

LEGISLATIVE COUNCIL AND LEGISLATIVE ASSEMBLY

Tuesday 6 March 2012

JOINT SITTING TO ELECT A SENATOR

The two Houses met in the Legislative Council Chamber at 5.21 p.m. to elect a senator in the place of Senator the Hon. Mark Arbib, resigned.

Mr BARRY O'FARRELL: Mr Clerk, I move:

That the Hon. Donald Thomas Harwin, President of the Legislative Council, act as President of the Joint Sitting of the two Houses of the Legislature for the election of a senator in place of Senator the Hon. Mark Arbib, resigned, and that in the event of his absence the Hon. Shelley Elizabeth Hancock, Speaker of the Legislative Assembly, act in that capacity.

Mr JOHN ROBERTSON: I second the motion.

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

Motion agreed to.

The Hon. Donald Thomas Harwin took the chair.

Mr BARRY O'FARRELL: I present proposed rules for the regulation of the proceedings at the joint sitting, which have been printed and circulated. I move:

That the proposed rules, as printed and circulated, be now adopted.

Mr JOHN ROBERTSON: I second the motion.

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

Motion agreed to.

The PRESIDENT: I am now prepared to receive nominations with regard to a person to fill the vacant place in the Senate caused by the resignation of Senator the Hon. Mark Arbib.

Mr JOHN ROBERTSON: I propose the Hon. Robert John Carr to hold the place in the Senate rendered vacant by the resignation of Senator the Hon. Mark Arbib and I announce that the candidate is willing to hold the vacant place if chosen. Senator the Hon. Mark Arbib was, at the time he was chosen by the people of the State, publicly recognised to be an endorsed candidate of the Australian Labor Party and publicly represented himself to be an endorsed candidate of that party. The Hon. Robert John Carr is a member of the same political party.

The Hon. LUKE FOLEY: I second the motion.

The PRESIDENT: Does any member desire to propose any other person to fill the vacancy? There being no other nominations, the question is: That the Hon. Robert John Carr be chosen to hold the place in the Senate rendered vacant by the resignation of Senator the Hon. Mark Arbib.

Question resolved in the affirmative.

The PRESIDENT: I declare that the Hon. Robert John Carr has been chosen to hold the place in the Senate rendered vacant by the resignation of Senator the Hon. Mark Arbib.

Mr BARRY O'FARRELL: To channel Bob Menzies, it is my melancholy duty to move:

That the President inform Her Excellency the Governor as soon as practicable that the Hon. Robert John Carr has been chosen to hold the place in the Senate rendered vacant by the resignation of Senator the Hon. Mark Arbib.

The Hon. DUNCAN GAY: I second the motion.

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

Motion agreed to.

The PRESIDENT: I declare the joint sitting closed.

The joint sitting closed at 5.24 p.m.

LEGISLATIVE COUNCIL

Tuesday 6 March 2012

The President (The Hon. Donald Thomas Harwin) took the chair at 2.30 p.m.

The President read the Prayers.

The PRESIDENT: I acknowledge the Gadigal clan of the Eora nation and its elders and thank them for their custodianship of this land.

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

The PRESIDENT: I report the receipt of the following message from the Honourable Justice Margaret Joan Beazley, Acting Chief Justice of New South Wales:

Office of the Governor
Sydney 2000

M Beazley
ADMINISTRATOR

The Honourable Justice Margaret Joan Beazley, Acting Chief Justice of New South Wales, has the honour to inform the Legislative Council that she assumed the administration of the Government of the State at 11.15 a.m. on Sunday 26 February 2012.

26 February 2012

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

The PRESIDENT: I report the receipt of the following message from Her Excellency the Governor:

Office of the Governor
Sydney 2000

Marie Bashir
GOVERNOR

Professor Marie Bashir, Governor of New South Wales, has the honour to inform the Legislative Council that she re-assumed the administration of the Government of the State at 5.15 p.m. on Thursday 1 March 2012.

1 March 2012

ASSENT TO BILLS

Assent to the following bill reported:

Agricultural Tenancies Amendment Bill 2012

SENATE VACANCY

Resignation of Senator Mark Victor Arbib

The PRESIDENT: I report the receipt of the following message from Her Excellency the Governor:

Office of the Governor
Sydney 2000

Marie Bashir
GOVERNOR

Her Excellency the Governor transmits to the Legislative Council a copy of a dispatch dated 5 March 2012 received from the President of the Senate notifying that a vacancy has happened in the representation of the State of New South Wales in the Senate of the Commonwealth of Australia through the resignation of Senator the Honourable Mark Arbib which occurred on 5 March 2012.

6 March 2012

SENATE VACANCY**Joint Sitting**

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

Mr PRESIDENT

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

The Legislative Assembly having resolved to meet with the Legislative Council for the purpose of sitting and voting together to choose a person to hold the place in the Senate rendered vacant by the resignation of Senator the Honourable Mark Arbib requests the Legislative Council to fix a time and place for the joint sitting.

Legislative Assembly
6 March 2012

SHELLEY HANCOCK
Speaker

Motion by the Hon. Duncan Gay agreed to:

That this House agrees to meet the Legislative Assembly for the purpose of sitting and voting together to choose a person to hold the place in the Senate rendered vacant by the resignation of Senator the Honourable Mark Arbib in the Legislative Council Chamber today at 5.15 p.m.

Message forwarded to the Legislative Assembly advising it of the resolution.**BIOFUELS AMENDMENT BILL 2012**

Bill received from the Legislative Assembly, and read a first time and ordered to be printed on motion by the Hon. Duncan Gay.

Motion by the Hon. Duncan Gay agreed to:

That standing orders be suspended to allow the passing of the bill through all its remaining stages during the present or any one sitting of the House.

Second reading set down as an order of the day for a future day.**PRIVILEGES COMMITTEE****Report: Citizen's Right of Reply (Leda Holdings Pty Ltd)****Motion by the Hon. Trevor Khan agreed to:**

That the House adopt Report No. 58 of the Privileges Committee entitled "Citizen's Right of Reply (Leda Holdings Pty Ltd)", dated February 2012.

Pursuant to standing orders the response of Leda Holdings Pty Ltd was incorporated.

I write on behalf of the Leda Group of companies and its founder and Executive Chairman, Mr Bob Ell, to highlight the errors of fact and the distortions contained in a speech in the Legislative Council on 9 November 2011 by The Greens member, the Hon. Cate Faehrmann MLC.

In consequence, the Leda Group and Mr Ell have been adversely affected in reputation and in respect of dealings or associations with others, and injured (with potential for further injury) in occupation and/or trade.

I accordingly request that Leda and Mr Ell be afforded a Citizen's Right of Reply.

Leda's projects in Tweed Shire, planned to commence shortly, will over the next twenty years create 10,000 homes, accommodate a population of some 23,000 and affect 30,000 direct and indirect full time employment positions.

The particular point of Ms Faehrmann's statement concerned an issue currently being investigated by the National Parks and Wildlife Service, about which, therefore, Leda considers it inappropriate presently to comment, other than to say that the company is providing its full cooperation.

Ms Faehrmann's statement also includes, however, various misrepresentations of Leda and its Executive Chairman.

The first category of misrepresentation made by Ms Faehrmann relates to a so-called 'history of illegal vegetation clearing'. In relation thereto she made the following assertions:

'As well as the recorded conviction for illegal clearing...' (this with reference to an incident in the Gold Coast City Council area some four years ago).

There was no conviction. In fact, Leda has never been convicted or fined for unlawful clearing. In this instance, agreement was reached with Council about required remediation and recorded in mutually agreed Orders, and Council did not seek to prosecute Leda for any alleged offences.

Importantly, most of the clearing that had not yet been approved at the time it occurred subsequently became lawful by the Development Consent issued by Council. The concern was therefore about such clearing having been carried out before its approval was issued. Otherwise, agreed remediation was carried out to relatively small areas where clearing in excess of that required for urban development had inadvertently occurred.

'Once discovered, with legal pressure and the assistance of compliant consultants, he has managed to obtain retrospective approvals under dubious excuses and loopholes.'

Development adversaries would have it that Mr Ell has been guilty irrespective of the outcomes of due process, even in instances where the claims against him had no basis at all.

Characterisation of consultants as 'compliant' is typical of the manner in which ecological reports are simply dismissed by some when they are unable to successfully challenge the evidence with credible science. So, too, is typical the condemnation by development adversaries of proper and justifiable defences as 'dubious excuses and loopholes'.

'... at his Cobaki Lakes holdings—another mega-residential development—his company Project 28 (Leda Holdings) cleared a stand of old-growth scribbly gum and then had a consultant state that the trees were dangerous to human health. Council apparently accepted this claim.'

There is no basis whatsoever for this allegation.

There has never been any clearing of a stand of old-growth scribbly gum.

Leda's consultants are independent, highly credible and experienced professionals. The imputation that they adhere to what Leda would have them say is simply without any basis, and defamatory of them.

Council has never accepted a claim that any trees that had been cleared 'were dangerous to human health' as no consultant has made those comments.

Incidentally, the proprietor of the Cobaki Lakes Holding is Leda Manorstead Pty Ltd, not Project 28 Pty Ltd.

'On another occasion he [Mr Ell] excavated a section of Blacks Creek on the Kings Forest site through a State wetland claiming it was merely "drain clearing". This excuse was also apparently accepted by the Council.'

What is termed Blacks Creek had been constructed as a drain through Kings Forest before 1910, and maintained over the years as an integral part of the agricultural purposes to which the land was put. The land has also been continuously used for agricultural purposes since its zoning for urban purposes in 1988.

Accordingly, the maintenance of the drain is entirely lawful under 'Existing Land Use Rights'. Such Rights as they apply to Kings Forest exist under relevant planning law.

Accordingly, what was accepted by Council was not an 'excuse', but the facts in the context of Existing Land Use Rights provisions.

The second category of misstatements made by Ms Faehrmann concerns allegations of 'tactics of intimidation and bullying employed by Ell ...' In relation thereto the following assertions were made:

'Ell and Leda have sought to silence critics with threats of defamation'

There is no basis for this claim whatsoever. Threats of bringing defamation proceedings have never been made. Defamation proceedings, in as few as two instances throughout Mr Ell's 30-year property development career, were brought because they were felt warranted. On one occasion these proceedings were terminated on mutually agreed terms. It remains for the Court in due course to decide the other, based on the evidence.

Branding as 'intimidation and bullying' actions taken for which the law makes provision is entirely unwarranted.

'Leda recently supplied a 74-page dossier to local media with details of people they consider to be hurdles to their developments'

The dossier is in fact a report, backed by documentary evidence, that goes to specific complaints against Council's development assessment and reporting process as it affected just one of Leda's development projects.

The report was provided confidentially to Councillors and Council's General Manager, marked 'Not for publication'. It was first provided to the media by another party, not by Leda.

Leda is itself seeking independent investigation of the matters raised in the report, pursuant to which it has met with Council's Mayor and Deputy Mayor, with the Member for Tweed and with the Minister for Local Government. Leda's quest for proper, independent investigation of the matters raised could not be more clearly shown.

None of the persons identified in the report, in particular any 'local ecologist' or any Councillor, are in any way 'hurdles' to Leda's Tweed Shire developments, both of which obtained Concept Plan Approval in 2010. Our 5500-lot Cobaki project subsequently obtained a Project Approval (under Part 3A) and Development Approvals by Council for the first 1000 blocks, and Leda is presently attending to the requirements of these approvals prior to the anticipated commencement of works later this year. No external consultant or Councillor in any way presents a 'hurdle' to this.

Leda's 4500-lot Kings Forest project is presently the subject of a Part 3A Project Application which commenced public exhibition on 22 November 2011. 'Local ecologists' and others are free to make submissions to the application, which will be dealt with in the normal course of the assessment process.

Leda's report in no way targets anybody, but simply identifies the members of a small group consistently adverse to Kings Forest's development, and describes their activities relevant to the subject of the report itself.

The third category of erroneous and misleading statements by Ms Faehrmann is connected with the approval of the Kings Forest development.

'The former Government saw fit to give EII approval for 4000 homes despite the high conservation value of the site and strong concerted community opposition'

Kings Forest was first zoned for urban expansion in 1988, by a Council of which the then Mayor was Max Boyd.

Commencing in 1998, there were two Local Environment Studies of the Kings Forest expansion. The first was when Max Boyd was Mayor, and the second when the Council was under Administration. Both recommended essentially the same, relatively minor adjustments to the original zonings.

Despite this eight-year process, Council was still unable to resolve the issue. The site was therefore 'called in' by the Minister for Planning, and a State Significant Site Study followed, with the Department of Planning engaging a team of independent ecologists to advise it. Again, essentially the same zoning recommendations were arrived at.

The Minister accordingly resolved the zonings in 2006. The Concept Plan subsequently approved by the Minister simply responded to development of Kings Forest foreshadowed over 20 years before, and allowed a yield less than that anticipated by Council from the outset.

'It was also despite opposition from the then Department of Environment and Conservation'

The 'opposition' of that Department had been in respect of the zoning of a particular, limited part of the site, not of its zoning as a whole.

It was resolved by negotiations with the Department of Planning held in the context of Court Orders to the effect that the Department of Environment and Conservation was 'to use its best endeavours to progress the making of the Local Environment Plan (LEP) for Kings Forest' and to 'participate fully in discussions with the Department of Planning and/or Tweed Shire Council regarding the making of the LEP'.

These matters are comprehensively dealt with in Leda's report referred to earlier.

'It appears that Leda may not be content with the approval granted'

The fact that Leda is content with the current approval is clear from the very limited nature of the modifications subsequently applied for and obtained. The Project Application to be publicly exhibited from 22 November 2011 further confirms this.

'It is thought that they want to provide a second access to the Kings Forest Development'

Leda has not previously wanted, does not now want, nor will it in the future want a second access. Again, this is self evident from applications made to date and will be more so from the Project Application to be exhibited, all of which maintain the single access to Kings Forest contemplated in detailed planning for at least the last ten years.

Throughout Ms Faehrmann's speech, the use of terms such as 'it is understood that ...', 'it is thought that', 'has a reputation for' and 'many other instances' are not connected with any identified persons or groups or founded upon any established facts.

It is appalling that a Member makes statements to the Legislative Council having no factual basis and being nothing more than unsupported and damaging assertions.

AUSTRALIAN MIDDLE EAST MEDIA CORPORATION

Motion by the Hon. SHAOQUETT MOSELMANE agreed to:

1. That this House notes that:
 - (a) on Sunday 13 November 2011, the Minister of Information Lebanon, the Honourable Walid Daouk, and the Director of the Lebanese National News Agency, Mrs Laure Sleiman, officially opened the National News Agency Australia with the Australia Middle East Media Corporation, and
 - (b) the Australian Middle East Media Corporation includes *El Telegraph* newspaper, *Al Anwar* newspaper and *Al Noujoum Magazine*.
2. That this House congratulates the Australian Middle East Media Corporation on the opening of the first Arabic national news agency in Australia.

AUSTRALIAN MACEDONIAN MEDICAL SOCIETY**Motion by the Hon. SHAOQUETT MOSELMANE agreed to:**

1. That this House notes that:
 - (a) in August 2009, the Australian Macedonian Medical Society was founded by Dr Zoran Beckvarovski, Dr Nick Cvetkoski and Dr Goran Josfoski Stevans,
 - (b) the Australian Macedonian Medical Society is today a growing organisation of enthusiastic medical and allied health professionals dedicated to the promotion and improvement of the health and well being of the local community and, specifically, the particular needs of the Macedonian Australian community,
 - (c) the Australian Macedonian Medical Society seeks to promote and conduct continuing medical education and, amongst other things, to advocate on behalf of members and to contribute to community causes, and
 - (d) on Friday 25 February 2012, the Australian Macedonian Medical Society will hold a Macedonian community fund raiser in support of the Gasnier Foundation "fighting cancer together" initiative and to help raise the \$3.5 million required to purchase the positron emission tomography [PET] scanner needed to assist the St George Sutherland shire community.
2. That this House congratulates the Australian Macedonian Medical Society on its support of the Gasnier Foundation and on raising community funds toward such a worthy cause.

BUSINESS OF THE HOUSE**Formal Business Notices of Motions**

Private Members' Business item No. 502 outside the Order of Precedence objected to as being taken as formal business.

ROYAL PRINCE ALFRED HOSPITAL GIFT OF LIFE CEREMONY**Motion by the Hon. MARIE FICARRA agreed to:**

1. That this House notes that:
 - (a) on 17 February 2012, the Royal Prince Alfred Hospital held its 10th Annual Gift of Life Ceremony to show gratitude and recognition from organ transplant recipients,
 - (b) since the Royal Prince Alfred Hospital's kidney transplant unit was established in 1967 and the Australian National Liver Transplant Unit opened in 1985, over 2,300 kidney transplants and over 1,200 liver transplants have been performed,
 - (c) over 30,000 Australians have received organs and tissue transplants since 1960,
 - (d) in 2011 alone, organs donated by 337 Australians saved or improved the lives of 1,001 people in need of an organ transplant, the highest annual total of deceased organ donors and transplant recipients in Australian history,
 - (e) one organ, eye and tissue donor can save or enhance the lives of 10 or more people,
 - (f) Australia is a world leader for successful transplant outcomes, yet has one of the lowest donation rates in the developed world,
 - (g) around 1,600 people are on Australian organ transplant waiting lists,
 - (h) on average, people on the national transplant list can wait between six months and four years,
 - (i) the majority of Australians are generally willing to become donors, with 79 per cent willing to become organ donors and 76 per cent tissue donors,
 - (j) Australia's family consent rate is low, with less than 60 per cent of families giving consent for organ and tissue donation to proceed,
 - (k) 43 per cent of Australians do not know or are not sure of the donation wishes of their loved ones, and
 - (l) it is critical that families take the time to discuss their wishes so family members are able to honour their loved ones when asked to confirm donation wishes of the deceased.
2. That this House recognises the fine work undertaken by the Royal Prince Alfred Hospital in supporting donors, patients and their families, and thanks the hospital for its commitment to medicine and the betterment of our society.

NEW ZEALAND EARTHQUAKE

Motion by the Hon. NIALL BLAIR agreed to:

1. That this House notes that:
 - (a) on 22 February 2011, at approximately 12.51 p.m., a 6.3 magnitude earthquake struck at a depth of four kilometres centred under the town of Lyttelton, approximately 20 kilometres south of Christchurch's central business district,
 - (b) the earthquake resulted in the deaths of 185 people, and has been labelled New Zealand's greatest peace-time disaster, and
 - (c) subsequently heavy urban search and rescue teams from Fire and Rescue NSW assisted the New Zealand authorities in the response and during the nine-day operation the Australian task force completed the following:
 - (i) 167 primary searches of major buildings,
 - (ii) seven days of 24-hour continuous operation followed by three days of daylight operation only,
 - (iii) 539 secondary searches of buildings,
 - (iv) the rescue of Ms Anne Bodkin, the recovery of seven deceased persons and the identification of the location of three others.
2. That, on the one year anniversary of this disaster, this House:
 - (a) recognises the bravery and sacrifices made by the Fire and Rescue NSW teams and commends them for their contribution to the people of Christchurch, and
 - (b) extends its continued sympathies to the people of Christchurch as they undergo a slow and difficult rebuilding process.

TABLING OF PAPERS

The Hon. Greg Pearce tabled the following papers:

- (1) Annual Reports (Statutory Bodies) Act 1984—Final Report of the Maritime Authority of NSW for the Period 1 July 2011 to 31 October 2011
- (2) Water Management Act 2000—Report of Murray-Darling Basin Authority for Year Ended 30 June 2011

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

TABLED PAPERS NOT ORDERED TO BE PRINTED

The Hon. Greg Pearce tabled, pursuant to Standing Order 59, a list of all papers tabled in the previous month and not ordered to be printed.

LEGISLATION REVIEW COMMITTEE

Report

The Hon. Dr Peter Phelps tabled a report entitled "Legislation Review Digest 11/55", dated 6 March 2012.

Ordered to be printed on motion by the Hon. Dr Peter Phelps.

STANDING COMMITTEE ON SOCIAL ISSUES

Report: Transition Support for Students with Additional or Complex Needs and their Families

The Hon. Niall Blair, as Chair, tabled report No. 45 entitled "Transition Support for Students with Additional or Complex Needs and their Families", dated March 2012, together with transcripts of evidence, tabled documents, correspondence, submissions and answers to questions taken on notice.

Report ordered to be printed on motion by the Hon. Niall Blair.

The Hon. NIALL BLAIR [2.41 p.m.]: I move:

That the House take note of the report.

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

AUDITOR-GENERAL'S REPORT

The Clerk announced, pursuant to the Public Finance and Audit Act 1983, the receipt of a financial audit report of the Auditor-General entitled "Volume One 2012, Focusing on Themes from 2011", dated February 2012, and ordered to be printed.

ABORIGINAL CULTURAL HERITAGE ADVISORY COMMITTEE

Production of Documents: Return to Order

The Clerk tabled, pursuant to resolution of 14 February 2012, documents relating to an order for papers regarding the Aboriginal Cultural Heritage Advisory Committee received on 28 February 2012 from the Director General of the Department of Premier and Cabinet, together with an indexed list of documents.

POLICE RESOURCES AUDIT

Production of Documents: Return to Order

The Clerk tabled, pursuant to resolution of 15 February 2012, documents relating to an order for papers regarding the ministerial audit of the New South Wales Police Force received on 29 February 2012 from the Director General of the Department of Premier and Cabinet, together with an indexed list of documents.

PETITIONS

Religious Discrimination

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

DISTINGUISHED VISITORS

The PRESIDENT: I welcome into my gallery Jean Resana, the Executive Officer to the Clerk of the National Parliament of the Solomon Islands, who will be working with the table office team in the Legislative Council procedure office as part of the twinning program between the Solomon Islands and the New South Wales parliaments.

PROCEDURE COMMITTEE

Reference

The PRESIDENT: I inform the House that, according to the resolution appointing the Procedure Committee, on 5 March 2012 I referred the following terms of reference to the Procedure Committee:

1. That the Procedure Committee inquire into and report on the procedures for giving, moving and publication of notices of motion, including:
 - (a) whether additional rules are necessary in respect of the nature and content of notices of motion,
 - (b) whether notices of motion should be subjected to word limits,
 - (c) whether there should be a limit on the number of notices of motion given each sitting day,
 - (d) parameters for the type of motions that will result in a letter of congratulations or condolence from the President, on behalf of the House,

- (e) mechanisms for enhancing the accessibility of information on the parliamentary website in relation to members' parliamentary contributions,
 - (f) alternative mechanisms for members to raise matters of a community and constituency nature, including the Legislative Assembly's recently introduced category of and procedures for community recognition notices, or brief 90 second statements,
 - (g) other Australian parliaments' procedures for giving notices, the rules for content and the publication of motions and other parliamentary contributions on their websites, and
 - (h) any other relevant matters.
2. That the Committee report by Friday 8 June 2012.

INDUSTRIAL RELATIONS AMENDMENT (INDUSTRIAL REPRESENTATION) BILL 2012

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

Second Reading

The Hon. GREG PEARCE (Minister for Finance and Services, and Minister for the Illawarra) [3.02 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce the Industrial Relations Amendment (Industrial Representation) Bill 2012. The bill proposes to make amendments to the eligibility provisions applying to industrial organisations in the Industrial Relations Act 1996. The purpose of its amendments is simple and straightforward: to provide greater choice for employees about the organisation that they want to join that has the right to represent their industrial interests. In doing so, the amendments will harmonise industrial relations provisions with the current Commonwealth provisions as found in the Fair Work (Registered Organisations) Act 2009, which have been in place, in more or less the same form, since 1996 in the latter Act, and in its predecessor statutes.

The current eligibility provisions in the Industrial Relations Act 1996 have been in place, largely unchanged, since the Act was first made in 1996. Indeed, many of the provisions of the 1996 Act were carried forward from its predecessor, the Industrial Relations Act 1991. Broadly speaking, those provisions are intended to create a situation whereby one, and only one, organisation is eligible to represent employees in a single occupational group. Overlapping coverage and its natural corollary—competition between organisations—is neither supported nor encouraged in the current Act. The aim of this arrangement was to provide representational stability and continuity in the workplace. However, even the best intentions can have unforeseen consequences. The danger of institutionalising monopoly coverage is that of all monopolies—the danger of losing touch with clients and becoming unresponsive to their needs—and in this case the usual remedy is the best one: creating an environment in which healthy competition keeps representative organisations closely in touch with their clients' needs.

The Hon. Amanda Fazio: We know the code.

The Hon. GREG PEARCE: Listen to how many Opposition members are supporting the Health Services Union [HSU] and its practices. How many of them have a credit card from the Health Services Union? The bill applies the remedy first and foremost by putting an end to the notion that if there is an organisation to which employees can conveniently belong then no other organisation is permitted to represent them. The bill does that by providing that, even if there is an organisation to which employees could more conveniently belong, another organisation can become eligible to cover those employees, provided that the latter organisation is able to convince the Industrial Relations Commission that demarcation disputes will not arise as a result of overlapping coverage. In other words, suitable undertakings would need to be provided to the commission in such cases. That will result in more work for the Industrial Relations Commission.

The relaxation of current provisions will, of course, be accompanied by suitable safeguards. In the event that an organisation breaches an undertaking given to the commission, the commission will have the power to remove the overlapping coverage, if that is appropriate. Further, it is proposed that the commission will have broad powers to put an end to any demarcation disputes that may arise by making orders about the representation of any employees who are the subject of a dispute. As I mentioned earlier, provisions of this kind

have existed in the Federal jurisdiction for well over a decade. In that time a number of cases have been decided in which overlapping coverage has been awarded and operated. There have been few, if any, related demarcation disputes.

I now turn to the elements of the bill. The first means by which the bill provides freedom of choice is by making amendments to provisions relating to the criteria for registration. Currently section 218 provides for an organisation to satisfy a number of requirements to be granted registration. In particular, current section 218 (1) (m) permits a new organisation to be registered if there is no other industrial organisation to which members might conveniently belong. This provision will be amended to provide that the organisational employees must satisfy the requirements of new section 218 (1A) to become registered. Proposed section 218 (1A) will allow for the registration of an organisation if there is no other industrial organisation to which members might belong; or, if there is such organisation, registration will be permitted if it is not an organisation to which the members more conveniently could belong and that would more effectively represent those members. More significantly, new section 218 (1A) amendments will provide for an organisation to be registered even when there is such an organisation by giving the industrial registrar the discretion to accept an appropriate undertaking to avoid demarcation disputes that might arise from an overlap of eligibility rules.

In circumstances in which a registered organisation breaches a demarcation undertaking, proposed new section 244A provides an important safeguard. The amendment gives the industrial registrar the power to alter the rules of the organisation that gave the undertaking and to remove the overlap, thus removing the power of the organisation to represent that particular class or group of employees. Freedom of choice also will be made possible by making amendments to the eligibility rule provisions in the Act. The section 245 amendments are similar in nature to the criteria for registration amendments: in other words, they are intended to provide employees with greater choice of representation. Proposed section 245 (3) amendments will mean that the industrial registrar must not consent to the alteration when there is another organisation to which those persons could more conveniently belong and that would more effectively represent those persons.

However, similar to the amendments dealing with the registration of a new organisation, the industrial registrar is given discretion to accept an undertaking from the organisation seeking the change of rule that it would avoid demarcation disputes that might arise from the overlap. The acceptance of such an undertaking can then be the basis of consent to the rule change. By virtue of proposed new subsection (3B) the industrial registrar may refuse to consent to an alteration of rules if it would contravene an agreement or understanding to which the organisation is a party, dealing with its right to represent a particular class or group of employees. Section 294 will be amended by inserting new subsection (3) that provides the circumstances in which the commission can make a demarcation order concerning the industrial interests of industrial organisations of employees. Such an order must not be made unless the commission is satisfied that the conduct, or threatened conduct, of an organisation, or an officer, employee or member of the organisation, is preventing, obstructing or restricting the performance of work, or is likely to have that effect.

Proposed new subsection (4) will require the commission to have regard to a number of matters in considering whether to make a demarcation order. These include the wishes of the affected workers, the effect of any order on the operations of an employee, any agreement relating to industrial representation, the consequences of not making an order and any other order made by the commission in relation to another demarcation dispute applicable to the organisation that are relevant.

The Hon. Catherine Cusack: That is a novel approach.

The Hon. GREG PEARCE: Yes, the commission actually has to consider the wishes of the employees. Amendments have also been made to the "conveniently belong" provisions contained in chapter 6 of the Act. The amendments are intended to extend freedom of choice to chapter 6, which provides a discrete regulatory regime for contracts of bailment, for taxis, and contracts of carriage, for owner-drivers.

Firstly, section 336(1) (b) is amended to provide for any person to object to the registration of a driver or carrier association if there is already an association to which the bailee or carrier could more conveniently belong and that would more effectively represent those members. Currently section 336 (1) (b) provides for the objection to be made on the grounds that the bailees or carriers are already represented or there is such an association to which they might conveniently belong. Then, importantly, new section 337(1A) is inserted that gives the industrial registrar the discretion to accept an undertaking to avoid demarcation disputes and register an association, even if an overlapping objection has been made out.

In determining demarcation questions relating to associations under section 339 the commission, by virtue of the proposed new subsection (1A), is to have regard to any undertaking and any breach of an undertaking given. To conclude, this is a bill designed to provide choice of representation for employees in the workplace and, as such, is a departure from the existing provisions in the New South Wales jurisdiction. The provision of that extra degree of choice no doubt will give rise to competition between organisations.

The Hon. Walt Secord: This is WorkChoices.

The Hon. GREG PEARCE: More like union choices, choices of union. However, this bill provides adequate safeguards to ensure that competition is not unrestrained and does not lead to damaging demarcation disputes between organisations. If there is to be competition between organisations it must be competition between organisations that are capable of representing their members, responding to their needs, and delivering what their members want. I commend the bill to honourable members.

Debate adjourned on motion by the Hon. Sophie Cotsis and set down as an order of the day for a future day.

DISTINGUISHED VISITORS

DEPUTY-PRESIDENT (The Hon. Natasha Maclaren-Jones): I acknowledge and welcome to the public gallery His Excellency Sven-Olof Petersson, Ambassador of Sweden, who is with the delegation from the Swedish Parliamentary Committee on Constitutional Affairs, led by Mr Per Bill, deputy chairman of the committee.

INDUSTRIAL RELATIONS AMENDMENT (DISPUTE ORDERS) BILL 2012

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

Second Reading

The Hon. GREG PEARCE (Minister for Finance and Services, and Minister for the Illawarra) [3.15 p.m.]: I move:

That this bill be now read a second time.

I am pleased to introduce the Industrial Relations Amendment (Dispute Orders) Bill 2012. This bill proposes to make amendments to the provisions in the Industrial Relations Act 1996 that deal with breaches of orders by the New South Wales Industrial Relations Commission prohibiting industrial action. The amendments have become necessary because some industrial organisations have chosen to ignore orders of the Industrial Relations Commission and have pressed ahead with industrial action in the face of direct orders from the Industrial Relations Commission to not do so. In short, the current provisions do not appear to be having a suitable deterrent effect. The purpose of this bill then is to strengthen the existing provisions in the Act to stamp out industrial action that has been prohibited by the Industrial Relations Commission.

The Hon. Catherine Cusack: Point of order. I am endeavouring to listen to a very fine speech but I am unable to hear because of the chatter.

DEPUTY-PRESIDENT (The Hon. Natasha Maclaren-Jones): Order! Members who wish to engage in private conversations will do so outside the Chamber. Members will allow the Minister to be heard in silence.

The Hon. GREG PEARCE: As I was saying before I was interrupted, the current provisions of the Act do not appear to be having a suitable deterrent effect. The purpose of this bill is to strengthen the existing provisions in the Act in order to stamp out industrial action that has been prohibited by the Industrial Relations Commission. Part 2 of chapter 3 of the Act currently provides the New South Wales Industrial Relations Commission with the power to issue dispute orders to, among other things, order an organisation to cease or refrain from taking industrial action. The Act also provides a mechanism, at section 139, to deal with any contravention of such disputes orders, and it is on this section that these amendments primarily focus.

At the moment section 139 (4) sets out the maximum penalties for breaching a dispute order. For a first offence these are \$10,000 for the first day of contravention and \$5,000 for each subsequent day of

contravention. For a second or greater offence, the penalties are increased to \$20,000 for the first day and \$10,000 for each subsequent day. This bill proposes that these maximum penalties be significantly increased. For a first offence, it is proposed to increase the maximum penalty to 1,000 penalty units or \$110,000 for the first day and 500 penalty units or currently \$55,000 for each subsequent day of contravention. For a second or greater offence, the penalty will be increased to \$220,000 for the first day and \$110,000 for each subsequent day. These are the maximum penalties, of course.

The purpose of doing that is to send a very clear and unambiguous message: that wilfully and flagrantly disregarding a dispute order made by the Industrial Relations Commission will not be tolerated. We on the Government side support the work of the Industrial Relations Commission. Penalties of this magnitude already exist in Australian industrial relations jurisdictions. This bill will bring the penalties more into line with Queensland. Under the Queensland Industrial Relations Act 1999 there is a flat fine of \$100,000. The existing non-pecuniary sanctions currently available in section 139 (4)—cancelling enterprise agreements, suspending or modifying entitlements, and cancelling or suspending the registration of an organisation—are unchanged and will continue to be available.

The Hon. Walt Secord: Batten down the hatches, Greg.

The Hon. GREG PEARCE: I like to keep you busy, Walt. In addition, the bill proposes that costs orders will in future be able to be made—if the commission so decides—against an industrial organisation or employer breaching the terms of a dispute order. This will be done by removing the current bar to costs orders in actions of this kind at section 181 (3) of the Act. The existing bar to costs orders in relation to proceedings under division 2 of part 4 of chapter 5, Rules of industrial organisations, will remain unchanged. Finally, the bill establishes a new appeal right in relation to orders for a contravention of a dispute order made under section 139.

If any of the applicants or respondents in the contravention matter take the view that the penalty order imposed by the Industrial Relations Commission is inadequate or excessive they may then appeal to a Full Bench of the Commission in Court Session in the first instance, and then to the New South Wales Court of Appeal. In this context, a penalty order may include both financial penalties imposed under section 139 (4) as well as some of the other available sanctions, such as suspending or modifying entitlements, and cancelling or suspending the registration of an organisation. However, appeals to the Court of Appeal will be limited to matters that involve a question of law of general importance. Finally, I should point out that this amendment is not intended to have retrospective operation.

The Hon. Sophie Cotsis: Oh, gee you're kind!

The Hon. GREG PEARCE: Thank you. The Hon. Sophie Cotsis suggests that I am very kind and fair. To do otherwise would be unusual and controversial, and this might detract from the clear message we wish to send about the seriousness with which the Government views contravention of orders made by the Industrial Court. I commend the bill to the House.

Debate adjourned on motion by the Hon. Sophie Cotsis and set down as an order of the day for a future day.

BUSINESS OF THE HOUSE

Postponement of Business

Government Business Orders of the Day Nos 1 to 3 postponed on motion by the Hon. Greg Pearce.

MENTAL HEALTH COMMISSION BILL 2011

Second Reading

The Hon. MELINDA PAVEY (Parliamentary Secretary) [3.21 p.m.], on behalf of the Hon. Michael Gallacher: I move:

That this bill be now read a second time.

It gives me pleasure to support the Mental Health Commission Bill 2011. The New South Wales Liberals and The Nationals were elected in March with a strong commitment to make the delivery of quality mental health services a high priority. Mental health reform was always a major priority for the New South Wales Liberals and The Nationals in opposition and is now even more so, now that we are in government. Through the Mental Health Commission Bill 2011 the Government has put forward one of the most important reforms in the field of mental health in the State's history. This legislation will improve the mental health system, and the mental health and wellbeing of people in New South Wales. I commend the actions the Minister for Mental Health, Kevin Humphries, has taken in establishing the Mental Health Commission. This legislation will make a real difference to the lives of people with mental illness and our community as a whole. Around 1.1 million people in New South Wales live with mental illness, with just under 200,000 suffering from a severe mental illness.

Mental illness can have a devastating impact on an individual in aspects such as health, social exclusion and quality of life. The mortality rate for people with a mental illness is 2.5 times higher than it is for those who do not have such an illness. As the Parliamentary Secretary for Regional Health I have a particular interest in how mental health services are delivered across this State and, in particular, in the challenges we have in ensuring that regional communities have fair and equitable access to services. The Minister shares this interest and has a very good understanding of the mental health challenges in his electorate of Barwon. The Mental Health Taskforce was charged with consulting, researching and advising on what should be in legislation to establish a Mental Health Commission to respond to the specific mental health needs of New South Wales. This bill is the culmination of an extensive consultation process, in which regional New South Wales played a central role.

The task force consulted widely and directly with people with mental illness, families, carers, clinicians, service providers, government agencies, the non-government sector and the general community. Importantly, it ensured that people in regional centres in the north, south and west of New South Wales were able to participate in and contribute to these consultations. The task force hosted forums in the important regional centres of Dubbo, Wagga Wagga, Nowra and Coffs Harbour as well as an online survey so that we could hear from people beyond those centres and ensure that we had an even wider reach into the community. The contributions of the people of regional New South Wales formed an integral part in the formation of the bill. The task force heard loud and clear from its community consultations that the commission must ensure the views of and issues of significance to Aboriginal, culturally and linguistically diverse and regional communities are understood and reflected in its work.

The needs of regional communities were a consistent and strong message heard by the task force during the statewide consultations. One size does not fit all and the commission will need to be aware of these regional concerns. Clause 10 (4) requires that the commission's Mental Health Consumer Advisory Council includes representatives of people living in regional and remote New South Wales as well as representatives of culturally and linguistically diverse communities and Aboriginal people. This is to reflect the different sorts of mental health service delivery models required for these groups. Clause 12 (2) (e) requires that the commission, in exercising its functions, is to take into account the particular views and needs of different sections of the community, including these groups.

As this House would be aware, ensuring that the needs of women are considered in developing and delivering policy is a matter close to my heart. This will be a critical matter for the commission to consider. The bill requires that the commission, in exercising all its functions, will engage and consult with people who have a mental illness, their families and carers, as well as the broader community. It will need to listen to everyone, and have regard to issues relevant to specific groups—for example, the often hidden problem of postnatal depression, the difficulties many women face in accessing perinatal mental health services and the battles that women with serious mental health problems have in raising a family. These are issues that this Government is committed to addressing, and issues that I am sure the commission will look at closely.

I expect the commission, in undertaking its functions, will consider the needs of the full range of population and age groups, including, of course, the needs of women. Establishing a Mental Health Commission will allow us to give issues such as these the close consideration that they deserve. The fact that this Government has put improving mental health care front and centre demonstrates its commitment to serious and meaningful reform, and to improving the lives of people with mental illness. Having Kevin Humphries as Minister for Mental Health has been instrumental in our meeting our commitment to put forward legislation to establish a New South Wales Mental Health Commission based on best practice models from around the world. This legislation will allow us to drive reform and improve outcomes for patients, to be responsible for allocating

resources to where they are most needed through the most appropriate models of care, and to be a champion for mental health across government and the community. I strongly believe that this will be one of the most important mental health reforms in the history of New South Wales.

The Mental Health Commission Bill 2011 delivers on our commitment to establish an independent Mental Health Commission that will be a champion for mental health, that will ensure better accountability of mental health services and the use of mental health funds, and that will nurture innovation in the approach we take to mental health. The Government's reform agenda is about getting the right structures that will deliver better health and mental health care. Already we have taken giant steps to address the problems in the New South Wales mental health system. In our first budget we delivered the largest increase in funding for mental health in the State's history. I am proud to be part of a Liberal-Nationals Government committed to improving services and outcomes for mental health patients, their families and carers across New South Wales. This commission is being established to deliver strategic direction for mental health in this State to ensure services are appropriately designed and targeted and to review, monitor and report to the Government, the Parliament and the public on how funds are being used.

The first role of the commission will be to prepare for the Government's consideration a draft strategic plan for the mental health system in New South Wales. This does not just mean the health system but the full range of services and supports provided across government, including housing, education and those in the criminal justice system. For too long the Government has operated with a silo mentality. We want to reach out to all agencies so they can have an input and be part of the solution. Consistent with the new spirit of cooperation and collaboration the Government wants to instil in care for the mentally ill, the commission will develop the plan in genuine consultation with government agencies and service providers. The commission will take an holistic approach across government to addressing the whole-of-life needs of people with mental illness. It has a broad scope in that it deals not only with mental health issues but also with related diseases and disorders.

The commission will focus on systemic issues rather than duplicate the functions of existing entities that respond to individual cases or complaints. It has a strategic capacity and leadership role with the ability to make recommendations about having a more integrated service system. It will have the ability to drive service quality improvement as well as report on performance. It stands to be an authentic champion for those with mental illness, maintaining strong ongoing connections with people touched by mental illnesses and other key stakeholders across government and the community. Furthermore, it can educate us all about mental illness with the aim of stopping the stigma, and quite frankly the discrimination, that people affected by mental illness often experience. Mental health is an area that is too important to be politicised and I thank those opposite for their support of the bill and the Government in its effort to improve mental health services in New South Wales.

Before congratulating the Minister for Mental Health, Minister for Healthy Lifestyles, and Minister for Western New South Wales, the Hon. Kevin Humphries, on this landmark bill it is important to recognise the role this House has played over the past 15 to 20 years in establishing mental illness as an issue within the community. We must acknowledge former Liberal member the Hon. Brian Pezzutti, CSC, RFD, who was chair of a general purpose select committee that released a seminal report into mental health. It was a landmark report within government in Australia that made people stand up, listen and take notice. It was a major contribution from this Chamber to the mental health area across Australia. The Hon. Brian Pezzutti and the secretariat, which included Bayne McKissock, were instrumental in producing that report. The report started a conversation that the community at large needed to have. It is with great pleasure that I present the second reading speech on the Mental Health Commission Bill 2011 and congratulate everyone who assisted in its delivery, particularly the Minister for Mental Health, Minister for Healthy Lifestyles, and Minister for Western New South Wales, the Hon. Kevin Humphries.

The Hon. ADAM SEARLE (Deputy Leader of the Opposition) [3.33 p.m.]: I lead for the Opposition in debate on the Mental Health Commission Bill 2011. This bill is the product of an election commitment by the present Government when in opposition. The Labor Opposition does not oppose the bill. The bill is the product of careful consultation with stakeholders. Following the 2011 election, the Government established the mental health task force with stakeholder and other expert membership to advise the Government on the nature, role and scope of operation of the proposed commission. The Government also undertook community consultation with a variety of stakeholder groups in a number of locations across the State—Dubbo, Wagga Wagga, Nowra, Coffs Harbour, Sydney and Penrith—and those consultations are said to have involved approximately 2,000 people. That is clearly a good sign in terms of community consultation.

The Mental Health Commission Bill 2011 was introduced in the other place on 24 November 2011 and there was a lively and informed debate in relation to the proposed legislation. A number of groups including the Association of Relatives and Friends of the Mentally Ill New South Wales and the Mental Health Association of New South Wales have since engaged in consultation with their members, and the wider community, around the contents of the bill. In addition, I have also provided the bill and the Minister's speech to a variety of stakeholders and spoken with them regarding the bill. There is clearly broad support for the Mental Health Commission to champion mental health and to drive reform across the system, whether we are dealing with government-provided services or other services and facilities.

I note, for example, clause 11 (e) of the bill specifically identifies and talks about a coordinated and integrated approach across all levels of government and the non-government sectors including health, housing, employment, education and justice. That is an important recognition that mental health is not an isolated issue but needs to be integrated across many government and non-government sectors. For example, in my shadow portfolio of Mental Health I have often found that issues to do with housing arise quite significantly in connection with mental health. For example, unless housing services are identified and delivered properly people who are living with a mental illness are not able to address the issues caused by their illness and other issues that arise in relation to work, their families or the like—it flows from the stability of having secure housing. That is one facet that shows a joined-up approach is required. That is identified in the bill before the House.

I note there was a wide cross-section of contributions to the debate on this bill in the other place, and I will touch on a number of the issues that arose. Clearly, members believe—reflecting the views of the community—that it is not enough to try to address the symptoms of people living with mental illness. If not combined with the provision of appropriate housing, employment and educational opportunities, the resources that are invested in providing mental health services and facilities will not be deployed most effectively—and that is clearly the case. We must also work as a community to continue to reduce the stigma that still attaches in many places to living with a mental illness. There is still in the community widespread misunderstanding and sometimes even fear due to the often confronting nature of many forms of mental illness. This can lead to disconnection of people living with a mental illness from their families and community, which in turn can result in social exclusion from families and the world of work. Those are important considerations that any policy in this area must address.

A number of speakers paid tribute to the champions in the community who, by raising awareness of this important issue and its effects, contribute to a better understanding of the problems and, in turn, by raising those issues ultimately lead to a higher standard and variety of services provided by the community—whether it is through government or non-government sectors. There was a lot of talk, for example, about improving structures in society through which services are provided, and no doubt that is the case. The member for Keira, Ryan Park, touched on an important issue: It is vital for leading members of the community, including parliamentarians, speak openly about issues to do with mental illness because unless that happens the stigma and the misunderstanding will not ultimately be addressed. That is an important consideration for the House. There were a number of other contributions about the bill, which I will come to.

What is clear—and it came through in the debate—is the widespread recognition that mental illness underlies many issues we face as a society. It affects many individuals, families and workplaces and it can manifest without any or much warning, with devastating consequences for sufferers, their families and communities. Although some steps have been taken, society as a whole can do better in the ways we address those considerations. I join in echoing those views. What also came through—as was touched on by the Minister for Ageing, and Minister for Disability Services—is that it is important not only that there be bipartisanship on this issue, with which I wholeheartedly agree, but also, as the Minister said, that "the capacity of mental health service providers will need to increase dramatically." The member for Wollongong, Ms Noreen Hay, identified that the government of the day must ensure there are sufficient mental health resources, otherwise all the goodwill in the world will not change things for the better.

The Parliamentary Secretary mentioned some statistics, including that more than a million people are living with disorders in New South Wales. Half of those people show recognisable symptoms before the age of 15 years; that only a quarter of young people access mental health services, even though on some figures I have seen some 65 per cent of them will require some mental health support; that in Australia about a million adults and 100,000 people are living with depression, a key form of mental illness; and some three-quarters of a million people in New South Wales identified themselves as carers. It is important to recognise the impact on

people, often parents, who care for those with a mental illness. Those are important factors that we must bear in mind. Ultimately, it is a question of not just getting the structures right but also making sure that the resources flow. In this respect, the bill does not appear from nowhere.

Those on this side of the House have a proud record in mental health. "A New Direction for Mental Health" was a five-year plan released by former Premier Morris Iemma. It provided, over a period of five years, more than \$900 million in additional mental health spending in this State. As far as I have been able to identify in my research, that is the most sustained increase in mental health funding in the history of New South Wales. I could go through the very many programs and facilities that were constructed and built over those five years—whether funding of clinicians' positions, or specialist mental health services for young people and older people, or provision of mental health beds in different area health services—but what is clear from even a casual observation of what took place in this State over those five years is that there was a sustained investment in prevention services, integration and community services. That has provided a solid basis for support services, particularly those in a community setting. There was also funding of facilities in different places across the State. As I said, I could go into those programs and facilities in some detail, but I will not. Suffice to say there was significant investment by the former Labor Government in mental health services.

I refer to the budget handed down by this Coalition Government. The Parliamentary Secretary identified what she considered was the single biggest increase in investment in mental health services in this State. I think the Parliamentary Secretary is mistaken. In 2010-11 the former Government spent nearly \$1.3 billion, or an increase in funding of 12.27 per cent on the previous year's investment in mental health. This Government's claim to increasing mental health spending is based on a comparison of what it says it will spend in this financial year versus what was budgeted for in the previous financial year. But the gap is very different given what the previous Government actually spent and what the current Government has budgeted for.

The increase in mental health spending in last year's budget was less than inflation—effectively, a budget cut. I debated the figures with the Minister, and I will not go into that, but it is quite clear on the Government's own figures that investment in mental health spending did not keep pace with inflation. I hope that that changes in this year's budget and subsequent budgets. I know there has been some debate about capacity building, and I appreciate that that is a very important part of growing the ability to deliver meaningful improvements in mental health in this State. But, if there is a continuation of the erosion of the level of mental health investment that had been built up over many years by the previous Government, goodwill and the ability to do good things will likewise be eroded. That should not be anyone's intention. Hopefully, the effective real cut in mental health funding in last year's budget will be reversed this year and in future years.

There were two contributions to debate in the other place that are worth reflecting on. The shadow Minister for Health, Dr McDonald, said that the real test for the bill currently before this House is ultimately what it will do for an elderly mother living in rural New South Wales with a 30-year-old son who has schizophrenia, where the issue is service delivery. Dr McDonald raised a number of concerns about the bill and the Minister's ability to control the new commission, the need for public availability of all commission reports, and the capacity of the commission to investigate inadequate service delivery, in particular. The member for Fairfield, Mr Guy Zangari, also raised some matters of concern regarding the potential for conflict between the commission and the Minister over the development and adoption of the strategic plan for mental health, as well as the commission's budget. Having read the Minister's response in the debate, I am not sure those concerns were addressed.

Under the bill before the House, the New South Wales Mental Health Commission will not be a service provider, and it will not carry a budget for purchasing mental health services, as I understand is the form and model of the commission in Western Australia. The role of the New South Wales commission, as envisaged in the bill before us, will be to provide strategic advice and monitoring of the mental health system, as well as other functions, making it more like the model adopted by the New Zealand Government. Through this approach, it is intended that the commission will endeavour to improve mental health services in New South Wales—a very worthwhile aim, and one that I certainly join with the Government in promoting. As the Minister himself noted in reply to debate in the other place, the test of whether the commission is successful will depend on actual improvements in mental health care in this State.

There will be a Mental Health Commissioner, appointed for up to five years, and one or more deputy commissioners, appointed for up to three years. One of those persons must be a person "who has or has had a mental illness". That is provided for in clauses 5 to 8. This is a welcome innovation, and it has the support of stakeholders that I have spoken with. The Opposition supports it. A great deal of the commission's effectiveness

long term will depend upon the quality, skills and energy of those who are selected to fill those key posts. They will be the key drivers of the commission's activities. In large part, I think they will determine the success or otherwise of this policy of the Government. The key role that the commission will be tasked with is preparing a strategic mental health plan, as provided for in clause 12 (1) (a). As the Opposition understands it, this plan will not be a plan for just the public sector agencies and what they do, but comprehends all mental health services provided in this State, regardless of the body that provides them. However, the strategic mental health plan is subject to approval by the relevant Minister, as provided by clause 12 (1) (a).

The bill does not explain what will happen in the event of any disagreement between the commission and the Minister regarding the mental health strategic plan. Ultimately, the Government has the right to govern and the Minister has the right to determine the mental health strategic plan. The Opposition will not seek to cavil with that or interfere in any way, but such great store has been placed in the independence of this proposed commission, and following the consultation with stakeholders that has occurred to date—and which presumably will also occur around the selection of the commissioner and the deputy commissioners and the make-up of the mental health advisory body that will advise the commission—it would be unfortunate if that independence was in any way eroded or seen to be eroded.

The bill is also silent on what the life of the strategic plan will be. Will it be for four years, five years or 10 years, and what criteria will be used to decide the duration of the plan? Without some time frame for the strategic mental health plan I do not think it will be possible to evaluate properly whether the targets and objectives of the plan have been met. This is crucial to public confidence in the commission because it will have the capacity and the duty to monitor and report on the implementation of the plan, as provided in clause 12 (1) (b). I do not think measuring progress towards the achievement of the objectives set out in the plan will be meaningful unless the plan has a time frame, and the bill does not provide for that. The New Zealand legislation, for example, provides for a time frame to be agreed between the commission and the relevant Minister, but this bill does not have even that facility.

It is not clear how often the commission is supposed to monitor and report on the implementation of the plan. The Opposition believes it should be done by way of a report by the commission to Parliament each year. I understand that is the intention of the Government, but it is important that it is specified in the legislation so there is no doubt on our part or on the part of the community. In opposition, the Coalition said it would quarantine funding for mental health from the overall Health budget, and, as I indicated earlier, it did not do so in last year's budget. Many people I have spoken to in the community and within stakeholder groups thought that one of the functions of this commission would be the requirement to report on whether the mental health allocation provided for in each year's budget has been spent as intended by Parliament, and, if not, why that was so. It is not clear that the functions of the commission set out in clause 12 (1) (b) or clause 14 would permit the commission to carry out such a function. I note also that neither in his agreement in principle speech nor in his speech in reply did the Minister refer specifically to any such role for the commission—although I note that the Minister said in his speech in reply that if there were concerns about those matters they could more properly be dealt with by a referral of the matter to the Auditor-General.

I do not believe that is a satisfactory or an appropriate response and I look forward to hearing in the speech in reply in this place whether those concerns can be addressed better than they have been to date. The Opposition believes the commission should be able to, but not necessarily be required to, verify the budget each year to promote accountability and also public confidence that the money provided by Parliament in each year's budget is directed where it is needed and where the Government has said it will be spent. We still need to be satisfied on that issue. In clause 9 the bill provides for ministerial control and direction of the commission other than in relation to the preparation and content of the draft strategic plan or any other report prepared by the commission. However, the wording of clause 9 means that the Minister could overrule a commission decision to inquire into and report on a systemic issue, and we believe that needs to be addressed. The control and direction power could also extend to the exercise of the commission's other functions under clause 12 of the bill, including its monitoring functions. This is simply a function of the width of the language used in clause 9.

I note that the Minister in the other place said that clause 9 is similar to, for example, the Health Care Complaints Commission legislation, and that is so. But much store has been placed in the independence of this new commission. The Opposition believes this concern should be addressed by a requirement for any direction by the Minister to be published and tabled in each House of Parliament. Again, whilst not seeking to cavil or interfere with the policy whereby the Minister would have certain control and direction of the commission, the Opposition believes that on the no doubt rare occasions when such power is exercised it should be disclosed and made public, again for the promotion of accountability, transparency and confidence in this new body.

Clause 10 of the bill provides for a Mental Health Community Advisory Council to advise the commission on any mental health issue it considers appropriate or that is referred to it by the commission. The commission will have the function of reviewing and evaluating services for or affecting persons with a mental illness; the ability to undertake and commission research; and it will have advocacy and education functions, as set out in subclauses 12 (c) to (h). Other functions may be added by regulation. I note that the commission's ability to undertake and commission research of course will depend on the commission itself having an adequate budget. The Government previously indicated that the budget of the commission would be \$30 million. It is not clear to me over what time frame the \$30 million will be allocated: whether it is in one year or over a number of years. I assume the commitment remains in place, but, again, the ability of the commission to fulfil all its functions, and in particular to undertake its own research, will depend on the commission having a meaningful budget to permit it to do so.

Clause 13 provides that the commission will also have the ability to make special reports on any significant systemic issue affecting people who have a mental illness. While those reports can be made public and tabled in the Parliament, clause 13 (3) makes it clear that they may not be. The Opposition believes all reports of the new commission should be tabled in Parliament to ensure transparency and accountability—key objectives of the Government stated in this policy. I note that in his speech in reply in the other place the Minister indicated it is envisaged, at least by him, that the special report functions of the commission would often arise from Cabinet discussions and that any resulting reports would in turn feed back into Cabinet deliberations. We on this side of the House understand that in those circumstances it would not be appropriate for those reports to be made public, but we do not necessarily agree that this would be the chief or only scope of the function of clause 13. Except for the circumstance outlined by the Minister, we think all reports of the commission should be tabled in Parliament.

The New Zealand legislation provides a strong mandate for its Mental Health Commission to work to reduce the stigma associated with mental illness and the prejudice shown to people living with a mental illness, their families and caregivers, and to eliminate discrimination on the ground of mental illness. This bill has such a function only as a subsidiary part of a more general community education function as provided for in clause 12 (1) (h). The Opposition believes firmly the language around this provision needs to be strengthened significantly. The Opposition will move amendments to the bill in this place as necessary to meet the concerns that I have outlined. The responsibilities conferred on the commission in this bill are considerable. We are mindful not to increase that burden unnecessarily, and we will not do so. But we believe certain parts of the bill could be improved.

Proposed amendments by the Opposition have been circulated; I have also circulated them to a wide variety of stakeholder groups and consulted with them. While I will not descend to the specifics of my discussions with different groups, many of the concerns that I have outlined in this debate have been warmly supported by those in the field to whom I have spoken. As has been stated previously, the ultimate proof of the success of this policy will be whether the commission is able to drive improvements not only in government services but also in services provided by the non-government sector. We on this side of the House look forward to seeing the commission in operation and to seeing how it will deal with the many challenges of mental health policy and services in this State. I could say a great deal more about the bill and policy challenges in this area, but I will not do so at this time.

I will not acknowledge the interjections, suffice it to say that it has been clear throughout this debate that members in both Chambers and people in the community are looking for one thing: improved outcomes in mental health service provision and in mental health care outcomes. The Government has the right to implement this policy. It was a Coalition election commitment and we will not oppose that. But we will seek to improve the public policy outlined in the proposed bill—not frustrate it, but rather enhance it. We hope that the House will carefully consider our amendments in that light.

Pursuant to sessional orders business interrupted at 4.00 p.m. for questions.

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

QUESTIONS WITHOUT NOTICE

WORKCOVER PROSECUTIONS

The Hon. LUKE FOLEY: My question is directed to the Minister for Finance and Services. Given that in answer to a question asked in this House on 21 February the Minister stated that the adjournments to prosecutions sought by WorkCover pending a review had to do with legislative changes made last year, yet the

barrister representing WorkCover told the Industrial Court on 27 February that all the prosecutions in relation to which adjournments were sought for the purposes of a review were all under the previous legislation, did the Minister mislead this House on 21 February?

The Hon. GREG PEARCE: No, and of course I would not mislead the House. I have been advised of the decision made by Justice Bollen regarding a number of applications by WorkCover for adjournments in the Industrial Relations Commission in Court Session. It is interesting that the member referred to the Industrial Relations Commission in Court Session. I will share some thoughts about some of the decisions of the Industrial Court. Members will remember the Kirk decision, a landmark case noted mostly for what it said about the industrial relations court as a jurisdiction and for the way in which prosecutions were pursued. In this case WorkCover prosecuted a man who owned a farm but who had entrusted the management of his farm—

The Hon. Adam Searle: Point of order: The Minister is not being generally relevant. The question was clearly directed to whether the Minister had misled the House given two facts that were laid before this House in the question. The Minister is now addressing a completely separate point. He is canvassing decisions of the court in other matters and not in the matter to which his attention was drawn in the question. Please call the Minister back to relevance.

The Hon. GREG PEARCE: To the point of order: The question was in relation to purported reasons given to the Industrial Relations Commission for adjournments. It referred on the one hand to recent changes to the law and on another hand to earlier changes to the law. I am exploring some of those earlier changes to the law.

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

The Hon. GREG PEARCE: As I was saying, in the Kirk case WorkCover prosecuted a man who owned a farm but who had entrusted the management of his farm to a good friend who was far more qualified for that task than he was. In this matter WorkCover actually called the defendant as its own witness despite the provisions of the Evidence Act that state that this cannot be done. Justice Heydon in the High Court believed that this was perhaps a reason why specialist tribunals had difficulties, saying:

... a major difficulty in setting up a particular court, like the Industrial Court, to deal with specific categories of work, one of which is a criminal jurisdiction in relation to a very important matter like industrial safety, is that the separate court tends to lose touch with the traditions, standards and mores of the wider profession and judiciary.

Perhaps the court disregarding the Evidence Act in relation to the calling of particular witnesses was an example of that. But more than that of course was the criticism from Justice Heydon in relation to the proceedings themselves. He said that the proceedings should never have been instituted. The truth of that statement can perhaps be seen more clearly in hindsight than before the proceedings were instituted, but it remains a statement that is and was true at all times. Justice Heydon went on to say:

It is absurd to have prosecuted the owner of a farm and its principal on the ground that the principal had failed properly to ensure the health, safety and welfare of his manager, who was a man of optimum skill and experience – skill and experience much greater than his own – and a man whose conduct in driving straight down the side of a hill instead of on a formed and safe road was inexplicably reckless.

We will come back to some other parts of the Kirk case a little later. [*Time expired.*]

LYSAGHT OVAL

The Hon. TREVOR KHAN: My question is directed to the Minister for the Illawarra. Could the Minister please inform the House of some of the findings of the internal audit bureau report into Lysaght Oval?

The Hon. GREG PEARCE: I thank the member for his question and note that members on this side of the House are continuing to unearth the full extent of the mess left behind when those opposite were so resoundingly removed from office last year. Earlier today I tabled the internal audit bureau report into the former Labor Government vote buying that led to millions of dollars of taxpayers' money disappearing for no tangible gain for Lysaght Oval in the Illawarra.

Last year I wrote to the Premier to raise concerns about grants provided by the former Iemma-Robertson Labor Government supposedly to assist with the relocation of two Wollongong-based football

clubs to Lysaght Oval. The Department of Premier and Cabinet then commissioned the internal audit bureau to conduct an independent inquiry. The results are damning. Despite blowing almost \$3 million in taxpayers' money since 2002—

The Hon. Dr Peter Phelps: How much?

The Hon. GREG PEARCE: Almost \$3 million has gone down the drain and nothing has been gained for the community and the taxpayers of the Illawarra. Those opposite ought to read the report to see some of their mates named in it. The report points out unmanaged conflicts of interest whereby the owners of the Lysaght site were also directors of the Wollongong Sports and Recreation Centre and in some cases were also contractors who were paid using grant funds. There were irregularities in the disbursement of the two grants with regard to questionable payments and conflicts of interest. This meant that the majority of the grant funds were provided to a private company the majority shareholders of which were also the two major shareholders of the companies that owned Lysaght Oval.

From a probity and accountability perspective, the most damning of all the findings was that the funds for the project were not allocated as part of any regular funding program conducted by a New South Wales agency. Because of that, the strict requirements for acquittal and audit, which should have been applied, were avoided. The result was that there was absolutely no oversight by the former Labor Government to ensure that the funding was used "for the stated purpose for which the grants were provided".

The report is unequivocal in its judgement on the proposed additional vote-buying grant of \$2.5 million that former Premier Keneally announced in February 2011 as a desperate vote-buying exercise immediately prior to the election. The report states that the funding was inappropriate, given the mismanagement of the earlier grants and in particular the failure of those grants to achieve the purpose for which they were provided. That statement was made in relation to former Premier Keneally's attempted bribe immediately prior to the election—and all Labor members were a part of it.

The Hon. Amanda Fazio: Point of order: My point of order is that the Minister is making imputations against a member of the other place. He knows it is out of order to do so. I ask you to call him to order.

The PRESIDENT: Order! I uphold the point of order. I note that the Minister's time has expired.

WORKCOVER PROSECUTIONS

The Hon. ADAM SEARLE: My question is directed to the Minister for Finance and Services. Why was WorkCover, in its application for adjournment of occupational health and safety prosecutions before Justice Boland on Monday 27 February, unable to inform the court whether instructions to seek adjournments had come from the inspectors who had laid the charges?

The Hon. GREG PEARCE: I do not know. I was not there. However, judging from media reports, the Deputy Leader of the Opposition was in the audience. I am not sure if he was briefing someone or he was briefed by anybody, but I am pretty sure he was there.

The Hon. Duncan Gay: Can he not remember?

The Hon. GREG PEARCE: He might be able to shed some light on his own question. He should remember. In the context of adjournments of some of those cases I will again refer to the Kirk case before Mr Justice Heydon.

The Hon. Adam Searle: Point of order: The question I posed to the Minister was why WorkCover, which is the body charged with conducting the prosecutions, was not able to inform the court when it made its own applications for the matters to be adjourned who had given the instructions and whether or not the inspectors who had laid the charges had given the instructions. It is a very important point. The Minister ought to know if he is across his portfolio, and he is not. My point of order is that the Minister is trying to obfuscate by dealing with another matter and has not addressed the question squarely.

The PRESIDENT: Order! The remarks of the Deputy Leader of the Opposition are well beyond the scope of a point of order. A point of order should be confined to a consideration of whether or not the answer

complies with standing orders. I presume the Deputy Leader of the Opposition was about to question whether the Minister's answer was generally relevant. It was a little too early for me to judge that, but I remind the Minister of the requirement for his answer to be generally relevant.

The Hon. GREG PEARCE: The question asks me about the reasons for the adjournments. The first question asked by the Leader of the Opposition today indicated that one of the possible reasons for the application was a review resulting from recent changes to the law, and that the other possible reason was that there may have been a review because of previous changes to the law. I am enlightening the Deputy Leader of the Opposition on previous changes to the law that were raised by the Leader of the Opposition as a possible reason for the adjournments.

Mr David Shoebridge: Point of order: The Minister's referring to an earlier question does not address the relevance of this answer. The Minister is not even pretending to be generally relevant in his answer to this question. He is referring to an earlier question.

[Interruption]

Despite the eloquent interjection by the Acting Leader of the Government, the Minister is not even pretending to be generally relevant.

The PRESIDENT: Order! I uphold the point of order. The Minister has indicated that he has nothing further to add.

TAFE REVIEWS

Dr JOHN KAYE: My question is directed to the Minister for Roads and Ports, representing the Minister for Education. Will he list the reviews of TAFE which are being conducted or which have been recently completed that were commissioned by the O'Farrell Government? For each review, will he name the organisation that is conducting the review, the aspect of TAFE being reviewed, and the expected completion date?

The Hon. DUNCAN GAY: I thank Dr John Kaye for his question, which has been asked in a very serious manner so I will provide him with a very serious answer. I am advised that the reviews of TAFE that have been commissioned by the Minister for Education since forming government are as follows—

The Hon. Mick Veitch: This is a dorothy dixer.

The Hon. DUNCAN GAY: No, we are just well briefed.

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

The Hon. DUNCAN GAY: This is a new Government. Members of the Opposition should not judge this Government by their own standards. They suggest that just because a Minister is able to answer a question the question must have been provided previously. But that is not so—it means simply that we are well briefed. I am advised that reviews of TAFE that have been commissioned by the Minister for Education since the Coalition formed government are as follows. Firstly, the Smart and Skilled consultation process includes questions on TAFE and is being conducted internally by the Office of Education in the department. A discussion paper has been publicly available since September 2011. A final completion date is yet to be determined.

Secondly, TAFE NSW is undertaking an independent occupational health and safety audit at TAFE NSW Western Institute, Rural Skills Campus, in relation to the properties and paddocks on which the horse units are conducted, among other things. The audit emanates from a recommendation made by the coronial inquest into the death of Sarah Waugh, which occurred in March 2009. The department will report to the New South Wales Attorney General on implementation of the recommendations within six months of receiving the Coroner's recommendations.

The Minister for Education is unable to advise on other reports relating to TAFE that may have been produced by other Ministers or agencies since the formation of this Government, but suggests that the inquiry to which the member refers may have been one that was commissioned by the previous Government.

Dr JOHN KAYE: I ask a supplementary question: Will the Minister expand on his answer by assuring the House that there were no further inquiries commissioned by the current Minister or by the NSW TAFE Commission?

The Hon. DUNCAN GAY: The question is probably out of order, but I will answer it.

The Hon. Eric Roozendaal: Give it your best shot.

The Hon. DUNCAN GAY: We always give it our best shot. The answer I gave previously was comprehensive. The question related to how many reviews are being conducted or have been recently completed, and I cited two. The Minister's view is that the member's question may relate to a review that was undertaken by the previous Government.

FLOODS

The Hon. SARAH MITCHELL: My question is addressed to the Minister for Roads and Ports. Will he update the House on recent flooding in New South Wales?

The Hon. DUNCAN GAY: I thank the Hon. Sarah Mitchell for her question and appreciate that all members are concerned about flooding that has occurred throughout New South Wales, particularly in Wagga Wagga. As members would be aware, this afternoon the Leader of the Government is at the Wagga Wagga Police Command Centre because of the severity of the situation and our concerns. We understand that the water level is currently 10.56 metres. The levee is designed for 10.7 metres. Reports indicate that it should peak at about 6.00 p.m. and obviously the State Emergency Service and the community are closely watching that situation. Members already know the impact that the heavy rain has had on the State over the past month. Flooding has caused damage from Broken Hill to Bourke and Wagga Wagga to Warralinda.

A flood evacuation notice was issued for Wagga Wagga last night and the Sturt Highway is closed east of Wagga Wagga, and between Darlington Point and Wagga Wagga. We are waiting to see whether the Murrumbidgee River will hold its banks. The Premier was in Wagga Wagga this morning working to ensure that the people of this region are safe from and adequately prepared for further flooding.

[Interruption]

Mr David Shoebridge may joke, but it is certainly not a joke to the people in southern and regional New South Wales who have to live with this on a daily basis. The people of the region are doing it tough. Almost 9,000 people have been evacuated from Wagga Wagga and, to put it simply, it has been a devastating week for the hardworking farmers and residents of regional New South Wales. What is clear is that the rescue and repair work needed to bring New South Wales back to normal will have a significant impact on the State's bottom line. With road pavements already saturated, the more rain and flood that is expected over the coming weeks and months, including flood waters flowing down from Queensland, New South Wales could well be facing a repair bill just for roads of more than \$500 million, and that is catastrophic. It is money that has not been budgeted for, but it is money that we will find.

Thankfully the water in Sydney's northwest is receding. During the early hours of Saturday morning the Yarramundi Bridge in the Hawkesbury region was closed due to the flooding and then, later in the morning, there was the overflow of Warragamba Dam. The North Richmond, Windsor and Cattai bridges were also closed. After engineering inspections both the North Richmond and Windsor bridges were reopened on Sunday morning. Roads and Maritime Services bridge crews remained on standby throughout Sunday to ensure floodwater debris did not get caught by either bridge and risk public safety. The Yarramundi Bridge was reopened around midday on Monday, and the Cattai Bridge was reopened early this morning. Across the State sections of key roads remain closed, including the Riverina Highway, the Newell Highway, the Snowy Mountains Highway, Lachlan Valley Way and the Kamilaroi Highway. I urge motorists to avoid all non-essential travel to the area and other flood-affected towns, and not to drive through floodwater. Motorists wanting up-to-date information on road closures should log onto the live traffic website at www.rms.nsw.gov.au.

POLICE SAFETY

Reverend the Hon. FRED NILE: I ask the Minister for Roads and Ports, representing the Minister for Police, a question without notice. In light of the tragic murder of Senior Constable David Rixon on Friday

2 March 2012, does the O'Farrell Government acknowledge the apparent increase in firearm-related crime over the past several months, including firearms attacks on police officers? Does the Government acknowledge that police officers are being exposed to unnecessary risk when expected to undertake single unit patrol policing? Will the Government consider overturning the 1999 single unit policing protocol and adopt a two unit patrol policy for the police and highway patrol, more in tune with modern demands of law enforcement in New South Wales?

The Hon. DUNCAN GAY: I thank the honourable member for his question. I know all members of the House share in the grief of the family of Senior Constable David Rixon from Tamworth. His wife and his young family have been devastated by this horrible incident. The Minister for Police and Emergency Services had intended to make a ministerial statement to the House today on this matter but, as members are aware, flood issues have meant that he cannot be here. However, when he returns that will be the first order of business. I understand, as is appropriate, that the NSW Police Force has established a critical incident investigation team to fully investigate this matter. The incident also is subject to the purview of the New South Wales Coroner.

I am informed further that it is not uncommon, particularly during the day, for highway patrol officers to go out on duty individually. That has been the case for some time. At night police are more likely to go out in pairs. However, as I said, it has been the policy for some time that during the day it is common for them to go out individually equipped with cameras and microphones. I would certainly like to extend my sympathy and condolences to the family and friends of Senior Constable Rixon, and indicate my support for the Police Association's quest to raise money for his family. I know that every member here supports those efforts.

WORKCOVER PROSECUTIONS

The Hon. SOPHIE COTSIS: My question is directed to the Minister for Finance and Services. Why could WorkCover not inform the Industrial Court on Monday 27 February of the purpose of the review of prosecutions and how that purpose relates to the charges laid?

The Hon. GREG PEARCE: I am pleased that the shadow Minister for Industrial Relations has finally come around to asking a question relating to her responsibilities. She has probably been busy beaver away at other matters. My understanding is that WorkCover sought adjournments to review prosecutions in the light of changes to the law. That is what the member has told us many times, and I am relying on her—

The Hon. Adam Searle: Point of order: The Minister is debating the question. He ought not to do that.

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

The Hon. GREG PEARCE: That is my understanding from members opposite. Members of the Opposition were present in the court room, I was not. As I understand it, the changes in the law arose primarily from the Kirk case and about changes that we made to the law last year with the great support of those on the other side of the Chamber.

The Hon. John Ajaka: Point of order: It is impossible to hear the Minister over the continual interjections coming from members on the Opposition side of the House.

The PRESIDENT: Order! There are too many interjections. Members should listen to the Minister's answer in silence. The Minister should not respond to interjections.

The Hon. GREG PEARCE: In answer to the propositions that have been put forward repeatedly by members opposite I state that WorkCover sought the adjournments to review the prosecutions as a result of the Kirk case and the laws that were introduced last year. In the Kirk case, as I previously indicated, Justice Heydon in the High Court said in his judgment when talking about the absurdity of WorkCover bringing the prosecution:

The absurdity is greater in view of the trial judge's acceptance of the propositions that Mr Kirk was a scrupulous and dedicated professional and when Mr Kirk is operating something in a business mode we know he will be attending to it or causing others to attend to it with the full discretion that he can.

Of course, the Industrial Court has also had some form in other respects. I am sure members would not forget when the Industrial Court decided to go down the path of interfering with commercial contracts on the basis of section 106 of the Industrial Relations Act.

Mr David Shoebridge: Point of order: The Minister is directly attacking another institution of this State, being a judicial institution. Attacking a judicial officer or court of this State from this House is a breach of standing orders and is out of order. The Leader of the Government may not like the fact that this House has traditions, but the Minister is trampling on them.

The PRESIDENT: Order! I have the gist of the member's point of order. There is a line of authority, including rulings from a number of Presidents, that reflections on a member of the judiciary cannot be debated except by way of substantive motion. However, while the Minister was making comments about the court, he was not reflecting on an individual member of the judiciary. In that respect, his comments were not out of order. The Minister's time has expired.

HUNTERS HILL RADIOACTIVE WASTE

The Hon. CATHERINE CUSACK: My question is addressed to the Minister for Finance and Services. Will the Minister update the House on the remediation of uranium contamination at Hunters Hill?

The Hon. GREG PEARCE: I thank the member for her interest in this matter. I am surprised that as we are more than half way through question time the Opposition has not got round to this matter. Following Foley's fables, where did they start? Federal Labor eliminated the solution to storage of radioactive hazardous waste by refusing to proceed with the Howard Government's proposal to do so in the Northern Territory. That is where they started. What happened?

The Hon. Walt Secord: Point of order: My point of order is relevance. The question asked about Hunters Hill. The Minister is talking about the Northern Territory.

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

The Hon. GREG PEARCE: I acknowledge the extraordinary good work of the Hon. Catherine Cusack on the disposal of radioactive hazardous material when we were in opposition. She had the Labor Government absolutely on the run over this issue.

The PRESIDENT: Order! Opposition members will come to order. I call the Hon. Greg Donnelly to order for the first time. I call the Hon. Steve Whan to order for the first time.

The Hon. GREG PEARCE: When the mob opposite was in government, it initially decided that it would do the right thing and clean up the contaminated soil at Hunters Hill. Members opposite initially decided they would do that, but did they have the guts to actually do anything? They ran away.

The PRESIDENT: Order! I call the Hon. Lynda Voltz to order for the first time. I call the Hon. Walt Secord to order for the first time.

The Hon. GREG PEARCE: When they returned in opposition what did they do? They thought they had an issue and, like Foley's fables, off they went to Kemps Creek in the western suburbs and scared people by alleging that radioactive hazardous waste was going to be disposed of at the Kemps Creek waste facility, which, of course, was operated under the Labor Government.

The Hon. Lynda Voltz: What are you doing, Greg?

The Hon. GREG PEARCE: We came up with a solution.

The PRESIDENT: Order! Opposition members will cease interjecting.

The Hon. GREG PEARCE: We came up with a solution to have the soil removed from Hunters Hill. We are a government that respects the rights of its citizens not to have contaminated soil next to their homes. What did we do? We went to great lengths to ensure that the process for removing this material would be supervised by the Australian Nuclear Science and Technology Organisation [ANSTO]—the Federal Government's authority. Those opposite tested the soil over and over, and they discovered that there was no radioactive hazardous material in the land. The material, provided it contains no radioactive hazardous material, will go to the facility that was purpose-built to take it—the Kemps Creek facility. [*Time expired.*]

The Hon. CATHERINE CUSACK: I ask a supplementary question. Will the Minister elucidate his answer?

The Hon. GREG PEARCE: As I said, those opposite established that the Hunters Hill site contained no radioactive hazardous material. So there was nothing radioactive and hazardous to go to Kemps Creek. However, if there is any radioactive hazardous material, in spite of the reports those opposite commissioned, we have arranged for it to be disposed of in the place which was designed to take it and which operated for two decades under the Labor Government. What did the Labor Government do? Five years ago it spent an enormous amount of money upgrading the facility, but kept its location secret. When I examined this matter public servants said to me, "Minister, you cannot reveal the location of the facility because the Labor Party hid the location for the last five years." I said, "People deserve to know where these facilities are." So we disclosed that the facility is at Lidcombe. Those opposite operated that facility throughout the 16 years they were in government. They lied to the people of Sydney and to the people of New South Wales, and they hid its location.

The Hon. Lynda Voltz: You lied to the people of western Sydney. You said it wasn't going there.

The Hon. GREG PEARCE: They hid the location. They are the ones who lied to their own supporters.

The PRESIDENT: Order! I call the Hon. Lynda Voltz to order for the second time.

The Hon. GREG PEARCE: The Hon. Luke Foley should go back on television and admit to people that his Government ran this facility for 16 years and lied about its location.

TRANSPORT COMPANY CONTRACTS

Mr DAVID SHOEBRIDGE: My question is directed to the Minister for Finance and Services. Has the Minister or any of his staff met with any transport companies or their representatives to discuss changes to the contract carrier provisions in the Industrial Relations Act? If so, which companies and what was discussed?

The Hon. GREG PEARCE: I thank the member for his question. I will have to take it on notice. I do not know the answer off the top of my head. I will come back to him with an answer.

WORKCOVER PROSECUTIONS

The Hon. STEVE WHAN: My question is directed to the Minister for Finance and Services. On what basis or advice was the decision made for WorkCover to seek adjournments to current prosecutions?

The Hon. GREG PEARCE: I do not know. The Hon. Steve Whan will have to ask WorkCover.

TRANSPORT MASTER PLAN

The Hon. JOHN AJAKA: My question is addressed to the Minister for Roads and Ports. Will the Minister update the House on the New South Wales long-term transport master plan?

The Hon. DUNCAN GAY: I thank the member for his question. I am disappointed that it did not come from the Opposition.

The Hon. Trevor Khan: They don't care.

The Hon. DUNCAN GAY: They just do not care. Unlike the previous 16 years when those opposite merely paid lip-service to the community, we are listening and actively engaging with the community by holding a series of transport planning forums across the State. The Government launched the New South Wales long-term transport master plan discussion paper in February. I encourage all those interested in improving transport in New South Wales to log on to the web site www.transportmasterplan.nsw.gov.au and make a submission. If those opposite have anything valuable to say I encourage them to make a submission. Following the launch of the discussion paper my colleague and good friend the Minister for Transport, the Hon. Gladys Berejiklian, and I will travel across the State to hear firsthand what our customers, businesses and other organisations have to say about the future of transport in New South Wales.

Ten regions outside of Sydney—do Opposition members know where that is? No, they do not—will each host at least one forum where key stakeholders will be consulted by Transport for New South Wales as part of the 12-month process to develop a New South Wales long-term transport master plan. As we develop a plan for New South Wales it is crucial that we consult with people in regional and rural areas who are affected by the quality of the transport network—from councils and community groups, to public transport commuters, freight companies and truck drivers. I have visited Broken Hill, where about 100 people turned up to give their views. Tonight a second forum will be held at Milsons Point.

The Hon. Penny Sharpe: What about a second CountryLink service? What are you guys going to do?

The Hon. DUNCAN GAY: If Opposition members turned up to some of these forums they might find out. The New South Wales long-term transport master plan will build on commitments outlined in this year's budget, including a \$4.2 billion investment in the rural and regional road network, \$362 million for rural and regional bus services, \$159 million for rail improvement on the country regional network and \$17 million for community transport services. New South Wales faces a host of formidable challenges. If we have learnt anything from the past, it is that piecemeal, half-baked approaches to big problems do not work.

The timetable for the New South Wales long-term transport master plan is: November 2011, the consultation process—to include community forums, the meeting of specialist advisory groups and a new web site—begins; February 2012, the release of a discussion paper to guide further consultation, followed by regional forums; 27 April 2012, submissions to the New South Wales long-term transport master plan are due; in mid 2012, release a draft New South Wales long-term transport master plan for comment; and November 2012, release of the final New South Wales long-term transport master plan.

[*Interruption*]

Mr President, one would think with all the noise from Opposition members they might have put in a submission. If the Labor Party has so many good ideas, why does it not present them? In this House it puts itself forward as a hero of the Parliament, but in the community it is a world-class wimp. Not one member of the Opposition turned up in Broken Hill when we were talking to the community. However, they come in here and prattle on— [*Time expired.*]

OUT-OF-HOME CARE

The Hon. JAN BARHAM: My question is directed to the Minister for Finance and Services, representing the Minister for Family and Community Services. Will the Minister advise the House whether the Government acted on recommendation two of the Ombudsman's review of planning and support provided by community services to young people leaving statutory care: namely, that by 30 June 2011 the Department of Family and Community Services should provide the Ombudsman's office with a report on whether the agency is meeting its obligations under the ministerial guidelines on the provision of assistance after leaving out-of-home care? If so, what evidence does the Department of Family and Community Services have to support its position? If not, what action does it propose to take?

The Hon. GREG PEARCE: I thank the honourable member for her important and detailed question. I will take it on notice and get a detailed answer from the Minister.

WORKCOVER PROSECUTIONS

The Hon. MICK VEITCH: My question is directed to the Minister for Finance and Services. What roles has the Minister or his office had in the decision of WorkCover to seek adjournments to criminal prosecutions while they are before the court?

The Hon. GREG PEARCE: I do not want to debate the question, but these questions are increasingly absurd. How many times has the Opposition told us that WorkCover sought the adjournments to get legal advice on the prosecutions? Now it is asking the Government what legal advice it had. I assume that if WorkCover got the adjournment to get the advice, it probably did not have the advice before it got the adjournment to get the advice. The geniuses opposite have used up two-thirds of question time to ask what advice WorkCover had to seek advice. Have Opposition members asked me a question about the State's triple-A rating and Moody's report reaffirming the State's rating last week?

Mr David Shoebridge: Point of order: The Minister is clearly debating the question. He said he would not debate it, but he cannot help himself. It was a simple question. Could the Minister be directed to answer the question?

The PRESIDENT: Order! The member will not make a debating point under the guise of a point of order. The Minister was debating the question. The Minister has concluded his answer.

PROCUREMENT FORUM

The Hon. MATTHEW MASON-COX: My question is addressed to the Minister for Finance and Services. Will the Minister update the House on the recent procurement forum?

The Hon. Helen Westwood: That is a good question.

The Hon. GREG PEARCE: That is a good question. Opposition members could learn from it. In fact, I am sure that the Hon. Matthew Mason-Cox would be available for coaching if those opposite would like to get some advice in relation to their questions. I inform the House that yesterday the New South Wales Government outlined its commitment to change the way it does business. I was joined by the Deputy Premier, Minister for Trade and Investment, and Minister for Regional Infrastructure and Services, Andrew Stoner; the Treasurer, Mike Baird; the Minister for Primary Industries, and Minister for Small Business, Katrina Hodgkinson—

The Hon. Walt Secord: Point of order: This is clearly a ministerial statement.

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

The Hon. GREG PEARCE: Yesterday, I was joined at the inaugural New South Wales Government procurement forum in Sydney by those Ministers and my excellent Parliamentary Secretary, the Hon. Matthew Mason-Cox—who is available for coaching. More than 140 representatives from across small and large business communities, government and other key stakeholders attended. It was a fantastic turnout that provided valuable insight into issues with the procurement system after 16 years of New South Wales Labor, which was described as a "thicket" of red tape by the director general of my department. As I have already said in this House, the Government is determined to change the way that it does business to make it easier, simpler and more attractive. Yesterday's forum was about re-engaging with business and the community by discussing the New South Wales Government's key goals and hearing ways to transform the current New South Wales procurement landscape to get there.

Importantly these insights came from a cross-section of the business community, from chief executive officers of major blue chip corporations, to the owners of small businesses. The forum follows a New South Wales Government discussion paper, which I released in January, which outlined some of the key issues with the New South Wales procurement system and sought comment on suggested solutions. Yesterday's forum focused on small to medium enterprise, looking at ways to improve access to government opportunities and simplify doing business with government; procurement contracts from a legal perspective, looking at risk allocation in government contracts and developing contracts for new forms of procurement; and the chief executive and chief procurement officer, a strategic partnership, looking at procurement as a service delivery enabler and procurement's contribution to the bottom line.

The New South Wales Government is committed to driving reforms that create a more open, transparent process for business to engage with government and to allow for greater competition and innovation in service delivery outcomes. We all know the procurement system under the previous New South Wales Labor Government was left to rot, driving away businesses with mountains of red tape and endless bureaucracy. In contrast, the New South Wales Liberal-Nationals Government aims to create a simplified structure for tendering and contracting to make procurement easier for government buyers and more attractive for suppliers.

Yesterday's forum was part and parcel of the new approach taken by the New South Wales Government, which openly seeks to engage the business community in productive partnerships to achieve the best outcomes. We will be taking on board all the feedback we received from representatives at the forum and inputting it to the procurement reform process. Make no mistake, we know that the job ahead will be challenging but, unlike the previous New South Wales Labor Government, we are determined to get it done.

FLOOD INSURANCE

The Hon. ROBERT BORSAK: My question without notice is directed to the Minister for Finance and Services. As much of regional and rural New South Wales is currently flood affected, what insurance does

the Government have in place to rebuild vital government infrastructure, particularly rural roads and bridges? If there is no insurance in place, and given the fact that more than 40 local government areas are already affected, how long will it take the Government to start addressing this repair work, and what will be the priority projects, given that most of the work will need to be done as a matter of urgency?

The Hon. GREG PEARCE: I thank the member for his important question. The Government already is addressing the significant issues that we see going forward. For example, in the portfolio of my colleague the Minister for Roads and Ports, a preliminary estimate done earlier this week was in the order of \$500 million for road repairs. That is just one portfolio area. Funding for these disasters comes from several sources. Obviously, the Federal Government stumps up. We will be seeking Federal funding to assist with these recovery measures. Governments of both persuasions obviously have worked in this space and take it very seriously. We have a series of different potential funding mechanisms. We have some actual insurance with international and large insurance companies—basically, reinsurance. We have the State's own self-insurance funding. We will have to look at supplementary funding through the budget for some of the work that will be required.

But a large part of the funding also comes through local government, and we will be working with local government to ensure it is assisted as much as possible in dealing with the very large tasks. To give an example of the sorts of issues we are looking at, one of the options for some regional areas is to give the private sector a greater role in doing some of the heavy work, because this sector has the necessary equipment and so on. We are already talking with WorkCover about how to ensure that private sector corporations are able to get in and do some of this public sector work. This is a very important question, and the member can rest assured that the Government is taking it very seriously. We are working with local government, and we will be working with the Federal Government to ensure this work is done as quickly as possible.

WORKCOVER PROSECUTIONS

The Hon. PENNY SHARPE: My question is directed to the Minister for Finance and Services. Who made the decision that WorkCover would seek adjournments in criminal prosecutions that are currently before the courts?

The Hon. GREG PEARCE: I refer to the many, many previous answers.

NEUTRAL BAY WHARF UPGRADE

The Hon. NATASHA MACLAREN-JONES: My question is directed to the Minister for Roads and Ports. Can the Minister update the House on the upgrade of Neutral Bay wharf?

The Hon. DUNCAN GAY: I thank the member for her question. On a day totally lacking in questions of substance from the Opposition, we rely on our own people to find out what is happening around the State. On a day of announcements about aquifer interference and strategic plans, Opposition members do not give a damn about an important issue like the Neutral Bay wharf. Not a question have they asked about this. As part of the New South Wales Government's wharf upgrade program, Roads and Maritime Services is currently working on the \$8.3 million upgrade of Neutral Bay wharf. This is part of our commitment to get on with the job of delivering better public transport services.

The Hon. Walt Secord: Oh, Neutral Bay wharf?

The Hon. DUNCAN GAY: Members opposite do not care about the commuters of Sydney who have to use the Neutral Bay wharf. Work began on 20 February and will take approximately six months to complete. The existing wharf and jetty structure will be completely demolished during the closure to make way for the new facility.

The Hon. Amanda Fazio: What are you doing—gold plating it?

The Hon. DUNCAN GAY: The reason we have to do so much work is that it was neglected under your Government. The heritage archway will be retained. Seventy-five metres of new jetty will be built from the shore, followed by the installation of a pontoon, which will be manufactured off site and brought to Neutral Bay by water.

The PRESIDENT: Order! I call the Hon. Sophie Cotsis to order for the first time. I call the Hon. Penny Sharpe to order for the first time.

The Hon. DUNCAN GAY: The jetty will be fully covered, including side protection from wind and rain for commuters. Demolition of the wharf will take approximately three weeks and it is expected construction of the new wharf will begin before April. About 25 people will be working on the site, with work starting at 6.00 a.m. and finishing at 6.00 p.m. from Monday to Friday and from 7.00 a.m. to 2.00 p.m. on Saturday. I understand there may be some noise associated with construction, but I am advised noisy work such as piling will take place after 7.00 a.m.—because members of the Labor Party need to sleep in. When completed this will be a great facility for the local community, however the wharf will be closed to all ferries and boats during the upgrade period. Therefore, while construction is underway a number of alternative travel arrangements have been organised for ferry customers.

Customers can either walk some 700 metres to Kurraba Point wharf to catch a regular timetabled Neutral Bay ferry service, take the 225 bus to Neutral Bay Junction and connect to a city bound bus service to arrive at Wynyard Station in about 20 minutes, or catch the 225 bus to Cremorne Point wharf to catch one of the Mosman ferry services. A shuttle bus service is also operating, which drops and picks up customers at the closest bus accessible intersection to North Sydney wharf. Customers are then able to walk about 500 metres from the bus stop to North Sydney wharf, where they can connect with the regular timetabled Neutral Bay ferry services. Some adjustments to the shuttle bus service are also being considered in response to customer feedback. This is a major project, and while every effort will be made to minimise inconvenience to residents and business operators, there will be disruptions during the work. We will provide regular information to nearby residents and businesses and post updated information on the Roads and Maritime website. [*Time expired.*]

SINGLETON AND MUSWELLBROOK MINING ROYALTIES

The Hon. ROBERT BROWN: My question without notice is directed to the Minister for Finance and Services. Can the Minister confirm that mining royalties from Singleton and Muswellbrook shires provided more than \$700 million to the State Government in 2010-11? Is the Minister aware that an independent study has found those local government areas get less State government funding per head of population than the State average? What is the Government intending to do to redress this imbalance, and how quickly can the people of Singleton and Muswellbrook expect to see better funding arrangements?

The Hon. GREG PEARCE: That is an important question. I am aware of some of those matters, but I will get the member a detailed answer in relation to his question.

WORKCOVER PROSECUTIONS

The Hon. GREG DONNELLY: My question is directed to the Minister for Finance and Services. As there are more than 200 occupational health and safety prosecutions filed in the Industrial Court of New South Wales that have yet to be finalised, how can any review of those prosecutions be undertaken in the two weeks stated by lawyers for WorkCover in the adjournment hearing before Justice Boland on Monday 27 February 2012?

The Hon. GREG PEARCE: That was not a bad question. That question almost made some sense. The simple answer is that it is a matter for WorkCover to get the reviews done that it wants done and I am sure that it will be working expeditiously to ensure that matters proceed where they should appropriately proceed. In fact, as I understand it, matters are proceeding on a daily basis.

The Hon. GREG DONNELLY: I ask the Minister for Finance and Services a supplementary question. Will the Minister elucidate his answer with respect to specifically explaining who will be conducting the review referred to in my original question?

The Hon. GREG PEARCE: I refer to my previous answer.

The Hon. DUNCAN GAY: The time for questions has expired. I suggest that if members have any more questions of any significance, which would be a refreshing change, they should place them on notice.

Questions without notice concluded.

SENATE VACANCY**Joint Sitting**

The PRESIDENT: Order! I shall now leave the chair for the joint sitting. The House will resume at the conclusion of the joint sitting following the ringing of the bells.

[The President left the chair at 5.02 p.m. the House resumed at 5.33 p.m.]

The PRESIDENT: I report that at a joint sitting this day to choose a person to hold the place in the Senate of the Commonwealth of Australia rendered vacant by the resignation of Senator the Hon. Mark Arbib, Robert John Carr was chosen to hold that place. I table the minutes of proceedings of the joint sitting.

Ordered to be printed on motion by the Hon. Duncan Gay.

Pursuant to sessional orders debate on committee reports proceeded with.

GENERAL PURPOSE STANDING COMMITTEE NO. 2**Report: Budget Estimates 2011-2012****Debate resumed from 21 February 2012**

The Hon. DAVID CLARKE (Parliamentary Secretary) [5.35 p.m.]: The more I see of the workings of the budget estimates hearings process in this Parliament, the more I have come to appreciate its usefulness and importance. It allows this Parliament to closely and effectively scrutinise the workings of government, the inadequacies of government, the abuse of power by government and the misuse of taxpayers' money by government. It now enables this Parliament to expose the abuse of power by the previous Labor Government and the misuse of taxpayers' money by that Government. This became very clear during the hearings conducted by General Purpose Standing Committee No. 2 under the able and expert chairmanship of the Hon. Marie Ficarra. In particular, it became very clear during the examination of proposed expenditure for the portfolio area of Citizenship and Communities in revealing evidence given by the Minister for Citizenship and Communities, Victor Dominello, and Mr Stepan Kerkyasharian, A.O., Chair and Chief Executive Officer of the Community Relations Commission.

As background to that evidence, members of this House may recall media reports just prior to the last State election of the presentation by then Premier Kristina Keneally of achievement awards to members of several ethnic communities at a ceremony held at Government House. For those who have a suspicious mind as to the motives behind anything that the Keneally Government would be doing just prior to the last election—and I guess that would include the great bulk of the New South Wales population—alarm bells would have been ringing furiously. Funnily enough, it was a question asked by Labor's representative on the Committee, the Hon. Helen Westwood, concerning funding for ethnic awards in 2011-2012 that was the catalyst for the exposure of yet another tawdry, disgraceful and vote-seeking episode initiated by the previous Labor Government financed by more plundering of taxpayers' funds.

It was her question that led to other questions—but not from Labor members, that is for sure—about the Keneally ethnic awards events at Government House that I have referred to. What came out did not present a pretty picture. The evidence revealed that in November-December 2010 the Chief Executive Officer of the Community Relations Commission, Mr Stepan Kerkyasharian, was directed by the Labor Government to initiate, plan and then carry out a selection process to choose members from four government-designated ethnic communities for the purpose of their receiving achievement awards at a presentation ceremony to take place just for a few weeks before the last State election. In other words, all of this was to be carried out from beginning to end in just 10 weeks instead of through what normally would have been a six-month process. The four ethnic communities chosen by the Government out of literally dozens and dozens of ethnic communities just happened to be four communities the Government considered vital for it to retain control of four of its endangered seats at the coming election.

There was no hesitation or indecision by Labor as to which communities to choose. It was not done by lottery and it was not done according to community size. It was done by way of hardnosed calculation and for political gain—which is the basis for all that the previous Labor Government did. During the hearing by General Purpose Standing Committee No. 2 I asked Mr Kerkyasharian the following question:

You were directed by the previous government to organise awards for certain specified communities. No input was sought from your department as to how those communities would be chosen. You were then asked to put everything together so that the awards could be handed out by the end of February. Is that basically correct?

Mr Kerkyasharian replied:

Yes, that is correct.

I then asked:

That seems to be a very short period to put together such a big task. Would that be fair comment?

Mr Kerkyasharian replied:

That is a matter of judgement, I think. Obviously, it was a major task and it was not something that was planned by the commission so I had to divert staff from other tasks.

I then asked:

To allow that awards ceremony by the Premier to take place by the end of February?

To which Mr Kerkyasharian replied, "Yes." Public recognition of outstanding service to our community is important. Certainly it is important that those from our ethnic communities who perform outstanding service, often in difficult circumstances, receive recognition because it brings general credit to the wider community and to the relevant ethnic community. Such public recognition is an expression of our State's gratitude.

I do not question the worthiness of those who received awards from Kristina Keneally in that highly publicised Government House ceremony just prior to the last State election. I question the previous Labor Government's motives in organising it in the way it did and at the time it did; its direction as to which ethnic communities were to be included to the exclusion of other communities; the strategic importance of the four chosen communities to the Government's re-election prospects in four pivotal seats; the hastiness with which the awards event was brought about in order that the presentation ceremony could take place shortly before the election; the fact that an awards process that would, according to the chairman of the Communities Relation Commission, normally take six months to prepare had to be hobbled together in 10 weeks, thus resulting in the diversion of the commission's resources from other projects in order for this whole charade to take place; but, above all else, the fact that certain ethnic communities were preyed upon by the Labor Government of Kristina Keneally and used as political pawns. What a shameful, squalid affair that has proved to be.

DEPUTY-PRESIDENT (The Hon. Helen Westwood): Order! Members will allow the member with the call to be heard in silence.

The Hon. DAVID CLARKE: Communities and deserving persons within those communities were used as props in the previous Government's frenzied and futile efforts to cling to power. To the Labor Government, it was power at any and all costs. The recent budget estimates hearings have proven to be a revelation as to the pork-barrelling of the previous Government; its misuse of government resources; its incompetence, negligence and mismanagement; and, above all, lost and squandered opportunities for Labor to deliver services and infrastructure for the people of New South Wales. The Labor Government failed in that task, but it is one on which the O'Farrell Coalition Government will most assuredly deliver for the people of New South Wales.

Debate adjourned on motion by the Hon. Lynda Voltz and set down as an order of the day for a future day.

JOINT SELECT COMMITTEE ON THE PARLIAMENTARY BUDGET OFFICE

Report: Inquiry into the Parliamentary Budget Office

Debate resumed from 21 February 2012.

The Hon. WALT SECORD [5.44 p.m.]: I contribute to the take-note debate on report No. 1/55 of the Joint Select Committee on the Parliamentary Budget Office entitled "Inquiry into the Parliamentary Budget Office". This joint select committee was set up to inquire into and report on the Parliamentary Budget Office. Parliament passed the Parliamentary Budget Office legislation on 28 October 2010, and it became operational on 23 February 2011. I commend my colleague and former Treasurer the Hon. Eric Roozendaal for his groundbreaking work in setting up Australia's first independent Parliamentary Budget Office. The office's three main functions were to prepare costings of election promises for parliamentary leaders and independent

members in the period before the 2011 State election; prepare non-election costs of proposed policies from members of Parliament at any time during the year; and provide members of Parliament with analysis, advice and briefings of a technical nature on fiscal, financial and economic matters.

At the time, Treasurer Roozendaal allocated \$4 million a year to the Parliamentary Budget Office in its first year and provided \$3 million a year until 2018-19. He envisaged an independent Parliamentary Budget Office with a staff of up to 16 people. Under the O'Farrell administration, that number was reduced to a single person—the former Auditor-General Mr Tony Harris. The office effectively was shut down in May 2011 by the O'Farrell Government when Mr Harris reached the end of his term as its acting head. In considering the above time line, it is important that members recall the reason the Parliamentary Budget Office was established—partially in response to a challenge issued on 26 March 2010 by then Opposition leader, Barry O'Farrell. He called upon the then Premier, Kristina Keneally, to establish a process to independently cost election promises. Barry O'Farrell demanded:

... an end to the: he said; she said of election costings.

Premier Keneally embraced the challenge immediately. Treasurer Roozendaal embraced the challenge. Labor embraced the challenge. The only person who did not was Barry O'Farrell. Before the March 2011 State election Labor submitted policies to the Parliamentary Budget Office for costing. The Coalition did not. In opposition, Barry O'Farrell demanded more scrutiny. He avoided it during the election campaign. He then tossed it out the window in government. The Joint Select Committee on the Parliamentary Budget Office was set up in late June. I became a member on 26 August, replacing my colleague the Hon. Amanda Fazio. The select committee was asked to consider the purpose of the Parliamentary Budget Office and whether the terms of the Parliamentary Budget Office Act 2010 were appropriate.

The select committee received 13 local, national and international submissions covering some 1,000 pages of documentation. The submissions included ones from Canada's Parliamentary Budget Officer; the New South Wales Labor leader, John Robertson; Unions NSW; the Scottish Parliament Financial Security Unit; the Business Council of Australia; the Council of Social Service of New South Wales; the New South Wales Business Chamber; and the Netherlands Bureau for Economic Policy Analysis. Every submission to the select committee's inquiry supported the work of a Parliamentary Budget Office. The New South Wales Business Chamber said the Government should ensure that the activities of the Parliamentary Budget Office continued. No submissions proposed its abolition. I repeat: No-one wanted it scrapped or tampered with. It is not surprising to note that even Federal Opposition leader, Mr Tony Abbott, is on record as supporting a Parliamentary Budget Office.

The committee also held a public hearing and took evidence from Mr Tony Harris, whose contribution to the inquiry was extremely enlightening and beneficial to our deliberations. It is a shame that the O'Farrell Government chose to ignore him. Mr Harris is known to members opposite for providing a report demolishing the claim by the Premier and Treasurer Mike Baird that New South Wales Labor had left a budget black hole. This finding proved the independence of the Parliamentary Budget Office and its value to those who seek that independence. It also proved the threat that the Parliamentary Budget Office poses to those who seek to hide from scrutiny. It is worth noting also that in the Saturday 3 March edition of *The Weekend Australian* in an interview with Imre Salusinszky the former head of the New South Wales Treasury, Mr Michael Lambert, set the record straight and reaffirmed Mr Harris' Parliamentary Budget Office findings.

Mr Lambert, in his own independent assessment, confirmed to *The Weekend Australian* that there was never a so-called black hole of \$5.2 billion. The select committee report was received and authorised to be printed on 2 December 2011—that is, it was tabled out of session. That very important date sets the scene for the entire reporting exercise and the conduct of this committee, which I can only describe as a whitewash. The Liberal-Nationals committee members used their numbers to vote down all attempts to make the final report reflect the committee's deliberations and the submissions. Major chunks were excised from the minutes. Major debates and discussions were excluded. History was rewritten by Barry O'Farrell and his so-called "ministry of truth". Minutes of the discussions were changed, distorted or simply deleted. At one point, the conservative members tried to prevent the committee from reading the chair's foreword. They demanded the committee approve the chair's foreword sight unseen. We fought that, but were defeated in a vote.

To get an understanding of how bad this process was I urge members to examine the deliberative minutes of the report that had to be included in the final report. Page 92 shows that I moved that the committee examine the report "line by line"—this was stopped. It was defeated along party lines and the report was

considered "chapter by chapter". The committee voted to completely whitewash what was provided to it. Page 94 shows that the member for Heffron, the former Premier, wanted the phrase "despite the fact that none of the submissions supported this" included in the report. This would show that the recommendation was a complete fabrication and it was a statement of simple fact. It would have exposed that the select committee report recommendations were not supported by a single submission—again, this was defeated along party lines. The conservative members of the select committee even went as far as voting to remove actual debates over the minutes from the permanent record. Because of this, I requested the committee to ask Hansard to cover committee proceedings so the minutes could reflect the actual events—again, this attempt at transparency was also rejected by the conservative members of the select committee.

In my 17 years of witnessing State and Federal parliaments I have never seen such an abuse of parliamentary committee procedure. The final report gives a tiny indication of the workings of the committee. The chair thanks in the report, "the Labor and Greens members in particular for providing robust debate and to note that they presented an alternative view of a Parliamentary Budget Office." Yes, the Labor and The Greens members did provide an alternative view. It was a completely different view. It was the community's view. It was business's view. It was industry's view. It was everyone's view—it just was not Barry O'Farrell's view. The Premier gave the chair of the joint select committee, the member for Baulkham Hills, his marching orders and he followed them to the letter. The member for Baulkham Hills was given a brief to do everything in his power to stop a properly funded and effective Parliamentary Budget Office.

The select committee's final report recommends that the Parliamentary Budget Office operate only for six months prior to an election. In conclusion, the submissions to the select committee showed that the community wants to see an independent, fully funded and properly resourced Parliamentary Budget Office operating year round—not just before elections. The community wants a Parliamentary Budget Office with teeth. The community would like to see a Parliamentary Budget Office that is able, at its own discretion, to investigate costings as they arise.

The community would like a Parliamentary Budget Office that any member of this Parliament can approach and get analysis from. But the Premier, the man who demanded more scrutiny when in opposition, is running away from it like Dracula from a wooden stake. A properly resourced Parliamentary Budget Office is good for democracy. It helps voters make informed choices. It educates and improves the quality of debate on financial and economic matters. It imposes greater financial discipline on all politicians. It ensures politicians make realistic, achievable and sensible election promises. It is no wonder business and community groups universally supported the Parliamentary Budget Office.

I believe that if those who spent hours preparing their comprehensive evidence had known that the "fix was in" they would not have bothered spending hours and hours preparing detailed evidence. They participated because they wanted to support democracy through the Parliamentary Budget Office. Fortunately, the media attended the hearing when Mr Tony Harris spoke and reported on some of what occurred. I thank them for bringing at least some of the proceedings to light. This final report is nothing but a rejection of the community's wishes and an attempt by the Premier to avoid scrutiny. I predict that Barry O'Farrell will strangle the Parliamentary Budget Office. Greater scrutiny was Barry O'Farrell's challenge in opposition; Labor accepted that challenge and rose to it, delivering the Parliamentary Budget Office. Now Barry O'Farrell has run away from it. [*Time expired.*]

Dr JOHN KAYE [5.54 p.m.]: In addressing report No. 1/55 of December 2011 of the Joint Select Committee on the Parliamentary Budget Office I echo the remarks of the Hon. Walt Secord and agree with them. In June 2011, at the request of the Premier, both Houses of Parliament established the Joint Select Committee on the Parliamentary Budget Office, which was charged with reporting on the future of the Parliamentary Budget Office. It seemed to me to be an excellent opportunity to review the operation of the Parliamentary Budget Office and to finetune it. What I discovered when I joined the committee was that this was a hatchet job set up by Barry O'Farrell and run by the chair of the committee in a shameful way. The committee was run in such a way as to abrogate the basic principles of democracy and deny the minority voices on the committee any opportunity to have any influence over the final report.

The majority Coalition members on the committee repeatedly used their numbers to ensure that the report advocates a model that will not work and will not deliver quality democracy. The model they have delivered excludes the provision of advice to members of Parliament outside the election cycle, thereby weakening the quality of democracy. It establishes only a temporary Parliamentary Budget Office for six months every four years, and therefore would only provide costings of election promises and budget impact

statements. Consequently, it will require a new Parliamentary Budget Office and staff to be hired on a temporary basis for six months every four years. This model is unworkable and it misses important opportunities to enrich the public and parliamentary debate on key issues by providing quality economic advice to parliamentarians and to the community. Further, the majority Coalition members used their numerical superiority to deny the minority Labor and The Greens members on the committee the right to express their opinions in the report other than in the minutes of the deliberative sessions, which are included in appendix 4.

The Hon. Matthew Mason-Cox: Where's the dissenting report?

Dr JOHN KAYE: I point out to the Hon. Matthew Mason-Cox that it is not possible to lodge a dissenting report to the report of a joint select committee. The reasoning behind my dissent from the report is straightforward. The majority Coalition members of the committee have created a report with recommendations that contain conclusions that are not supported by the evidence presented to the committee. They ignore the potential benefits of a full-time ongoing Parliamentary Budget Office in creating more informed and innovative public and parliamentary debate. They disregard the massive challenges facing a casual Parliamentary Budget Office that is set up six months before an election in gathering data and developing expertise in the highly technical task of providing costings and budgetary impact statements. They fail to address the challenges in finding suitably qualified staff for short-term appointments. They discount the loss of expertise each time the Parliamentary Budget Office is shut down and staff dismissed.

The report would establish a Parliamentary Budget Office that did not function and would struggle to provide reliable and meaningful costings. The Coalition members of the committee have set up the Parliamentary Budget Office for failure. Without any evidence to support it, the Coalition majority relies on the assumption that Parliamentary Budget Office staff can be found every four years, will be able to get up to speed on the complexity of policy costings and budget impact statements, will be able to gather and collate the necessary data, and then will be able to fulfil the office's function in the heat of an election campaign. Further, without any supporting evidence or any attempt at assessing the costs and benefits, the Coalition majority rejected the contribution that a full-time Parliamentary Budget Office could make to policy innovation and informed critique of government policy.

The Greens came forward with a number of alternative recommendations. The Greens accepted recommendation 4 for an operational plan for the Parliamentary Budget Office to be provided. The Greens accepted recommendation 6 for a single joint committee to be appointed at the beginning of each Parliament to review and report on the activities of the Parliamentary Budget Office. The Greens accepted recommendation 7, to release more than one budget impact statement during the pre-election period. The Greens accepted recommendation 8, to provide greater clarity on what should be in a budget impact statement. The Greens also accepted recommendation 9, that information or documents relating to costing requests and Parliamentary Budget Office costings of unannounced or withdrawn election policies remain confidential to the Parliamentary Budget Office and parliamentary leader and such confidentiality proceedings must extend to an order for papers by either House of Parliament. Those recommendations are supported.

However, the remaining recommendations—two, three and five—are completely rejected. The Greens join the Labor minority in seeking to reverse those recommendations. In particular, The Greens believe recommendation 2 regarding the period of appointment for the Parliamentary Budget Office should remain as specified in section 7 of the Parliamentary Budget Office Act 2010—that is, between four and seven years. The Greens believe the three main functions of the Parliamentary Budget Office should remain as they are specified in the Act: the preparation of election costing policies, the preparation of non-election costings, and providing members of Parliament with analysis, advice or briefings of a technical nature on financial, fiscal and economic matters. Recommendation 5 should be reversed, to say that the Parliamentary Budget Office be required to provide an annual report to the Parliament. These recommendations in effect reverse the decision of the Coalition majority to limit the Parliamentary Budget Office to a six-month tenure focused on election costings.

In addition, The Greens would have made two other recommendations. The first is that the Parliamentary Budget Office prepare and provide to parliamentarians and the public a blue book of approximate and average costings or ranges of costings for typical items such as the cost of additional teachers, nurses or police, and for standard capital works items. Understanding that any such costing derived from these publications would be approximate, their purpose would be to assist parties and members of Parliament to run first-cut analyses at the policy formation stage. We would also recommend that the Parliamentary Budget Office be asked to develop expertise in assessing the triple bottom line impacts of each policy proposal; that is, that the environmental and social impacts and other externalities of all proposals be assessed and quantified where possible.

The problem with the Parliamentary Budget Office, as it was established, is that it had a very narrow and simply financial focus. If the Government Whip were to listen for a minute he might learn something. Under the existing narrow focus, a proposal for a new motorway would ignore the private costs of vehicles and the public costs of congestion, air pollution and dealing with injuries. On the other hand, for example, a proposal for a new rail project would carry the burden of new track, rolling-stock and ongoing operational costs, and ignore the positive benefits of reducing air pollution, reducing congestion and reducing injuries. Simple budget impacts do not provide fair comparisons on the benefits of policies. It is important that these matters be recognised appropriately.

Barry O'Farrell's foot soldiers on the committee have designed a budget office that will do nothing to improve the quality of policy debate. It is purely intended to be an election weapon to use against the Opposition and The Greens. Barry O'Farrell's model is unworkable. It would destroy important opportunities to enrich public and parliamentary debate on key policy issues. The Coalition used its numerical superiority on the committee to deny the minority Greens and Labor members the right to be heard on this important matter. The value of a full-time Parliamentary Budget Office providing quality economic advice to all members of Parliament has been dismissed and lost. Mr O'Farrell's foot soldiers' model is unworkable. Without any evidence, the Coalition majority assumed that a Parliamentary Budget Office and staff can be found every four years that could develop the expertise of policy costing in a few days. A part-time Parliamentary Budget Office is a recipe for failure. Without the ability to accumulate expertise and data, consistent policy costings will be almost impossible to develop.

The Greens are deeply disappointed by the final report of the Joint Select Committee on the Parliamentary Budget Office. It does not reflect, in my opinion, either the best interests of the Parliament or the community. Nor does it reflect the findings of a committee seriously focussed on the issues of democracy. If we are to enhance democracy through what is going to be a complex first half of this century, parliamentarians and the community need to have reliable, independent costings—costings that challenge not only Treasury but The Greens, Labor and other opposition parties to produce policies and costings that are both fiscally responsible and respect the need for social and environmental sustainability.

I do not conclude by thanking Mr Elliott, for I do not think he served the committee or democracy well. But I thank Ms Carly Sheen, Ms Dora Oravec, Mr John Miller and Ms Amy Bauder, the committee staff who, in very difficult circumstances, attempted to do the best they possibly could.

The Hon. ERIC ROOZENDAAL [6.04 p.m.]: I rise to speak on the report of the Joint Select Committee on the Parliamentary Budget Office. At the outset I should acknowledge that the recommendations, if followed by the Government, will effectively mean that the Parliamentary Budget Office will be a Clayton's Parliamentary Budget Office—it will be the Parliamentary Budget Office you have when you do not really want a Parliamentary Budget Office. It is evident, from the pattern of behaviour of this Government, that the determinations of the Joint Select Committee on the Parliamentary Budget Office were written before the committee met, before it had any deliberations. The foreword, as was indicated by a previous speaker, was written in secret; it was not allowed to be shown to the minority members of the committee. Debate on the committee was deliberately stifled at every opportunity by the majority of the Coalition. Attempts to discuss individual parts with the community were deliberately stopped. Frankly, the whole process of the committee was close to appalling.

The Hon. Walt Secord: The Hon. Trevor Khan was on the committee.

The Hon. ERIC ROOZENDAAL: He was one of the worst.

Dr John Kaye: That is not true. He was about the only reasonable one on the other side.

The Hon. ERIC ROOZENDAAL: That is because he was asleep most of the time. What I find most interesting in the report is that every one of the 13 submissions, with documents numbering thousands of pages, supported a transparent and fair operating Parliamentary Budget Office. The committee recommended something very different—a deliberately flawed model that will not be able to operate properly, will not be able to attract appropriate staff, and will not result in a proper Parliamentary Budget Office. That is because the recommended Parliamentary Budget Office is designed to fail. It is designed, quite deliberately, to turn what was a transparent process into an opaque process that will be impenetrable to any serious scrutiny.

Why would a brand-new Government, with a large mandate, and claiming to support a Parliamentary Budget Office, be involved in producing such a whitewash of a committee report—frankly, a report that is a

disgrace? Why would it do that? One only has to google Parliamentary Budget Office to know the real reason. What happened straight after the election? There was, with great fanfare, an announcement by Barry O'Farrell and Mike Baird that they had discovered a \$5.2 billion black hole in the State's finances. Of course, that claim has been completely and utterly disproved. The first to disprove it was the independent Parliamentary Budget Office that had been set up under previous legislation, with Tony Harris as the acting Parliamentary Budget Officer. He said explicitly at the time, "I'm sorry, there is no black hole; it does not exist; the variations in the budget are well within the normal operations of the State's budget and tally with the mid-year numbers as reported."

One can imagine Barry O'Farrell, having his second McDonald's for the day, thinking what a great job he is doing as Premier. Suddenly, an independent report comes out that says to him, "Your black hole does not exist." Barry says to his little offside Mike Baird, "Get rid of that Parliamentary Budget Office; we don't want that sort of transparency in this Government." They then set about getting rid of the Parliamentary Budget Office. They create a joint committee, stack it to make sure they have the numbers, and then they just railroad through the recommendations that they want. I note that the Hon. David Clarke is sitting opposite and looking very guilty. They have railroaded these recommendations through. But not only did Tony Harris, the independent acting Parliamentary Budget Officer, expose the black hole as not existing; we also had Michael Lambert, former Secretary of New South Wales Treasury, brought back to audit the State's finances. What did he say about the State's finances? He said, just as Tony Harris said, that indeed the budget was consistent with the mid-year numbers and, to quote his most recent comment:

There wasn't a black hole. What the government got on coming into government was consistent with what was in the half-yearly budget estimates.

That is the statement of Michael Lambert, the handpicked former Secretary of Treasury, appointed by Barry O'Farrell. He also proved that the black hole is a lie, that the black hole does not exist. One then has to ask, "If the black hole is a lie, and it does not exist, what else have they told lies about? Why are they continually telling us how badly the budget is going?" This is the same Government that in its first year of government gave the pokie palaces a \$300 million tax break. That \$300 million tax break went straight back to the pokie palaces. But here they are poring over the finances of the Parliamentary Budget Office, which is perhaps .001 per cent of the State budget of roughly \$60 billion. The cost of setting up the Parliamentary Budget Office is roughly \$15 million and then roughly \$4 million a year after that.

Why would they be so worried about this? It is because they do not want transparency. This is nothing more than a pathetic cover-up. This committee report has no consistency with any of the submissions it received. Not one of the submissions is consistent with the vast majority of the recommendations that were railroaded by David Elliott and the rest of his cronies on this committee. This is just a pathetic effort by the Government to destroy any future Parliamentary Budget Office.

The key objective in having a strong Parliamentary Budget Office, and this would have been unique in Australia, is that it allows politicians in the State Parliament to get independent costings and to cost any policy they like—whether it be members of the Government, the Opposition, The Greens, the Shooters and Fishers Party, the Christian Democratic Party, whatever. They can all get independent advice. It means that everybody is better informed, it means that the Government cannot spin the numbers and it means a better level of debate. We would not have what is happening at the Federal level—Joe Hockey and his \$70 billion black hole that he stumbled into in the lead-up to the Federal election.

Tony Abbott is on record as saying that we should have a Parliamentary Budget Office and that it should be consistent, it should operate for the full term of the Government and that it should be fair and transparent. That is Tony Abbott's view. I am no fan of Tony Abbott, but to find that Tony Abbott is more agreeable on the issue of a Parliamentary Budget Office than Barry O'Farrell is indicative of just how hopeless this State Government is. Despite its massive mandate this State Government still rorts every institution it can; it rorts, twists or destroys any institution that may offer some transparency and force it to be honest.

The recommendations of the committee ensure that there cannot be proper costings, that there is no way that political parties can check policies during the term of a government and that there will not be professional staff. Who is going to jump on for six months and jump off again? Where are we going to get that sort of professional staff? Where are they going to develop the expertise and the relationships required in the complexity of a State Government with a budget of around \$60 billion a year and employing around 300,000 public servants? Where are we going to get all of that expertise coming in when it is required? This is nothing

more than a pathetic cover-up and I feel sorry for the Government members who have to get up and defend it. I note the Hon. Trevor Khan is sitting there squirming, as he often does when he has to defend the indefensible, because this is pathetic.

Everybody supports a Parliamentary Budget Office. Barry O'Farrell demanded a Parliamentary Budget Office in the lead-up to the election, but as soon as he became Premier he said, "Hold on a second. We do not want an independent watchdog looking over our shoulder." He has already proved in the first couple of months of this Government that they tell fibs. We know Barry O'Farrell tells fibs; we know Michael Baird tells fibs—they make up their economic numbers. The Parliamentary Budget Office said, "You told a fib about the black hole" and the Government's response is "Let's neuter the Parliamentary Budget Office. Let's take it down to the operating table, chop off all its bits and make sure that it cannot be any sort of problem to us in the future." That was the purpose of the committee, and it was done without any sophistication at all. The chair, David Elliott, was, frankly, a joke. There was not even the pretence of being honest, fair or impartial in the way the committee operated. It was truly embarrassing. One could hear the goosestepping as they came into the meetings, following the orders—

The Hon. Dr Peter Phelps: Point of order: There has been a fair amount of levity from the member so far, but I ask him to withdraw that last remark.

The Hon. Amanda Fazio: To the point of order: There are plenty of Presidents' rulings that say that collective insults against political parties are within the standing orders, so I would ask you to dismiss the point of order.

The Hon. Dr Peter Phelps: To the point of order: The comment was directed to the members of the committee. The comment is offensive and it should be withdrawn.

The Hon. ERIC ROOZENDAAL: To the point of order: My comments were referring to the cronies of Barry O'Farrell goosestepping into the room. That is a collective title that cannot be aimed at a specific member.

DEPUTY-PRESIDENT (The Hon. Helen Westwood): Order! I do not uphold the point of order. The member's time has expired.

The Hon. AMANDA FAZIO [6.14 p.m.]: I speak on the report of the Joint Select Committee on the Parliamentary Budget Office. I say at the outset that this report is an absolute travesty. I consulted closely with my colleagues who were on the committee. Unfortunately, I had to stand down as a member of the committee because its hearing dates clashed with other commitments I had. I would have loved to have remained on this committee because this is an issue about which I have had a great interest, particularly in my former role as the carriage of the legislation.

The former Leader of the Opposition and now Premier, Barry O'Farrell, had stated that he wanted some independence brought into the costing of election policies. From the outset recruiting companies that we had asked to assist us in recruiting a Parliamentary Budget Officer and the expert staff needed told us that there was uncertainty in the financial community because they had been informed that the Parliamentary Budget Office would be axed under an O'Farrell Government. The first round of selections did not produce a candidate of suitable quality to be appointed as Parliamentary Budget Officer. We then were able to get Tony Harris, the former Auditor-General, to come in on a short-term basis to fill that position in the run-up to the 25 March 2011 State election. We were able to second some people from the public sector to assist him, and he got some other temporary staff to also assist.

From the outset the ability to set up a Parliamentary Budget Office was nobbled by the Liberal-Nationals Coalition in New South Wales. Once we got it set up it seemed to me to be working quite well, but then the Coalition refused to put its election costings to it. The Coalition used a private company, a company that was not one of the big names one would expect—not a company with any great deal of expertise but the sort of shonky company that would come up with any costings it was paid to give. That is what Barry O'Farrell and his colleagues did in the run-up to the State election after stating that they wanted to have a greater degree of independence in relation to election costings: they went out to some backdoor company and paid it to give them a report. There was no scrutiny and it was not something that one of the larger accounting companies in New South Wales would take on so the Coalition went and got some backdoor operator to do it.

Let us talk about what happened after the State election. Barry O'Farrell, who made sure that every household in New South Wales got one of his little five-point promises leaflets—one of which talked about greater accountability and transparency in government in New South Wales—set about lying to the people of New South Wales. He demonstrated that that leaflet was of no use as reference material—in fact, people could use it to wrap their garbage or for some other purpose if they had not gone to the supermarket. Quite frankly, that was about all it was worth: to be used as a piece of toilet paper, because that was the level of commitment that Barry O'Farrell had to increasing accountability and transparency in New South Wales. He lied to the people of New South Wales in the run-up to the 2011 State election. His promise of increased accountability and transparency has been shown to be an absolute lie and an absolute sham at every turn since 25 March 2011, not only in relation to his dealing with the Parliamentary Budget Office but in relation to a whole range of other issues and other legislation that have come before this House.

This Government has lied, it has covered up, it has refused to release reports and it balks at supporting calls for papers. This Government is all about hiding issues and covering up. The Government got its little goon squad on the Joint Select Committee on the Parliamentary Budget Office to refute every bit of expert evidence and every submission that it received and to come up with its own set of recommendations—a set of recommendations to kill off the Parliamentary Budget Office. This whole inquiry was set up to kill the Parliamentary Budget Office because there is no way that the Parliamentary Budget Office could have any meaningful role when it is going to be set up in the six months before an election. Every other party in New South Wales that does not have access to Treasury to do its costings will either have to pay to get costings independently done or wait to release and have their policies costed in the immediate six months before an election is called.

Those opposite went to the March 2011 election with a policy commitment of "Vote for us because we're not Labor" but they did not have many other detailed policies. The simple fact is that most reputable and honest political parties spend a fair bit of time coming up with their policies. Under this proposal The Greens, the Christian Democratic Party, the Shooters and Fishers Party and the Australian Labor Party would have to wait until six months before the election to have their policies costed. In some circumstances that is far too late. One must have regard to what this Government has done since the election in respect of cutting services and in respect of its proposal to privatise services—sorry, to franchise services. "Franchise" is the Government's new word because it knows the public does not like "privatise". In such circumstances the Opposition and minor parties want to be able to come up with policies to tell the public how they will negate the backdoor profiteering for the private sector that this Government is so committed to. But under the proposals from the Joint Select Committee on the Parliamentary Budget Office we will have to wait until six months before an election to do that.

The Government is trying to stop any opposition party from being able to get independent and impartial costings of measures that they wish to put forward to overturn the appalling decisions that this Government is making. That ought to be something that people bear in mind. I heard about the appalling process that was used in the deliberative stage from my colleagues on this committee. I was giving them some procedural advice but giving procedural advice only matters if the chair of a committee is minded to follow the procedures that are set down by this Parliament. From what I heard, David Elliott will never, ever be able to aspire to the title of the Hon. David Elliott because his behaviour as chair—

The Hon. Matthew Mason-Cox: Point of order: The member is casting aspersions on a member of the other place. I ask her to withdraw the comments.

DEPUTY-PRESIDENT (The Hon. Helen Westwood): Order! The member will not cast aspersions on a member of the other place.

The Hon. AMANDA FAZIO: I think that David Elliott, the member for Baulkham Hills, will wear this report round his neck like—

The Hon. Dr Peter Phelps: Like an albatross?

The Hon. AMANDA FAZIO: Like an albatross. That is exactly right. Like a great big dead stinking and decomposing bird. That is what he deserves for his performance. This report is an absolute disgrace. From my understanding, it was a most adversarial, unfair and undemocratic process that came up with its recommendations. It is so disgraceful that I will recommend to members of the Opposition that we vote against adopting the debate on this report. It should not be adopted by any Parliament because it is a disgrace.

Evidence was given by experts. These were not people with a political position to push. Overseas experts and overseas parliamentary budget officers made submissions to this inquiry, but what was done by Mr David Elliott and the other Government members of this committee? They decided to just take their running orders from elsewhere. They did not even have the sophistication to try to get somebody on their side to put their name to a submission that could be used as the basis for their recommendations. Quite frankly, that was because nobody apart from complete toadies would come up with these sorts of recommendations. Nobody who worked in the financial or economic field would put forward a submission that would reflect the committee's recommendations because those recommendations are a disgrace. Barry O'Farrell should be honest with the people and admit that his whole plan was to nobble the Parliamentary Budget Office from the outset. [*Time expired.*]

The Hon. TREVOR KHAN [6.24 p.m.]: It has been a somewhat breathless performance up until this point. It may be helpful for some of those who have spoken in the debate to consider the terms of reference of the inquiry, which were:

1. A Joint Select Committee be appointed to inquire into and report on the Parliamentary Budget Office, established under the *Parliamentary Budget Officer Act 2010*.
2. In conducting its inquiry, the Committee consider:
 - (a) the purpose of the Office, and whether the terms of the Act are appropriate; and
 - (b) the role for the Office, including and not limited to its:
 - (i) functions and powers;
 - (ii) structure, staffing and resourcing; and
 - (iii) accountability and oversight mechanisms.
3. The Committee may consider the establishment and operation of comparable offices in other jurisdictions.

In considering the matters before the inquiry it is worthwhile recognising that evidence was taken from only one witness. I am quite happy to concede that a wide range of submissions were received, but the only person to give evidence was Mr Tony Harris. In that regard it is worthwhile noting paragraph 2.9 of the report, which states:

Mr Harris noted that one of the intentions, and perhaps the principal intention of the election costing function and the budget impact statements produced by the PBO is:

...that the electorate have an accurate and timely assessment of the budgetary implications of election-time policies announced on behalf of political parties and by independent parliamentarians seeking re-election.

The significance of the PBO's election costing function was observed by Mr Harris, who expressed the view that "the primary function envisaged for the NSW PBO when the legislation was being developed was to undertake election-time costings ..."

We have to be clear on that. Mr Harris observed that the primary function of the legislation introduced by the former Government—those who are now so critical—was to undertake election time costings. This report adopts that very intention: to provide a model that undertakes election time costings. Nothing more, nothing less. The committee has adopted a mechanism to achieve the intention of the legislation passed by the former Labor Government. Some of the most important evidence that was given before the inquiry by Mr Harris related to the failure of the legislation as it exists now.

Speakers from the other side have not referred to the inadequacy of the existing legislation in any way. The simple fact is that the legislation was introduced quickly and without appropriate thought as to how it would operate. The result was that the legislation failed to achieve the primary function set out for it, which was to achieve election costings. It did not achieve an effective outcome of providing election costings for the people of New South Wales at the last election. The other side has made reference to what the Coalition did. The simple fact is the Government that introduced the legislation also fundamentally failed to have its promises costed. From recollection, the former Government had less than 50 per cent of its promises costed. The mock outrage that we see from the other side about how this great institution is apparently being traduced does not face the simple fact that its model did not work. This inquiry demonstrated changes to the legislation are needed in order to make it work. Notwithstanding what the Opposition says, the inquiry achieved its purpose and identified the shortcomings of the existing legislation. In that respect the inquiry was successful.

The recommendations have been adopted. This will ensure that when the people of New South Wales next have the opportunity of considering how they should cast their vote, political parties will submit their promises for costing so that people understand what they are voting on. That is what transparency is about. That is what an open and transparent democracy is about, and that is what this report sought to address—nothing more nor less. This amendment of existing legislation will give effect to the primary function the Australian Labor Party New South Wales sought to give to a parliamentary budget office in 2010. Much has been said about what could be described as the secondary functions that a parliamentary budget office could undertake. We know from the inquiry that no other State parliament in Australia has a parliamentary budget office and that no other second-tier government, if we could describe a State government as a second-tier government, throughout the world has a parliamentary budget office.

Pursuant to sessional orders business interrupted to permit a motion to adjourn the House if desired.

Item of business set down as an order of the day for a future day.

ADJOURNMENT

The Hon. DUNCAN GAY (Minister for Roads and Ports) [6.30 p.m.]: I move:

That this House do now adjourn.

MID NORTH COAST REGIONAL ACTION PLAN

The Hon. JENNIFER GARDINER [6.30 p.m.]: Last week I was present at a well-attended public consultation forum in Port Macquarie for the Liberal and Nationals Government's community discussion paper on its regional action plan for the mid North Coast. The meeting was hosted by The Nationals member for Port Macquarie, Leslie Williams, and chaired by the Minister for Local Government, and Minister for the North Coast, the Hon. Don Page. Other parliamentary participants were the Leader of The Nationals and Deputy Premier, the Hon. Andrew Stoner, the Hon. Melinda Pavey, the member for Myall Lakes, Mr Stephen Bromhead, and I.

Members will recall that last year the incoming Liberal and Nationals Government promulgated NSW 2021—A Plan to Make New South Wales Number One, and invited the public to have its say on the plan, which contains 32 goals and 180 targets to drive action based around five strategies that by now should be well known to everyone: rebuild the economy, return quality services in this State, renovate infrastructure, which was much needed after 16 years of Labor Government, strengthen our local environment and communities, and restore accountability to government. The Government undertook to consult with local government and communities right across New South Wales to identify actions that can be taken to improve outcomes in each region and locality. True to their word, Government members have been on the road to listen to regional and local input on the plan and have been drilling down to take account of variations in priorities and, indeed, differences in what the priorities should be for distinct regions across the State.

The New South Wales Government is developing a Mid North Coast Regional Action Plan to identify immediate actions that the New South Wales Government can take on community priorities, and to increase opportunities and improve the quality of life for people who live on the mid North Coast. The Government provided residents of the mid North Coast with a discussion paper to "begin the conversation", as it put it, with mid North Coast communities. The Mid North Coast Regional Action Plan will be aligned to the overall NSW 2021 plan and it will guide policy and budget decision-making. Regional action plans will complement longer-term strategies that already may be underway in regional New South Wales by identifying actions that can be delivered in a shorter timeframe. Members of the public are invited to provide input to the development of regional action plans and can do that by logging onto the Government's NSW 2021—A Plan to Make New South Wales Number One website and through the Have Your Say option. Many people have done so.

The Government's vision for the mid North Coast is for the region to be prosperous, liveable and sustainable. The mid North Coast region overlaps the local government areas of Coffs Harbour, Bellingen, Nambucca, Kempsey, Port Macquarie-Hastings and Greater Taree. Mayors, general managers and other leaders of those local government areas attended the Port Macquarie event along with many others from communities those councils serve, and the format was mirrored at locations such as Maitland and Broken Hill last week. The discussion paper provided an overview of the mid North Coast region and its competitive advantages. Based on

discussions and input prior to the Port Macquarie gathering, the New South Wales Government had identified the following priorities for consideration: support new industry to grow employment, address skills shortages to support industry, improve the supply of affordable housing, invest in local infrastructure, improve roads and road safety, improve transport options, improve access to public hospital services, build the service capacity of non-government organisations, support vulnerable members of our community, improve services and employment opportunities for Aboriginal communities, age-proof the region, and protect biodiversity and the fantastic natural environment in the region.

Participants in the Port Macquarie gathering were able to consider those priorities, and add to them or modify them. Some examples of suggestions are: they highlighted the shortage of engineers when it comes to extensive road works that are underway or anticipated in the region; they expressed a lot of enthusiasm for attracting new industries to the region as a means of retaining young people on the coast; they expressed serious concern in relation to the topic of infrastructure, particularly the Labor Government's gutting of the Town and Country Water and Sewerage Program, which has left numerous villages on the coast without basic services; and they highlighted the need for additional tourism infrastructure. I commend my Government colleagues on their consultative process and wish them well in finalising regional action plans for the mid North Coast and elsewhere. [*Time expired.*]

FLOODS

The Hon. STEVE WHAN [6.35 p.m.]: I express the support of this House for people who are suffering as a result of widespread flooding that is occurring throughout New South Wales. I state for the record the thanks that I know each affected community has for volunteers and emergency services personnel who have been working so hard and who continue to do so. As many people know, I live in Queanbeyan. During the last week or so we have been given flood warnings, but fortunately flooding in the Queanbeyan district is not as dramatic and damaging as it is in some areas downstream, such as Gundagai, The Rock and Wagga Wagga. However, there was flooding in Queanbeyan and in Cooma from Cooma Creek and Cooma Back Creek. We saw the incredible efforts our volunteers make during floods.

Over the past many days State Emergency Service volunteers in Queanbeyan have been assisting communities by distributing sandbags, preparing people to evacuate, and notifying people of what they may have to do. There was a lot of steady rain but this year we have not seen flooding at the level we saw in 2010, for which I am very grateful. It is interesting that throughout the time the State Emergency Service in Queanbeyan has been open 3,500 volunteer hours have been contributed by members, which is a substantial investment in our community. I know that admiration has been expressed repeatedly throughout Cooma for the local State Emergency Service, the fire brigades, the Rural Fire Service, other emergency services and the police who always turn up to assist people who are being forced to evacuate their houses. Right now in Wagga Wagga there is a real threat of further inundation. Late this afternoon in Forbes, houses were flooded. There were some awful pictures of houses at The Rock that were flooded yesterday, and in Gundagai the flood peaked at a level that was higher than people could previously remember. Obviously, the floods will move downstream and cause problems for communities as they flow through to the Riverina.

Throughout this whole episode emergency service volunteers have been helping 24 hours a day. I state for the record my thanks and the thanks of every member of this House to them for their efforts. It is a very challenging time for all flood-affected residents and devastating for people who lose their personal possessions and whose homes are damaged. As members of Parliament have done so often in the past, I urge insurance companies to be generous in dealing with people who are adversely affected by floods. I know that many insurance companies do not offer policies that cover people for river flooding—a matter that has been dealt with in flood reports relating to previous events. I hope that people with policies containing flood exclusions will receive sympathetic consideration by insurance companies when their claims are processed.

Obviously, once the emergency is over there will be a long clean up. I have been a little disturbed to hear the Government starting to talk about the cost and the impact it will have on the budget. I remind the Parliament that the very well-established funding arrangements for natural disasters mean that New South Wales and other States are very fortunate in that the Commonwealth picks up the majority of the cost of major natural disasters over certain thresholds. For local governments the capping is at a very affordable rate. Small councils find it tough to find any extra money but in the longer term around 80 per cent of the cost of natural disasters is picked up by the Commonwealth. It is important that that is acknowledged. The State can be confident that its budget will not be unduly affected by doing the necessary work in responding to natural disasters.

Earlier today the Minister for Roads and Ports said that the cost of repairing roads as a result of natural disasters is likely to be at least half a billion dollars. Local governments have expressed frustration previously about response times. Roads and Maritime Services should respond quickly. It should quickly assess repairs to critical road infrastructure around the State. I hope that once the natural disaster is over it will do that.

As we sit here tonight thousands of people have been evacuated from homes. Around 8,000 in Wagga Wagga alone are waiting to see whether the levees are going to be breached. I put on record here tonight that I am sure every member of this place is thinking of them and hoping that all goes well for them and the flood peaks do not cause the damage which has been expected. Our sympathies are with those who have suffered damage and are about to start the recovery process.

MARRIAGE

Reverend the Hon. FRED NILE [6.40 p.m.]: I wish to speak on the important subject of the preservation of the institution of marriage. I believe that our Australian society faces the greatest challenge to our Christian heritage, culture and values with the imminent vote in our Federal Parliament on the three bills that are now before the Federal Parliament: one in the Senate from the Greens party, another bill in the House of Representatives linked to the Greens party and a private member's bill introduced by a member of the Australian Labor Party. The adoption of the same-sex homosexual marriage proposition at the national Labor conference will increase the number of Labor members who will vote for one or more of these bills. The current position of the Coalition, led by the Hon. Tony Abbott, is to vote against the bills and not to allow a conscience vote—keeping their 2010 Federal election promise in support of the current Marriage Act. It is vital that all concerned Australians express their opposition to these bills and support our traditional Australian marriage as stated in the Federal Marriage Act:

Marriage means the union of a man and a woman to the exclusion of all others voluntarily entered into for life.

These amending bills in the main will seek to remove reference to a man and a woman and replace it with a reference to a person or persons. This would facilitate a recognised legal marriage being between two males or two females. However, where does the definition of marriage come from in our Australian Federal law? In the earliest written historical documents marriage has always been defined as between a man and a woman. In fact, one of the oldest books in the *Bible*, Genesis, states:

Therefore shall a man leave his father and his mother and shall cleave unto his wife and the two shall become one flesh.

This historical definition of marriage was repeated by our Lord Jesus Christ, who, when he was asked about marriage, answered those who were questioning him by saying:

Have you not read that he who made them at the beginning made them male and female and said, 'for this reason a man shall leave his father and mother and be joined to his wife, and two shall become one flesh'? So then, they are no longer two, but one flesh. Therefore what God has joined together, let not man separate.

For thousands of years every nation has recognised marriage only between a man and a woman. As we know, Muslim nations recognise marriage between a man and woman but they make provision for one man and up to four women in a marriage based on polygamy. Since 1788 Australia has recognised marriages only between a man and a woman. Even in the pre-European settlement Aboriginal tribes had a marriage type of tribal service only between a male and a female.

Obviously, two homosexual males or two lesbian females can never be one as described in these verses I have quoted. Only a man and a woman can become one physically and biologically and, in the institution of marriage, provide for the loving nurture of their children. I am pleased that on Sunday 26 February some hundreds of concerned citizens gathered in the Scots Presbyterian Church to indicate their support for traditional marriage. Statements for marriage were presented during that prayer rally by many of the church leaders, such as Cardinal George Pell, the Archbishop of Sydney. He said as part of a long statement:

The laws of the Commonwealth of Australia must continue to recognise and support marriage as the exclusive and permanent union of one man and one woman for life. Undermining marriage by changing the Marriage Act will further undermine the right of children to be brought up by their natural mother and father wherever possible, and all the good things this brings to them. Marriage is a unique social structure for families and while governments can provide for other kinds of relationships, they do not have the right to change the meaning of marriage for everyone.

Archbishop Peter Jensen gave a similar statement to the meeting and said:

Our society reserves honour for marriage where lifelong vows are exchanged, between a man and a woman, to the exclusion of all others, and rightly so. Marriage in God's way is always best for our physical and spiritual wellbeing, and is for the good of our community now and for the future. I commend all efforts to uphold real marriage as an act of love for our neighbour and for future generations.

I commend all members to support wherever they can the traditional institution of marriage.

PUTTY VALLEY COAL SEAM GAS EXPLORATION

The Hon. LUKE FOLEY (Leader of the Opposition) [6.45 p.m.]: Nine days ago I visited the Putty Valley and met with local residents. I inform those honourable members unaware of the Putty Valley that it is midway between Windsor and Singleton, nestled between the Wollemi and Yengo national parks and within the electoral district of Upper Hunter and the local government area of Singleton. It is a place of indescribable beauty—a place where heaven meets earth. The Putty Valley immediately brought to my mind the Clogher Valley in County Tyrone, in the north of Ireland. My wife was born and reared in that valley, and we were married there. The Putty Valley and the Clogher Valley have both been dominated by dairy farms for generations. In Putty Valley most of the dairy farms have given way to grazing. The rugged terrain of the wilderness and mountain ranges surrounding Putty is reminiscent of Tyrone's Sperrin Mountains.

The Wollemi National Park encompasses the largest wilderness area in New South Wales, and is part of the Greater Blue Mountains World Heritage area, as is the Yengo National Park. The area is home to one of the world's great biological mysteries: How did the Wollemi pine, the "dinosaur tree", survive five million years secluded in a single canyon before being discovered? The rural environment of the Putty Valley is today threatened by the coal seam gas industry, and so are the surrounding national parks, notwithstanding their protected status under the National Parks and Wildlife Act. We know that the extraction of large volumes of water impacts on connected surface and groundwater systems.

On 19 August 2011 Dart Energy commenced drilling a core hole to explore for coal seam gas at a property on Putty Road, in the Putty Valley area. The bore site is just over 500 metres from the boundary of a World Heritage listed area of international significance. The exploration site is 40 metres from Long Wheeny Creek, which runs into Putty Creek, Wollemi Creek and then the pristine and protected Colo River through the Wollemi National Park before joining the Hawkesbury River. Prior to the election the Liberal-Nationals Coalition announced that it would introduce a strategic regional land use policy to "strike the right balance between our important agricultural mining and energy sectors while ensuring the protection of high-value conservation lands." The Coalition's election policy stated:

The New South Wales Liberals and Nationals believe that agricultural land and other sensitive areas exist in New South Wales where mining and coal seam gas extraction should not occur.

Today's announcement of the Government's draft Upper Hunter Strategic Regional Land Use Plan provides no comfort whatsoever to the people of the Putty Valley. The protection of strategic agricultural lands and high-conservation values is left to a process that can sideline water protection and be sidelined itself if the Government deems the project to be "exceptional". The plan provides no certainty for sustainable agriculture, nor threatened habitats.

Unlike some, I accept a role for gas in this State's energy mix. I also believe that there should be no-go areas. The New South Wales Liberal-Nationals Coalition used to believe this too, at least until polling day last year. The Putty Valley is a perfect example of a sensitive area that should exclude mining and extractive industries in order to protect its significant environmental values. Allowing the coal seam gas industry into the Putty Valley would create a pustule of industrialisation in the heart of the Wollemi and Yengo World Heritage areas. The Putty Valley is no place for the gas industry.

TRIBUTE TO SENIOR CONSTABLE DAVID RIXON

The Hon. WALT SECORD [6.50 p.m.]: As the duty member of the Legislative Council for Tamworth I speak in honour of Senior Constable David Rixon of the Tamworth Highway Patrol, who was killed on 2 March in West Tamworth. Homicide detectives are investigating this tragedy so I will not make specific comments on the details of his death. Broadly, I understand that Senior Constable Rixon was carrying out what seemed to be a routine traffic stop, like the hundreds he had conducted over the years. We take for granted that police work is dangerous. We take for granted that every day on every shift police place themselves in dangerous situations and do so for our protection. That is why police deserve our gratitude and support every day on every shift. Senior Constable Rixon spent more than half his life in uniform, serving in the Police Force for 22 years. He joined in 1990 and served in Tamworth, Gunnedah, Waratah, Belmont and Hamilton. He now becomes the 251st officer in New South Wales to lay down his life in the line of duty.

The loss of Senior Constable Rixon is a loss to New England and the New South Wales community. This loss will be felt in every police station across the State and to his fellow police officers it is a death in the family. Indeed, I saw the visibly shaken Hon. Michael Gallacher when he spoke on television about Senior

Constable Rixon's death—surely the toughest act and duty of a Minister of the Crown. Senior Constable Rixon also had a family, which is the most tragic aspect of this loss. I extend my heartfelt sympathies to his wife, Fiona, their six children, their extended family and friends.

As I have said before in this Chamber, police officers make sacrifices for the community to protect us. That is the nub of what we as a society ask the police to do. The societal compact is that we ask them regularly to place themselves in danger for our benefit. They stand where we cannot. The risks that Senior Constable Rixon took were never for his benefit. His actions were truly selfless and define the great heroism of policing. A full police funeral for Senior Constable Rixon will be held at St Paul's Anglican Cathedral in Tamworth. I thank the House for its consideration.

MINING INDUSTRY

The Hon. MATTHEW MASON-COX (Parliamentary Secretary) [6.53 p.m.]: Land, in its broadest sense, is central to the material and social wellbeing of regional communities, which in turn are central to the wellbeing of our State. Properly managed, the natural bounty of our regional lands can, will and must provide sustainable economic and social wellbeing for this State's regional and non-regional communities alike. Recently, I drew the House's attention to the critical role of water to the future of Murray-Darling Basin communities. Tonight I draw the House's attention to the importance of the minerals industry to regional communities. Again, their wellbeing and ours are inseparably entwined.

The minerals industry provides New South Wales with 90,000 direct jobs plus a further 310,000 indirect jobs. The industry represents 17 per cent of all private investment in New South Wales—the highest of any industry. The value of the industry is \$20 billion and represents 2.5 per cent of the State's Gross Domestic Product. At \$17.4 billion, the mining industry is the highest commodity export earner for the State. In 2010-11 the mining industry paid \$1.24 billion in royalties and \$150 million in payroll tax to the State and is expected to pay some \$8.5 billion in royalties to the State over this and the next three years. An estimated \$23 billion worth of potential mining and related infrastructure projects are waiting in the project investment pipeline.

It is important also to understand that the minerals industry in New South Wales has evolved over many decades and is one of the most strictly regulated in the State pursuant to the Mining Act 1992, whereas coal seam gas extraction is regulated by the Petroleum (Onshore) Act 1991. Both industries are experiencing significant growth, leading to increasing concerns over potential land use conflict. Today the New South Wales Government released its long-awaited strategic regional land use policy to address these potential land use conflicts. This policy delivers on the Government's election commitment to provide greater protection for high-value agricultural land from the impacts of coal mining and coal seam gas extraction by identifying and mapping high-value strategic agricultural land and critical industry clusters; introducing an independent, scientifically based assessment process for major resource projects—known as the gateway; introducing the strictest regulatory regime for coal seam gas in Australia; providing greater protection of our groundwater sources through the introduction of a new aquifer interference policy; and providing certainty for industry by establishing clear rules and transparent assessment processes.

This is an innovative, cutting edge strategy based on lengthy community and stakeholder consultation that comprehensively addresses widely held community concerns over potential land use conflicts. Indeed, this consultation process will continue over the coming months to further refine this policy where necessary so that we can ensure the best possible outcomes for all affected parties in New South Wales.

Last month I visited the Barrick Cowal Gold Mine near West Wyalong to gain a better appreciation of the operating conditions and local impact of a mining operation in rural New South Wales. Barrick Cowal is a key employer in the region and celebrated five years of successful mining and production on 29 September 2011. Barrick Cowal has proved itself as a strong corporate citizen, spending over \$80 million with local businesses every year and supporting Indigenous employment and training through its partnership with the Wiradjuri Condobolin Corporation. The mine also has invested over \$800,000 partnering with the Bland, Forbes and Lachlan shires in much-needed community projects.

I was impressed particularly by Barrick Cowal's commitment to protecting the environment through, among other things, the establishment of the Lake Cowal Conservation Centre in 2007 with the support of the Lake Cowal Foundation, West Wyalong High School and the Lachlan Catchment Management Authority. This

centre aims to engage and educate the whole community in natural resource management issues through activities such as visits from local schools and community groups. It is an outstanding model of community engagement that promotes improved environmental outcomes locally and across the whole region.

I thank the General Manager of Barrick Cowal, Peter Geleta, and his staff for their hospitality during my visit. It was pleasing to hear how the success of the mine is dependent on the goodwill and participation of the communities that surround it. Members may remember that these communities defied the Labor State Government of the time to demand the development of this mine. As a result, many locals now are employed on site. Indeed, Peter Geleta, a veteran of mines around the world, observed that the culture of Barrick Cowal is unique in that it reflects the values of hard work, mateship and good humour of these communities—a pleasant contrast to the mercenary attitude sometimes encountered in fly-in-fly-out mining operations overseas.

In closing, I encourage all my colleagues to visit our important regional employers like Barrick Cowal goldmine. They provide great insight into the vital role of mining to the economic health of our regions as well as an appreciation of the enormous contribution these economic powerhouses make to our great State.

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

Motion agreed to.

The House adjourned at 6.58 p.m. until Wednesday 7 March 2012 at 11.00 a.m.
