace a significant decrease in antisocial behaviour and reoffending of young people in their communities. I have spoken before in this place about the power of art to bring communities together and to tackle difficult issues in a meaningful way. The Respect Project is an excellent example of this.

Members may also recall another highly successful multimedia project that worked with Aboriginal young people at risk called Koori Exchange, which operated in Cranebrook in western Sydney. It was recently profiled on the ABC's *7.30 Report*. By engaging young people in the research, writing, filming, acting, production and screening of short films, and by telling the stories that young people want to tell, projects such as the Respect Project build the leadership skills of these young people and help them front difficult issues. It also provides them with vocational skills and TAFE certification in some circumstances.

The Respect Project is also an excellent example of a community-government partnership, with resources for the project pooled from a number of different areas. Financial support for the project has included funding from the former Department of Community Services. The project has been successful because of the hard work and personal dedication of individuals. However, it is a sad reality that even highly successful projects find it a constant struggle to maintain funding.

A reduction in offenders leads to significant financial savings to a range of government services and prevents trauma to individuals and families who are impacted by violence. Other members in this place, including The Greens justice spokesperson, Mr David Shoebridge, have spoken about the importance of supporting justice reinvestment programs as a way to close the gap between Indigenous and non-Indigenous Australians. It is heartening to see the willingness of this new Government to consider such approaches. I urge members in this place to consider ways to ensure that projects such as the Respect Project are given the support they deserve. I offer the opportunity to any member who is interested in watching the film to contact me and I will make it available for their viewing.

AUSTROADS BRIDGE CONFERENCE

The Hon. JOHN AJAKA (Parliamentary Secretary) [6.10 p.m.]: Tonight I speak about the eighth Austroads Bridge Conference, which was hosted by the New South Wales Roads and Maritime Services and held in Sydney from 31 October to 5 November 2011. The conference was formally opened by the Minister for Roads and Ports, the Hon. Duncan Gay, MLC. The conference is held every two to three years at various international cities. The last time the conference was held in Sydney was approximately 15 years ago. The theme of the conference was "Sustainable Bridges—The Thread of Society", promoting the idea that infrastructure must not only fulfil current societal needs, it must also be resource efficient, less energy intensive and promote environmental quality.

The conference showcased achievements and innovation in bridge engineering from world leaders in this field and promoted discussion on contemporary bridge engineering, management issues and initiatives. Bridges have a significant impact on society and through innovations in engineering, design and advanced materials, the challenges in ever-increasing loads and deterioration of bridge structures can be addressed. Bridges are vital pieces of infrastructure that sustain and improve economies. New South Wales has a long-term interest in such infrastructure. In fact, Roads and Maritime Services has the responsibility for over 5,000 bridges across New South Wales.

To foster the upcoming generation of young engineers, specific sessions of the conference were dedicated to their presentations and papers. The conference featured 560 attendees, 43 exhibition booths, 450 people present at the awards night, the presentation of 145 technical papers and five keynote speakers from Australia and international locations including Germany, the United States of America, the United Kingdom and Japan. It was a great boost to tourism in our beautiful city—Sydney, the greatest city in the world—and our State.

The topics of individual sessions included: fatigue life estimation, implementation of bridge maintenance management systems, inspection scheduling for weld fatigue cracks, new seismic design rules, managing risks on excavation adjacent to bridges for new construction, and providing safer access for bridge inspections. For the most part, the presentations were on specific case studies and projects, allowing conference participants to gain new knowledge from a broad experience base.

I attended the awards night of the conference on 3 November 2011, representing the Minister for Roads and Ports. Awards were given for the following categories: Young Author, awarded to Etienne Combescure of Freyssinet Australia for the Iron Cove Bridge duplication; Asset Management, awarded to Gavin Jenkins and Mark Tilley of the New South Wales Roads and Maritime Service for their paper on "Swansea and Hexham Opening Bridges—The maintenance, rehabilitation and upgrade challenges"; and Maintenance and Rehabilitation, awarded to John Dauth and Scott Taylor of Metro Trains Melbourne for their paper on "Access systems used in strengthening the West Gate Bridge".

Other awards included: Materials and Specifications, awarded to June Zhang and Andrew Walker of VicRoads for their paper on "Potential recoating treatment for inorganic silicate coating"; and Roads and Rail Bridges, awarded to Dr Robert Presland and Nicholas Gulley of Holmes Consulting Group Ltd for the East Taupo Arterial-Waikato River Bridge. I was honoured to present the Gold Award for outstanding paper to Adrien Fortot, Etienne Combescure and Tim Pittaway of Freyssinet Australia for the Iron Cove Bridge duplication. The Gold Award was granted to these recipients on the following basis:

> The project incorporates innovative bridge construction engineering to successfully address substantial site and time constraints in a high profile urban environment. A high quality of finish to the completed structure is evident. The innovations include establishing the casting bed in front of the abutment, construction of a drop-in span at the northern access road, launching over specially designed bearings, segmental launching nose. The final solution demonstrates effective communication both within the Alliance and various key stakeholders.

I commend and congratulate all the nominees and award winners of the Austroads Bridge Conference, as well as those who presented at this very productive conference. I again note that the eighth Austroads Bridge Conference was held in Sydney and I look forward to the conference being held in Sydney in the future. As I announced on the awards night, the conference should be held in Sydney on each and every occasion because there is no better city in the world.

KANGAROO HUNTING

The Hon. ROBERT BORSAK [6.14 p.m.]: Earlier this year I spoke about the THINKK research group based at the University of Technology, Sydney, and the work it had done on kangaroos. Tonight I will refer to what it claims to have found. First, it claimed that there was little scientific or environmental evidence to support the killing of large numbers of kangaroos every year. It asserted there was a "growing movement to promote the consumption of kangaroo meat over beef and lamb" as it is seen as a more environmentally sustainable option because kangaroos emit less greenhouse gas.

Furthermore, the research group claimed that "kangaroos rarely competed for food with livestock". On that point, if any of its researchers had ever been over the mountains to the west and central west of the State they would know that claim is pure nonsense. Academics have to be careful when putting papers forward—because their papers might be peer reviewed. I have had the benefit of reading a paper prepared by, among others, Mike Archer, Professor of Biological Science at the University of New South Wales. The abstract of the paper says it all:

> A recent publication from the Think Tank for Kangaroos, at the University of Technology Sydney, claims to provide a scientific evaluation of the idea that choosing to eat kangaroo is an environmentally beneficial choice, and then finds in the negative.
>
> It purports to be a reasoned and objective analysis of the science surrounding kangaroo harvesting.
>
> We [Professor Archer and others] have examined the document with reference to available literature, and can show that it is not well-reasoned, objective, accurate nor scientific.
>
> Unfortunately it contains multiple errors of fact, represents the research of others inaccurately, and makes many invalid and misleading comparisons.
>
> Our analysis suggests that rather than an objective scientific inquiry, the document is an instrument designed to promote a particular point of view, namely, the deep seated opposition to the commercial harvesting of kangaroos held by Voiceless and the Sherman Foundation, who have funded the production of the report.

When I first raised this issue the voiceless mob rushed to the press to decry my comments. They did it at a $1,000-per-head cheese and bikkies function in Newcastle. Tonight I will put the argument set out in the peer review publication by Dr Rosie Cooney, Professor Mike Archer and others. These scientists were disturbed to see serious misrepresentations in the THINKK paper. Their peer review stated:

> The Thinkk authors repeatedly imply that the sustainability of commercially harvested kangaroos is in question—that is, that the commercial harvest may pose some sort of threat of extinction.

> They present no population data to support this point, and with good reason.
>
> The Government published data indicate that harvested kangaroo populations within the commercial zones remain robust and abundant, comprising around 25 million animals in 2010.
>
> Indeed harvested kangaroos remain, after over four decades of commercial harvest, among the most abundant large wild vertebrates on earth.
>
> The entire Thinkk paper rests on an unsubstantiated basic premise that "Australian consumers believe eating kangaroo is encouraging destocking in the rangelands".
>
> From this they argue that sheep are not in fact currently being replaced by kangaroos, and therefore, consumers are mistaken in their beliefs that kangaroo is a good environmental choice.
>
> However, in reality, kangaroo meat is currently an excellent environmental choice compared to other red meat alternatives, because in producing that meat, kangaroos do far less damage to our rangelands than sheep and cattle, and have less methane producing digestive processes.

The Hon. Dr Peter Phelps: And it is delicious.

The Hon. ROBERT BORSAK: And it is delicious. I may say more on this topic on another day but I believe I have made my point. Institutions that accept money from interest groups should not expect unbiased research. It is a sorry situation into which the University of Technology, Sydney, has fallen.

BOYCOTT, DIVESTMENT AND SANCTIONS CAMPAIGN

The Hon. LUKE FOLEY (Leader of the Opposition) [6.18 p.m.]: Earlier today Dr John Nemesh faced the Newtown Local Court charged with distributing electoral matters without particulars. His alleged crime was to distribute material during this year's State election that was critical of the strident advocacy for the boycott campaign against Israel of The Greens candidate for Marrickville, Fiona Byrne. His posters were duly authorised. However, they did not include the name of a printer—an omission Dr Nemesh states was an honest mistake, given that he had no motive to conceal the information. This is exactly the sort of minor electoral breach that is routinely dealt with by a simple letter from the electoral authorities.

How then did Dr Nemesh's matter ever make it to court? This morning Magistrate Margaret Quinn dismissed the charges without proceeding to conviction. Magistrate Quinn described Dr Nemesh as "a person of very high achievement" and the charges as "a very low matter". The police brief of evidence revealed that the two complainants were both Greens activists. One of them is Max Phillips, a Greens councillor on Marrickville Council. In other words, a public office holder from the then ruling political party in the Marrickville municipality went to Marrickville police station and sought criminal charges to be laid against Dr Nemesh. How were Marrickville police constables to act when confronted by the local governing political party heavying them to lay charges against Dr Nemesh?

The Greens regularly rail against our law and order system, always deeming it heavy-handed and always condemning tough laws. Yet they throw the book at Dr Nemesh, the son of a Holocaust survivor, for daring to object to their Israel boycott. Councillor Phillips' witness statement describes the pursuit of Dr Nemesh by Greens activists during the election campaign. Phillips states:

> There were three younger people and an older guy in the car. They appeared to be well dressed twenty somethings. It occurred to me that they might be Jewish university students.

The Greens activists proceeded to photograph and then follow them—because they looked like Jews. This is the very racial profiling that New South Wales Greens politicians, such as Lee Rhiannon, have railed against. If one substitutes the word "Jewish" in Councillor Phillips' statement with "Arabic", imagine the howls of outrage that would come from Greens politicians. Yet here we have a Greens public office holder tendering a statement to the police volunteering that he and his colleagues pursued political opponents on the basis that they appeared to be Jews. The statement says that they were well dressed and then leaps to the conclusion that they must be Jews. The old stereotypes still fester among a few.

Boycotting Jewish commerce is, of course, Europe's oldest political appeal. The international campaign to impose trade and cultural boycotts serves the purpose of delegitimising the State of Israel and in doing so feeds the eliminationist narrative of Hezbollah, Hamas, Iran and all those who want Israel wiped off the map, aligning itself with the putrid racism of those groups—their Holocaust denial, their promotion of anti-Semitic

stereotypes and their raw sewage Nazi ideology. Boycott, divestment and sanctions activists regularly demonise Israel as an apartheid State, even though the analogy between Israel, where Arabs exercise full citizenship rights, and apartheid South Africa is specious.

I commend my parliamentary colleague the Hon. Jeremy Buckingham for courageously speaking out against the boycott, divestment and sanctions campaign promoted so heavily by Senator Rhiannon and her supporters inside the New South Wales Greens. Unfortunately, some within the New South Wales Greens harbour an obsessive hatred of the Jewish State of Israel. A virulent strain of anti-Semitism exists within some sections of the New South Wales Greens. I call on the leader of the Australian Greens, Bob Brown, to intervene in his party's New South Wales branch to purge this rancid extremism.

COVECORP CONSTRUCTIONS PTY LTD

The Hon. CHARLIE LYNN (Parliamentary Secretary) [6.23 p.m.]: In 1999 a Brisbane company, Lynn Civil, which is owned and operated by my brother, was placed on the verge of bankruptcy by a notorious con man in the Queensland building industry, Paul Ferris. Ferris is the principal of a couple of construction companies—Covecorp Constructions and Covecorp Australia. Those companies have been suspended by the Queensland Building Services Authority on a number of occasions because of their failure to meet their financial obligations. This does not stop Ferris operating as Paul Ferris trading as Covecorp Queensland.

Paul Ferris has a simple mode of operation: He has found that it is more economical to renege on his contractual arrangements with subcontractors by using a high-profile legal firm specialising in construction law. This is the same company that framed the Act for the Queensland Building Services Authority, so they are easily able to destroy subcontractors' agreements and contracts because they do not have the capacity to fight them in the courts. Ferris also uses a separate civil law firm to threaten any subcontractor with defamation if the subcontractor speaks publicly about their issue. If the Queensland Government ever decided to conduct an inquiry into the modus operandi of Paul Ferris it would find that numerous subcontractors have been driven to bankruptcy as a result of trying to recover their money from Ferris, Covecorp Queensland, Covecorp Constructions or Covecorp Australia.

When I raised the issue concerning my brother's company I declared my interest and exposed the fact that Ferris owed Lynn Civil more than $500,000. Ferris first promised to pay the amount when he was paid by the head contractor, Indigo Pty Limited, but then he disputed the amount owed. He proved to be a very slippery negotiator and we soon found that he had no intention of paying the money he owed. I addressed the issue a second time in this place because my brother was on the verge of a nervous breakdown at the time—he was on the verge of losing everything he had ever worked for. My investigations revealed that he was one of many.

Ferris then turned all his legal firepower on me. He used his civil lawyer to lodge a complaint with the Independent Commission Against Corruption. He also lodged a complaint with the Standing Committee on Parliamentary Privilege and Ethics and requested a right of reply, which was granted in March 2004 and tabled in Report No. 27 in this place. In his right of reply Ferris stated:

> A number of sub-contractors have not been paid on the developments as a direct result of the Principals rejection of claims submitted by Covecorp on behalf of the sub-contractors and that is the essence of the litigation matters. Notwithstanding we are still awaiting the outcome of the litigation matters, in fairness to sub-contractors, we are seeking to make satisfactory arrangements by making ex-gratia payments to sub-contractors. That is absolutely a gratuitous gesture by Covecorp.

I can advise the House that Covecorp was successful in its litigation against Indigo Projects and has been paid in full. Since then Lynn Civil has made a number of attempts to recover the outstanding amount of around $500,000 owed to the company, but all requests have been ignored. I maintain that Paul Ferris has never had any intention of meeting his financial obligations to Lynn Civil and misled this House in his right of reply in Report No. 27 of March 2004.

I will be writing to the Standing Committee on Parliamentary Privilege and Ethics to have it review the provisions that apply to a citizen's right of reply as a result of Paul Ferris misleading the House. Since then, Paul Ferris has used the same corrupt strategy to avoid his legal obligations to his subcontractors. I refer to an adjudication action concerning NatSteel Australia and Covecorp Australia on 28 May 2007, where Ferris was required to pay $52,572 to NatSteel. I refer to another adjudication on 4 November 2011 between Rovera Scaffolding and Paul Ferris trading as Covecorp Queensland, where Ferris was required to pay Rovera Scaffolding $73,921.

For every major subcontractor that has the capacity to fight Paul Ferris in the courts there are many more that quietly go to the wall because they do not have that capacity. I have recently been advised of another case which threatens to send more subcontractors to the wall. I am waiting for more information before I bring it to the attention of the House. In the meantime, I call on the Queensland Government to establish a committee of inquiry into the corrupt business practices conducted by Paul Ferris and all the construction companies he has been associated with over the past two decades. I will be happy to cooperate fully with any such committee with the material I have.

COMMUNITY SECTOR PAY EQUITY

The Hon. SOPHIE COTSIS [6.28 p.m.]: Today the Gillard Government should be congratulated on its announcement that will help deliver pay equity to more than 30,000 community and social sector workers in New South Wales. The O'Farrell Government needs to stop skirting around the issue and show some leadership by joining in partnership with the Gillard Government to fund New South Wales' fair share. Today is a significant milestone for Australian women in closing the pay gap. I call on Premier O'Farrell and Minister Goward to stop playing politics and to show some leadership, vision and support to these workers who support homeless people, victims of domestic violence, people with disabilities and aged people. I call on them to join the Gillard Government and to help support these women by increasing their pay.

McHAPPY DAY TWENTIETH ANNIVERSARY

The Hon. SARAH MITCHELL [6.29 p.m.]: Saturday 12 November is the twentieth anniversary of McHappy Day. It is hoped that this year McDonald's restaurants across Australia will be able to raise a record $3 million for Ronald McDonald House Charities. Since the first McHappy Day in 1991 over $18.5 million has been raised for Ronald McDonald House Charities. The funds have helped these charities to extend their programs and continue to provide much-needed assistance to families with seriously ill children. In 2010-11 the charities added 10 new bedrooms to the Ronald McDonald House in Adelaide. They were able to help an extra 100 children in the learning project and also open new Ronald McDonald Family Rooms in Wodonga and Monash hospitals. They also launched Australia's first Ronald McDonald Care Mobile. I encourage people to go to McDonald's this Saturday. An amount of $2 from every Big Mac sold will go towards the charities. Crazy Straws and $1 Helping Hands will also be on sale.

The Hon. Dr Peter Phelps: Do they sell kangaroo burgers?

The Hon. SARAH MITCHELL: There are no kangaroo burgers. There will be a lot of celebrity ambassadors, including Rachael Finch, television vet Dr Chris Brown and former Olympic swimmer Elka Whalan. People who visit the Gunnedah McDonald's at about 11 o'clock will see me there helping out to raise money this McHappy Day. I encourage everyone to have a Big Mac and support a great charity.

[*Time for debate expired.*]

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

Motion agreed to.

The House adjourned at 6.31 p.m. until Friday 11 November at 9.30 a.m.