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LEGISLATIVE COUNCIL

Tuesday 18 June 2013

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 Hon. Thomas Frederick Bathurst, Lieutenant-Governor:

T Bathurst
LIEUTENANT-GOVERNOR

Office of the Governor
Sydney 2000

The Honourable Thomas Frederick Bathurst, Lieutenant-Governor of the State of New South Wales, has the honour to inform the Legislative Council that, consequent on his return to the State and as a result of the Governor of New South Wales, Professor Marie Bashir, having assumed the administration of the Government of the Commonwealth, he has assumed the administration of the Government of the State.

Saturday 1 June 2013

ASSENT TO BILLS

Assent to the following bills reported:

Casino Control Amendment (Supervisory Levy) Bill 2013
Child Protection Legislation Amendment (Children's Guardian) Bill 2013
Education Amendment (School Providers for Overseas Students) Bill 2013
Energy Services Corporations Amendment (Distributor Efficiency) Bill 2013
Gaming Machines Amendment (Multi-terminal Gaming Machines in Clubs) Bill 2013
Independent Commission Against Corruption and Other Legislation Amendment Bill 2013
State Owned Corporations Legislation Amendment (Staff Directors) Bill 2013
Victims Rights and Support Bill 2013

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

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

Marie Bashir
GOVERNOR

Office of the Governor
Sydney 2000

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.

Sunday 16 June 2013

ADMINISTRATION OF THE GOVERNMENT OF THE STATE

The PRESIDENT: I report the receipt of the following message from the Hon. Thomas Frederick Bathurst, Lieutenant-Governor:

T Bathurst
LIEUTENANT-GOVERNOR

Office of the Governor
Sydney 2000

The Honourable Thomas Frederick Bathurst, Lieutenant-Governor of the State of New South Wales, has the honour to inform the Legislative Council that, consequent on the Governor of New South Wales, Professor Marie Bashir, having departed the State, he has assumed the administration of the Government of the State.

Monday 17 June 2013

VICTIMS RIGHTS AND SUPPORT BILL 2013**Protest**

The PRESIDENT: I report the receipt of the following communication from the Official Secretary and Chief of Staff to Her Excellency the Governor to the Clerk of the Parliaments:

Office of the Governor
Sydney 2000

Thursday, 30 May 2013

Mr David Blunt
Clerk of the Parliaments
Legislative Council
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Mr Blunt,

On behalf of Her Excellency the Governor, I acknowledge receipt of your letter dated 30 May 2013, enclosing from the President, in accordance with Standing Order 161 of the Legislative Council, a copy of the Protest made by members of The Greens party against the Victims Rights and Support Bill, as entered in the Minutes of Proceedings of the House on 30 May 2013.

Yours sincerely,

Brian L Davies Esq LVO
Official Secretary and Chief of Staff

VICTIMS RIGHTS AND SUPPORT BILL 2013**CHILD PROTECTION LEGISLATION AMENDMENT (CHILDREN'S GUARDIAN) BILL 2013**

Messages received from the Legislative Assembly agreeing to the Legislative Council's amendments.

MINISTER FOR FINANCE AND SERVICES, AND MINISTER FOR THE ILLAWARRA

The PRESIDENT: I have received the following letter from the Hon. Greg Pearce, MLC:

The Hon. Donald Harwin MLC
President
Legislative Council
Parliament of New South Wales
Macquarie Street

Dear Mr President

I would appreciate if you could communicate the following on my absence on leave:

"On Wednesday 29 May, a fortnight ago, I commenced work at 7.30am in the morning and opened the CeBIT conference at 8.30am, after Parliament finished at 10.30pm the night before. When I voted in the chamber after 1am on the morning of 30 May I was exhausted and unwell. This was compounded by the fact I had also consumed alcohol.

I apologise to the House for my behaviour during that night.

As you would be aware, I have asked the Premier for leave for a month to address problems of stress and exhaustion and my request has been granted."

Yours sincerely,
Greg Pearce MLC
Minister for Finance and Services
Minister for the Illawarra

Pursuant to sessional orders Formal Business Notices of Motions proceeded with.

ANZAC NOTES MUSIC PROJECT

Motion by the Hon. CHARLIE LYNN agreed to:

1. That this House acknowledges that:
 - (a) on Tuesday 21 May 2013, a new music project titled "Anzac Notes: A unique music project that honours and remembers Gallipoli, Kokoda and 100 years of service" was officially launched by the Hon. Barry O'Farrell, MP, Premier of New South Wales,
 - (b) this music project was developed by the Kokoda Track Memorial Walkway to mark the Centenary of Anzac and the seventieth anniversary of the end of the Second World War in 2015,
 - (c) this initiative was made possible with the support of organisations like ABC Classic FM, Returned and Services League of Australia, City of Canada Bay Council, Australian Music Centre, NSW Regional Conservatoriums, Navy and Gondwana Choirs,
 - (d) Anzac Notes creates a link between Gallipoli and Kokoda to explore timeless quality of the Anzac spirit as something upon which Australia's identity has been forged and upon which its future can be imagined,
 - (e) as the Centenary of Anzac and the seventieth anniversary of the Second World War approach in the coming years, the Kokoda Track Memorial Walkway has an important role to play in ensuring the history of Australian service continues to be understood and commemorated by new generations of Australians, and
 - (f) its world premiere performance will occur at the Kokoda Memorial Walkway Anzac Centenary service on 19 April 2015, being the first within the New South Wales commemoration program that year.
2. That this House congratulates all those involved in bringing the Anzac Notes music project to fruition.

COMMUNITY WAR MEMORIALS FUND

Motion by the Hon. MARIE FICARRA agreed to:

1. That this House notes that:
 - (a) on 29 May 2013, the Hon. Greg Pearce, MLC, the Minister for Finance and Services, and Minister for the Illawarra, announced that grants worth up to \$10,000 for repairs and restoration of war memorials are available from the New South Wales Government,
 - (b) there are presently over 3,000 war memorials in New South Wales which will need ongoing repairs or restoration work to keep them in good condition,
 - (c) many older memorials, such as those commemorating the Boer Wars and the First World War, are quite fragile, especially those in urban and coastal environments,
 - (d) a new set of guidelines to assist local councils and other organisations with the restoration of memorials and the guidelines have been prepared by specialists with experience in dealing with structures of this nature and an appreciation of their importance to the nation and local communities, and
 - (e) memorials can include statues, obelisks, cenotaphs, columns, gateways and arches and are made of sandstone, marble, terracotta, bronze, copper and cast iron.
2. That this House acknowledges the importance of the maintenance and preservation of war memorials in New South Wales and the Government's efforts to maintain and preserve these memorials through this grants program.

AUSTRALIAN MIDDLE EAST MEDIA

Motion by the Hon. DAVID CLARKE agreed to:

1. That this House notes that:
 - (a) on 9 May 2013, Australian Middle East Media, Australia's largest non-government media enterprise serving Australians of Middle Eastern heritage, celebrated another successful year with its Annual Gala Dinner held at Bankstown,
 - (b) the several hundred guests who attended included many:
 - (i) Federal and State Ministers and parliamentarians,
 - (ii) ambassadors and other diplomatic representatives of Middle Eastern nations,
 - (iii) local government mayors and councillors,
 - (iv) religious, business and community leaders and representatives,

- (c) those who addressed the dinner comprised:
 - (i) the Hon. Barry O'Farrell, MP, Premier of New South Wales,
 - (ii) the Hon. John Robertson, MP, Leader of the New South Wales Opposition,
 - (iii) His Excellency, Mohamed Mael-Ainin, Ambassador of Morocco and Dean of Arabic Diplomatic Representatives in Canberra,
 - (iv) His Excellency John Daniel, Ambassador of Lebanon,
 - (v) Mr Ziad Baroud, former Lebanese Minister for the Interior and Municipalities,
 - (vi) Mr Michael Brown, Chief Executive Officer of the Organising Committee for the Asian Football Confederation 2015 Asian Soccer Cup, Australia,
 - (vii) Mr Joe Rizk, Chief Executive Officer of the Arab Bank,
 - (viii) Mr Sayed Mikhael, Editor-in-Chief, *Al-Anwar* newspaper,
 - (ix) Mr Marcel Ghanem, prominent Lebanese television personality,
 - (x) Mrs Betty Hindi, President of the World House of Lebanon,
 - (xi) Mr Remy Wehbe, General Manager of Australian Middle East Media, and
 - (d) Australian Middle East Media produces:
 - (i) *El Telegraph*, at 42 years Australia's longest published Arabic newspaper,
 - (ii) *Al-Anwar*, Arabic/English weekly newspaper,
 - (iii) *Anoujoum*, Arabic/English monthly magazine,
 - (iv) the Middle East Online, an internet news service.
2. That this House congratulates Australian Middle East Media and its Chairman, Mr Wally Wehbe:
- (a) on the occasion of its recent Annual Gala Dinner and for its service to Australians of Middle Eastern heritage in keeping them more fully informed, by way of its publications, on local, national, and international matters, and
 - (b) for being the winner of two categories and a finalist of two other categories of the recent New South Wales Premier's Multicultural Media Awards for 2013.

AUSTRALIAN SIKH ASSOCIATION FESTIVAL OF VAISAKHI

Motion by the Hon. DAVID CLARKE agreed to:

1. That this House notes that:
- (a) on 20 April 2013, the Australian Sikh Association held a celebration in Martin Place, Sydney attended by several thousand members of the Sikh community to mark the Festival of Vaisakhi, one of the most important days in the Sikh calendar, and
 - (b) those who attended as guests included:
 - (i) Singh Sahib Giana Mal Singh Ji, Head Priest of the Golden Temple in Amritsar, India,
 - (ii) the Hon. Brendon O'Connor, MP, Federal Minister for Immigration and Citizenship,
 - (iii) the Hon. Philip Ruddock, MP, Federal member for Berowra,
 - (iv) Senator the Hon. Matt Thistlethwaite, Parliamentary Secretary for Multicultural Affairs,
 - (v) Miss Michelle Rowland, MP, Federal member for Greenway,
 - (vi) the Hon. John Robertson, MP, Leader of the New South Wales Opposition,
 - (vii) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice,
 - (viii) Dr Geoff Lee, MP, member for Parramatta.

2. That this House congratulates:
 - (a) the Australian Sikh Association, its President Amar Jit Singh Girm and Events Organiser Balvinder Singh Chahal on organising a successful Vaisakhi celebration, and
 - (b) extends its best wishes to the Australian Sikh community on the occasion of the Festival of Vaisakhi, 2013.

YESHIVA CENTRE ANNUAL DINNER

Motion by the Hon. DAVID CLARKE agreed to:

1. That this House notes that:
 - (a) on 5 March 2013, the Yeshiva Centre Annual Dinner was held at the Sydney Convention Centre, Darling Harbour and attended by approximately 1,000 guests including:
 - (i) State and Federal Ministers and members of Parliament from the Liberal, Labor and crossbench parties,
 - (ii) representatives of various religious faith traditions,
 - (iii) leaders in the business, commerce and community sectors,
 - (b) the dinner was hosted by the Chabad Movement NSW under its Spiritual Leader, Rabbi Pinchus Feldman, OAM, Executive Director, Rabbi Dovid Slavin and Life Governor and Event Sponsor, Mr Harry Triguboff, AO,
 - (c) the dinner highlighted various spiritual, humanitarian, educational and charitable endeavours, facilities and associated organisations of the Chabad Movement, including:
 - (i) Our Big Kitchen,
 - (ii) Chabad Youth NSW,
 - (iii) Adult Chabad,
 - (iv) Chabad Young Adults,
 - (v) Yeshiva Rabbinical College,
 - (vi) Yeshiva Synagogue,
 - (vii) Yeshiva Centre, and
 - (d) the dinner offered the opportunity to those present to pay tribute and extend best wishes to Mr Harry Triguboff, AO, Life Governor of the Yeshiva Centre and Chabad on the occasion of his eightieth birthday and honour his:
 - (i) outstanding contribution, through his extensive contribution to the housing industry in providing affordable housing to thousands of Australian families who otherwise would have been unable to afford a home,
 - (ii) generous philanthropic endeavours over many years for numerous charitable, education and humanitarian causes within the community.
2. That this House:
 - (a) commends the Chabad Movement for its charitable and humanitarian works in the community, and
 - (b) congratulates Mr Harry Triguboff, AO, on the occasion of his eightieth birthday and commends him for his philanthropic endeavours over many years.

JEWISH FESTIVAL OF LAG BAOMER

Motion by the Hon. DAVID CLARKE agreed to:

1. That this House notes that on Sunday 28 April 2013, members and friends of the Chabad community of Sydney celebrated the Jewish Festival of Lag BaOmer through a number of events organised by Rabbi Eli Melech Levy including:
 - (a) a celebratory gathering of thanksgiving at the Yeshiva Centre, Bondi, officiated by Chabad's Spiritual Leader, Rabbi Pinchus Feldman, OAM, and at which congratulatory greetings were offered by:
 - (i) the Hon. Malcolm Turnbull, MP, Federal member for Wentworth and shadow Minister for Communications and Broadband,
 - (ii) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice, and
 - (b) a festive parade through the streets of Sydney of hundreds of members and friends of the Chabad community followed by a family carnival.

2. That this House notes that the Festival of Lag BaOmer has a history which goes back many centuries and commemorates the passing of Rabbi Shimon bar Yochair, author of *The Zohar*, the foundation book of Kabbalah, a Jewish mystical tradition and is celebrated all over the world by Jewish communities as a time of rejoicing, festivities and the giving of honour to God.
3. That this House:
 - (a) congratulates the Chabad community on the occasion of its many activities in celebration of the Festival of Lag BaOmer, and
 - (b) sends its greetings and best wishes to the Jewish community in New South Wales at this time of celebration.

TABLED PAPERS NOT ORDERED TO BE PRINTED

The Hon. Duncan Gay 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 39/55", dated 18 June 2013.

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

AUDITOR-GENERAL'S REPORT

The Deputy Clerk announced the receipt, pursuant to the Public Finance and Audit Act 1983, of a performance audit report of the Auditor-General entitled, "Building energy use in NSW public hospitals—Ministry of Health, NSW Treasury, NSW Office of Environment and Heritage", dated June 2013, received out of session and authorised to be printed on 4 June 2013.

SELECT COMMITTEE ON THE CLOSURE OR DOWNSIZING OF CORRECTIVE SERVICES NSW FACILITIES

Report: The Closure or Downsizing of Corrective Services NSW Facilities

The Deputy Clerk announced the receipt of the report of the Select Committee on the Closure or Downsizing of Corrective Services NSW Facilities entitled, "The closure or downsizing of Corrective Services NSW facilities", dated June 2013, together with transcripts of evidence, submissions, tabled documents, correspondence and answers to questions taken on notice, received out of session and authorised to be printed on 14 June 2013.

The Hon. PAUL GREEN [2.43 p.m.]: I move:

That the House take note of the report.

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

YARALLA ESTATE

Production of Documents: Return to Order

The Deputy Clerk tabled, pursuant to resolution of 30 May 2013, documents relating to an order for papers regarding Yaralla Estate received on 13 June 2013 from the Director General of the Department of Premier and Cabinet, together with an indexed list of the documents.

Production of Documents: Claim of Privilege

The Deputy Clerk tabled a return identifying those of the documents that are claimed to be privileged and should not be tabled or made public. The Deputy Clerk advised that pursuant to standing orders the documents are available for inspection by members of the Legislative Council only.

PETITIONS

Public Sector Employment

Petition condemning the Government for introducing major changes to the structure of the public sector without consultation with the workforce and requesting that the Government Sector Employment Bill 2013 be referred to a Legislative Council committee for consideration, received from **Reverend the Hon. Fred Nile**.

National Parks and Wildlife Conservation

Petition calling on the Government not to do deals with the Shooters and Fishers Party regarding national parks, State conservation areas and wildlife, received from the **Hon. Cate Faehrmann**.

Hawkesbury Road, Springwood to Yarramundi

Petition requesting a review of safety measures and truck and trailer through traffic on Hawkesbury Road, Springwood to Yarramundi, in order to protect residents and other road users, received from the **Hon. Helen Westwood**.

Container Deposit Scheme

Petition stating that a container deposit scheme will divert beverage containers from landfill, increase recycling rates and reduce carbon emissions, and calling on the House to support the Waste Avoidance (Beverage Containers) Bill 2012, received from the **Hon. Cate Faehrmann**.

Marriage Equality

Petition stating that the citizens of New South Wales should not be discriminated against on the basis of their sexuality, sex or gender identity and calling on the House to legislate for same-sex marriage by supporting the State Marriage Equality Bill 2012, received from the **Hon. Cate Faehrmann**.

Intersex Discrimination

Petition requesting the House to call on the Commonwealth to legislate to end intersex discrimination, received from the **Hon. Cate Faehrmann**.

Religious Discrimination

Petition supporting the proposition that the Anti-Discrimination Act 1977 be amended to include religion as a grounds 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**.

BUSINESS OF THE HOUSE

Postponement of Business

Business of the House Order of the Day No. 1 postponed on motion by the Hon. Duncan Gay.

Business of the House Notice of Motion No. 1 postponed on motion by the Hon. Mick Veitch.

Committee Reports Order of the Day No. 1 postponed on motion by the Hon. Robert Borsak.

Committee Reports Order of the Day No. 2 postponed on motion by the Hon. Robert Brown.

MINISTRY

The Hon. DUNCAN GAY (Minister for Roads and Ports) [3.06 p.m.]: I inform the House that, in the temporary absence from duty of the Hon. Greg Pearce, the Hon. Andrew Constance, Minister for Ageing, and Minister for Disability Services, has been authorised to act for and on behalf of the Minister for Finance and Services, and Minister for the Illawarra during his absence from duty.

REPRESENTATION OF MINISTERS IN THE LEGISLATIVE ASSEMBLY

The Hon. DUNCAN GAY (Minister for Roads and Ports) [3.07 p.m.]: I also inform the House that in the representation of Government responsibilities in this Chamber I shall act in respect of my own portfolios and on behalf of the following Ministers in the other House in relation to all matters concerning their portfolios:

The Hon. Brad Hazzard, Minister for Planning and Infrastructure, and Minister Assisting the Premier on Infrastructure NSW
The Hon. Prue Goward, Minister for Family and Community Services, and Minister for Women
The Hon. Andrew Constance, Minister for Ageing, and Minister for Disability Services
The Hon. Robyn Parker, Minister for the Environment, and Minister for Heritage
The Hon. Don Page, Minister for Local Government, and Minister for the North Coast

I further advise the House that the Hon. Michael Gallacher, Minister for Police and Emergency Services, Minister for the Hunter and Leader of the Government in the Legislative Council, will act in respect of his own portfolios, answer questions on behalf of the Hon. Greg Pearce, Minister for Finance and Services, and Minister for the Illawarra, as well as represent the following Ministers in the other House:

The Hon. Mike Baird, Treasurer, and Minister for Industrial Relations
The Hon. Anthony Roberts, Minister for Fair Trading

BUDGET ESTIMATES AND RELATED PAPERS**Financial Year 2013-14**

Copies of Budget Speech—Budget Paper No. 1, Budget Statement—Budget Paper No. 2, Budget Estimates—Budget Paper No. 3, Infrastructure Statement—Budget Paper No. 4, and NSW 2021: 2013-14 Performance Report, Budget Overview and Infrastructure Overview, tabled.

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

BUDGET ESTIMATES AND RELATED PAPERS**Financial Year 2013-14**

The Hon. DUNCAN GAY (Minister for Roads and Ports) [3.10 p.m.], by leave: I move:

That the House take note of the budget estimates and related papers for the financial year 2013-14.

I seek leave to have the Treasurer's speech incorporated in *Hansard*.

Leave granted.

BUDGET SPEECH

This budget sets New South Wales apart from governments across the world: It slows expense growth, accelerates spending on infrastructure, and reduces net debt—an extraordinary trifecta in light of the challenges we face.

We have spent two years fixing the mess, but with this, our third budget, we turn securely towards the future.

The budget consolidates two years of tough decisions, two years of reform, two years of stringent expense control.

The themes of this budget are jobs, housing and infrastructure.

It will boost the confidence of small businesses across the State to invest, grow and hire.

It includes measures to boost housing supply where it is most needed.

And it includes details of some of the largest and most visionary infrastructure projects in the history of our State.

In order to boost jobs and growth, and to reinvest in public infrastructure, the Government has reversed the expense growth juggernaut that was allowed to run out of control under the former Government.

Despite revenues falling below expectations, we have lived within our means, we have invested in services and infrastructure, but we have also reduced net debt: That is the fiscal story of this budget.

Since I last stood here to deliver a Budget Speech, the Government has released its 20-year State Infrastructure Strategy, informed by the work of Infrastructure New South Wales.

The vision laid out by the Government will become a reality, but only because we are prepared to create capacity on the balance sheet by recycling assets.

Last month, over the howls of those opposite, the O'Farrell Government, through the long-term lease of Port Botany and Port Kembla, executed the largest transaction, in net terms, in the history of the State.

This will allow us to simultaneously fund the largest urban road project and the largest rail project in the country.

It turns the action that commuters across Sydney have been demanding into a reality.

The budget contains a vision to revitalise our global city and reinvent our second largest city.

It demonstrates how the gains achieved through tough decisions will be delivered to every region of New South Wales.

It builds on the employment growth that has been achieved since the 2011 election.

Despite the challenges, we on this side of the House see a future for New South Wales with the most new jobs in the country, with the fastest growing economy in the country, and with the largest infrastructure program in the country.

The 2013-14 budget secures that future.

Economic outlook

The budget has been set in the context of a fragile global economic outlook. Growth in the world economy has been revised downwards since the half-yearly review and the Eurozone remains in recession.

China, one of the State's major trading partners, experienced a modest slowing in early 2013. This means our economy has had to manage the fallout from lower commodity prices and a relatively high value of the Australian dollar.

At a national level, the actions of the Federal Government have further inhibited economic confidence, investment and consumption. As a result, the Federal budget last month confirmed a further decline in GST revenues.

We do not have to look far to see the challenges we face. The data around us paints a sombre picture. The weak domestic economy has seen most States register zero or negative economic growth. To the north, Queensland is facing a \$5 billion budget deficit, while the best Federal Labor can manage, after years of promises to the contrary, is a budget \$20 billion in the red. These examples show we cannot be complacent.

However, the backdrop is even more remarkable given the positive economic signs emerging in New South Wales. The budget revises economic growth in 2012-13 up by one half of a percentage point, to 2.5 per cent. Employment growth has been revised up by three-quarters of a percentage point to 1.5 per cent. After lagging well behind the pack for a decade, New South Wales has moved back towards the lead. We have the highest jobs increase and, in the year to March, State demand grew faster than any State except Queensland.

This Government has invested in the key drivers of economic growth: jobs, housing and infrastructure. The success of this approach is most evident in the jobs growth experienced in New South Wales since the March 2011 election.

Over this period, New South Wales has registered the strongest employment increase of any State in the nation. We promised 100,000 new jobs in our first term, but total employment has increased by 128,900 in just two years.

Housing is also on the rebound. In the April quarter, private building approvals were 26.5 per cent higher than a year ago and 14.1 per cent above the decade average. We are boosting the supply of new housing in the State and thereby delivering much-needed growth to one of the key drivers of the State's economy.

Budget result

The revised budget result for 2012-13 is a deficit of \$374 million, compared with an estimate of \$824 million in last year's budget and \$776 million in the half-yearly review.

As foreshadowed in the budget last year, a new accounting standard for reporting superannuation asset earnings is taking effect this year. The impact of the revised standard is a \$1.6 billion negative adjustment to the operating result in 2013-14, and a further \$3.5 billion across the remaining three years of the forward estimates.

It should be noted that the underlying fiscal position of the State has not changed—we still have the same assets, the same revenues and the same expenses—and the cash position and the debt position are unaffected by this change.

On a traditional or like-for-like basis, the estimated budget result for 2013-14 is a smaller deficit of \$329 million, \$94 million less than was forecast in the half-yearly review. The budget is expected to reach a surplus position in 2014-15.

This is a significant result in the economic context I have described and a sure sign our policy settings are working to secure the future of New South Wales. Even after the changes to the way interest on superannuation assets is recorded, we are shrinking deficits and moving towards growing surpluses. And the budget outcome is even more remarkable given the revenue story. Compared with the estimates a year ago, excluding policy decisions, revenues across 2012-13 and 2013-14 are down by almost \$700 million.

Over the four years to 2015-16, since the half-yearly review, royalties, taxes and duties are down by almost \$2.5 billion, while the weaker GST pool reduces revenues by around \$850 million.

In these circumstances, the Government has managed to protect the budget by a simple expedient followed by families across New South Wales: controlling expenses and living within its means. Every year since 2011 the budget has delivered a significant turnaround in the face of falling revenue projections: \$5.2 billion in 2011-12, almost \$5 billion in 2012-13, and \$700 million this year.

This financial year, for the third year running, expenses are expected to come in lower than anticipated. This is something that did not occur once during the previous 16 years of the Labor Government.

Balance sheet

In a context of economic challenges, the Government's fiscal policy has also focused on management of the State's balance sheet. By recycling assets that are not part of core public service delivery, we have created a capacity to invest in new infrastructure, without pushing debt to levels that would trigger a rating downgrade. This strategy also brings in new partners, fresh expertise and additional capital for existing assets, at no expense to taxpayers.

The \$5 billion received less than three weeks ago from the long-term lease of Port Botany and Port Kembla was a landmark event in the fiscal strategy of the Government. It showed how, as Liberals and Nationals, we understand the way the private sector and financial markets operate.

The transaction showed what can be achieved when the right asset is marketed at the right time, with the right process. That process was marked by transparency and competitiveness, with the price achieved exceeding all comparable benchmarks.

As a result of our expense control and balance sheet management, even as we invest record amounts in this budget on infrastructure, net debt in the general government sector will actually decline. Net debt in June next year will be \$15.7 billion, about \$4.8 billion less than predicted in last year's budget. Indeed, net debt in 2017 will now be lower than last year's estimate for 2014.

New South Wales families can feel more secure knowing that, with debt levels surging in just about every country around the world, we here have reduced debt through our balance sheet strategy and expense control.

Newcastle

We continue this strategy in this budget. Today I can announce the Government intends to proceed to a long-term lease of the Port of Newcastle, the largest coal port in the world, subject to a scoping study. The success of Port Botany and Port Kembla dictates that we act now.

The big winner will be Newcastle itself. Should the transaction be successful, \$340 million of the proceeds will go towards the revitalisation of Newcastle.

This will be more than a revitalisation: it will be the reinvention of Newcastle as a modern city. The removal of the railway line between Wickham and Newcastle, as previously announced, will renew Hunter Street and return the city's harbour to the embrace of its people. Today I can announce the heavy rail service will be replaced by light rail. Subject to the completion of a business case, this will form the beginning of a light rail service linking the Newcastle central business district with surrounding suburbs.

In the 30-year period of the opening up of the Australian economy to international competition, perhaps no other city has been asked to make more painful adjustments than Newcastle. Today, Newcastle's time has come.

Infrastructure

Over the four years to 2016-17, the infrastructure program will total \$59.7 billion. We are reducing spending in the electricity sector to assist in putting downward pressure on electricity prices, but we are increasing our spend in the general government sector, ploughing money into roads, public transport, hospitals and schools. State funding over the next four years averages \$9 billion, an increase of 39 per cent over the four years to 2012-13.

An enormous part of this effort is devoted to public transport: rail grants for infrastructure over the forward estimates are almost \$10 billion. The budget shows we are delivering the largest rail project currently underway in Australia. I can confirm the overall cost of the North West Rail Link is expected to be \$8.3 billion, with trains running in 2019.

The Government has embraced Infrastructure New South Wales's key recommendation, the 33-kilometre WestConnex project. The recent ports transaction has secured the funding. The Government has committed \$1.8 billion across the forward estimates, including more than \$100 million in 2013-14 to the WestConnex project.

In Opposition, we said we would establish a \$5 billion infrastructure fund. At just over the halfway mark of our term, the balance in Restart NSW is \$4.7 billion. Restart is the means by which WestConnex will simultaneously fix two of the "missing links" in Sydney's road system; it will ease congestion, improve travel times and boost productivity.

A private sector plan to address another notorious missing link, between the F3 and the M2, has progressed to stage 3 under the Government's unsolicited proposals assessment process. The budget funds the stage 3 assessment and reserves in Restart NSW a contribution of up to \$400 million. If this proposal is able to proceed, it will deliver a continuous motorway between the Central Coast and Hunter and western and south-western Sydney.

Services

The savings and expense controls we have initiated have given us the capacity to prioritise and deliver enhanced services and infrastructure for the community. This budget continues to cement the three pillars on which its two predecessors have been built: improving services, delivering infrastructure, and protecting the vulnerable.

Health

In a \$17.9 billion Health budget for 2013-14, we are delivering:

- \$220 million for increased activity, including 69,000 extra emergency department attendances, and
- upgrades to health facilities across the State worth \$1.2 billion. These include capital works at Campbelltown, at Hornsby, at St George Hospital, at Royal North Shore and at the Northern Beaches.

Transport

The budget provides a major boost to transport:

- \$4.1 billion over four years for the North West Rail Link, with tunnel boring machines due to be in the ground next year
- \$900 million this year for new Waratah trains and \$142 million this year for light rail, and
- funding for roads infrastructure upgrades needed to support a growing Central Coast, including construction to upgrade Wyong Road and the Central Coast Highway at West Gosford.

Police, Law and Order

Sustainable finances mean safer communities:

- the allocation for the New South Wales Police Force in the budget is a record \$3.4 billion, and includes funding to increase police numbers by a further 489 officers by 2015, and
- there is over \$120 million for the construction of new courts and upgrades of existing court facilities

Education

Education spending in 2013-14 is budgeted at \$14 billion, an increase of more than half a billion dollars on 2012-13:

- we have an ambitious education reform agenda and have made tough decisions in order to release an additional \$1.76 billion over the next six years
- under the National Education Reform Agreement, the Commonwealth will provide an additional \$3.3 billion to support the reforms. We will always cooperate with the Federal Government to produce better outcomes for our students, and
- capital spending of \$530 million in the coming year will allow us to get on with delivering five new public schools on the lower North Shore, at Spring Farm, The Ponds, Strathfield and Crows Nest

Supporting the Vulnerable

Secure finances also allow us to support the vulnerable.

The Ageing, Disability and Home Care allocation of \$2.82 billion includes \$440 million to deliver the third year of Stronger Together 2, the Government's \$2 billion growth funding program for disability services.

Nothing in the budget brings me more pride than to confirm there is an allocation of \$585 million for the launch of the National Disability Insurance Scheme in the Hunter Valley.

We were the first to sign on to the National Disability Insurance Scheme; by reining back expenses, we have been able to secure the future for those whose futures have challenges few of us will ever have to face.

The Government is also improving services for vulnerable young people through Social Benefit Bonds, a pioneering new mechanism for engaging the private sector and private investment in delivering positive social outcomes. Social Benefit Bonds capture who we are as Liberals and Nationals. Of course we understand the Government must deliver key services such as health, education and public safety. But in many areas we believe our best role is as enablers—creating the conditions for the private sector or non-government organisations to do what they do best.

Regional New South Wales

The budget also delivers for rural and regional New South Wales:

- over four years, there is \$4.4 billion for the Pacific Highway and \$735 million for the Princes Highway
- of the \$1.2 billion health capital works upgrades, almost a third will be spent on health facilities in the regions—in Bega, in Kempsey, in Wollongong, in Port Macquarie, in Dubbo, in Lismore

- Restart NSW is funding \$120 million for the Resources for Regions program to deliver infrastructure for communities affected by mining activity, and
- the fund is also providing a \$135 million contribution over four years towards Bridges for the Bush, a program for replacing and upgrading 17 bridges in regional New South Wales.

Savings and revenue measures

This is a reforming Government. For the past two years, we have led the nation on reform and innovation, whether it is franchising ferry services, placing WorkCover and police death and disability insurance on a sustainable footing, delivering Social Benefit Bonds, restructuring Sydney's rail network, returning local decisions to local schools, or reforming the planning system.

We have reformed and we will continue to reform.

By creating a single corporate structure for the three State-owned electricity distributors, we have saved \$600 million in operating expenses and \$1.9 billion in capital spending—savings that can be passed on to families by placing downward pressure on power bills.

We have been more efficient as a Government. We said we would have fewer staff in head offices, and more on the front line; now it is happening. Latest figures show the first contraction in the overall footprint of the New South Wales public sector since reliable figures began in 2002, but at the same time we have hired 4,000 nurses, 500 school teachers and 370 police officers. Annual employee expense growth has fallen from 6 per cent to under 3 per cent.

But more needs to be done to free up government resources so they can be used to best effect.

Today I confirm an extension of the efficiency dividend that will yield savings of \$250 million in 2015-16 and \$500 million in 2016-17. Our efficiency dividend, labour expense cap and other measures will save New South Wales taxpayers almost \$19 billion in the six years to 2016-17. We have delivered savings in the past two years and we will continue to deliver them in future years.

But this budget is not just about government. While businesses struggle to regain confidence, we need to reform and improve the conditions in which New South Wales businesses operate. Every business I visit, every business chamber I meet across the State, testifies to the ongoing challenges in the small business sector. This Government has acted to support small businesses because we know small business is the lifeblood of our economy. This is in the DNA of the Liberals and Nationals.

We have appointed the State's first Small Business Commissioner, reduced workers compensation premiums and delivered payroll tax rebates through our Jobs Action Plan. But we know that there is more to do and more reform to undertake.

I turn finally to our latest policy initiatives to promote growth and jobs by supporting those who drive our economy.

Today I announce we are raising the payroll tax threshold from \$689,000 to \$750,000, while removing indexation. This measure means around 1,300 businesses that were previously liable for payroll tax will not pay a cent of payroll tax next year, while all businesses that continue to pay the tax will be more than \$3,000 better off. In the longer term, the removal of indexation will broaden the base of payroll tax and make it more efficient; over the next three years, it will provide businesses with the relief they are looking for.

But we believe we can do even more to boost employment in the State. Our Jobs Action Plan payroll tax rebate has been a key plank of the policies that have produced the strongest jobs growth in the nation. Today I announce we are extending the policy for an extra two years, until June 2015, and increasing the rebate from \$4,000 to \$5,000 for each new job. Business needs the support of government so that it, rather than government, can build the economy.

With the measures announced today, we want to help business to employ, employ and employ more. As Liberals and Nationals, we want New South Wales to be the best place for business in the nation.

But the housing sector, so critical to our economy, also requires assistance. In the Building the State package, announced in the budget last year, the Government recognised the need to boost housing supply.

I am pleased to announce an extension of this successful program. This year, the \$15,000 First Home Owner's Grant has been extended by two years. And in 2013-14, more than \$300 million will be used to provide priority infrastructure. This includes infrastructure to release new employment lands through the construction of Old Wallgrove Road, as well as 11 critical projects to accelerate the delivery of an additional 42,900 housing lots.

Over the past two budgets, the Government has funded infrastructure for nearly 120,000 new homes.

Conclusion

This budget marks a pivotal moment in the first term of the O'Farrell Government.

The tough decisions we have made now provide a foundation for future growth and prosperity.

The budget is a snapshot of who we are as a government.

It shows how we are different from our predecessors.

It shows what can be achieved when a government acts in the interests of the community, free of external control and internal disunity.

We are doing the hard yards, undertaking the critical reforms, facing up to the tough decisions.

We are taking control of our finances, not at some indeterminate point in the future, but now. Our achievements are already evident.

We are not leaving the challenges to the next government or the next generation.

We are advancing along the road of renewing our balance sheet, recycling mature assets so that we can invest in new ones.

We are reshaping our global city, reinventing our second city and rebuilding the regions.

The budget demonstrates conclusively that this Government's commitment to repairing the State's broken infrastructure is not about words—it is about actions.

The tough decisions we have made are beginning to bear fruit.

Now we will accelerate the delivery of improved services and infrastructure, while protecting the vulnerable.

This is our commitment to the people of New South Wales.

Two years ago, the challenges were enormous.

But today we can say the Government of New South Wales, and the people of New South Wales, have risen to meet them.

The people of New South Wales can look forward with enthusiasm and optimism.

This budget secures the future of New South Wales.

I commend the bills to the House.

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

SPECIAL ADJOURNMENT

Motion by the Hon. Duncan Gay agreed to:

That this House at its rising today do adjourn until Wednesday 19 June 2013 at 10.00 a.m.

HER MAJESTY QUEEN ELIZABETH II CORONATION SIXTIETH ANNIVERSARY

Motion by the Hon. Duncan Gay agreed to:

That this House notes that:

- (a) Sunday 2 June 2013 marks the sixtieth anniversary of Her Majesty's Coronation,
- (b) the Queen is Australia's head of state, and
- (c) it is fitting that this important milestone be warmly commended in the Parliament.

BUSINESS OF THE HOUSE

Suspension of Standing and Sessional Orders: Precedence of Business

Motion by the Hon. Duncan Gay agreed to:

That standing and sessional orders be suspended to allow a motion to be moved forthwith relating to the conduct of business of the House.

Precedence of Business

Motion by the Hon. Duncan Gay agreed to:

That Government business take precedence of debate on committee reports this day.

BUSINESS OF THE HOUSE**Postponement of Business**

Government Business Orders of the Day Nos 1 to 13 postponed on motion by the Hon. Duncan Gay.

HEAVY VEHICLE (ADOPTION OF NATIONAL LAW) BILL 2013**Second Reading**

Debate resumed from 29 May 2013.

The Hon. MICK VEITCH [3.14 p.m.]: I lead for the Opposition on the Heavy Vehicle (Adoption of National Law) Bill 2013. From the outset I indicate that we will support the bill. I also indicate that I have a brother who is a long-distance truck driver and a brother-in-law who is a long-distance truck driver. Many members in the House will know that I nearly lost my brother in a horrific truck accident at Sandy Beach a couple of years ago. It was very nasty.

The bill will adopt the Heavy Vehicle National Law as the law of New South Wales. The Heavy Vehicle National Law was passed by its host jurisdiction, Queensland, on 14 February 2013. As all members will be aware, a host jurisdiction is required to pass a national law and the other States and Territories are required to pass legislation applying the host jurisdiction law in their own jurisdictions, which is the process we are following with this bill. This bill is the first of two bills to give effect to the commitment the New South Wales Government made to the Council of Australian Governments to establish a single National Heavy Vehicle Regulator and to adopt the single Heavy Vehicle National Law in New South Wales. A subsequent bill, to be introduced in the next session of Parliament, will make the necessary amendments to repeal and amend any existing legislation.

The Heavy Vehicle National Law has the support of industry as it enables a single approach to the regulation of heavy vehicles. The law is intended to reduce the compliance burden for business, improve Australia's international competitiveness, improve productivity and safety and make it easy to operate across borders. This process has a fair degree of support across all political parties and, as I said, there is strong support from the industry. The new law continues the work that has been taking place in the heavy vehicle industry on other long distance haulage issues in this State such as improving pull-over zones and overtaking lanes. As I said at the outset, the Opposition will support the bill.

The Hon. PAUL GREEN [3.17 p.m.]: I speak on behalf of the Christian Democratic Party on the Heavy Vehicle (Adoption of National Law) Bill 2013. The bill harmonises the Heavy Vehicle National Law within New South Wales law. Whilst maintaining and strengthening the current standards which apply to heavy vehicles in New South Wales, the bill establishes a single National Heavy Vehicle Regulator and streamlines safety and access regulation for heavy vehicles over 4.5 tonnes across Australia. I note some details about the Heavy Vehicle National Law. It received royal assent on 26 February 2013 and it applies to all heavy vehicles over 4.5 tonnes gross vehicle mass—this includes trucks, buses, agricultural vehicles, mobile cranes and semitrailers as well as some larger caravans and mobile homes. The law also manages the impact of heavy vehicles on the environment, road infrastructure and public amenity, it promotes industry productivity and efficiency, as the Hon. Mick Veitch just mentioned—

The Hon. Mick Veitch: I'm glad you listened, Paul.

The Hon. PAUL GREEN: I am a good listener, Mick. It also consolidates current national heavy vehicle model laws and replaces the corresponding State and Territory legislation. Over time the law will also allow better data capture and intelligence sharing across the country to allow for more targeted enforcement and improved safety outcomes, which will go a long way in keeping our roads safe in relation to heavy vehicle movements by making drivers comply with the driving regulations and ensuring that they are very mindful of their responsibility to other road users, not only in this State but across the nation.

The objectives of the Heavy Vehicle National Law are to manage the impact of heavy vehicles on the environment, road infrastructure and public amenity. It also will promote industry productivity and efficiency in the road transport of goods and passengers by heavy vehicles, and encourage and promote productive, efficient,

innovative and safe business practices. Specifically, the Heavy Vehicle National Law will establish a regulatory framework that prescribes duties and obligations on operators, drivers and other persons whose activities may influence whether heavy vehicles or drivers comply with requirements in relation to the standards, mass, dimension, loading and speed of heavy vehicles, as well as driver fatigue.

For the past two decades the heavy vehicle industry has been governed by a dozen nationally approved model laws. This bill creates a single national regulator for heavy vehicles. The problem with the old system was that, while model laws were agreed, each State and Territory varied them upon their introduction. This led to increased red tape for businesses. For several years the heavy vehicle industry has sought a national regulator, and this bill provides that outcome. I note that the National Heavy Vehicle Regulator commenced operation in January this year when it began managing the National Heavy Vehicle Accreditation Scheme, performance-based standards approvals and a national call centre.

I further note that chapter 2 of the national law, which deals with heavy vehicle registration, will commence in the future. I understand that it will occur in mid-2015 once the national system has been developed. As an interim measure, this bill allows for the continuation of the current registration scheme under the New South Wales law until the national framework commences. A single national law that has the support of the industry will increase productivity within New South Wales and across its borders. It is always good to see governments reduce red tape and streamline processes. The competitive edge quite often comes down to the legislation of different States. Nationalising this law will make all States competitive and help us to get a fair share of national transport freight. The Christian Democratic Party commends the bill to the House.

Mr DAVID SHOEBRIDGE [3.22 p.m.]: The Greens do not oppose the Heavy Vehicle (Adoption of National Law) Bill 2013.

The Hon. Matthew Mason-Cox: Unusually.

Mr DAVID SHOEBRIDGE: Thank you. The bill is designed to ensure that New South Wales is covered by the National Heavy Vehicle Regulation that has been negotiated between all State and Territory governments and the Commonwealth Government. It will ensure that a consistent set of rules operate across participating State and Territory borders. In fact, the Heavy Vehicle National Law provides a scheme to regulate the use of heavy vehicles across the country. Generally speaking, a vehicle is considered to be a heavy vehicle if it has a gross vehicle mass—sometimes including the aggregate trailer mass—of more than 4.5 tonnes. The national law has been delivered after lengthy negotiations between New South Wales and other participating jurisdictions. Each jurisdiction has agreed to establish a national system of regulation for heavy vehicles consistent with the uniform laws that are proposed in this bill. Not only will we have uniform laws, but also for the first time those laws will be administered by a single national regulator.

It is hoped that uniform laws and regulations will stop a traditional problem in our Federation wherein heavy vehicle operators sought to, if you like, forum shop amongst jurisdictions to find the least onerous regulations and the lowest registration fees. It is hoped that a national approach will see the end of forum shopping and what has sadly been a race to the bottom in terms of fair registration fees that cover the cost of the damage that heavy vehicles do to our roads. It is further hoped that it will end the historical race to the bottom in terms of the lack of regulation in some jurisdictions which seek to attract heavy vehicle registrations. They do so not to fairly reflect the number of heavy vehicles that operate within that State or Territory but to reap the benefits of the registration fees. Significant numbers of heavy vehicles operate on and damage the roads in large States such as New South Wales.

The Hon. Duncan Gay: And driving through our State.

Mr DAVID SHOEBRIDGE: And indeed driving through our State. For example, the Brisbane to Melbourne freight route is particularly busy and causes substantial damage to New South Wales roads. It is important to ensure that the New South Wales Government and taxpayers and residents get their fair share of registration fees. It also is important to ensure that the heavy vehicles that travel through our State are subject to the minimum safety standards and sensible regulations that we insist upon within our jurisdiction. Adopting the Heavy Vehicle National Law bill will be a positive step forward in providing uniformity that will deliver good outcomes across New South Wales.

The text of the national law is not set out in this relatively modest bill. In an effort to obtain uniformity across our Federation the bill refers to the legislative framework established by the Heavy Vehicle National Law

Amendment Act 2013 that passed through the Queensland Parliament. Many commentators have been critical of the consistent use of the Queensland Parliament for the adoption of model bills, because little if any scrutiny applies in the parliamentary framework within Queensland. It is a unicameral system with an ill-developed committee structure.

The Hon. Duncan Gay: But it was a bill that was written in New South Wales.

Mr DAVID SHOEBRIDGE: The level of scrutiny applied to legislation passed by the Queensland Parliament can sometimes cause us to be uncomfortable about using Queensland laws as the basis for uniform legislation across Australia. I note, as the Minister interjects, that the bill that passed through the Queensland Parliament had that scrutiny—at least at an administrative, bureaucratic and political level—in New South Wales before it passed through the Queensland Parliament. As with many of these uniform bills, the issue is that amendments can be passed through the Queensland Parliament which will feed into the uniform bills across the rest of the country, and those amendments will not have thorough scrutiny. But The Greens are happy to support this bill. It takes a step forward in creating uniformity of regulation. I commend the bill to the House.

The Hon. CATE FAEHRMANN (Valedictory Speech) [3.28 p.m.]: Mr President—

The Hon. Trevor Khan: Is this it?

The Hon. CATE FAEHRMANN: Yes, this is it. This afternoon I make what will be my final address in this place. While my time here has been relatively short, much has happened to provide a lifetime of reflection on the strange and unruly beast we call politics. That is potentially a good thing, considering that my election to the Senate come 14 September is by no means guaranteed.

Mr President, even though we are on very different sides of politics, I have enjoyed the moments I have worked with you and I wish you well as you continue in your role. I thank you for entrusting me with the role of Temporary Chair of Committees. I know at times when I sat in the chair I found it particularly difficult not to interject or participate in the debate, so I have admired your attempts particularly to restore order when it is sorely needed. However, order in a more fundamental sense is badly in need of being restored in this place, but more on that later.

Unfortunately, I leave here after a period of two years and nine months sharing some of the despair that many in the community feel about the state of politics right now. I despair at the taking away by the stroke of a pen years, often lifetimes, of specialised knowledge of dedicated public servants, scientists and community leaders on the reckless political whim of sometimes frighteningly inexperienced Ministers. I despair at the way in which years of objective, thorough, scientific research, which has been undertaken under the most rigorous peer-review conditions, is treated with flippant disregard and sometimes unbridled derision by some in this place. I despair at the politicisation of protecting the environment.

People who dedicate their lives to contributing to a healthier, safer and more sustainable world deserve our respect. Instead, there appears to be an anti-science, anti-intellectual and anti-environment motivation driving too many agendas in this place and in the Government more broadly. Perhaps my most depressing memory of this place is the appalling attacks on science, starting with the disgraceful closure of the Cronulla Fisheries Research Centre of Excellence. This was a decision made through incompetence and recklessness and with malicious disregard for the careers of dozens of public service professionals who have dedicated their lives to doing good. These people do good for us all. But there are those in this place who would brand them as "do-gooders", as though they should hang their heads in shame for doing good. I know it has taken enormous time and effort by some to ensure this description is now uttered with scorn.

I despair that members are too comfortable in this place. Why does the sanctity of Parliament—being part of the MPs club, if you like—give people a licence to behave worse than they ordinarily would in public? No doubt everyone is thinking of Ministers behaving badly, the Independent Commission Against Corruption [ICAC], and some of the more high-profile disasters over the years; but that is not what I am referring to in this instance. I have been embarrassed for all of us—for the Clerks and the attendants, for this place and for all of our political institutions—when groups of school students sit in the public gallery, for example, particularly during question time, and witness our conduct as a Parliament and the behaviour of Ministers and members who seem intent on reliving their primary school days. Actually, the damage we cause is worse than in any schoolyard.

Over the past month or two I have been reluctant to attend question time. I have a confession to make: I have largely stayed away because I think it is a waste of time. Members in this place ask questions of three Ministers, all of whom are men. More often than not the Ministers get away with refusing to answer the questions put to them. This is particularly the case when questions are asked by The Greens. I do not wish for this to be a personal attack on the three Ministers of this House.

The PRESIDENT: Order! That is good. While the member has been extended wide latitude, I advise her that if she reflects on individual members she will be directed to resume her seat.

The Hon. CATE FAEHRMANN: I will not be reflecting individually. In my interactions and daily workings with Ministers Gallacher, Gay and Pearce, I found them generally respectful and good to deal with. I am by no means a wowser. I like banter and jokes as much as anyone, but there is a time and place for mucking around. I believe we all need to reflect on how it has got to the point where the Chamber is apparently the place for all-too-often childish behaviour—behaviour which is not unique to any Minister, to any member, or to this Parliament. The previous Government and Parliament were the same, and it is mirrored in parliaments across the country. It is a culture that previous members have created and that many members in this place perpetuate. It is a culture that all State and Federal representatives need to take responsibility for and address.

It is much more than just our collective performance in question time. It is also about how much time is spent on political pointscoring, such as the practice of members putting quite ridiculous motions on the *Notice Paper*—many just to score political points and others to deliberately waste time. The politicisation of the committee process by some members is another case in point. I believe that elected representatives in parliaments across the country are letting the people down. Is it little wonder that politicians are placed near the bottom of the trustworthy list? It has been truly alarming to see the role of the Legislative Council and its members usurped by the self-interest of a few.

When the Government struck its deal with the Shooters and Fishers Party to secure a guarantee of passage of its legislation, it made a mockery of the role of the Legislative Council as a House of review. Since then the people of New South Wales have been held to ransom by the Shooters and Fishers Party and the role of this House as a House of review is no longer. The Shooters and Fishers Party's list of demands—the conditions of its support for the Government—has been quite public, sitting proudly on its website. It feels like being on the set of a movie about a hostage situation, but in this script there is no Dirty Harry or Bruce Willis among our leaders ready to save the day. Duck hunting, hunting in national parks, logging in national parks, de-gazetting national parks, a return to broadscale land clearing and a relaxation of gun control laws are all on the cards.

The Shooters and Fishers Party claims that there is a battle of cultures and that they are standing up for their culture. But there is no hunting culture in this State. This is not North America. That idea has been manufactured by the taxpayer-funded Game Council. Instead, the culture war that does now exist is one that the Government ignores at its peril. New South Wales has a proud history and culture of protecting its native animals, plants and special places. The people of New South Wales are justifiably proud of this State's track record of creating national parks and more recently marine parks. Little did I know when I delivered my inaugural speech on 21 September 2010, in which I described the beauty and significance of the State's national parks, that I would then spend so much of my time here defending them.

Where is the community backing for this move by the Government and the Shooters and Fishers Party to declare open season on our State's natural heritage? This is being repeated in Queensland and no-one would be under any illusions that a Tony Abbott Federal government would be any different. We routinely underestimate or simply forget that people place their trust in us to use this place wisely and in their interests. I believe the Government's decision to undermine what makes our national parks so special to so many people is already backfiring. There is an opportunity cost when we waste time, when we pass bad laws, when we wind back advances made in blind ignorance and self-interest. Time is critical here. Will you all look back at your time here 30 years hence and feel satisfied you did all you could to ensure you hand on to future generations a better world?

We all have a responsibility to contribute to a positive legacy. I am satisfied that I will look back at my time here knowing that I did my best to make a positive contribution to advancing important issues for society. The right to die with dignity is a fundamental right that this place will agree with and endorse in the not-too-distant future. I understood that my private member's bill was likely to fall short of gaining majority support this time. However, I believe that my contribution has propelled this vital issue along an inevitable path to law reform in this place and others around Australia. An issue that is even closer to its overdue recognition in

law is the right for everyone to marry the person they love. I leave this place knowing I did what I could to end this discrimination. I am very proud that members showed strength of conviction by supporting my motion in 2012 which called on the Federal Parliament to legalise same-sex marriage. I will watch the ongoing work of the cross-party marriage equality working group in this Parliament with interest. I wish it and its members luck.

When a nine-year-old boy died at Singleton when his school bus was hit by a prime mover in September last year, I continued my work with parents and transport safety advocates on a proposal for the sensible and logical introduction of seatbelts on school buses. The bill I introduced was the culmination of years of hard work by parents across the State—parents who, sick with worry, for far too long put their kids on school buses not fitted with seatbelts. Again, my approaches to the Minister for Transport's office to discuss the bill, which merely put in place some of the more achievable and necessary recommendations from the Government's own advisory committee, have not effectively been dealt with. This is another example of a long overdue reform. I firmly believe that in this place I have been able to contribute to bringing it closer to reality.

One of my first successes in this place was initiating an inquiry into the high costs associated with building rail infrastructure in New South Wales compared to the rest of the country. Despite being frustrated with the lack of useful information provided by Treasury, various transport bureaucrats and others, the committee was able to find that rail projects are more expensive here, and made recommendations for cost efficiency measures to be introduced. Shortly after the Coalition won government, attacks on cycling and bike paths gained profile in the media. I am proud of my campaign with the cycling community to build more visible support for bike paths and my bike path visit with the roads Minister was a memorable part of that campaign.

After the release of hexavalent chromium from the Orica plant at Newcastle last year, I listened to the community and introduced a bill to require licensed companies to immediately notify authorities of any incident that was likely to cause material harm to the environment. The Greens campaigned hard with the community for pollution law reform at that time. I was pleased when the Government incorporated the elements of my private member's bill into its own reform bill. I leave this place satisfied that The Greens have played an instrumental role in improving safeguards for the community. However, there is much more work to do. My replacement who will fill my casual vacancy, Dr Mehreen Faruqi, will take up my portfolios. Those portfolios include the environment. Dr Mehreen brings a wealth of experience and knowledge and I know she will make a profound contribution to Parliament, to the community and to The Greens in the coming years.

I do not leave this place in the knowledge that there has been a positive contribution by members to perhaps the most urgent issue facing life on Earth: climate change. It is damning that elected members of the Government refuse to even acknowledge the reality of climate change or that humans contribute to making it worse. My earlier comments about an anti-science agenda in this place are particularly relevant in this case. Some of the most respected and also the most conservative science and policy organisations in Australia and across the world have raised the alarm about the ramifications of rising temperatures and sea levels for human life as a result of human-induced climate.

A worldwide panel of leading researchers of climate science—the Inter-Governmental Panel on Climate Change—has been sounding the alarm for action to reduce carbon emissions for the past decade and more. According to a confidential Federal Treasury report, climate change is the single most pressing challenge Australia faces over the coming decade. This view is shared by the World Bank, the Pentagon, the International Monetary Fund and the CSIRO, as well as 97 per cent of the world's climate scientists. Could any other issue achieve such overwhelming consensus? Yet our decision-makers refuse to act and pretend there is still a debate.

Despite all of this, the performance of Ministers at budget estimates hearings and in question time when asked about the issue of climate change has been irresponsible. I have asked questions about climate change in this Parliament and during budget estimates. At a time when leadership on this issue is urgently needed, the Government has gone missing. The howls of derision from those opposite when I mention the words "climate change" have been very disappointing during my time here. In my inaugural speech I said:

Future generations will look back at this time with an even greater sense of anger and dismay if the people given the power to act continue to sit and do nothing.

Little did I know at that time that the future government would actively wind back action on climate change—perhaps an even greater crime than doing nothing. The failure of the majority of members in this place to recognise and act in what I believe are the interests of the safety and survival of people now and in the future will, I believe, be regarded in 30 years' time, perhaps sooner, as a generational crime. Having said all that about the behaviour of members in this place—in question time, during budget estimates and even on committees—

I indicate that I have very much valued working with members from all sides of politics on very important issues. Together we have tackled marriage equality, domestic violence, pollution law reform and the closure of the Cronulla Fisheries Research Station of Excellence.

I am very impressed by the calibre of women and men who keep this Parliament functioning smoothly. I have very much enjoyed working with the Clerk, David Blunt, who has been in the role only a relatively short time. I greatly admire his wisdom and experience. I also acknowledge his deputy, Stephen Reynolds; Kate Cadell, Susan Want, Rachel Callinan and Stephen Frappell and everyone in the Procedure Office; Julie Langsworth, who offered great support when I started in the role; and the attendants, Maurice, Charles, Lucy, and Mike in particular, who were all here when I started as a staffer in 2003. In all my interactions with the clerks, the attendants and every other member of staff in this place, they have been nothing short of professional. Thank you for your professionalism and grace in performing your role.

I have particularly enjoyed the committee process and thank everyone who has made such valuable contributions to the inquiries with which I have been involved. A special thanks to the Social Issues committee secretariat, particularly Merrin Thompson, and the chair, Niall Blair. Niall Blair is probably the only member other than my colleagues I will mention personally. I very much appreciated our work together on the Social Issues committee, particularly the work on the domestic violence and the transition and support inquiries. To all the other committee staff whom I have had the pleasure of working with—Beverly Duffy, Madeleine Foley, Rhia Victorino, Stewart Smith, Miriam Cullen, Teresa McMichael and others—thank you for your knowledge and your patience in bringing together such divergent opinions and personalities and your attempts to ensure the committee process maintains its integrity and its value to the people of New South Wales.

My work on committees has enabled me to get to know the Hansard staff, particularly when travelling to conduct hearings in regional areas. It was a pleasure to travel with Trevor McDonald—who is present at the moment—Annemarie Doyle, Sally Violet and others and to get to know them all a little more. To all the other Hansard staff, thank you for the essential work you do. To all the hardworking people who keep this place ticking along behind the scenes—from human resources to library researchers, security, Phil Freeman and all the catering staff and dining room attendants—thank you for your dedication to this place and your cheery hellos and support.

Finally, I come to acknowledgements of a more personal nature. I have always said an elected representative is only as good as the team around them, so I would like to thank my staff and volunteers who have provided incredible support since September 2010—Justin Field, Louise Callaway, Julianne Nurse, Holly Kendall, Gail Broadbent, who is present here today, Nicola Beynon, Sandra Heilpern, who is in the public gallery, Neneh Darwin, David Lenton, who is in the President's gallery, Carolyn Williams, John Sexton, Andrew Rhodes, Liz Jacka, Gillian Reffell, and the many more interns and volunteers who have helped me on various projects and campaigns during my time here.

I express my deepest gratitude to Peter Stahel, who has been my adviser and confidante since day one, for his hard work, dedication, loyalty and friendship. The support I have received from colleagues and from The Greens members across the State over the past 24 years has been incredible and invaluable. In particular, the friendships that I now have with Jan Barham and Jeremy Buckingham will, I know, be lifelong. I thank my eternally patient, ever-present, constantly cooking partner, Paul Sheridan. I am the envy of almost everyone I know that I have Paul in my life. Thank you for the strength and love you have provided me during my time here.

Many nations yearn for a stable democracy and for stable parliaments like the one we are so lucky to be in today. We should remember this and we should cherish our democracy and our parliaments as well as any role we are lucky enough to play. Meanwhile, many nations in the future will be yearning for a stable climate system. I truly hope that the majority of members in this place one day very soon step up to the challenge that all leaders of today should be meeting; that is, ensuring future generations can enjoy the world, the climate system, the environment and the collective wealth we are so lucky to enjoy today.

The Hon. DUNCAN GAY (Minister for Roads and Ports) [3.48 p.m.], in reply: I wish the Hon. Cate Faehrmann well in her future life. I assure those who read her speech that she is a much nicer, more decent and much-liked member of this House than some of the words she used may make her appear. I wish her all the very best for the future. I, and I am sure most members, believe that if she does not make the Senate it will not be because of her personal attitudes, her personality or the friendships she has made; it may be because of some of the others we have sent ahead of her.

I support the Heavy Vehicle (Adoption of National Law) Bill 2013. The introduction of a Heavy Vehicle National Law and the establishment of the National Heavy Vehicle Regulator deliver greater consistency in regulation across jurisdictions and enable cost savings by eliminating unnecessary duplication. The use of national systems and processes which emerge from the National Heavy Vehicle Regulator's one-stop shop will offer heavy vehicle operators, governments and the community better coordination of access decisions across all levels of government, especially last-mile access decisions, and improved compliance and enforcement strategies that encourage industry participation in accreditation schemes in return for mass, dimension and load productivity benefits.

They also will bring improvements to the regulation of fatigue, offering greater flexibility to operators while ensuring that safety standards are not compromised; they will offer information technology applications that will improve operator efficiencies, such as better online fleet management capability; they will reduce the time needed to train drivers, given there will be one nationally consistent set of rules; and they will provide the same outcome in the same circumstances across all jurisdictions given the common policies, procedures and processes that the National Heavy Vehicle Regulator will introduce. All of this should lead to a reduction in regulatory inconsistencies that currently plague operators and significantly add to the costs of doing business.

All of this should lead to a reduction in regulatory inconsistencies that currently plague operators and significantly add to the costs of doing business. The regulator will work on behalf of operators with cross-border businesses and local government to ensure a single permit with a straightforward set of operating conditions to cover each applicable jurisdiction. This system will allow access permit applications to be sent simultaneously to decision-makers in councils and State road authorities, facilitating the assessment tasks of road authorities and reducing the burden of operators which, under current arrangement, must contact road authorities themselves. The National Heavy Vehicle Regulator will introduce case managers to coordinate access applications across councils and State road authorities. The National Heavy Vehicle Regulator will also introduce, for the first time, centralised data on access applications, which will provide intelligence on infrastructure bottlenecks.

The Heavy Vehicle National Law provides for ministerial guidelines that the National Heavy Vehicle Regulator will publish to assist road managers in applying consistent processes and criteria while assessing access applications and determining appropriate access to the road network. The passage of the Heavy Vehicle (Adoption of National Law) Bill 2013 and the establishment of the National Heavy Vehicle Regulator in New South Wales will deliver an economic boost for New South Wales and the nation over time. In 2006, the Productivity Commission estimated potential net gains of \$7.5 billion if a national approach to heavy vehicle regulation were adopted.

In February 2011, the National Transport Commission developed a Regulatory Impact Statement addressing the Heavy Vehicle National Law and the National Heavy Vehicle Regulator. It suggested potential productivity benefits for the nation's economy of between \$5.6 billion and \$12.4 billion over 20 years to be realised as a result of this reform. If those estimates are realised, the flow-on effects will be good for the hip pocket of everyone in this State. I thank members from all sides of the House and all parties for their support. I commend the bill to the House.

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

Motion agreed to.

Bill read a second time.

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

Third Reading

Motion by the Hon. Duncan Gay agreed to:

That this bill be now read a third time.

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

SERVICE NSW (ONE-STOP ACCESS TO GOVERNMENT SERVICES) BILL 2013**Second Reading**

The Hon. DUNCAN GAY (Minister for Roads and Ports) [3.54 p.m.]: I move:

That this bill be now read a second time.

The New South Wales Government is one of the biggest customer service organisations in our State. While other governments in Australia and around the world took advantage of technology and reforms of innovative retailers, airlines and smart local businesses over the last decade, many of those opposite and their mates in Sussex Street were too busy using their positions to look after their own interests and not the interests of our customers—the citizens and taxpayers of our great State.

The Hon. Walt Secord: You didn't write this, Duncan, come on.

The Hon. DUNCAN GAY: But I am reading it well. Those days are over. I am pleased today to introduce a bill that gives effect to one of the New South Wales Government's key commitments, which is to put customer service at the heart of government decision-making. This bill will allow Service NSW to provide customer services to the people of our State on behalf of other agencies. The bill provides for a government agency to be able to delegate to and enter into agreements with the Chief Executive Officer of Service NSW in order for Service NSW to undertake customer service functions for the agency, and provides for the required information transfers between Service NSW and the relevant agency for this to occur. It is our responsibility to make sure that citizens, businesses and taxpayers get the best possible service and results from the government they own and fund. There is no reason that people should not expect the same high level of service from the Government as they receive from their favourite retailer, airline or financial institution when they renew a licence, register the birth of a child or pay fees and State charges.

At the last election the people of this State clearly told us that they thought the old way needed improving. They wanted easier access to services at times that suited them, like on Saturdays; they wanted consistent information no matter who they asked; and when their circumstances changed, such as moving house or the birth of a child, they wanted to inform us once—not again and again. This bill supports the work we have done to make these changes. People want coordinated services. For too long New South Wales citizens have put up with multiple, isolated systems run by different departments for the convenience of bureaucratic structures rather than for the people we are meant to serve. There are 394 separate State government agencies, authorities and trading enterprises delivering services. Currently, these services are provided through call centres and shopfronts that do not talk to each other or share information. We have more than 800 websites and 8,000 different telephone numbers.

Improving customer service in public services will be a key factor in growing our economy and making New South Wales number one again, because time wasted on a maze of complex, non-responsive and irrelevant government processes is time not spent on business, learning and wealth creation and takes us away from our family or work within local communities. Some existing customer services—for example, the Roads and Maritime Services, the Registry of Births, Deaths and Marriages, the Office of Fair Trading and the Office of State Revenue—have attracted well-deserved compliments due to dedicated staff making innovations within their own sphere of services. But the former Government lacked the resolve to take these services into a new era.

As we committed prior to the election, we are preparing for the delivery of New South Wales government services, through Service NSW, in ways that suit our customers, including one easy-to-use website with live chat and better functionality, a 24/7 phone info line answered by real people, and extended hours one-stop shops in regional and city locations. It is the Government's objective to make New South Wales number one not only in economic performance and opportunity but also by setting a new standard in best practice for customer services for citizens and businesses in our State. Initially, Service NSW will provide transactions and services relating to driving, boating, Fair Trading licences, and for births, deaths and marriages. This will build over time into complete one-stop access to government services. The people of New South Wales want to do their business with government as quickly and efficiently as possible so they can get on with their busy lives.

They do not have time to wait in queues or to be told, "Ring another number." This is a major transformational journey and the provisions of this bill are a significant step in that journey. Clause 5 of the bill

defines customer service functions, which include functions relating to applications for and the issue of licences and other authorities giving information about government services, legislation and other matters, receiving and making payments, the provision of other government services and other ancillary functions. The purpose of clause 5 (i) is to enable the delivery of ancillary customer service functions associated with the core transaction such as the function of administering the learner driver knowledge test that is ancillary to the function of receiving applications for and issuing learner drivers licences. Clause 7 provides the holder of a statutory customer service function with a power of delegation, and that delegation power is expanded to include the Chief Executive Officer of Service NSW.

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

WESTCONNEX MOTORWAY

The Hon. LUKE FOLEY: I direct a question to the Minister for Roads and Ports. Almost a year ago the Government announced its intention to build WestConnex. Will the Minister explain to the House why there is no business case, no final budget figure, no final route and only 1 per cent of its projected cost was announced in today's budget papers?

The Hon. DUNCAN GAY: Because those objectives are not within the timetable the Government projected. The commitment the Government made was to start WestConnex before the next election. The next election is years away. Enabling works that were announced in the budget place the Government a couple of years ahead of its schedule. The Government previously indicated that the business plan would be completed by July 2013 and it will be.

STATE BUDGET AND POLICE

The Hon. TREVOR KHAN: I direct a question to the Minister for Police and Emergency Services. Will the Minister update the House on proposed spending within the Police portfolio in 2013-14?

The Hon. MICHAEL GALLACHER: I thank the honourable member for his question. The Liberal-Nationals Government is committed to providing police officers with modern resources and facilities. It is now delivering and will continue to deliver newly upgraded police stations fitted out with the best available equipment in order to help hardworking police officers do the best job they possibly can. The budget includes \$47 million for the next financial year to continue works on new construction and refurbishment of police stations in Moree, Riverstone Park, Tweed Heads, Walgett, Coffs Harbour and the Lake Macquarie local area command. Funding for minor works at a range of stations is also included.

I would like to highlight some of the major projects included in the budget. It includes funding of \$9.9 million in 2013-14 to fulfil the Government's commitment to a new justice precinct in Coffs Harbour, and that includes a new police station and courthouse. Construction will commence at the site in the 2013-14 financial year with an anticipated completion date in 2016. I am advised that the new police station will have approximately 3,600 square metres of floor area and will include a full local area command facility, a new forensic services facility and a modern custodial and cell facility. These facilities befit a major regional centre that is experiencing significant population growth.

Almost \$11 million will be allocated for works in the Riverstone community in 2013-14. The project to build a new police station for Quakers Hill local area command is worth a total of \$17.28 million and, as with Coffs Harbour, construction of the three-storey building will commence in the 2013-14 financial year. The new Quakers Hill police station will cater for 167 police personnel, including general duties officers, the crime management unit, detectives, the anti-theft squad, the highway patrol and the engineering investigation section, which is currently located at Zetland. Members may recall that last year the Government made some decisions about building works which could no longer be carried out or which had to be deferred. Building works at Manly and Liverpool police stations were deferred for 12 months because the NSW Police Force requested additional time to complete its planning processes.

I am pleased to advise the House that both the Manly and Liverpool projects are back in the budget for the next financial year. Funding of \$5 million has been committed to refurbishing Manly police station, including \$1 million in 2013-14. At Liverpool construction will commence on a \$22pmillion police station with \$5 million in funding allocated for that purpose in the upcoming financial year. The Government is committed to providing modern facilities to our police officers—officers who keep our community safe—and this budget provides significant resources to achieve that end.

STATE TRIPLE-A CREDIT RATING

The Hon. ADAM SEARLE: I direct a question to the Minister for Police and Emergency Services, representing the acting Minister for Finance and Services. Last year the international ratings agency Standard and Poor's placed New South Wales on a "negative outlook". In today's budget there is a \$5 billion increase in debt across the forward estimates. Will the Minister inform the House whether consultation with the ratings agencies has occurred and whether the Government will guarantee that New South Wales will maintain its triple-A credit rating?

The Hon. MICHAEL GALLACHER: The reality is that New South Wales under the Coalition Government is living within its means. There is no escaping the neglect and the contemptuous way in which those opposite treated the economy of New South Wales when they controlled the Treasury benches. It was an absolute disgrace. New South Wales is now finally living within its means. As the Government foreshadowed in last year's budget, the change in the accounting standard has taken effect, and that means that the State's overall superannuation interest cost has increased \$1.6 billion in 2013-14. The result of the budget speaks for itself. The Government now has the ability to ensure that revenue is in a far stronger position in terms of expenses growth, which was neglected under the previous Government.

Despite falling revenue projections the Government has again ensured that the State lives within its means with expenses again coming in within budget—something that those opposite failed to do for 16 years while in government. Every year since 2011 the budget has delivered a significant turnaround in the State's finances and that has been achieved through efficiency dividends such as procurement savings, program savings and the labour expenses cap. If the savings measures introduced by this Government and opposed by those opposite had not been introduced, the New South Wales budget position would be worse by \$19 billion. The savings and expense controls the Government has imposed have improved the State's capacity to boost funds for frontline services, including an additional \$884 million for the Health budget, and an additional \$524 million for the Education budget, and I am grateful for the additional \$171 million that is coming to the Police budget.

This result was achieved by the changes, discipline and work instituted in this State by the Treasurer, Michael Baird. This financial discipline has also allowed us to secure more funds to support the vulnerable, including \$585 million allocated in the budget to roll out into the Hunter the National Disability Insurance Scheme. As a result of our expense control and balance sheet management, net debt in 2013-14 is \$9 billion lower than forecast in March 2011. Those opposite just want to gloss over it.

[Interruption]

The PRESIDENT: Order! If the Hon. Steve Whan and the Hon. Dr Peter Phelps want to have a conversation they should do so outside the Chamber. The Minister has the call.

The Hon. MICHAEL GALLACHER: This budget has helped oversee better financial reporting and forecasting and has provided assurance in the budgetary process—something that was totally neglected and ignored during Labor's 16 years of government. As we know, the Auditor-General identifying errors in the New South Wales budget is not new; it happened year after year under Labor, including 32 errors over \$20 million. Now, under the Liberals-Nationals Government, we have the highest level of scrutiny in finances of any State in this country. We can be very proud of what we have been able to achieve. *[Time expired.]*

STATE BUDGET AND GAME COUNCIL

Mr DAVID SHOEBRIDGE: My question without notice is directed to the Minister for Roads, representing the Minister for Primary Industries. What is the 63.5 per cent increase in government funding for the Game Council set out in today's budget intended to produce, or is it just a political payoff to the Shooters and Fishers Party?

The Hon. DUNCAN GAY: Point of order: I think that question contains argument.

The PRESIDENT: Order! Can I view the question as I did not hear the last part of it? There is argument in the question, but I will allow to be answered the part of it that does not contain argument.

The Hon. DUNCAN GAY: Mr President, can you help me? What is left when the argument is removed?

The PRESIDENT: I am sure you will find something.

The Hon. DUNCAN GAY: I will attempt to.

Mr DAVID SHOEBRIDGE: What is the purpose of the 63.5 per cent increase in Game Council funding?

The Hon. DUNCAN GAY: I thank the member for the question. I am sure it is to achieve improvements, but as it is a detailed question I will refer it to my colleague the Minister for Primary Industries for a detailed answer.

STATE BUDGET AND ROADS

The Hon. JOHN AJAKA: My question is addressed to the Minister for Roads and Ports. Will the Minister update the House on funding for roads in New South Wales in the 2013-14 budget?

The Hon. DUNCAN GAY: I thank the member for his question and indicate that this budget consolidates the rewards of the tough decisions on reforms, as my colleague indicated, taken over the past two years to get our State back on track. Against a backdrop of difficult global economic conditions, the chaos out of Canberra under Federal Labor and the mindless opposition by Labor in New South Wales, we are delivering on our promises to improve services and build new infrastructure.

While there are positive economic signs emerging in New South Wales, we are not immune to national pressures, including falling State revenues. Despite this, we have acted to protect the State's triple-A credit rating by living within our means and reducing debt while building for the future with a massive investment in the infrastructure needed to boost productivity, create jobs and grow our economy. We are investing a total of \$59.7 billion on infrastructure over the four years to 2016-17, despite the fact that Commonwealth Government support is declining over this period.

In particular, we are driving a significant investment in roads with our commitment of \$1.8 billion for the 33-kilometre WestConnex project over the forward estimates, including \$111 million in this year's budget and a \$282 million investment in WestConnex enabling works around our international gateways at Port Botany and Sydney airport. In recognition of the private sector proposal led by Transurban to build the F3-M2 missing link, which is in stage three of assessment under the unsolicited proposals process, we have also allocated more than \$400 million to the project, as long as the assessment confirms that the proposal represents value for taxpayers.

We are focused on easing congestion across our State with a record \$246 million over four years to fix problem pinch points on our road network, at places like James Ruse Drive and Parramatta Road at Clyde, Taren Point Road and Captain Cook Drive, and the Great Western Highway and Reservoir Road. We are improving travel times, road safety and freight efficiency by delivering \$986 million for major upgrades to the Pacific Highway and \$178 million for the Princes Highway, as well as new investments in key regional roads such as the Great Western Highway, the Newell Highway and the Bells Line of Road.

We are building the State by funding major upgrades to key roads in Sydney's growth areas, unlocking new housing development by upgrading Schofields Road and Richmond Road, and unlocking new jobs by investing \$11.5 million to upgrade Old Wallgrove Road to connect the Erskine Park Link Road to the M7—something Labor would never have done because it did not care about western Sydney. In tandem with our investments in roads, we are delivering new public transport options, including \$4.1 billion for the North West Rail Link over four years—with tunnel boring machines due to be in the ground near year—and \$353 million for the continuation of works for the South West Rail Link. [*Time expired.*]

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

The Hon. DUNCAN GAY: By undertaking a long-term lease of Newcastle port we can address and fast-track additional infrastructure needs in the Hunter and across New South Wales, with \$340 million of the proceeds directed to the Hunter Infrastructure Fund to revitalise Newcastle. While we continue to face difficult financial circumstances, this budget demonstrates that the tough decisions we have made to clamp down on expenses and undertake critical reforms are now starting to bear fruit. In stark contrast to what happened under State Labor, we will continue along the path of restoring strength to our finances and capacity to our balance sheet while at the same time delivering the infrastructure our State needs and our citizens deserve. This is another record \$5.1 billion Roads budget; over three years \$15 billion will be invested in roads—\$3.7 billion on regional roads, \$3.8 billion on regional roads and \$3.9 billion this year. When Labor was in government the average was \$2.4 billion—and for that members opposite should be ashamed.

ARTS FUNDING PROGRAM REVIEW

The Hon. JAN BARHAM: My question without notice is directed to the Minister for Police and Emergency Services, representing the Minister for the Arts. Will the Minister explain why only three regional consultations for the Arts funding program review were announced last week and specifically why no Northern Rivers face-to-face consultation was identified, particularly when the region was just recognised as a creative industries hub in the New South Wales Government response to the Creative Industries Taskforce Action Plan earlier this month?

The Hon. MICHAEL GALLACHER: I thank the honourable member for her question. It is disappointing that it was not about the police citizens youth club at Byron Bay, but I am sure that will be the subject of her next question. The member supports yet another Government initiative in Byron Bay. As requested, I will refer her question to the Minister for the Arts for an answer.

STATE DEBT

The Hon. STEVE WHAN: My question is directed to the Minister for Police and Emergency Services, representing the Treasurer. Given that on 24 March 2011 the Treasurer pledged, "Not a single dollar is going to be taken off the bottom line, not an additional dollar of debt is going to be added to the State's balance sheet", why is the Government increasing New South Wales's net debt by almost 300 per cent, from \$6.2 billion in March 2011 to more than \$18.1 billion in 2015?

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

The Hon. MICHAEL GALLACHER: That is an example of the member obviously not listening to earlier answers, having a predetermined approach to question time and, irrespective of the answers that come from Government, continuing with the question as if it had not been answered earlier. I refer the Hon. Steve Whan to the answers given earlier in question time.

STATE BUDGET AND EMERGENCY SERVICES

The Hon. CATHERINE CUSACK: My question is directed to the Minister for Police and Emergency Services. Will the Minister advise the House about the 2013-14 budget for the Emergency Services portfolio?

The Hon. MICHAEL GALLACHER: The New South Wales Government's third budget will build and strengthen the capabilities of emergency services across New South Wales. More than \$1.1 billion in total expenses combined will be allocated to the four front-line agencies next financial year. The Government is providing \$86 million for capital expenditure in 2013-14, and this is in addition to funds that will be made available to local government under the Rural Fire Fighting Fund.

In 2013-14 NSW Fire and Rescue will receive \$18 million in funding to build and refurbish fire stations across the State. In addition, \$2.29 million will be spent to complete construction of a new fire station at Albion Park and a further \$2 million to complete the refurbishment of Cardiff fire station. I can also advise that \$852,000 will be allocated to providing Barraba—that beautiful town between Tamworth and Glen Innes, well-known as a bird watchers' paradise—with a brand new fire station on Henry Street. As well, \$12 million has been set aside to continue the ongoing replacement of NSW Fire and Rescue fire appliances, replacing its ageing fleet and supplying additional appliances to high-demand areas and new stations. The 2013-14 budget

for NSW Fire and Rescue also includes almost \$8 million for the replacement of 7,000 structural firefighting helmets to ensure equipment meets the highest Australian and international safety standards for our firefighters.

The Rural Fire Service will spend more than \$30 million on its fleet in 2013-14. The funds will be used for the continuation of the ongoing tanker replacement and second-hand refurbishment program, as well as to address the gap in the logistics support fleet. The Rural Fire Service will also benefit from \$35 million to continue its vital work in reducing fire hazards. From the Rural Fire Service budget \$35.9 million will go to continuing the Government's commitment to protect bushfire-prone communities, including more than \$14.5 million for fire mitigation work crews programs, more than \$13.5 million for fire mitigation grants, \$6 million for hazard reduction allocations to local councils and \$1.5 million for the Neighbourhood Safer Places Program.

The Government has allocated \$53.5 million over five years, including \$4.9 million in 2013-14, for the replacement of vital operational communications equipment for the NSW State Emergency Service. The Government will also provide \$13 million over four years for the fit-out of a new headquarters for the State Emergency Service to be located in the Illawarra. As well as our commitment to keep 269 jobs in the region, the construction will provide a boost to the local economy, creating possibly up to a further 300 construction jobs in the Illawarra region. This clearly shows the Government's commitment to investing in regional jobs and regional communities.

The Government will continue with its commitment to be prepared when disasters strike, with \$22 million for the Strategic Disaster Readiness Package—part of the \$96 million committed in 2012-13. Grants will also continue to be provided in this budget with \$22 million going to Natural Disaster Mitigation Program and Natural Disaster Resilience Program grants managed by the Ministry for Police and Emergency Services. This budget is a significant step in this Government's ongoing commitment to provide our emergency services workers—paid and volunteer—with the very best that we can afford in this State.

NATIONAL PARKS AND RESERVES DEATHS AND INJURIES

The Hon. ROBERT BORSAK: My question without notice is directed to the Minister for Roads and Ports, representing the Minister for the Environment. Can the Minister advise the House how many people have died or been injured in New South Wales national parks and reserves in the past 20 years whilst participating in each of the following activities: bushwalking, skiing, canyoning, rock climbing, abseiling, paragliding, canoeing, swimming, horseriding, fossicking, camping, bird watching and any other outdoor-related activity that is allowed in a national park or reserve; and how many people have died or been injured whilst rescuing or searching for people needing assistance whilst undertaking those activities?

The Hon. DUNCAN GAY: I wish I had the answers to that question with me because I suspect they would be illuminating to the House. It is an important question and I suspect I understand the motives behind it, and that is a further reason to get a proper answer as soon as possible. I look forward to reading the answer onto the record in the House.

PORT OF NEWCASTLE LEASE

The Hon. MICK VEITCH: My question is directed to the Minister for Roads and Ports. Given that the Minister recently ruled out the sale of the Port of Newcastle, why has he reneged on that commitment?

The Hon. DUNCAN GAY: Here we are on budget day—a record budget and a fabulous budget—and that is Country Labor's question. It could have been a question about roads, rail, freight, health or doctors, but it is a question on—

The Hon. Steve Whan: Point of order: The Minister is debating a question that is very important to country New South Wales—

The PRESIDENT: Order! I have the gist of the member's point of order. He will resume his seat. A brief preamble is possible; debating the question is not possible. The Minister was sailing close to the wind.

The Hon. DUNCAN GAY: I think I made some important points during my preamble to the answer. The inference was that I lied to the House, and I did not. The Opposition asked me before about the Port of

Newcastle and I indicated that there was nothing before me at that time, and certainly there was not. It was not that long afterwards that there was something before me, and we considered it carefully and appropriately and made absolutely the right decision. I followed a press conference held by the member for Wollongong, Noreen Hay, who around budget time has always been famous—

The Hon. Greg Donnelly: I'd like to have a drink with Duncan; I'd like to have a drink with Dunc.

The Hon. DUNCAN GAY: You can anywhere else but here.

The PRESIDENT: Order! The Minister should ignore the interjections.

The Hon. DUNCAN GAY: In her press conference the member for Wollongong was complaining about how much money was going into the Hunter. She said they got less in the Illawarra than is going to the Hunter. Typical of Labor—they might have six fingers but they still cannot count—the member for Wollongong completely ignored the money that we put into the Princes Highway, which is not insubstantial. We put a heap of money into the Princes Highway—a highway that Labor ignored. The people of the Illawarra and the Hunter are seeing the effects of having a Government that actually cares for them. Earlier in question time I talked about the money we are putting into roads in western Sydney, particularly into the employment areas. People did not see that from Labor. Frankly, that is why they threw Labor out and will not want it back soon.

RURAL AND REGIONAL ROADS FUNDING

The Hon. RICK COLLESS: My question is directed to the Minister for Roads and Ports. Will the Minister update the House on funding for rural and regional roads in the 2013-14 budget?

The Hon. Jeremy Buckingham: There is \$40 million for the Bells Line of Road.

The Hon. DUNCAN GAY: I thank The Greens for their support of our funding for the Bells Line of Road passing lanes. Last week I had the pleasure of issuing a media release entitled, "How Country Labor deserted country roads". That great release detailed how Labor's average annual spend—

The PRESIDENT: Order! I call the Hon. Steve Whan to order for the first time.

The Hon. DUNCAN GAY: I will repeat that, because I think the Hon. Steve Whan missed it. The release detailed that over a 10-year period from 2001 Labor's average annual spend on country roads was \$2.4 billion.

The Hon. Steve Whan: Is that in real terms?

The Hon. DUNCAN GAY: It was \$2.4 billion. In our first three budgets, including another record Roads budget delivered today, the New South Wales Liberal-Nationals have spent and allocated more than \$11 billion on rural and regional roads.

The PRESIDENT: Order!

The Hon. DUNCAN GAY: Members opposite do not want to hear it. They did nothing when they were in government and they do not want to hear about good news. The \$11 billion equates to an average annual funding of \$3.8 billion for country roads in New South Wales.

The PRESIDENT: Order! I call the Hon. Steve Whan to order for the second time.

The Hon. DUNCAN GAY: That is a whopping 60 per cent higher than Country Labor's average. Not 1, 2 or 3 per cent; it is 60 per cent above what Labor members were not doing in the bush. In 2011-12 we spent \$3.7 billion on maintaining and building roads in country New South Wales. In 2012-13 we allocated approximately \$3.8 billion. Today our commitment to rural and regional roads in 2013-14 is a super-impressive \$3.9 billion. On top of these record Roads budgets, we have committed an extra \$135 million from our dedicated infrastructure fund, Restart NSW, towards Bridges for the Bush. There will be a \$290 million program of works to upgrade or replace bridges at 17 key strategic locations across country New South Wales.

Separate to the Bridges for the Bush funding, we committed \$123 million in 2012-13 and spent \$100 million in 2011-12 on other bridge upgrades and replacements. That is \$123 million one year and

\$100 million the next year. I am delighted to announce that the New South Wales Liberal-Nationals Government has committed another \$150 million in the 2013-14 budget to upgrade and replace bridges that sit outside of the Bridges for the Bush work program. For example, due to the great work of the member for Murray-Darling, John Williams, who is a legend, we have allocated \$4.7 million in the 2013-14 budget to upgrade the bridge over the Murray River at Barham.

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

The Hon. DUNCAN GAY: Likewise, due to the commitment of that great member for Monaro, John Barilaro, we have committed \$2.5 million to upgrade the bridge over the Dalgety River—something that did not happen under his predecessor. I could stand here for the next hour describing our investments in country bridges, but I do not want to embarrass the Hon. Steve Whan. He looks embarrassed enough. [*Time expired.*]

WILD HORSE CULLS

The Hon. ROBERT BORSAK: My question without notice is directed to the Minister for Roads and Ports, representing the Minister for the Environment. Given the cruelty and carnage of the infamous wild horse cull disaster of several years ago in Guy Fawkes River National Park, will the Minister rule out aerial culling programs using helicopter gunships to remove horses from Kosciuszko National Park? What other measures is the Minister considering for the removal of horses, which latest estimates put at a population of 14,000? Will there be any consultation with the Snowy Mountains Horse Riders Association and other user or interest groups before culling takes place?

The Hon. DUNCAN GAY: I thank the honourable member for his question. Like many members in this House, I remember with sadness the carnage in Guy Fawkes River National Park that was caused by a cull that, frankly, did not work well for anyone. It was an embarrassing time for everybody. Once again, because of the detail of the question and because it is my first day on the job, I will pass the question on to the Minister for a detailed response.

STATE BUDGET AND ROAD SAFETY

The Hon. WALT SECORD: My question is directed to the Minister for Roads and Ports. Given the deaths on New South Wales roads in the last fortnight, why did the Minister cut road safety programs funding by \$32 million in today's budget?

The Hon. DUNCAN GAY: I thank the honourable member for his question. I share his concern about the deaths on New South Wales roads, but when we pick individual areas of the budget we do not get the full picture. I do not believe that we have cut funding for road safety. To the contrary, we are putting a heap more money into road safety. For example, last week I announced that by 2015 every school in the State will have flashing lights. That is all about road safety. It is an extra \$13 million. Had we waited for it to be done at the same speed that the previous Government was rolling it out it would have taken until 2045. Children that are currently in kindergarten would be enrolling their children—

The Hon. Greg Donnelly: You don't know that.

The Hon. DUNCAN GAY: We know what you did and what you were doing. We took the step of reducing the costs of these lights. In fact, we reduced the cost by two-thirds, from \$24,000 to \$8,000 per set. That is the sort of sensible thing that can be done when we have a Government that will listen to people in the community. The community told us that there was a better way of installing those lights. That is an example of the things we are doing.

We have hypothecated the money from speed cameras to be used for road safety. That has never been done before. I think it is a really good thing that the money from speed cameras will go to save the lives of children at schools. It will also protect people's licences. I suspect people do not deliberately speed past schools and preschools; they just sometimes forget that it is the appropriate time to slow down. Flashing lights will protect young people and also protect people's licences.

The Hon. Greg Donnelly: Do you reckon you could address the question, Duncan?

The Hon. DUNCAN GAY: I reckon I have answered the question well and truly. Contrary to the allegation that we have made cuts, selectively pulling areas out does not give the full picture.

The Hon. WALT SECORD: I ask a supplementary question. Will the Minister elucidate his answer in regard to the rationale behind cutting road safety programs funding from \$270 million in 2012-13 to \$238 million in 2013-14?

The Hon. DUNCAN GAY: I believe I answered that in my previous answer. We have not cut our road safety packages to the State. In fact, to the contrary, we have enhanced and increased them.

POLICE BUILDINGS PROGRAM

The Hon. MELINDA PAVEY: My question is addressed to the Minister for Police and Emergency Services. What is the latest information on the Government's commitment to ensuring police officers have safe places in which to work and live?

The Hon. MICHAEL GALLACHER: I thank the Hon. Melinda Pavey for her question. I am particularly and personally proud of the Government's commitment. Members will recall that in June last year I drew to the attention of the House the previous Government's appalling record in dealing with the issues of hazardous materials in police stations and in police housing. For goodness knows how long, successive Labor Ministers for Police allowed for the deterioration of the police properties portfolio just so that they throw the capital works budget into pork-barrelling in marginal electorates.

The Hon. Steve Whan: Point of order: The Minister is reflecting on members in the other place who are previous police Ministers. He is making completely unfounded reflections. Mr President, I ask you to draw him to order.

The Hon. Duncan Gay: How do you know that?

The Hon. Steve Whan: I was in estimates and I heard the answers to the questions.

The PRESIDENT: Order! The Hon. Steve Whan will resume his seat. There is no point of order.

The Hon. MICHAEL GALLACHER: All the while police officers worked out of substandard stations and their families lived in housing that was filled with hazardous materials such as asbestos and lead paint. The police properties portfolio is not insignificant: 1,500 individual holdings from police stations, residences, specialist facilities, office accommodation, right down to paddocks and sheds. As I advised the House in June last year, between 2008 and 2010—yes, Steve, under your watch—inspections were conducted at 1,200 police properties and hazardous materials were located in the majority.

The Hon. Amanda Fazio: Point of order: My point of order is that the Minister has been here long enough to know that he should not refer to members by their first names. He should refer to them by their proper titles. Mr President, I ask you to direct him to do so.

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

The Hon. MICHAEL GALLACHER: The members of the previous Government did nothing but close their eyes to the problem and hope that it would magically disappear. It was left to the Liberals and Nationals to ensure our police officers, who devote their working lives to making our community safe, and their families in turn are safe in police stations and police residences. In 2011-12 the Government allocated an initial \$8 million to investigate and rectify the most urgent problems. Given the magnitude of underinvestment of 16 years of Labor rule, we announced as part of the 2012-13 budget that this program of works would now total \$61 million to the end of 2014-15.

I now advise the House that the Government has approved a further extension of this program that will result in total capital and recurrent expenditure of some \$103 million over six years to 2016-17. That includes \$21 million in capital and recurrent funding in 2013-14. This money has been and will be used to complete remediation and stabilisation works where hazardous materials are identified. It will be used to purchase replacement housing for police in rural areas. This funding already has been put to good use. Projects range from \$360 for minor remediation works required at Whitton police station in the Griffith Local Area Command to \$740,000 for works at the Newcastle police station. We have bought new houses in Tumbarumba near Albury, in Oberon, Manilla and Coonabarabran. Lead stabilisation works have been carried out in places such as Boorowa and Cobargo. Most importantly, this funding will be used for ongoing compliance monitoring. [*Time expired.*]

The PRESIDENT: Does the Hon. Melinda Pavey have a supplementary question?

The Hon. MELINDA PAVEY: Will the Minister elucidate his answer?

The PRESIDENT: Order! I remind the Hon. Melinda Pavey that it is the convention of the House that she indicate that she has a supplementary question.

The Hon. MICHAEL GALLACHER: As I was saying, most importantly this funding will be used for ongoing compliance monitoring. As I previously informed the House, the most urgent works already have been addressed. A continuous program of monitoring will allow the NSW Police Force to identify any changes in the condition of properties, which will help to identify where high-risk materials need to be removed and where lower-risk materials can be enclosed, encapsulated and sealed for later removal during regular refurbishments or maintenance. I am proud to be a member of a Liberal-Nationals Government that is ensuring a safer workplace for New South Wales police and a safer living environment for their families throughout New South Wales, particularly in country and regional areas of New South Wales.

Today the President of the New South Wales Police Association said, "It is good to see the Government recognising that there have been police working in dilapidated stations and putting up with substandard conditions over a number of years." Yes, under your watch opposite, you are caught out in terms of your neglect. These audits took place under your watch in 2008 and 2010. You as the Minister did absolutely nothing. If I were you, I would sit there and say absolutely nothing.

The Hon. Steve Whan: Point of order: The Minister is directly reflecting on a member of the other place, who is the former Minister, in his answer at the moment.

The Hon. Duncan Gay: I thought he was reflecting on you.

The Hon. Steve Whan: He also earlier reflected directly on me. He is contradicted by the commissioner in estimates two years ago.

The PRESIDENT: Order! The Hon. Steve Whan has made a debating point. Therefore, he is out of order.

The Hon. MICHAEL GALLACHER: I conclude by saying to the former Minister and current member opposite that I would be happy for him to make a personal explanation with an apology at the end of question time to the police.

BYLONG VALLEY COAL EXPLORATION

The Hon. JEREMY BUCKINGHAM: My question is directed to the Minister for Roads and Ports, representing the Minister for Resources and Energy. The Minister may be aware that the Korea Electric Power Corporation [KEPCO] is seeking access to private land in the Bylong Valley for coal exploration and that the landholders are incurring considerable legal costs in the arbitration process. What will the Government do to protect landholders from excessive legal costs during arbitration?

The Hon. Dr Peter Phelps: Which valley was it, Jeremy?

The Hon. Jeremy Buckingham: Bylong—very rich.

The Hon. DUNCAN GAY: I thank the Hon. Jeremy Buckingham for his question. I take up his last comment: it is indeed a very rich valley; it is a beautiful valley. As the member would know, I know many of the landholders and worked with them when I was the shadow Minister. I have friendships and a lot of respect for them. Given that the question is directed to my colleague the Minister for Resources and Energy, I will refer the question to him and obtain an answer.

SYDNEY BUS SERVICES

The Hon. PENNY SHARPE: My question is directed to the Minister for Roads and Ports, representing the Minister for Transport. As the on-time running performance for buses in Sydney is failing to meet the Government's own benchmark and today's budget papers show that it has become worse under this Government, why is the Government failing to provide buses that run on time for commuters across Sydney?

The Hon. Dr Peter Phelps: Why didn't you provide a road network which could handle it?

The Hon. DUNCAN GAY: I thank the Hon. Dr Peter Phelps for his interjection. I suspect the reason is partly the condition in which Labor left our roads and the congestion as well as the quality of the buses—inappropriate buses. I am making a huge assumption that the facts on which the Hon. Penny Sharpe based her question are correct.

The Hon. Penny Sharpe: They are absolutely right.

The Hon. DUNCAN GAY: There has been more than one occasion in the past when they have been a little bit sketchy. I will take that question on notice and pass it on to my colleague the great Minister for Transport, the Hon. Gladys Berejiklian.

STATE BUDGET AND WESTERN SYDNEY ROADS

The Hon. MARIE FICARRA: My question is directed to the Minister for Roads and Ports. Will he update the House on funding for western Sydney roads in the 2013-14 New South Wales budget?

The Hon. Greg Donnelly: Read his media release.

The Hon. Marie Ficarra: More good news.

The Hon. DUNCAN GAY: Indeed, it is more good news. Certainly I was hoping that the Opposition would ask a question on this subject rather than ask some type of tricky question on what I may or may not have said.

The Hon. Greg Donnelly: We have read your media release. It was published about two hours ago.

The Hon. DUNCAN GAY: Listen and be happy for the people of western Sydney, who have never been better represented.

The PRESIDENT: Order! I call the Hon. Amanda Fazio to order for the first time.

The Hon. DUNCAN GAY: This year more than \$602 million will be invested in western Sydney roads as part of the 2013-14 State budget. This equates to a staggering \$1.5 billion for western Sydney roads over the last three years. Unlike those opposite, the New South Wales Liberal-Nationals Government has put its money where its mouth is and delivered the necessary funds to improve roads across western Sydney, roads that have been sadly neglected in the past. Our investment represents a strong commitment to build for the future while also improving the road network for thousands of motorists who travel through the area every day.

As we know, western Sydney is a key growth area, something Labor seems to have forgotten in its rush to the bottom. That is why the New South Wales Government has allocated additional funding over four years from the Housing Acceleration Fund to accelerate road upgrades to support population and employment growth in western Sydney growth areas. The budget delivers accelerated road upgrades to relieve congestion, including \$87 million to continue construction of the final three stages of the upgrade of Camden Valley Way to four lanes; \$38 million to continue planning and construction of Schofields Road; \$33 million to continue planning and construction of Richmond Road; and \$11.5 million to start the upgrade of Old Wallgrove Road between the M7 motorway and Erskine Park Link Road. In addition, this budget is providing funding for key projects such as \$32 million to replace Windsor Bridge over the Hawkesbury River and \$8.81 million to rebuild the Hume Highway from Hoxton Park Road at Liverpool to Camden Valley Way at Casula. Importantly, we are working to—

The Hon. Lynda Voltz: They are all in the south-west. When are you going to talk about western Sydney?

The Hon. DUNCAN GAY: If you knew Sydney, you would know that most of those are not in the south-west. Importantly, we are working to reduce congestion on key routes as part of the \$246 million Pinch Point Program. Projects in western Sydney to receive funding in 2013-14 include \$2 million for intersection improvements at the M4 and Russell Street in Leonay; \$2 million to build a dedicated northbound left turn lane

from Reservoir Road at the Great Western Highway; \$1.2 million for intersection improvements at Hassall Street and Grand Avenue, Rosehill; and \$1.2 million to provide a separate left turn lane at Elizabeth Drive into North Liverpool Road, Mount Prichard.

This budget delivers funding for planning, so that once we have finished on the accelerated project we can continue to deliver projects such as the \$20 million to progress planning and preconstruction for the upgrade of Bringelly Road between Camden Valley Way and King Street, and \$4 million to complete planning for stage one of the Werrington arterial between the M4 motorway and the Great Western Highway. We are investing in western Sydney to deliver essential infrastructure that is long overdue. Those opposite know so little about western Sydney that they tried to imply all those projects were in south-western Sydney. If they went to the area occasionally— *[Time expired.]*

BLACKTOWN LOCAL ENVIRONMENTAL PLAN

Reverend the Hon. FRED NILE: I ask the Minister the Roads and Ports, representing the Minister for Planning and Infrastructure, a question without notice. As this is the second time I have asked this question I hope I will get an answer on this occasion. Is the Minister aware of plans contained in the proposed Blacktown local environment plan to acquire and demolish more than 850 homes supposedly for parkland to support the development of high-rise blocks of units from Seven Hills and Blacktown to Mount Druitt? Is the Minister concerned about the ethical conflict here, which seems to favour progress over community and family life? Will the Government intervene to protect those homes, many of which belong to pensioners, retired people and members of ethnic groups? *[Time expired.]*

The Hon. DUNCAN GAY: I thank the honourable member for his question, which is obviously an important one to the people affected. The honourable member indicated that it is a question I should take on notice and refer to my colleague the Minister for Planning and Infrastructure. I will do that and get a response.

STATE BUDGET

The Hon. GREG DONNELLY: My question without notice is directed to the Minister for Police and Emergency Services, representing the Treasurer. Given that last year the Treasurer made 36 budget errors and misplaced \$1 billion, when will the Auditor-General provide advice on the budget to ensure that today's figures are accurate?

The Hon. MICHAEL GALLACHER: Again I make the observation, without wishing to contravene standing orders, that I distinctly remember answering this question earlier. I refer the member to my earlier answer. I assist the Opposition by saying that it should have a bit more flexibility in its question time structure.

The Hon. GREG DONNELLY: I ask a supplementary question. Will the Minister elucidate his answer with respect to the agreed procedure the Government has with the Auditor-General to correct the errors identified in today's budget?

The Hon. Michael Gallacher: Point of order: Mr President, I seek your guidance but I would have thought that that is a re-asking of the original question.

The PRESIDENT: Order! I uphold the point of order. The member has re-asked the original question.

CARBON POLLUTION REDUCTION

Dr JOHN KAYE: My question without notice is directed to the Minister representing the Minister for Resources and Energy. Given that the Climate Change Commissioner's report has found that this decade must set the foundations to reduce emissions rapidly to nearly zero by 2050 and that the earlier such action is underway the less disruptive and costly it will be, will the Minister outline the steps being taken by the Government to reduce emissions so we reduce costs and so it is less disruptive and less costly in the long term?

The Hon. DUNCAN GAY: I thank the honourable member for his question. He asked me for detail. While I do not have the detail, I am sure the Minister for Resources and Energy does. I will refer the question to the Minister for what will be a very good answer.

STATE BUDGET AND HUNTER REGION

The Hon. JENNIFER GARDINER: My question without notice is directed to the Minister for Police and Emergency Services. Will the Minister advise the House on the 2013-14 budget for the Hunter region?

The Hon. MICHAEL GALLACHER: Just a few hours ago the Treasurer announced that the Government intends to proceed to a long-term lease of the Port of Newcastle, subject to a scoping study. As the Treasurer said, if the transaction is successful, \$340 million of the proceeds will be directed towards revitalisation of Newcastle, to which this Government already has committed \$120 million. This \$340 million will go towards the Government's vision for Newcastle, which includes a proposal to replace the heavy rail line between Wickham and the city with light rail and, subject to the completion of a business case, provide the potential for a light rail service to link the Newcastle central business district with surrounding suburbs, beaches and the broader Hunter region.

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

The Hon. MICHAEL GALLACHER: For far too long under the previous Government Newcastle was the poor cousin when it came to spending money on infrastructure to build a community. That lot over there could not make a decision to keep or remove the rail line. All the infighting and indecision were doing was stagnating and rotting a wonderful city. The loss of BHP and the Newcastle earthquake were monumental disruptions to the economic prosperity of the region. The Government believes Newcastle will be the big winner from the long-term lease of the Port of Newcastle. But this Government's commitment to the Hunter does not end with this significant commitment.

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

The Hon. MICHAEL GALLACHER: We are getting on with the job of delivering a major investment in infrastructure and services in the 2013-14 State budget. I am advised that in today's budget \$93 million has been allocated under the Hunter Infrastructure and Investment Fund for a variety of projects.

The PRESIDENT: Order! I call the Hon. Penny Sharpe to order for the second time. I call the Hon. Amanda Fazio to order for the second time.

The Hon. MICHAEL GALLACHER: A further \$33.3 million has been made available for remediation of the former BHP steelworks waste emplacement facility and \$13.7 million to prepare it for redevelopment as an important employment hub. The Hunter region will receive a \$1.2 million boost to community transport, with a total of \$7.5 million in funding going to local providers across the State in 2013-14. The Newcastle-Stockton ferry will receive \$1.4 million in operating and concessional subsidies. This budget will provide \$222 million to complete work on the Hunter Expressway; \$30 million for work on the Newcastle Inner Bypass; \$24.7 million to upgrade the New England Highway between the hospital and railway station roundabouts in Maitland; \$20 million to start work on the Nelson Bay Road upgrade; \$12.1 million to upgrade the Hunter region wine roads; \$4.3 million to upgrade Lemon Tree Passage Road; and \$4.2 million for rebuilding the New England Highway at various locations between Parkville and Blandford.

In addition, the budget will provide over \$6 million for planning and land acquisition for the new Maitland hospital; \$4 million for the refurbishment of the Muswellbrook Hospital emergency department; a major upgrade at Rutherford High School; continued work on the new Plant and Heavy Vehicle Training Centre at Kurri Kurri TAFE; \$6.23 million for the Centre for Dry Wall Plastering and Tiling at Maitland TAFE; a record \$585 million towards the Hunter launch of the National Disability Insurance Scheme, benefiting 10,000 people; more than \$8 million allocated for a number of community services capital projects; almost \$63 million for the new Newcastle courthouse; just under— [*Time expired.*]

The Hon. MICHAEL GALLACHER: As the time for questions has expired, if members have further questions they should place them on notice and they will be answered in the normal course of events.

DEFERRED ANSWERS

The following answers to questions without notice were received by the Clerk during the adjournment of the House:

CHILD SEX OFFENDER PENALTIES

On 30 April 2013 Reverend the Hon. Fred Nile asked the Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council, representing the Attorney General, and Minister for Justice, a question without notice regarding child sex offender penalties. The Attorney General, and Minister for Justice, provided the following response:

I am advised:

The issue of a guideline judgment for child sex offences has been carefully considered and despite receiving legal advice not to proceed with an application on the material presently available, further consideration is being given to this issue.

Additionally, significant work is being done with regard to sentencing. The NSW Law Reform Commission [LRC] is reviewing the Crimes (Sentencing Procedure) Act 1999. As part of this review, the Commission is reviewing the process and provisions for seeking guideline judgements in New South Wales. The Law Reform Commission is expected to finalise its review shortly.

NSW POLICE FORCE CHILD ABUSE SQUAD

On 30 April 2013 the Hon. Penny Sharpe asked the Minister for Police and Emergency Services a question without notice regarding the NSW Police Force Child Abuse Squad. The Minister for Police and Emergency Services provided the following response:

I have received the following advice from the NSW Police Force with respect to the status of the approximately 50 cases which were identified in the January 2013 Human Resources Review.

Police have advised that these 50 cases were a subset of 67 matters which the Child Abuse Squad had progressed to a point where a formal complaint had been made.

Police have advised that all of the 67 matters, including the 50 matters mentioned in the report, resulted in the offenders being arrested or legal action commenced by 20 December 2012. That is:

- 47 were arrested and charged;
- 17 had future court attendance notices issued and legal action commenced. All have been subsequently placed before the court.
- 3 warrants were issued for the arrest of the offenders. Each of those offenders has since been arrested. These warrants were issued after the future court attendance notice process.

FIREARMS OWNERSHIP

On 30 April 2013 Mr David Shoebridge asked the Minister for Police and Emergency Services a question without notice regarding firearms ownership. The Minister for Police and Emergency Services provided the following response:

Possible changes to current regulatory practice to improve the safety of firearm ownership will be considered as part of the statutory review of the Firearms Regulation 2006.

PENSIONER ENERGY REBATE ASSISTANCE

On 30 April 2013 the Hon. Sophie Cotsis asked the Minister for Finance and Services a question without notice regarding pensioner energy rebate assistance. The Minister for Finance and Services provided the following response:

Family Energy Rebates are provided to low income families as a discount on their electricity/gas bills and have nothing to do with public housing rents.

HAWKESBURY RIVER OYSTER GROWERS

On 30 April 2013 the Hon. Walt Secord asked the Minister for Roads and Ports, representing the Minister for Primary Industries, a question without notice regarding Hawkesbury River oyster growers. The Minister for Primary Industries provided the following response:

One week after the Pacific Oyster Mortality Syndrome [POMS] government agencies and local councils met with Hawkesbury River oyster growers to provide immediate short-term social and economic support. This included:

- access to fee waivers based on financial hardship (Fisheries/NSW Food/Lands)
- repayment plans for fees and charges if they were ineligible for fee waiver

- assistance with business transactions to extend lease renewals or withdraw from transactions currently with Fisheries NSW
- waiver of lease surrender fee three years
- application for waiver of clean-up responsibilities under financial hardship provisions for those leaving industry
- compliance—relaxation of compliance standards other than navigational safety
- access to rural financial counsellors—free service
- access to drought support workers—free service
- fee relief from councils
- access to social support groups
- access to income support via Centrelink

Subsequent support includes:

- a successful application for a waiver of the Environment Protection Authority waste levy waiver to support farmers with tipping fees
- access to \$50,000 industry wide subsidy to purchase disease-resistant Sydney Rock Oysters
- involvement in a Fisheries/Broken Bay Oyster Native (Flat oyster) cultivation trial
- support from Fisheries NSW to develop disease-resistant lines of Pacific Oysters
- approval to translocate diploid Pacific Oysters from New South Wales and Tasmania to support restocking outside the window of Pacific Oyster Mortality Syndrome infection

COALMINING EXCLUSION ZONES

On 1 May 2013 the Hon. Jeremy Buckingham asked the Minister for Roads and Ports, representing the Minister for Primary Industries, a question without notice regarding coalmining exclusion zones. The Minister for Primary Industries provided the following response:

The question raised by the Hon. Jeremy Buckingham falls under the administration of the Hon. Brad Hazzard, MP, Minister for Planning and Infrastructure, and should be directed accordingly.

NEW SOUTH WALES CENTENARY OF ANZAC

On 1 May 2013 the Hon. Paul Green asked the Minister for Police and Emergency Services, representing the Premier, a question without notice regarding the New South Wales Centenary of Anzac. The Minister for Police and Emergency Services provided the following response:

I am advised:

The New South Wales Government is currently considering proposals for the commemoration of the Centenary of Anzac and the First World War.

Funding for the commemorations will be considered as part of the discussions within the New South Wales Government and with the Commonwealth around the most suitable proposals.

POLICE TRANSPORT COMMAND

On 1 May 2013 the Hon. Peter Primrose asked the Minister for Police and Emergency Services a question without notice regarding the Police Transport Command. The Minister for Police and Emergency Services provided the following response:

The NSW Police Force has advised me that there were eleven Police Transport Command officers rostered on at 10.00 p.m. on 19 April 2013 within the north-west sector patrolling the western line.

RAILCORP VANDALISM REPORTING

On 1 May 2013 the Hon. Greg Donnelly asked the Minister for Police and Emergency Services a question without notice regarding RailCorp vandalism reporting. The Minister for Police and Emergency Services provided the following response:

I am advised:

Members of the public can report incidents of graffiti or vandalism through the Police Assistance Line on 131 444. This is the case even if the reporting person is not the victim of crime.

HAY SHIRE COUNCIL NATURAL DISASTER ASSISTANCE

On 1 May 2013 Reverend the Hon. Fred Nile asked the Minister for Police and Emergency Services a question without notice regarding Hay Shire Council natural disaster assistance. The Minister for Police and Emergency Services provided the following response:

I am advised:

During the March 2012 floods on the Murrumbidgee River, Hay Shire Council raised the height of levees in the towns of Hay and Maude on its own initiative without securing prior approval from the NSW State Emergency Service. Hay Shire Council is now seeking a reimbursement of \$570,000 for these works. Under the terms of the Natural Disaster Relief and Recovery Arrangements, the costs of completing counter disaster works are eligible for partial reimbursement, as long as these works meet certain criteria.

As Hay Shire Council proceeded with the works without prior endorsement, its request will need to be considered as an exceptional case. Discussions are underway to explore how the Government can assist Hay with this matter.

MINING INDUSTRY ECONOMIC BENEFITS

On 2 May 2013 the Hon. Robert Borsak asked the Minister for Roads and Ports, representing the Minister for Resources and Energy, a question without notice regarding mining industry economic benefits. The Minister for Resources and Energy provided the following response:

The New South Wales Minerals Council has rightly dismissed the report, noting that it contains "nothing new and is just a rehash of the same discredited anti-mining claims we have seen before, dressed up as a new report in an attempt to fool the media and the public".

If The Greens had their way—and, as we have recently learnt, the New South Wales Labor Party—and the New South Wales mining industry was closed down, the jobs and incomes of over 125,000 people would be in jeopardy. The New South Wales mining industry employs around 35,000 people directly and more than 90,000 people indirectly through the provision of both mine and non mine-related services. The majority of these jobs are in regional areas.

The honourable member may be interested to know that a recent Newspan published in the *Australian* revealed that over 96 per cent of Australians believe a strong mining industry is important to the Australian economy. Clearly the National Competition Council does not represent mainstream views.

DROUGHT ASSISTANCE

On 2 May 2013 the Hon. Mick Veitch asked the Minister for Roads and Ports, representing the Minister for Primary Industries, a question without notice regarding drought assistance. The Minister for Primary Industries provided the following response:

This Government announced a New South Wales drought policy in February this year, which was developed in line with the National Drought Framework.

Under the new approach the New South Wales Government has moved to provide detailed monthly regional seasonal conditions reports, which are a strategic, more sophisticated risk-management advisory tool. As well, there is a focus on supporting farm business preparedness and risk-management programs, and in-drought measures.

Central to the approach is the Regional Assistance Advisory Committee, which will monitor how communities are faring in climate-related downturns as well as advise on appropriate farm business and community support responses by the New South Wales Government, including transport subsidies where there are animal welfare concerns, and where there are ongoing and worsening drought conditions.

The committee is cognisant of the poor conditions in parts of New South Wales and is currently developing a range of measures, including options for transport subsidies, which this Government will consider shortly.

COAL SEAM GAS INDUSTRY

On 2 May 2013 the Hon. Jeremy Buckingham asked the Minister for Roads and Ports, representing the Minister for Resources and Energy, a question without notice regarding the coal seam gas industry. The Minister for Resources and Energy provided the following response:

The New South Wales Government has banned the use of evaporation ponds.

The Santos Narrabri project proposal for produced water gathering, storage and reverse osmosis treatment at the Leewood facility is consistent with New South Wales Government policy and the two approved water storage ponds are subject to appropriate operational conditions.

FIRE SERVICES LEVY

On 7 May 2013 the Hon. Luke Foley asked the Minister for Finance and Services, representing the Treasurer, a question without notice regarding the fire services levy. The Treasurer provided the following response:

Before the 2011 election, the New South Wales Liberals and Nationals committed to consulting with the community to identify a better way to fund our fire and emergency services.

We have undertaken a consultation process to ensure that all stakeholders can have their say. A discussion paper Funding our Emergency Services was released for public comment and a wide range of alternative revenue sources have been considered.

No final decision has been made by the Government, however, no changes would be made unless the majority of households across New South Wales were better off.

NORTHERN BEACHES HOSPITAL

On 7 May 2013 Dr John Kaye asked the Minister Police and Emergency Services, representing the Minister for Health, a question without notice regarding the northern beaches hospital. The Minister for Health provided the following response:

The partnership arrangement for the Northern Beaches Hospital [NBH] reflects what has been learnt from previous contracts for health service delivery to ensure the Northern Beaches Hospital delivers the best possible care for patients.

Residents of the northern beaches will now have access to more sophisticated, complex and higher levels of care than is currently available at Mona Vale and Manly hospitals.

The same doctors, nurses, allied health and support staff who provide exceptional care to patients at Manly and Mona Vale will be bringing their professionalism and skills to the new Northern Beaches Hospital. The difference will be that they will have a vastly improved facility in which to provide that care.

The new hospital operator will be required to meet national safety and health standards and be subject to an accreditation process, as is the case now with Manly Hospital and Mona Vale Hospital.

DEPARTMENT OF PRIMARY INDUSTRIES AGRONOMIST POSITIONS

On 7 May 2013 the Hon. Mick Veitch asked the Minister for Roads and Ports, representing the Minister for Primary Industries, a question without notice regarding the Department of Primary Industries agronomist positions. The Minister for Primary Industries provided the following response:

There is an agronomist employed at Glen Innes and the other at Inverell has retired. Under the new Local Land Services, it is proposed that pasture agronomy advice will be provided to Northern Tablelands producers from either Glen Innes or Armidale depending on the outcome of the current recruitment action.

As part of Local Land Services, the removal of duplication will see \$5 million in the first full year of operation returned to front-line services.

I will direct the new Local Land Services Boards that this \$5 million per annum will be directed to providing additional agricultural advisory and extension services.

Local boards will be able to use these funds at their discretion to hire new staff, contract independent private sector agronomists or collaborate with farming systems groups to deliver the services they need.

COONABARABRAN BUSHFIRES

On 7 May 2013 the Hon. Robert Borsak asked the Minister for Police and Emergency Services a question without notice regarding the Coonabarabran bushfires. The Minister for Police and Emergency Services provided the following response:

The NSW Rural Fire Service has advised me that on 12 January 2013, when the fire started and was under the responsibility of the National Parks and Wildlife Service, three aircraft plus a Remote Aerial Response Team were used. On 13 January 2013, the fire was declared a major bushfire under section 44 of the Rural Fires Act 1997 by the Commissioner of the NSW Rural Fire Service and 18 aircraft and five support vehicles were used. No requests for aircraft were denied.

HAY SHIRE COUNCIL NATURAL DISASTER ASSISTANCE

On 7 May 2013 the Hon. Robert Brown asked the Minister for Police and Emergency Services a question without notice regarding Hay Shire Council natural disaster assistance. The Minister for Police and Emergency Services provided the following response:

I refer the member to my response to the question without notice asked on 1 May 2013 by Reverend the Hon. Fred Nile on this subject.

CHILD SEXUAL ABUSE COMPENSATION CLAIMS

On 8 May 2013 the Hon. Luke Foley asked the Leader of the Government, representing the Attorney General, a question without notice regarding child sexual abuse compensation claims. The Attorney General provided the following response:

I am advised:

The Government has not legislated to stop victims who have been encouraged to come forward from claiming compensation.

CHILD SEXUAL ABUSE COMPENSATION CLAIMS

On 8 May 2013 the Hon. Adam Searle asked the Minister for Police and Emergency Services, representing the Attorney General, a question without notice regarding child sexual abuse compensation claims. The Attorney General provided the following response:

I am advised:

Under the Victims Rights and Support Bill that passed both Houses on 30 May 2013 no victim of child sexual abuse will be excluded from receiving support.

Victims of child sexual abuse will be able to make an application for victim support at any time, no matter how long ago the abuse took place.

Those victims who have already lodged claims will have those claims assessed under the new Victims Support Scheme and will be eligible for counselling and a recognition payment.

WARKWORTH EXTENSION PROJECT

On 8 May 2013 the Hon. Robert Borsak asked the Minister for Roads and Ports, representing the Minister for Resources and Energy, a question without notice regarding the Warkworth extension project. The Minister for Resources and Energy provided the following response:

The New South Wales Government has filed an appeal against the Land and Environment Court judgement in the New South Wales Court of Appeal. The Government reaffirms its commitment to resource project investment in New South Wales, recognising the many benefits that flow to local communities and the State at large.

The Mount Thorley Warkworth mine employs approximately 1,300 people and the extension project proposed to create an additional 150 jobs. The multiplier effect is that approximately 5,000 jobs are dependent on the mine.

The mine contributes approximately \$200 million per annum to the local economy.

The Warkworth extension project has an estimated capital investment value of approximately \$629 million and it is forecast that the net economic benefit of the extension project to the community is around \$1,862 million.

The mine paid \$83 million in royalties in 2012. The Warkworth extension project is estimated to generate approximately \$600 million in royalty payments.

BEE COLONY COLLAPSE DISORDER

On 9 May 2013 the Hon. Robert Brown asked the Minister for Roads and Ports, representing the Minister for Primary Industries, a question without notice regarding bee colony collapse disorder. The Minister for Primary Industries provided the following response:

"Colony Collapse Disorder", or CCD as it is commonly termed, is a disorder that affects *apis mellifera* (the European honeybee). In New South Wales and more broadly in Australia we thankfully do not have this disorder.

The New South Wales Department of Primary Industries works closely with the New South Wales apiary industry and maintains an awareness of all apiaries related matters globally. I am advised that the disorder has been shown to be complex and reflects the impact of a combination of ailments with no single factor being responsible. Varroa mites are such a factor and are a major contributor to poor bee health around the world, particularly in the northern hemisphere. Fortunately, Australia does not yet have this parasite.

The threats of the multifactorial Colony Collapse Disorder and any exotic pest or disease all pose a threat to our domestic apiary industry. New South Wales Department of Primary Industries supports beekeeping pollination dependant industries through regulatory, diagnostic and industry support. These functional areas are very aware of the Colony Collapse Disorder issue in the northern hemisphere and are mindful of any indicators that may suggest that a similar fate may affect New South Wales and Australian beekeepers.

YARALLA ESTATE

On 23 May 2013 the Hon. Luke Foley asked the Minister for Finance and Services a question without notice regarding the Yaralla Estate. The acting Minister for Finance and Services provided the following response:

The Property Asset Utilisation Taskforce assessed many different government owned assets against the Government's objectives. I can confirm that the Yaralla Estate was not considered in this process.

Questions without notice concluded.

POLICE BUILDINGS PROGRAM**Personal Explanation**

The Hon. STEVE WHAN, by leave: Earlier in question time the Minister for Police and Emergency Services suggested that I, as a former—

Leave withdrawn.

Pursuant to resolution Government business given precedence.

SERVICE NSW (ONE-STOP ACCESS TO GOVERNMENT SERVICES) BILL 2013**Second Reading****Debate resumed from an earlier hour.**

The Hon. DUNCAN GAY (Minister for Roads and Ports) [5.02 p.m.]: Clause 7 also allows delegates of statutory customer service functions to sub-delegate those functions to the Chief Executive Officer of Service NSW. It provides that in relation to any customer service function so delegated or sub-delegated to the chief executive officer, that officer may sub-delegate the function to a member of staff of Service NSW, subject to the terms of the delegation or sub-delegation to the chief executive officer. Clause 8 of the bill allows the Chief Executive Officer of Service NSW and a government agency to enter into an agreement for the Chief Executive Officer of Service NSW to exercise customer service functions of the agency.

The clause allows such agreements to relate to statutory customer service functions subject to delegations pursuant to clause 7, as well as to non-statutory customer service functions. Clauses 7 and 8 are facilitative provisions. They do not require but rather enable agencies to enter into such arrangements with Service NSW. For a number of transactions, Service NSW will process the entire transaction for the agency. For other transactions—for example, applications for certificates from the Registry of Births, Deaths and Marriage—Service NSW will accept the application and application fee on behalf of the agency, pass on the application to the agency to finalise the application, and issue the final authority or other document to the customer.

When a customer updates their contact details with a government agency through Service NSW, clause 6 of the bill allows Service NSW to offer customers the service of updating their contact details with other agencies, with the customer's consent. The bill also enables Service NSW to enter into arrangements with other jurisdictions such as other States, or the Commonwealth, or even another country, if such arrangements are sought, to deliver services on behalf of those jurisdictions. For example, a visitor or tourist would be able to renew a Victorian or even a New Zealand driver licence in a Service NSW shopfront if those jurisdictions chose to sign up.

Clause 11 of the bill provides that the Chief Executive Officer of Service NSW may collect, maintain and use records of information for the purpose of Service NSW, including for the purpose of its interactions with customers for whom customer service functions are exercised. This will assist Service NSW to provide high-quality and efficient services to customers. Under clause 12 of the bill, the chief executive officer of Service NSW may enter into arrangements for persons prescribed by the regulations to act as an agent for the chief executive officer in providing services. This would allow, for example, Australia Post, local councils or stock and station agents to provide certain Service NSW services in remote areas, if these arrangements were made.

Clause 14 of the bill provides for the transfer of information between Service NSW and an agency for the purpose of Service NSW providing customer service functions for the agency. It also provides for disclosure to the person to whom the customer service functions are provided if the information relates to the person or service provided. Clause 14 also provides disclosure, if the information is obtained in connection with the exercise by the chief executive officer of customer service functions for a government agency, to any person to whom that agency is authorised or required to disclose the information; and for the purpose of updating customer information under clause 6. The Privacy Commissioner has been consulted in the preparation of the bill. The bill provides that any future regulations relating to transfer of information under the bill may only be made following consultation with the Privacy Commissioner. Clause 15 of the bill modifies the requirements of section 10 of the Privacy and Personal Information Protection Act and the equivalent provision of the Health Records and Information Privacy Act in relation to the provision of privacy notices.

Service NSW will be permitted to give a general notice referring a customer to material provided by the agency for which it is exercising the customer service function in relation to the collection of the information and which contains the matters about which the customer is required to be made aware. When collecting information for updating purposes under clause 6 or for internal records purposes the Chief Executive Officer of Service NSW will be permitted to give a general notice that refers to information on the Service NSW website or held at the relevant service centre that contains the material about which the person is required to be made aware.

Customers will still have access to the relevant information they should know about the collection of their personal information, but they can be referred to that information rather than being required to read, or be read, a very lengthy notice every time they use Service NSW. The bill also provides for agreements between Service NSW and an agency in relation to applications for access to government information where that information is obtained or arises in connection with the exercise of functions by Service NSW for the agency. Those agreements can specify which of the two agencies should respond to such applications. The bill also provides for information transfers between Service NSW and the relevant agency for those purposes.

Later this year, once necessary preparations and agency agreements are in place, Service NSW will commence testing its operations and providing services to customers. The number of Service NSW service centre locations and the range of services provided will expand over time. Service NSW is just part of the reforms the Government is making to put customers at the heart of decision-making. The Coalition is working to provide more teachers, nurses and police, innovations such as quiet carriages on long-distance trains, mobile applications to let customers know when the next bus is due or information about traffic on the journey home—obviously much better than it was—delivering the Opel card, better access to government information on websites and the ability to have your say on issues of interest to people. This Government works for its citizens, not the other way around, and to make New South Wales number one in customer service for all our citizens. I commend the bill to the House.

The Hon. MICK VEITCH [5.11 p.m.]: The objects of this bill are as follows:

- (a) to enable Service NSW (by conferring functions on its Chief Executive Officer (the CEO) to provide one-stop access to customer services for NSW government agencies and for other agencies or persons,
- (b) to facilitate the provision of information by and about customers for that purpose,
- (c) to enact consequential provisions relating to access to government information and State records.

In July 2012 Premier Barry O'Farrell announced that the New South Wales Government would open 18 new one-stop shops across New South Wales, delivering 210 government services, combined with a 24-hour telephone service and new website. This bill provides the legislative powers to allow that to occur. The bill provides for a government agency to delegate to and enter into agreements with the Chief Executive Officer of Service NSW in order for Service NSW to undertake customer service functions for the agency. The bill allows the required information transfer between Service NSW and the relevant agency to occur. Initially Service NSW will provide transactions and services relating to driving, boating, Fair Trading, licences and births, deaths and marriages documents. When a customer updates their contact details with a government agency through Service NSW, clause 6 of the bill allows Service NSW to offer, with the customer's consent, the service of updating their contact details with other agencies.

It also enables Service NSW to enter into arrangements with other jurisdictions such as other States or even another country. Clause 14 provides for the transfer of information between Service NSW and an agency for the purpose of Service NSW providing customer service functions for the agency. The bill also provides for disclosure to the person to whom the customer service functions are provided if the information relates to the person or service provided. The Privacy Commissioner was consulted in the preparation of the bill and the bill provides that any future regulations relating to information transfer under the bill may only be made following further consultation with the Privacy Commissioner. That is an important point.

If implemented successfully one-stop shops could save time and help people access government services. It is important for the House, as the Opposition does, to acknowledge that this was a Liberal-National election commitment. However, the Opposition does have concerns about how the O'Farrell Government is implementing the policy. The main goal of the O'Farrell Government is to cut costs and jobs. If Service NSW shopfronts are not implemented with enough highly trained staff customers will wait longer for inferior services. The Government has stated that it intends to provide 210 different services from a single location but will not guarantee that each Service NSW location will have the specialist staff necessary to facilitate each of those services. The Government has provided no guarantee that staff with training in specialist Fair Trading matters would be available at Service NSW locations.

The Government's intention is to make Service NSW shops out of current Fair Trading and motor registry offices, where the queues are allegedly too long. The Government intends to increase the number of services that people can access while decreasing the locations where these services are available. There is no guarantee that there will be adequate numbers of positions for all existing staff affected by the implementation

of the bill. Any affected staff that do not successfully apply or choose not to apply for a position with Service NSW will be declared excess under the Government's excess employees policy. I, like a number of members, have received correspondence from the United Services Union. I will quote from a paragraph in that correspondence that states its concerns about the bill:

The United Services Union is very concerned that this bill could result in a reduction of jobs in local government if Service NSW overtook the provision of customer service functions for councils. We are especially concerned about the potential impact of this bill in rural and regional areas in which local government is often a major employer. The United Services Union also has concerns that this bill could lead to a reduction in jobs for our members in energy and utilities who work in customer service.

Why does the United Services Union have those concerns? The amendment to clause 8 refers to "a council, county council, local government body within the meaning of the Local Government Act." That has heightened the concerns of the United Services Union. Prior to question time today I had the opportunity to sight several Government amendments relating to local government. On balance, those amendments appear to go part of the way towards alleviating the Opposition's concerns regarding the implications of this bill for local government. It is hoped there is no unintended consequence but the Opposition will watch the Government's implementation of this bill closely over time.

The Government has stated that 210 services will be delivered at set locations, and rural and regional New South Wales is concerned about where the offices will be located. There is no clarity about where those office locations will be. The Opposition will monitor closely the locations chosen by the Government. The Opposition anticipates the Committee stage of the legislative process and the Government amendments as they relate to local government. The Opposition does not oppose the bill but will give consideration to the Government amendments in the Committee stage.

Mr SCOT MacDONALD [5.18 p.m.]: I support the Service NSW (One-stop Access to Government Services) Bill 2013. The bill delivers on a Liberal-Nationals 2011 State election commitment: the Government is here to serve the people of New South Wales in the most practical, modern and efficient means possible. I understand that the first regional one-stop shop will shortly be opening in Kiama. The local member, Mr Gareth Ward, has been championing the one-stop shop proposal for some time. Mr Ward advocated for the service centre and has been proactive in planning the range of services and government agencies involved. He is to be commended for seizing the opportunity and ensuring his constituents will be the first to benefit from this initiative in regional New South Wales. As Mr Ward rightly points out, businesses in the Kiama region will be better served by reduced waiting times, clarity of information and ultimately lower costs in dealing with government—if for no other reason than that they can focus on their business rather than jumping through bureaucratic hoops.

It is appropriate that the first shop should open in regional New South Wales. Access to government services has always been more difficult outside of the major centres, and a consolidated service centre will be much appreciated by the people of regional New South Wales. The Service NSW bill aligns with goals 30, 31 and 32 of the Coalition's Plan to Make NSW Number One. Goal 30 is to "Restore trust in State and Local Government as a service provider". Goal 31 is to "Improve government transparency by increasing access to government information", while goal 32 is to "Involve the community in decision making on government policy, services and projects".

The current landscape of government service delivery is characterised by fragmentation and poor customer interaction. There are now 389 government-operated shopfronts, 30 government call centres, 8,000 information lines and government contact centre phone numbers and 900 individual government websites. Service NSW is being developed in response to research and surveys of customer expectations. The expectations were simplified access to government services, a new customer experience, improved transparency, empowerment to select service channels, consistent service, reduced time to access services, and regulations that are easier to understand.

The one-stop shop model will go a long way to delivering those expectations. In fact, clause 5 provides for services that may be transacted on behalf of the Commonwealth Government or another State or Territory. Again, I see the value in bundling an extensive suite of services in one location. The infrastructure and plan to consolidate services are important, but in my view the change in culture is just as pivotal. It would be fair to say that for the general public and industry an interaction with government is not something we usually look forward to. Too often we are on the receiving end of indifference, unhelpfulness and even hostility. The New South Wales Liberal-Nationals Government does not accept this should be the norm or even the exception. The bill will be transformational in that the standard will no longer be begrudging transactions but service to

improve the lives and businesses of this State. This is a strong message: the Chief Executive Officer of Service NSW is tasked with ensuring his agency exists to serve. The infrastructure, range of services and means of delivery will evolve and improve over time, but there is no mistaking the mission: We are here to make New South Wales number one. I commend the bill to the House.

Reverend the Hon. FRED NILE [5.22 p.m.]: On behalf of the Christian Democratic Party I am pleased to support the Service NSW (One-stop Access to Government Services) Bill 2013. This bill will allow Service NSW to undertake customer service functions for government agencies. When introducing the bill in the other place the Premier said:

The New South Wales Government is one of the biggest customer service organisations in our State. While other governments in Australia and around the world took advantage of technology and reforms of innovative retailers, airlines and smart local businesses over the last decade, many of those opposite and their mates in Sussex Street were too busy using their positions to look after their own interests and not the interests of our customers—the citizens and taxpayers of our great State. Those days are over. I am pleased today to introduce a bill that gives effect to one of the New South Wales Liberal and Nationals key commitments, which is to put customer service at the heart of Government decision-making. This bill will allow Service NSW to provide customer services to the people of our State on behalf of other agencies.

The Premier made the purpose of the bill absolutely clear. It is important that government departments are efficient because, as the Premier said, the State Government is one of the biggest customer service organisations in New South Wales. That breaks down to 394 separate State government agencies, authorities and trading enterprises delivering services. These services are provided through call centres and shopfronts that often do not talk to each other or share information. These government organisations have more than 800 websites and 8,000 different telephone numbers, so it is vital for the Government to simplify that complexity. This bill will achieve that aim.

The bill is facilitative in nature and will allow government agencies to delegate to and enter into agreements with Service NSW to undertake the customer service functions of the agencies. The bill defines customer service functions to include functions relating to applications for and the issue of licences and other authorities, giving information about government services or legislation, receiving and making payments, the provision of other government services and other ancillary functions. It also permits government agencies to delegate statutory customer service functions to the Chief Executive Officer of Service NSW. The bill provides for information transfers, including between Service NSW and a government agency for the purpose of Service NSW providing customer service functions for the agency.

The bill also provides for the content of notices given by the Chief Executive Officer of Service NSW in relation to the collection of information from customers. I believe the bill will greatly benefit the citizens of this State. However, there are concerns about the bill. I have received correspondence from the New South Wales Local Government, Clerical, Administrative, Energy, Airlines and Utilities Union, which refers to itself as the United Services Union [USU]. In a letter to me dated 17 May 2013 General Secretary Graeme Kelly stated:

The USU was not consulted on the Bill despite the Government informing us that there had been an extensive consultation period, in which they consulted with other unions such as the ASU NSW Services Branch and the PSA. Had the USU been consulted, it is likely that our concerns could have been addressed at an earlier stage.

I gather that as a result of those meetings the Government will move five amendments. Mr Kelly also stated:

Further, the Bill contains a transfer of assets clause (Clause 19) which would allow assets owned by local councils or county councils, on behalf of local communities, to be transferred to the Crown [which is the State]. This Bill, coupled with the recent recommendations by the Independent Local Government Review Panel that called for the creation of county councils, raises serious questions for the Union.

The union followed up with another letter on 29 May 2013, which indicated that the union had held some successful meetings with Mr John Macgowan, senior adviser to the Hon. Michael Gallacher. The union was shown the amendments and stated:

We acknowledge that amendment c2013-065, in particular, goes some way in addressing our concerns about councils and county councils retaining locally owned assets.

However, we do not accept the amendments as they fail to provide local government employees with sufficient job security. Even with the amendments that the Government has proposed, the Bill opens up the potential for job losses across local government.

I call on the Minister to explain the situation and give an assurance that there will not be job losses, particularly across local government, which one would not expect to be greatly affected by the bill. Nevertheless, we support the bill.

The Hon. RICK COLLESS [5.27 p.m.]: I offer my support for the Service NSW (One-stop Access to Government Services) Bill 2013. The Service NSW bill is going to deliver one of the Liberal-Nationals election commitments, and a very important one. The bill will provide people with one-stop shops, a 24/7 phone service, a website and mobile phone applications—really important to those living and working in rural and regional New South Wales. The citizens, taxpayers and businesses of rural New South Wales lead busy lives and demand change from the Government to better suit their lifestyles. These people voted in this Government and it must adapt to and meet their needs rather than the other way around.

Service NSW is about providing the people of New South Wales with excellent and efficient customer service. When people voted out the previous Government they indicated they were ready for change and progress after 16 years of stalemate and lack of recognition of the needs of people in rural and regional New South Wales. This Government knows, understands and responds to the needs of its people, and this bill brings about the change that people seek. People in rural and regional New South Wales want to go to one place where all their needs will be met: they want joined-up services. When their details change they want to tell only one agency, which will then share this information with all other agencies. They do not want to have to contact many different agencies and provide the same information to each of them. All of these agencies and departments are run by the government and people expect to only have to tell the government once of their changed circumstances, not to have to continually repeat the same information to multiple agencies. The current system is chaotic—much like the system under the former Government.

The bill will give the Chief Executive Officer of Service NSW the power to enter into agreements with individual agencies to represent their interests all under the one roof, providing a one-stop access. Service NSW will then contact the agency with the information. Agencies such as Roads and Maritime Services, the Registry of Births, Deaths and Marriages, the Office of Fair Trading and the Office of State Revenue will use this service. The people of country New South Wales do not want nor do they have the time to be joining queues in three different New South Wales government agencies, wasting their precious spare time. They want to go to the one agency and do all of their business as quickly and as efficiently as possible. People may be faced with two agencies in one town and a third agency located in a different town or area. Service NSW will bring all of these agencies under the one roof.

People want to access services on Saturdays—which is essential for residents in rural areas. A farmer cannot just pop into town when town is 100 kilometres or more away. This strikes at the core of the Liberal-Nationals Government's commitment to the community and to putting the community's needs first by placing customer service at the forefront of our decision-making. Currently the New South Wales government sector has more than 800 websites and 8,000 telephone numbers. Service NSW aims to provide a central telephone line that will be accessible 24/7. People who live in rural areas are often outside for the majority of the day or are in areas where they do not have access to telephones or where they have poor mobile telephone reception. A telephone line that is open outside of business hours means that people no longer need to plan their day around government business hours. Rather, they can get on with their day-to-day activities and call at a time that is convenient to them. That is not only more efficient but also helps to increase productivity for the State.

The Service NSW bill will allow the agency to share information it obtains with other agencies. Currently there are 394 separate State-run agencies, authorities and trading enterprises delivering services that do not talk to each other or share information. Service NSW not only will provide a better customer service experience, it will help to improve the economy. As people will spend less time waiting in line or on the telephone and they will no longer have to ring four different departments and repeat the same information each time, they will be able to return to their everyday tasks sooner. For example, when a customer rings Service NSW to update personal details, such as a change of address, with the customer's consent Service NSW can pass on that information to all the other agencies and departments that it represents.

While only a few agencies may sign up initially, the plan is that over time more and more agencies will sign up, with the option for interstate agencies to also have their services provided by Service NSW. For example, a Victorian tourist could renew his driver licence in New South Wales using Service NSW. Service NSW demonstrates that the Liberal-Nationals Government cares about the people of this great State and about making their lives easier. It places the Government in the position it belongs: working for the people to best suit their needs. Tasmania implemented Service Tasmania and has been running these one-stop shops very successfully since 2000. According to its most recent customer satisfaction survey, Service Tasmania has reported high customer service satisfaction, with more than 98 per cent of the public satisfied with its service.

The focus of the New South Wales Government is on public service, which this bill represents: serving the public as they wish to be served with a customer-focused approach. This bill will make life easier not only

for people living in rural and regional areas easier but also for people living in the city. This is about creating equality and ease for all New South Wales residents. The bill demonstrates the New South Wales Government's commitment to rural and regional New South Wales. By directing the focus to just three channels—one shopfront, one website and one telephone number—this innovative Service NSW leads us forward into the twenty-first century. This is a practical way to provide services in rural communities by helping people to access government departments quickly rather than having to drive hundreds of kilometres.

Opening up Service NSW shops will create employment in towns throughout New South Wales and it will strengthen community ties through social interaction. One-stop shops will assist older members of our community in particular by providing a convenient opportunity to address their changed circumstances and to have improved social interaction. The website is available to everyone 24/7 and allows people to choose how they wish to engage with the Government. As mobile telephone use increases, consumers do not want to face the possibility of long waiting times in a telephone queue, and our 24/7 call centre will ensure that people can call at a time convenient to them. This bill will significantly improve the quality of life of all residents of New South Wales and, in particular, the quality of life of those living in rural and regional areas of New South Wales. I commend the bill to the House.

Dr JOHN KAYE [5.35 p.m.]: On behalf of The Greens I address the Service NSW (One-stop Access to Government Services) Bill 2013. The Greens will not be opposing this legislation. This legislation enables the creation of Service NSW, which will be a one-stop access point for residents of New South Wales who wish to access government services. It creates the capacity for a government agency to delegate customer service functions to Service NSW and enable Service NSW to exercise that customer service function. Customer service functions are defined as four separate activities: one, receiving applications and the granting of licences; two, providing information about government services and legislation; three, receiving and making payments; and, four, acting as an agent for other governments, including the Commonwealth, other States and Territories and other countries and local government.

I have received a communication from the United Services Union which raises concerns about the impact of the one-stop shop legislation on local government services and local government employees. I understand from conversations around the Chamber that there has been fairly intensive negotiation between the United Services Union and the Government, and that is a good thing. I understand that negotiations have had a satisfactory result for all parties concerned, and that is also a good thing. I commend the Government for the four amendments it proposes to move, which, we are told, will address all of the concerns that were raised. I join the Opposition spokesperson in looking forward to debate at the Committee stage to ascertain how these amendments will address those concerns. I have confidence that they will and, certainly for The Greens, they will remove one of the barriers to supporting this legislation.

One of the key functions of the bill is to enable the sharing of personal information by government agencies and Service NSW. Without a capacity to share information there would be no point in having a one-stop shop; the Service NSW shops either would not have information about the customers who present or would be unable to share information given to them by customers with specific government agencies. Clause 6 of part 2 of the bill enables Service NSW to disclose personal information to another government agency. That will enable customers to update their personal details in a one-stop shop just once, and that information is then shared across all relevant government agencies. That is a good thing, but it would be even better if the electricity retailers were still publicly owned and information, such as change of address, could be shared with the retailers as well. For example, under the current arrangement it is impossible to provide information such as change of address or driver licence details. Unfortunately, under the previous Government, former member Eric Roozendaal—non-electric Eric in this case—privatised the electricity retailers. So that is an opportunity lost.

The legislation also allows for the transfer of information between Service NSW and government agencies so that Service NSW can perform a customer service function. Perhaps slightly more concerning for us is that the legislation enables Service NSW to collect, share and use information with non-government entities for the purposes of exercising customer service functions. The Greens are concerned about the impact on customer privacy, as I will express in a moment.

The legislation is the result of a consultant project undertaken by Boston Consulting Group and DBM Consultants that showed that New South Wales significantly lags behind other States and Territories in the level of satisfaction that residents and businesses experience when they interact with government. For example, as reported by Heath Aston in the *Sydney Morning Herald* on 29 April this year, a survey of 1,000 citizens and 208 businesses found that the 69 per cent satisfaction rate lags behind the 90 per cent ratings

in Tasmania and South Australia. Both of those jurisdictions have centralised services into one-stop shops, which I suppose is part of the reason behind this legislation. Of course, there are always two explanations. Is it possible that people in New South Wales demand a higher standard and are less easily satisfied? I do not think so; I think there genuinely is a problem. Many members in this Chamber will have been through the highly frustrating process of trying to change their address or name and will know of the many agencies one has to contact.

The research, which was undertaken for the New South Wales Government, found that less than one in five people were very satisfied with the quality of services of the New South Wales Government. That is a serious issue. In his second reading speech the Premier identified the cause as being "multiple, isolated systems run by different departments". He identified 394 separate government agencies with 800 websites and 8,000 phone numbers as part of the customer service network. He suggested that the creation of Service NSW will alleviate the multiplicity of customer entry points so that people can interact with government agencies through one entry point and can therefore be dealt with more quickly and efficiently.

However, there are some nagging doubts behind this legislation. The persistent refusal of the O'Farrell Government to release the PricewaterhouseCoopers report, which apparently is critical of the arguments for integrated services, amplifies those nagging doubts. A number of attempts have been made to obtain the report under the Government Information (Public Access) Act. They have been rebuffed in all cases and the report remains behind closed doors. Unnamed—therefore, in my opinion, deeply unreliable and deeply cowardly—Liberal Party sources supposedly leaked some of the information to the media and suggested that the report may have identified another layer of inconvenience for customers.

It is a great shame that this piece of legislation is clouded by the refusal to release that report because it leaves the potential problems of centralised services open to speculation. A decrease in the quality of services provided is the first problem that one might identify. For example, at the moment services are provided by NSW Health, the Department of Fair Trading and the motor registry. When a person fronts up to one of those agencies that person is fronting up to an expert who has dealt with repeated applications of a similar nature and is generally focused on the issue. It does not come for free, because the workers are focused on a limited number of issues and the customer can get only one type of service at that entry point. Nonetheless, the customer expects and usually receives a fairly high level of expertise, information and services limited to one area. We have a concern about centralising these services, and I imagine the Government Whip would have concerns with centralisation and the consequent loss of quality.

The Hon. Dr Peter Phelps: Sovietisation is what I have a problem with.

Dr JOHN KAYE: The Government Whip refers to this legislation as sovietisation of government services, which is interesting.

The Hon. Dr Peter Phelps: I refer to your leadership as sovietised.

Dr JOHN KAYE: I am fascinated to hear the Government Whip referring to Christine Milne as being sovietised.

The Hon. Dr Peter Phelps: No, your leader; not The Greens leader.

Dr JOHN KAYE: I can tell the Government Whip that my partner is certainly not sovietised in any way. The Greens have concerns that expertise and specific knowledge may be lost when some of these services are aggregated into generic customer service outlets. One person will provide a service for the Roads and Maritime Services, Fair Trading licences, Liquor, Gaming and Racing licences, national park permits and Births, Deaths and Marriages transactions. That initial list of services provided by Service NSW will grow dramatically over the years. In fact, for Service NSW to deliver on the promise of no more confusion or need to move from one outlet to another there will be a far broader list of customer interaction services in Service NSW. That means there will be greater demand on the individual service providers—the employees of Service NSW—to have a broader range of expertise. That is a matter of concern to us.

The potential for decreasing the availability of services outlets is the second issue. Inevitably in a small town, the Roads and Maritime Services, the Registry of Births, Deaths and Marriages and the National Parks and Wildlife Service customer outlets will be put into one location. Our concern is that some of the previous outlets will be closed. Residents will have fewer, not more, points to go to for services. The allied concern is possible job

losses. For the purpose of transparency, I declare that I am a member of the Public Services Association. The association has raised concerns about public sector job cuts as customer services of various agencies are aggregated into one location. Another possible concern is the costs associated with Service NSW. I apologise to the House, but I have not had a chance to look at the budget for Service NSW. Perhaps the Minister at the table could elaborate on the total costs and how those costs will not be passed on to customers and drive up prices.

Privacy is another issue. I do not have many concerns about information that is passed between public sector agencies because the New South Wales public sector has a demonstrated culture and professional commitment to maintaining privacy. I can think of a number of examples where public sector agencies have handled sensitive personal information and kept it appropriately private. Indeed, the New South Wales Privacy Commissioner takes her task seriously and has educated government agencies to respect privacy. My concern is that part 2 clause 10 of the bill would allow for the disclosure of information to a non-government agency and information in the hands of a non-government agency is further from the reach of the Privacy Commissioner.

I ask the Minister at the table to address the privacy protocols for handling data, which have been signed off by the commissioner. We accept the commissioner's word that the protocols are good and adequate for the task of maintaining customer privacy, but how will those protocols be enforced once the information gets into private sector hands? Perhaps the Minister could illustrate by way of example the mechanisms that will be used by a private sector agency to protect the information that it gets its hands on.

The final issue I raise with respect to this legislation is one to which I referred earlier. According to rumour, innuendo and unsourced leaks, the PricewaterhouseCoopers report is critical of the Service NSW model. That does not mean that the report is critical of the model; it just means that the report is rumoured to be critical. But as long as the Government persists in keeping the report behind closed doors, the rumours will continue to flourish. Some of the concerns I and other members of The Greens expressed in the second reading debate may well be similar to the PricewaterhouseCoopers report's criticisms. We do not know because we have not seen the report, and dark spaces are where mushrooms grow.

The Hon. Sophie Cotsis: How much did it cost?

Dr JOHN KAYE: I will get to that point directly. By the Government keeping the PricewaterhouseCoopers report behind closed doors, it is feeding speculation that there is some substantial error or flaw in the model that has been identified by PricewaterhouseCoopers. I have a philosophical issue with the Government keeping the report secret and not releasing it in the public domain. The report was paid for by the people of New South Wales.

The Hon. Sophie Cotsis: How much?

Dr JOHN KAYE: The question that the shadow Minister for Local Government insists I ask at this point—I will put her out of her agony—is one the Minister may wish to address: How much did the report cost? The funding for the report was provided by the taxpayers of New South Wales. They paid for a report that may or may not be critical of the Service NSW model. It is a brave new world into which the Government is venturing. Possibly there will be benefits, and possibly not; but without access to the PricewaterhouseCoopers report we are left to guess and speculate on whether the report is critical and how much it cost—which is clearly a matter of concern to many members of this Chamber, especially me and the Hon. Sophie Cotsis. Can the Minister provide an explanation as to why it is being kept behind closed doors? For the life of me I cannot understand why there would be a commercial-in-confidence aspect to the report. If some aspects of the report are commercial-in-confidence, the report could be redacted and then released. Why is the main thrust of the report not being put in the public domain? Why is the Government fighting so furiously to keep the report behind closed doors? I hope the Minister can address those concerns.

The Hon. Duncan Gay: Always.

Dr JOHN KAYE: I acknowledge the interjection because it means the Minister, who is a man of his word, has given notice he will address the specific concerns I have raised.

The Hon. Duncan Gay: I will give it my best shot.

Dr JOHN KAYE: That is probably good enough. I ask him to address those concerns so that The Greens can vote for this legislation with confidence.

The Hon. Duncan Gay: It's a bromance.

The Hon. Dr Peter Phelps: It is the blue tie.

The Hon. Sophie Cotsis: Between The Nationals and The Greens? I don't know.

Dr JOHN KAYE: Don't even go there, Sophie; you just cannot imagine what the offspring would be like. I acknowledge the work of the Government in engaging with the United Services Union. It is not always a happy interaction between the union movement and a Coalition government, but in this particular case it will be a story with a happy ending, I hope. We will find out shortly. With those remarks, caveats and requests for explanations notwithstanding, The Greens do not oppose this legislation.

The Hon. SOPHIE COTSIS [5.53 p.m.]: I join with my colleagues in debate on the Service NSW (One-stop Access to Government Services) Bill 2013 and indicate that the Opposition does not oppose the bill. However, there are serious concerns about what it will mean for the citizens of the State. We are told that the Government is proposing to accommodate some 210 government services in a single location. That sounds good, but is it? As my colleagues in the other place and in this House have said, is that code for large-scale downsizing of departments and agencies and job losses on a grand scale? In July 2012 the Premier announced that the Government would open 18 new one-stop shops across New South Wales, delivering 210 government services, a 24-hour phone service and a new website. I ask the Government: Will it provide information on how many people will be manning the 24-hour phone service? Where will the call centre be located? How many workers will be required for the 24-hour phone service? Can the Government confirm that the phone service will be manned by local workers?

The bill provides for a government agency to delegate and enter into agreements with the Chief Executive Officer of Service NSW to enable it to undertake customer service functions for the agency, and for required information transfers between Service NSW and relevant agencies. Initially Service NSW will provide transactions and services relating to driving, boating, Fair Trading licences and births, deaths and marriages registrations. When customers update their contact details with a government agency through Service NSW, clause 6 of the bill will allow Service NSW to offer customers the service of updating their contact details with other agencies, with the customer's consent. The bill also will enable Service NSW to enter into agreements with other jurisdictions, such as other States, the Commonwealth or even another country.

Clause 14 of the bill provides for the transfer of information between Service NSW and an agency for the purpose of Service NSW providing customer service functions for the agency. It also provides for disclosure to the person to whom the customer service functions are provided, if the information relates to the person or service provided. I understand the Privacy Commissioner has been consulted in the preparation of this bill. The bill provides that any future regulations relating to the transfer of information under the bill may be made only following consultation with the Privacy Commissioner. As I stated previously, the Government's intention is to make Service NSW a one-stop shop out of current Fair Trading offices and motor registries where the queues are already too long. The Government intends to increase the number of services that people can access while decreasing the locations they can visit.

There is no guarantee that there will be an adequate number of positions available for all existing staff at affected departments, such as Fair Trading, to move to Service NSW. Any affected staff who do not successfully apply or choose not to apply for a position with Service NSW will be declared to be excess and will come under the provisions of the New South Wales Government excess employees policy. In the other place, Labor called on the Government to guarantee that this policy will not be used to cut jobs, resulting in longer queues and inferior services for the people of New South Wales. I make a similar call on the Government in this House. Already licence renewals or driving tests involve considerable waiting time. Will Service NSW be just another shopfront where people will be told they have to wait for two hours or come back the next day, or that the person who deals with the matter is on lunch and no-one else can help them?

The Hon. Duncan Gay: That is not my experience at Roads and Maritime Services offices.

The Hon. SOPHIE COTSIS: The Minister should visit the Hurstville and Beverly Hills offices. Long wait times particularly occur in areas where there is a high concentration of residents from non-English speaking backgrounds. The Government must take into consideration that we live in a multicultural community. The Government also must understand that staff employed at one-stop shops must be able to speak a language other

than English so that they can provide service information to newly arrived migrants who perhaps are seeking to obtain a driver licence. All of this takes time. Many people on the front line can confirm that dealing with people from a non-English speaking background takes longer than otherwise would be the case.

I am also concerned about my other portfolio, Housing. I am concerned what this will mean for Housing NSW and its clients. They are some of the most disadvantaged people in the State. Pensioners, war widows, war veterans and carers live in public housing. Nowhere in the Premier's speech did he say that Housing NSW clients will benefit from the one-stop-shop approach to government services. Other members did not mention housing at all. All the Premier has been interested in doing for housing clients lately is gouging their clean energy supplement to hike up pension rates.

My colleague the member for Bankstown in the other place raised in her speech the concerns people in Housing NSW offices have about the potential of the services functions to be merged into Service NSW down the track. This would not bode well for their clients. The Government has already made it hard enough for people living in public housing to talk to an operator or talk to their local client case officer if they have maintenance issues. There are some real problems out there. Without trying to be political, I have been travelling across the State and attending community meetings and talking to public housing residents. Even now, under the Government's changes to split Housing NSW from the Department of Finance and Services, it is difficult to get a response on maintenance and graffiti issues, particularly for our elderly.

Housing NSW client officers deal with specialised issues; they are not always confined to housing rents and tenancies. Regularly they have to take into account many social issues affecting their extremely vulnerable clients. The member for Bankstown asked the Premier to rule out Housing NSW in his speech in reply to the second reading debate, but I understand he did not do so. I now ask the Minister for Roads and Ports to rule out Housing NSW from the one-stop-shop process. As mentioned, the Government has already split the responsibilities for public and community housing in this State. The Department of Family and Community Services deals with leasing and the Department of Finance and Services deals with property matters.

As I have mentioned—and will keep on mentioning—this is the first time in this State that a government does not have a dedicated Minister for Housing. This means a total disconnect for tenants who, because of this Government's failure to honour its promise to spend money on maintenance of housing stock, are required to raise maintenance and upkeep matters with housing client officers who are not responsible for maintenance. I hope the Minister has heard my request to rule out Housing NSW from the one-stop-shop process.

The Opposition has concerns about the impact of the bill on the local government sector. As many members have mentioned—Dr John Kaye, my colleague the Hon. Mick Veitch and Reverend the Hon. Fred Nile—the United Services Union brought these concerns to the Government. The United Services Union wrote to all of us and has been speaking to the crossbench, to the Shooters and Fishers Party and the Government. I understand the Government will introduce a number of amendments to allay its concerns. I commend the United Services Union for fighting hard for its members.

I know the union had a number of concerns about the transfer and ownership of assets and the transfer of front-office functions. I will talk more about that during the Committee stage. Before I conclude my speech I call on the Government to look at a number of rural and regional councils that act as agents for government agencies. In the last year or so I visited Walcha Shire Council. It is contracted by Roads and Maritime Services to provide its services. An article came out yesterday from the ABC that the Bourke Shire has received a commitment from the State Government to review the cost of delivering services on behalf of Roads and Maritime Services. I ask the Government to look at contracting these regional and rural councils to provide some of these services and for councils to act as one-stop shops. As I said, I visited Walcha Shire Council. Bourke Shire Council acts on behalf of Roads and Maritime Services.

The Hon. Paul Green: A great council, Walcha Shire Council.

The Hon. SOPHIE COTSIS: Yes, it has a fantastic mayor and deputy mayor, and an excellent general manager. Yesterday's article stated:

Nine local councils including Cobar, Lachlan, Coonamble, Gilgandra and Warren say it is costing more than they are getting paid by the government to process new licences and registrations.

Bourke's General Manager Ross Earle says council gets paid per transaction, but due to literacy problems in the community extended periods of time are spent with customers.

He says councils want to offer the service, but need to break even.

That makes a lot of sense. The article continued:

"Each of the councillors in western New South Wales realise there's some areas where we've traditionally got involved where some of our more metropolitan councils don't need to get involved, the RMS agency is one thing," he said.

"But certainly what we'd be looking to make sure when we get involved in these things is that it's at least cost neutral if in fact we don't run the thing for a small premium."

The Bourke Shire Council says it hopes the payments councils receive to deliver RMS services can be increased.

Some councils have reported it costs up to \$40,000 more to provide the services, than the State Government subsidy received.

Mr Earle says the RMS will further investigate the costs to each individual council.

"There will be an increase in the transactional fee, that's based on the CPI that would have been taking place in July anyway, but they'll be talking to the individual councils in relation to each of those individual council's own business plan and what it is costing, they'll be looking at with individual councils" ...

I urge the Minister for Roads and Ports to look at this proposal and to make a commitment to ensure the nine councils will receive an increase in their fee for running these services. It means more jobs for local communities, upgrading skills and expertise. It is a good idea, especially in those areas. The Independent Local Government Review Panel's future directions paper has already reported that a number of western New South Wales councils are in negative financial territory. A number of models have been proposed, but not this one. I urge the Government to look at providing more work and contracting these councils to provide the work.

As I mentioned, I understand the Government will introduce those amendments. It is hoped that the one-stop shop will benefit customers and local communities. We will be watching. I am worried at this stage that queues of people will be waiting to be served and that jobs will be lost. As my colleague Dr John Kaye mentioned, it is important that when the Government commissions reports, particularly reports outside of government, that it releases them. We need to see what PricewaterhouseCoopers has said about the Government's model. PricewaterhouseCoopers may have made some suggestions that would improve the current model. I hope the Minister is able to answer some of my questions in his reply.

The Hon. PAUL GREEN [6.09 p.m.]: I speak on the Service NSW (One-Stop Access to Government Services) Bill 2013. I note the great contribution of my colleague Reverend the Hon. Fred Nile and his concerns about amendments that have been addressed through conversations with the Minister and his staff. We certainly applaud the Government for accepting the amendments. The main purpose of this bill is to allow Service NSW to undertake the customer service function of government agencies. In the other place the Premier of New South Wales noted that 394 separate State government agencies, authorities and trading enterprises deliver services through call centres and shopfronts that currently do not talk to each other or share information. He mentioned also that New South Wales has more than 800 different websites and 8,000 different telephone numbers for government agencies—I will not repeat his substantial reflection about those numbers.

In essence, this facilitative bill will allow government agencies to delegate to and enter into agreements with Service NSW to undertake agency customer service functions. Ongoing assessment and auditing of customer service operations should be an essential part of any modern business. The 2011-12 Roads and Maritime Services annual report entitled "Operational Performance" states under the heading "Customer and regulatory services":

RMS carries out regular monitoring of customer service centre operations, other service delivery channels (such as the internet) and back office functions that support the customer and compliance services business. During the eight month period, assurance activities had a greater focus on "root cause" analysis and adding value through advisory and consulting services. Maritime Service Centres were included in the audit program, which covered core financial and business processes as well as core service delivery operational risks. The audits continually review the operational risk management framework and related control environment for dealing with the exposures in these operations and, where necessary, the control framework is strengthened to ensure it remains effective.

On that note, I shall reflect on a few examples after meeting user groups and stakeholders—those who line up for a government service. Recently, after renewing my boating licence online, I had to front up to the local Roads and Maritime Services centre to change my address. I attended the centre, collected my numbered ticket, jumped in line and waited half an hour to just tick a box to acknowledge the change. The poor lady at the counter spoke about the frustration staff were experiencing with a new system they were not totally confident in operating and that placed them under pressure if someone was on sick leave. This is reflected more in rural and regional Australia, which does not have a plethora of staff. Although the centre was well resourced in the new

system, the lady with whom I dealt was familiar with the Roads and Maritime Services form process and could have completed the process within seconds; she was not so proficient in the completely different program for boating licences.

More needs to be done to ensure that people in rural and regional areas receive appropriate training in the new system. The ramifications may not be ideal when operators are expected to use a system with which they are not familiar and for which they have received insufficient training. In rural and regional areas if one of two people proficient in the system calls in sick, the other has to carry the workload and, of course, that results in frustration for customer service. As most of us know, we live in a microwave age: we want to go in, hit the one minute button and be out. But it does not always work that way and sometimes we have to be patient, as we were on that occasion. We will encounter teething problems while we try to make the right decisions for the right reasons and be wise with the resources and live within our means. I encourage the Minister to ensure that in this day and age one online data system fits all.

The Hon. Sophie Cotsis spoke about full cost recovery and cost neutral services. One of the biggest complaints in local government land is that many council areas are unsustainable, as evidenced recently in Treasury's report. However, the Shoalhaven previously was stable under good financial management, regardless of the comments of the current mayor. Many local government areas are doing it tough, especially when they cannot get full cost recovery or services are cost neutral. The Minister for Roads and Ports would be well aware that councils are trying to keep up to scratch with maintaining their roads and assets and do not need anything else to put them behind the eight ball. The Minister has a great love for rural and regional Australia. I am certain he will make sure that when we audit and evaluate these changes, we address the sorts of matters I experienced recently. Overall, we commend the bill to the House. We think it is heading in the right direction.

The Hon. DUNCAN GAY (Minister for Roads and Ports) [6.16 p.m.], in reply: I thank members for their positive contributions and appropriate questions. Responding first to the final comments of the Hon. Paul Green—which, in part, were shared by the Hon. Sophie Cotsis—as to local government's role, we are keen to continue that relationship. Most people know that I live in a town called Crookwell under the Upper Lachlan Shire Council, which provides services as my local motor registry. I would not be game to show my face in town if the council lost responsibility for that service. Some people might talk about costs involved in providing such a service, but it helps to keep employment at the council. Some people are not fully employed, but that service helps to maintain council employment and the Upper Lachlan Shire Council has some damn good employees. The Opposition posed questions about the number of service centres. The rollout of the first 18 service centres, the one-stop website and the phone number will be launched in July this year, as indicated by the Premier in the other place.

In regard to jobs for the first 18 service centre locations, I am advised that staffing levels are expected to be the same or higher than current levels. Given the proposed extended hours and new roles within the service centres, Service NSW will have a new 120-seat multichannel contact centre at Parramatta. In fact, this contact centre will provide employment for approximately 80 additional positions across western Sydney. In order to recruit and fill a large number of positions within our centres, Service NSW is giving priority consideration to agency staff directly affected, including those from Roads and Maritime Services, NSW Fair Trading and Law Access, through a recruitment process that includes an expression of interest, interview and, for some roles, assessment simulations. Dr John Kaye asked about cost. I am advised that the Service NSW budget in the recently released budget papers, to which all members have access, is \$93.5 million. I am advised also, but actually knew, that funding will be transferred from other agencies, such as Roads and Maritime Services and Fair Trading. I have already noticed that money has gone.

That money is going to a good cause. Clause 10 of the bill allows Service NSW to provide customer service functions for non-government entities where prescribed by the regulations. The provision will allow Service NSW to provide services on behalf of non-government entities if such opportunities are identified in the future. If we do not enter into such arrangements with non-government entities in the future clause 10 allows such an arrangement to make provision for the collection, disclosure and use of information for the purpose of Service NSW.

Clause 14 (3) allows the chief executive officer to disclose information obtained in connection with the exercise of functions for the non-government entity if the information is obtained in connection with the exercise by the chief executive officer of customer service functions for the entity and the disclosure is permitted under the agreement that confers the power to exercise the function. The information transferred to the non-government entity will relate to the transactions undertaken for that entity and only that.

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

Motion agreed to.

Bill read a second time.

In Committee

The CHAIR (The Hon. Jennifer Gardiner): I propose that the Committee deal with the bill by parts. There being no objection, I shall proceed.

Part 1 [Clauses 1 to 3] agreed to.

The Hon. DUNCAN GAY (Minister for Roads and Ports) [6.22 p.m.], by leave: I move the following Government amendments in globo:

Sheet No. C2013-045B:

No. 1 Page 4, clause 5, lines 21 and 22. Omit all words on those lines.

Sheet No. C2013-096B:

No. 1 Page 4, clause 5 (h), lines 29 and 30. Omit all words on those lines.

Sheet No. C2013-078:

No. 1 Page 5, clause 7. Insert after line 26:

- (5) A customer service function of a council or a county council within the meaning of the Local Government Act 1993 must not be delegated to the CEO by the council or county council or any other person unless the council or county council, by a resolution of the council or county council, approved the delegation before it was made.

No. 2 Page 6, clause 8. Insert after line 3:

- (4) An agreement must not be entered into under this section by, or on behalf of, a council or a county council within the meaning of the Local Government Act 1993 unless the council or county council, by a resolution of the council or county council, approved the agreement before it was entered into.

Sheet No. C2013-064:

No. 1 Page 7, clause 12 (2), line 27. Insert "or a council or a county council within the meaning of the Local Government Act 1993" after "section".

Sheet No. C2013-065:

No. 1 Page 12, clause 19. Insert after line 31:

- (5) This section does not apply to a council or a county council within the meaning of the Local Government Act 1993.

Government amendment No. 1 on sheet C2013-045B will delete clause 5 (e) in the definition of "customer service functions". Clause 5 (e) states that any other function that involves the provision of a service to a person by a government agency is a customer service function. Appropriate concerns have been raised that this function is potentially too wide and that Service NSW could end up undertaking services such as garbage and recycling collection. This is not the case. Service NSW will provide transactional and information services on behalf of government agencies. On this basis the Government is happy to delete clause 5 (e) as requested by many people.

Government amendment No. 1 on sheet C2013-096B will delete clause 5 (h) of the bill. Clause 5 (h) currently provides that customer service functions include any other function prescribed by the regulations for the purposes of clause 5. During consultation on the bill concerns were raised about the breadth of this regulation-making power and that it could be used to prescribe functions other than those relating to transactions and the provision of information. In this regard concerns have been raised that local council services such as garbage collection could potentially be prescribed. This has not been the Government's intention. The Government will, however, meet these concerns by deleting clause 5 (h). I confirm the purpose of clause 5 (i) regarding a function that is ancillary to customer service function is to enable the delivery of functions associated with the core transaction such as the function of administering the learner driver knowledge test for vehicle drivers is ancillary to the function of receiving applications for and issuing learner driver licences.

Government amendments Nos 1 and 2 on sheet C2013-078 follow consultation and subsequent concerns raised that the general manager of a council may delegate a council function without the approval of the elected councillors. These amendments would provide that approval by elected councillors will be required by resolution of the council before council functions can be delegated to Service NSW or subsequent to agreements with Service NSW. Government amendment No. 1 on sheet C2013-064 amends clause 12. Clause 12 (1) states:

- (1) The CEO may enter into an agreement with an approved person for the person to act as an agent for the CEO in providing customer service functions on behalf of the CEO.

Clause 12 (2) states:

- (2) An approved person is a person, or a person who is a member of a class of persons, prescribed by the regulations for the purposes of this section.

The amendment will provide that councils are approved persons without requiring a regulation to be made to prescribe them as such. Government amendment No. 1 on sheet C2013-065 will amend clause 19 of the bill. Clause 19 of the bill allows for a process for a government agency to transfer assets, rights or liabilities to the Crown if the transfer is for enabling the Chief Executive Officer of Service NSW to exercise customer service functions with a government agency. Concerns have been raised in relation to the possibility of councils using this provision to transfer substantial assets to the State. This is not the intention of the Government and the Government is therefore happy to remove councils from the operation of this clause.

I did not in my reply raise the possibility that whilst it is not presently in the bill Housing NSW may be included within Service NSW. I have not had a chance to ascertain the cost of the PricewaterhouseCoopers report, but I suspect it would make a very good question for budget estimates.

The Hon. SOPHIE COTSIS [6.29 p.m.]: The Opposition supports the Government's amendments. We commend the Government, crossbench members and, in particular, the United Services Union, which raised some important issues. The United Services Union has been concerned to ensure that its members, particularly those in rural and regional areas and country towns where the council is the major employer, are properly represented. The Opposition congratulates the Government and the union on reaching this agreement.

The Minister made reference to cases where customer service functions were limited to transactions, and concerns have been expressed that this provision could be broadened to include garbage and water services. Therefore, I am pleased that the Government has moved an amendment to address that concern. I commend the Government also for moving an amendment with respect to the transfer of ownership of assets and Government amendments Nos 1 and 2 on sheet C2013-078, which state that a customer service function of a council or county council must not be delegated to the chief executive officer by the council or county council but be left to a resolution of council. That is an important amendment.

I commend Government amendment No. 1 on sheet C2013-096B with respect to deleting clause 5 (h), which states, "any other function prescribed by the regulations for the purpose of this section," as it will limit the customer service functions to what is currently stated rather than allowing further functions to be prescribed by regulation. I thank the Minister for answering the question about housing as well. I commend the amendments.

Dr JOHN KAYE [6.32 p.m.]: The Greens also support the amendments and thank the United Services Union and the Government for engaging on this issue and coming to a landing. The removal of clauses 5 (e) and 5 (h), which are extremely broad in their impact, is a sensible direction. The amendments also make it clear that councils can act as agents across a range of entities, particularly in rural and regional areas, providing a one-stop service. My major concern about this legislation does relate to its impacts on rural and regional New South Wales. The Government amendment on sheet C2013-065 excludes councils from the operations of clause 19.

Another Government amendment requires elected councillors to move by resolution that before council functions can be delegated to Service NSW they will be subjected to an agreement. These are sensible measures and we commend the amendments. I remain concerned about the bill, although we will not vote against it. I place on the record once again some of the concerns that The Greens have about the bill, particularly with respect to rural and regional areas and the massive loss of expertise. I do not feel that those issues have been addressed in this debate. I also do not feel that in the absence of the PricewaterhouseCoopers report we can really understand fully what that in-depth professional criticism of the bill was. That being said, The Greens will not vote against the bill but we place on record our concerns that there could be a number of adverse consequences and indeed in some cases quite chaotic outcomes.

The Hon. PAUL GREEN [6.34 p.m.]: The Christian Democratic Party supports the Government's amendments. We appreciate the Government taking on the concerns that the crossbench has brought to its attention, moving to address those issues and making amendments to the bill. We commend the amendments to the Committee.

The Hon. DUNCAN GAY (Minister for Roads and Ports) [6.34 p.m.]: I thank all honourable members, the union and the public servants from Service NSW for the negotiations and for the good faith with which the issues have been addressed. It is a good way to start something that is exciting.

Government amendments [C2013-045B, C2013-096B, C2013-078, C2013-064 and C2013-065] agreed to.

Part 2 [Clauses 4 to 12] as amended agreed to.

Part 3 [Clauses 13 to 17] agreed to.

Part 4 [Clauses 18 to 22] as amended agreed to.

Schedules 1 and 2 agreed to.

Title agreed to.

Bill reported from Committee with amendments.

Adoption of Report

Motion by the Hon. Duncan Gay agreed to:

That the report be adopted.

Report adopted.

Third Reading

Motion by the Hon. Duncan Gay agreed to:

That this bill be now read a third time.

Bill read a third time and returned to the Legislative Assembly with a message requesting its concurrence in the amendments.

[Deputy-President (The Hon. Helen Westwood) left the chair at 6.38 p.m. The House resumed at 7.45 p.m.]

LEGISLATIVE COUNCIL VACANCY

Resignation of the Honourable Cate Faehrmann

The PRESIDENT: I report the receipt of the following communication from His Excellency the Lieutenant-Governor:

Office of the Governor
Sydney 2000

Tuesday 18 June 2013
The Honourable Don Harwin MLC
President of the Legislative Council
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear President,

I have the honour to inform you that I have received a letter dated 18 June 2013 from The Honourable Cate Faehrmann MLC tendering her resignation as a Member of the Legislative Council of New South Wales, effective immediately.

The Official Secretary and Chief of Staff to the Governor has acknowledged receipt of the letter from Ms Faehrmann, on my behalf, and has informed her that you have been advised of her resignation.

Yours sincerely

The Honourable Thomas Frederick Bathurst
Lieutenant-Governor of New South Wales

His Excellency's communication has been acknowledged and an entry regarding the resignation of the Hon. Cate Faehrmann from the Fifty-fifth Parliament has been made in the Register of Members of the Legislative Council.

PEROOMBA INTERIM HERITAGE ORDER**Production of Documents: Return to Order**

The Deputy Clerk tabled, pursuant to resolution of the House of Monday 25 March 2013, additional documents relating to the heritage order on "Peroomba", Warrawee, received on 18 June 2013 from the Director General of the Department of Premier and Cabinet, together with an indexed list of the documents.

GOVERNMENT SECTOR EMPLOYMENT BILL 2013**MEMBERS OF PARLIAMENT STAFF BILL 2013****Second Reading**

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [7.51 p.m.]: I move:

That these bills be now read a second time.

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

Leave granted.

I bring before the House the *Government Sector Employment Bill 2013* and the *Members of Parliament Staff Bill 2013*.

We demand extraordinary things from our public service.

Whether in executive or non-executive capacity, or on the front line, people in our public service are engaged in protecting lives, educating our children and keeping our communities safe, along with developing the policy solutions to the most complex and challenging problems we face.

Yet the legislation that governs our New South Wales public sector workplaces was largely written before we had heard of the internet.

Over the last thirty years in our fast moving global economy private and non-government workplaces have adapted to make the most of change. And in the public sector, the way we interact with customers, stakeholders and each other is fundamentally different than it used to be.

In February this year, the NSW Government accepted recommendations of the Public Service Commissioner, to rewrite the *Public Sector Employment and Management Act* and to modernise our public service, building on related recommendations made in the NSW Commission of Audit *Interim Report: Public Sector Management*, released in January 2012.

The reforms will create an outward looking, customer focused organisation with resources shifted to the frontline to assist in the delivery of those services that people rely on each day.

We are determined to deliver on our election commitments, a key one of which was to establish a NSW Public Service Commissioner to be the independent leader of reform to restore the integrity, performance and accountability of the public sector.

The inaugural NSW Public Service Commissioner, Graeme Head, is delivering reforms and recommendations to Government which will:

- ensure NSW has the best qualified and most professional public service in the nation;
- restore the highest levels of impartiality, ability, accountability and leadership in the NSW Public Service;
- ensure public service positions are filled on the basis of merit and qualifications, not patronage or favouritism;
- promote a public sector culture where initiative, the achievement of results and individual responsibility are strongly valued;
- build a new customer service culture, and
- strengthen the public's confidence and trust in the NSW Public Service.

The proposals set out in the bill here today will provide for a Government Sector that is responsive and adaptive and I thank the Public Service Commissioner for his work across the public service in developing this long overdue overhaul and modernisation of the framework for public sector employment.

In January 2012, the Commission of Audit issued wide-ranging recommendations on reforming the public sector's workforce. It found that the structure of government employment required fundamental overhaul, with many recommendations specifically going to improving its executive's performance.

The Commission's report identifies areas for reform in just about all parts of government employment, including:

- lack of transparent leadership responsibility;
- too many employment divisions and controlled entities;
- need for greater flexibility in staff deployment;
- overly layered middle management;
- insufficient responsibility devolved to the right levels;
- managers' spans of control should increase; and
- the pressing need for a capability framework.

Recommendation 45 specifically focussed on the need for comprehensive review and reform of executive structures.

Many of the issues identified by the Commission of Audit were also the subject of detailed commentary in the Public Service Commissioner's inaugural *State of the Public Sector Report*, which the Government released in November last year.

Considering the Commission of Audit Report, his own State of the Sector Report and other relevant analysis, the Commissioner subsequently found that departments and agencies are hampered by a poorly-designed, out-dated and rigid set of public sector workforce arrangements. The Commissioner agreed to lead the implementation of the workforce recommendations of the Commission of Audit.

The primary statutory instrument, the *Public Sector Employment and Management Act 2002* has been patched up and modified over the years but without the benefit of comprehensive review. The reforms introduced today reflect a commitment to supporting the critical work of the NSW Public Sector through arrangements that:

- encourage good performance;
- reward talent;
- support building of career paths;
- simplify organisation structures and reduce red tape; and
- improve service delivery and results to the people who pay for our NSW public service—the taxpayers and citizens of our state.

I urge all members to examine the provisions in detail. These provisions outline the Government's plans and intentions to give effect to the objectives and wishes of the people of New South Wales who overwhelmingly demanded change to the form and function of the State's public sector service delivery and culture in the election of March 2011.

GOVERNMENT SECTOR EMPLOYMENT BILL 2013

To start, I wish to outline the major features of the *Government Sector Employment Bill 2013*—the GSE Bill.

The bill repeals the *Public Sector and Management and Employment Act 2002* and replaces it with fit-for-purpose, modern legislation.

Over the decades, the PSEM Act has become the instrument for all manner of public sector management matters. Its employment provisions are of a chart of past patch-up jobs. The provisions are now so convoluted that only the most seasoned campaigners can fight their way through them.

The GSE Bill does away with the complexity by creating an Act that will deal only with employment matters; an Act that creates a simple and easily understood structure.

GOVERNMENT SECTOR AND PUBLIC SERVICE

The current Act provides for a complex array of employment structures, including the *Government Service*, the *Public Sector*, the *Public sector services* and the *Public Service*. The list goes on.

The GSE Bill simplifies this complexity by establishing only two employment structures: the *Government Sector* and the *Public Service*. I will take members through these two structures later in the order that they occur in the bill.

PART 2: ETHICAL FRAMEWORK FOR THE GOVERNMENT SECTOR

When the New South Wales Liberal and Nationals Government was elected to deliver our commitment to restore accountability to government and create a world class public sector, our first action was to set out in law the community's expectations for their public sector. The objectives of the *Ethical framework for the government sector* are twofold:

- the framework recognises the role of the government sector in preserving the public interest, defending public value and adding professional quality and value to the commitments of the Government of the day; and
- the framework establishes an ethical framework for a merit-based, apolitical and professional government sector that implements the decisions of the Government of the day.

Part 2 of the GSE Bill brings forward these provisions unchanged into the new Act.

PART 3: PUBLIC SERVICE COMMISSIONER AND ADVISORY BOARD

Our next action was to establish the office of the Public Service Commissioner and the Public Service Commission Advisory Board.

The establishment of the commission recognises that delivering improved services can only be achieved by having a capable, ethical, service-oriented and accountable public sector that responds to its customers and the taxpayers who support it. The Commissioner is charged with leading the transformation to reach those goals.

Supported by the Advisory Board and by the Directors General of the principal departments, the Commissioner has made major in-roads in improving the sector's employment practices.

Part 3 of the GSE Bill preserves the current Act's provisions creating the Commissioner's office and the Advisory Board.

Part 3, Clause 12: Government sector employment rules

In order to deliver a clearer and simpler and more accountable management framework, a major innovation is provided for by part 3, clause 12, of the bill relating to Government Sector Employment rules.

The current PSEM Act is weighed down with extensive and detailed employment requirements. These requirements are operational in purpose and belong elsewhere than in the Act.

The GSE Bill establishes a clear regulatory hierarchy:

- first, the statutory architecture for the employment regime is set out in the Act; for example, specific employment provisions for the Public Service's Secretaries, Executive Agency Heads, Senior Executives and staff;
- secondly, the regulations will generally deal with matters of government policy, employee entitlements and other matters necessary to support the statutory regime; and
- finally, employment matters that are more operational and procedural and need more flexibility will be dealt with through the new instrument: *Government Sector Employment rules*.

Clause 12 of the bill provides that the Public Service Commissioner may make, amend or repeal such rules, which will apply across the sector. The power to make such rules is an important innovation. It brings New South Wales in line with best practice in other jurisdictions. The rules, for example, are akin to the Australian Public Service Commissioner's directions-making power under the Commonwealth *Public Service Act 1999*.

These rules may be applied to the *Government Sector* or more narrowly to the *Public Service* alone. For example, such rules may be made by the Public Service Commissioner in relation to *Government Sector* workforce diversity, performance management systems and employee transfers. Within the *Public Service*, the rules may deal with any matter relating to the employment of senior executives and any matter relating to the employment of other Public Service employees.

The Commissioner retains a separate power to issue directions to an individual public sector agency head. In the new Public Service, (which I will discuss further shortly) this means that the direction will be issued to the Department Secretary or to the Heads of *Public Service Executive Agencies related to a Department*.

PART 4: THE PUBLIC SERVICE

I turn to the first of the new employment structures, which is created by Part 4 of the bill: the *Public Service*.

The bill creates the new Public Service by amalgamating the current *Government Service* and the current *Public Service*. It absorbs the Government Service Divisions within Schedule 1 of the PSEM Act.

I now turn specifically to **Part 4, Division 1: General, clause 20: The Public Service**

Contemporary organisational structures call for a mobile workforce that allows employers opportunity to move staff expeditiously to priority areas. Greater mobility also opens opportunities for employees to move to new roles, thereby building skills and experience and enhancing the appeal of the public service to the best and brightest.

Under the new framework the Public Service will consist of persons who are employed by the Government in the service of the Crown.

All Public Service employees, including Senior Executives, will be employed at a classification and assigned to a role within their agencies. Employees can be re-assigned to a different role at the same classification to suit the department or agency's present needs.

The GSE Bill sets out provisions to ensure that assignments occur with proper consultations with employees.

Clause 21: Employment in the Public Service

Clause 21 enunciates the Westminster convention regarding the place of the public service in the executive arm of government. It also provides for the other *means* by which persons are employed in the service of the Crown, including employment in the Teaching Service, the Health Service, the Transport Service or the NSW Police Force.

Clause 22 relates to Departments and Public Service agencies

Within the Public Service, employment will be either in

Departments; or

Public Service Executive Agencies related to Departments; or

separate Public Service agencies.

The new *Departments* will be the existing nine Principal Departments. As now, they are created by administrative orders. *Public Service Executive Agencies related to Departments* will either be created by administrative orders or by their own enabling legislation. Departments and *Public Service Executive Agencies* related to departments will be set out in Schedule 1 of the Act.

As is usual practice, the schedule will be populated by Administrative Changes Orders on the Act's commencement.

The bill has special provisions for a group of *Separate Public Service Agencies*. Because of their independent functions, these agencies require an arm's length relationship from Secretaries of departments and the Commissioner and for certain purposes under the Act; this group of agencies will include, by way of example, the Ombudsman.

I now turn to *Part 4, Divisions 2 & 3: Secretaries and Executive Agency Heads*

Part 4, Division 2 creates the office of *Secretary*, being the head of a department, and Division 3 creates the office of *Heads of other Public Service Agencies*.

The Government wants clear and unambiguous leadership roles for departmental Secretaries. The bill therefore provides for their appointment, conditions of employment and some employer functions.

The Act will allow for the *Heads of Public Service Executive Agencies related to a Department* to generally be appointed by the Secretary of the related department. In other cases, the Minister or the Governor will continue to appoint. For Public Officer Holders heading agencies, the Governor will continue to make the appointments.

Where Secretaries appoint heads of agencies, they will hold all other employer functions in relation to the agency head. As I will explain later, they will also hold the employer functions for all executives in their related executive agencies.

Secretaries and agency heads are to be responsible to the Minister or Ministers for the general conduct and management of the functions and activities of their agency in accordance with government sector core values set out in part 2 of the bill. Those core values are integrity, trust, service and accountability.

Secretaries and agency heads will exercise the employer functions of the Government for the non-executive employees within their Department or Agency.

Part 4, Division 4: Public Service senior executives

In February this year, when the Public Service Commissioner recommended these reforms to the Government and the Premier announced the Government's acceptance of the recommendations, the Premier emphasised an overhaul of the Public Service executive was needed. The Government wants to ensure that we have in place arrangements that foster an innovative, professional and accountable public service which encourages and rewards performance and delivers the best possible frontline services for local communities.

- we will have a *single* executive operating across the Public Service;
- firstly, the Act will create the new category of *Public Service Senior Executives*;
- secondly, the Act will provide the means to establish a flatter, three-band executive structure below the Secretary level;

- thirdly, it will enable the setting of service-wide work-level standards and capabilities for each of the bands; and
- finally, the Act assigns *employer* responsibility to Secretaries for Senior Executives in their Departments or related Agencies

Although some exceptions will apply, Secretaries will have the power to assign executives to roles across their clusters. Additionally, the Commissioner will have the power to move executives across the sector, after consultation.

A second phase of reforms, which I will discuss later, will align the NSW Police Force Senior Executive Service, the Health Executive Service and the Transport Senior Service.

The Senior Executive structure will absorb the current Chief Executive Service, Senior Executive Service and award-based executives into the new Public Service executive arrangements.

The bill provides for the new Senior Executives to be employed in ongoing employment. Their written contract will provide for compensation on termination and the bill extinguishes the Statutory and Other Offices Remuneration Tribunal's [SOORT] role in determining compensation.

I wish to be even clearer about the purposes of these Senior Executive provisions. They will drive other public sector reforms.

We are flattening and simplifying executive layers to make them more efficient.

Our expectations are clear. We reward talent not time. Non-performance will be dealt with fairly and quickly. We want an innovative and accountable senior public service which encourages and rewards performance. These reforms will be challenging and will confront some long-held but out-dated traditions and practices.

But we are determined to establish a new executive leadership that will create a modern, professional public service that uses the best management approaches from both the private sector and leading public sectors, here and internationally. They will be the ones that we rely on to move more government resources onto the front line and make their agencies customer-focused at every level.

Part 4, Division 5 of the bill provides for the employment arrangements for non-executive Public Service employees.

The current PSEM Act is particularly laden down with detailed provisions in this area. The principle that we are applying in this Part is that these employees should retain statutory certainty around the critical areas of their employment. More procedural and variable aspects are better dealt with by regulation or in the rules.

The bill provides clarity about key aspects of employment.

First, the bill classifies non-executive employees as being in ongoing, temporary or casual employment and provides clarity about key aspects of employment.

- Clause 45 ensures that they will be employed in a *classification of work*;
- Clause 46 ensures their assignment to roles within their classifications and the basis for re-assigning them to a different role; and
- Clause 47 sets out the grounds for termination of employment.

A head of power provided at clause 48 allows the Public Service Commissioner to make *rules* dealing with matters relating to their employment.

Apart from moving award-based executives into the new Senior Executive structure, existing public sector industrial instruments are not changed by the bill.

Section 21 of the current PSEM Act, which provides a right of appeal to the Industrial Relations Commission against promotions, will not be brought into the new Act. The number of appeals has greatly reduced over time, from 424 in 2011 to 59 in 2012.

Agencies will be required instead to have proper review mechanisms to deal with procedural issues, which the Commissioner may examine from time to time.

Any appeals before the IRC at the commencement of the Act will be allowed to pursue their course under existing provisions.

Part 4 Division 6 relates to industrial relations employer functions

Current employer functions for industrial relations purposes are unchanged. The Treasury Secretary, who administers NSW Industrial Relations legislation, holds employer functions for proceedings relating to employees in the new Public Service. Under clause 52, the Secretary may from time to time make determinations fixing conditions of employment.

Part 4, Division 7 regarding Additional Public Service employment provisions

Division 7 of the bill sets out employees' entitlement to extended and other leave and other employment provisions. Existing leave entitlements of employees will be maintained in the transition to the new Act.

PART 5 GOVERNMENT SECTOR EMPLOYEES

I now take the House to the other employment structure created by the Bill, the *Government Sector*, which is set out at Part 5 of the bill.

The new Government Sector will embrace virtually all New South Wales Government employees. The sector will comprise: the Public Service; Teaching Service; NSW Police Force; NSW Health Service; and any other service of the Crown. The regulations may prescribe others, such as State Owned Corporations.

Examples of staff that will be outside the *Government Sector* will be the staff of Parliament and the staff of the Independent Commission Against Corruption, the Judicial Commission and the office of the Auditor-General.

I wish to draw the House's attention to the major innovation the Government has in Chapter J, section 63—a stronger approach to workforce diversity.

Part 9A of the *Anti-Discrimination Act 1977* currently sets out the requirements for Equal Employment Opportunity employment in the public sector and focuses on agency compliance and reporting obligations. Largely unchanged since its inception, the scheme has assisted with the successful removal of barriers to employment and advancement. While once effective, this prescriptive approach has returned diminishing additional benefits in more recent times. Now, its effect is merely diverting limited resources from more productive action associated with improving workforce diversity outcomes.

The Government wholeheartedly supports the principles of Equal Employment Opportunity, but as a result of successful bipartisan embrace of these principles over recent decades these provisions should now sensibly sit within an Act that describes employment arrangements across the public sector. I thank the Public Service Commissioner for his consultations with the Chair of the Anti-Discrimination Board and others across the sector for their support of this provision.

Proposals here do not in any way affect a person's capacity to make complaints about discrimination but bring a focus on workforce diversity to the centre of workforce planning.

Clause 63 of the Bill provides that the heads of government sector agencies are:

- to be responsible for workplace diversity within their agencies; and
- to ensure that workplace diversity is integrated into their workforce planning.

The new government sector employment rules will deal with the details of workplace diversity and, as a minimum, must make provision for EEO target groups as currently defined by the *Anti-Discrimination Act 1977*.

Concurrently, the Public Service Commissioner will be able to identify any sector-wide priorities and mandate their adoption.

Part 5, sections 64-70 of the bill also deal with employment requirements that will apply to all Government Sector employees; with these being:

- requirement for all heads of a Government sector agency to develop and implement performance management systems with respect to their employees;
- provisions for managing unsatisfactory performance of government sector employees;
- provisions for managing employee misconduct, applying in the first instance only to the Public Service;
- clearer and simpler provisions to allow transfers and temporary transfers within agencies and across the sector; and
- temporary movements outside the sector, including into the private sector.

Other matters are also dealt with in Part 5:

- provisions relating to employees contesting State and Commonwealth elections;
- provisions for holders of "positions" to hold additional positions; and
- the jurisdiction of the Industrial Relations Commission vis-a-vis excess employees.

PART 6: REMOVAL OF STATUTORY OFFICERS

Part 6 of the bill retains Chapter 5 of the current Act. This part pertains to the removal of statutory officers.

PART 7: MISCELLANEOUS

Part 7 of the bill deals principally with matters of machinery: delegations, Special Ministerial inquiries, Ministerial powers, offences, regulations and Act review.

I would draw Members attention to clause 83: *Inquiries by Public Service Commissioner or OPC Secretary into government sector agencies*.

Where the Commissioner carries out an inquiry in relation to an individual or the conduct of an individual, the process of carrying out the inquiry and any findings should not be subject to disclosure under the Government Information (Public Access) Act 2009. It is intended that this exclusion only be applied in relation to matters concerning individuals and would not be applied to inquiries into matters of broader application for the sector.

The Public Service Commissioner has consulted with the Information Commissioner about this proposed change in relation to his office and she has formally indicated her support.

SCHEDULES TO THE ACT

Schedule 1 of the Act will set out the Public Service's *Departments, Executive Agencies related to Departments and separate Agencies*.

Schedules 2-6 deal with procedural and implementation matters.

Schedule 4: Transition

Schedule 4 enables the transition from the old PSEM Act to the new Act. Importantly, all non-executive employees will transition to the new Act in equivalent kinds of employment—ongoing, temporary or casual—and with their current employment entitlements and conditions unchanged.

For the current SES officers of the Public Service, the former senior executive provisions of the PSEM Act will continue to apply until the completion of the senior executive implementation for their department or agency.

Current award-based executives will also continue to be employed under their current arrangements until the completion of the senior executive implementation for their department or agency.

Secretaries and other agency heads will be expected to achieve the executive reforms within their department or agency in a three-year transition period, coordinated by the Public Service Commissioner.

Schedule 6: Amendments to Constitution Act 1902

I would ask Members to consider Schedule 6—*Amendments to other Acts and Regulation*. In particular, I turn to the amendments to the *Constitution Act 1901*.

The PSEM Act currently provides for orders to be made to move groups of staff between different agencies, as well as rename agencies and construe references to officers and agencies in legislation. These orders are made by the Governor on the recommendation of the Premier.

Allocations of the administration of legislation amongst Ministers are also currently made by the Governor on the recommendation of the Premier.

It is proposed to provide a legislative basis for the allocation of legislation amongst Ministers, by providing that administrative arrangements orders, made by the Governor on the recommendation of the Premier, may address the allocation of the administration of Acts.

Given that administrative arrangements orders will now also deal with the allocation of legislation, it is appropriate that the legislative power to make such orders be included in the Constitution Act. The bill will therefore insert a new part into the Constitution Act to authorise these Orders.

The new section 47 A of the Constitution Act provides that persons employed by the Government of New South Wales in the service of the Crown are to be employed in the Public Service of New South Wales under the *Government Sector Employment Act 2013* or in any other service of the Crown established by legislation.

Further, a statutory body that is a NSW Government agency, or a person holding a public office under the Government of New South Wales, cannot employ persons unless legislation specifically authorises the body or person to do so. Excluded from these provisions is the engagement of independent contractors or volunteers.

While these provisions are detailed, they have the effect of establishing a single consolidated government employment structure in this state.

Schedule 7 of the bill makes consequential amendments to other Acts.

FURTHER BILL

I am pleased to inform the House that, having reviewed the provisions in the bill, the Minister for Health, the Minister for Police and the Minister for Transport support aligning the Health Executive Service, Transport Senior Service, and the Police Senior Executive Service, with the new Public Service executive arrangements.

This is good news as it is a clear intent of the Government that we wish to align all the services of the Crown as closely as their diverse functions will allow. The years of uncoordinated service delivery structures which act against valuable professional mobility are to end.

The Premier has asked the Public Service Commissioner to lead that alignment process with the directors general of Health and Transport and the Police Commissioner; work is already underway with strong cooperation and collaboration to achieve this alignment seamlessly.

The Government will bring a bill to the Parliament in August to provide for the Government's agreed changes.

MEMBERS OF PARLIAMENT STAFF BILL 2013

I wish now to turn to the *Members of Parliament Staff Bill 2013*.

In New South Wales, staff engaged to work in Ministers' offices, and the office of the Leader of the Opposition in the Legislative Assembly, are currently employed as *Special Temporary Employees* by the Director General of the Department of Premier and Cabinet under the PSEM Act. That Act provides that they are taken to constitute a branch of the department.

Different arrangements apply in other jurisdictions. In the Commonwealth, Ministerial staff members are employed directly by the relevant Minister, on behalf of the Commonwealth, subject to such general arrangements, conditions, and terms as are set by the Prime Minister.

The current New South Wales arrangements are out of alignment with the practical reality that it is the Premier and the Ministers, not the Director General of the Department of Premier and Cabinet, who decide on Ministerial staff appointments. This is as much the case under this Government as under previous Governments. The arrangements also do not reflect the reality that staff are answerable to, and subject to the day-to-day direction and control of, the Minister whom they serve (and more senior staff of the Minister's office) and not the Director General of the Department of Premier and Cabinet.

These current arrangements can obviously give rise to difficulties and confusion.

Part 2 of the Members of Parliament Staff Bill provides for new and more appropriate arrangements under which staff of *political office holders* are employed; with those officer holders being Ministers and the Leader of the Opposition in the Legislative Assembly.

Part 3 of the bill provides for new arrangements under which staff that assist Members of Parliament in their electorate and Parliamentary duties are employed. Currently, these staff members are employed by the relevant Presiding Officers pursuant to a long standing delegation of the Governor's employment powers under the Constitution Act.

As with Minister's staff, there is a misalignment between the legal basis of their employment and the practical reality as to who actually makes decisions to employ and dismiss them, and who has responsibility for directing their work and conduct.

Part 3 of the bill provides, in relation to staff of Members of Parliament, that:

- each member, on behalf of the State, is to be the employer of his or her staff;
- the Parliamentary Remuneration Tribunal (PRT) will continue to determine the number of staff that each member is entitled to employ;
- members who hold a specified parliamentary office (the Whips, the Speaker and President and their deputies) will be entitled to employ additional staff; and
- the relevant Presiding Officer is otherwise to determine the employment powers of each member and the arrangements for the exercise of those powers.

Clause 20 of the bill relates to the termination of the employment of such staff. It provides that the employment of such staff terminates in circumstances where the member ceases to be a member of Parliament, and where the services of the person are dispensed with by the member.

These changes to the employment arrangements for staff of political office holders and members of Parliament will end the current misalignment in their employment arrangements and result in clearer lines of accountability for such staff. These new arrangements are broadly modelled on the arrangements that apply in the Commonwealth and which have operated successfully for well over twenty years.

I note that a Government amendment was made in the other place to Schedule 2 of the bill to provide that existing staff of members of Parliament retain their existing rights with respect to the period of notice of termination and severance pay, as well as leave.

CONCLUSION

As I have said, these reforms will create a more professional public service, operating along best-practice lines, such as one would find in the most innovative, effective public sector, private sector and non-government organisations in the world.

It will also equip our NSW Public Service to meet the needs and expectations of individuals, businesses, families, customers and taxpayers, in an increasingly competitive global economy.

This State is the biggest employer in the country, and taxpayers expend more than \$60 billion a year on NSW public services. We owe it to taxpayers to ensure it is the best it can be.

As the service needs of our civic domain change, what will matter is the shape, not the size, of government, and the outcomes it delivers for citizens and customers.

We want an innovative, professional and accountable public sector which encourages and rewards performance, delivers the best possible frontline services for local communities, and creates the most competitive landscape for investors and economic growth in NSW.

The Government is proud of the achievements of our NSW public service, and the NSW Government is determined to give our public service executive the tools it needs to continue to develop its strengths and capabilities to serve our community.

I commend the bills to the House.

The Hon. ADAM SEARLE (Deputy Leader of the Opposition) [7.52 p.m.]: I lead for the Opposition on the Government Sector Employment Bill 2013 and the Members of Parliament Staff Bill 2013. Labor opposes both bills. In February this year the New South Wales Government accepted recommendations made by the Public Service Commissioner to rewrite the Public Sector Employment and Management Act, and similar recommendations were made in the New South Wales Commission of Audit released in January 2012. The current legislation provides for a number of employment structures, including the Government Service and the Public Service.

The Government Sector Employment Bill seeks to simplify the structure by establishing only two employment structures: the government sector and the public service. Under the new framework the public service would consist of those persons who are employed by the government in the service of the Crown. All public servants, including senior executives, will be employed at a classification and assigned to a role, rather than a position, within their relevant agencies. Under this legislation it will be possible to reassign employees to a different role at the same classification anywhere in the department or agency with or without their consent.

The Government Sector Employment Bill will define the government sector as the public service, the teaching service, the NSW Police Force, the NSW Health Service, the transport service and any other service of the Crown. It will include the service of any other person or body constituted by or under an Act or exercising a public function, such as a State-owned corporation. It is a wide definition and it will have a widespread effect on public sector employment. That the Senior Executive Service will absorb the current chief executive service as well as the Senior Executive Service is a significant change. It also will potentially cover award-based executives with the new public service executive arrangements. The bill will provide for senior executives to be employed on continuing contracts—that is, not term contracts. This will not afford them any permanency of employment, because under the termination provisions for senior executives in this legislation their employment is able to be terminated for any reason or, indeed, for no reason at all. That is a significant change for many persons who will be covered by the legislation.

A key feature of the bill is not only to simplify the statutory arrangements but also to move much of the substance and detail of public sector employment out of the legislation and into regulations and what are termed the public sector employment rules, which will be made by the Public Service Commissioner. These rules will not take the form of regulations and they will not be disallowable by the Parliament. In fact, they will not be subject to any parliamentary scrutiny or oversight. That diminishes the role of Parliament in overseeing the administration of the public sector in New South Wales.

The bill also will remove statutory protections for merit selection. Section 18, which is the requirement to advertise positions, and section 19, which is the requirement for merit appointment, of the existing Public Sector Employment and Management Act are removed and no similar provisions are in the bill. The bill also will abolish promotional appeals, which will remove the last remaining independent review mechanism for merit appointments in New South Wales. On any analysis, that is a significant step backwards. In particular, section 21 of the current Public Sector Employment and Management Act, which provides a right of appeal to the Industrial Relations Commission against promotions, is not in this legislation.

As I indicated earlier, the new government employment sector will entail virtually all New South Wales government employees other than those who are, for example, employed by State-owned corporations or who will be covered by the cognate bill, the Members of Parliament Staff Bill. The bill represents a significant rewriting of public sector employment laws. Much of the bill condenses and modernises existing laws and practices; however, it contains significant provisions which, if enacted, would constitute a far-reaching erosion of the rights and protections now enjoyed by the public sector workforce.

The new provisions include some that are clearly designed to permit the extension of individual contracts to lower ranks in the public service. We anticipate that those public sector employees who are employed above grade 12 but below the Senior Executive Service are the clear targets of this provision. They are the statutory officer class of persons who, while being senior public sector employees, are still covered by awards and have rights against unfair dismissal and the right to claim a range of award entitlements and benefits, including the right to family friendly work practices. We apprehend that under this legislation those persons will

be brought into the new executive service provided for in the bill. Under the arrangements in the bill they need not be given any additional remuneration but they will lose most of their existing industrial rights. We see this as a retrograde step for some 3,000 employees in the New South Wales greater public sector.

The bill also would permit the Minister to make determinations to set bands within which the new executive service will be employed. That is found in clause 35. But there is no restriction on how these would be described or set. Falling within a band would remove a person from award coverage and remove their existing unfair dismissal and other statutory rights as provided for by clause 58. Although similar provisions are in the existing legislation, we must not only look at the provision itself; we must also look at the setting in which the provision is found and will operate. Of course, during the term of this Government we have already seen the slashing of some 15,000 public sector jobs, and the Government has crowed that there are no limitations on further cuts to the public sector workforce. That is a significant departure from the Government's pre-election commitment that there would be, to quote the now Premier, "more public servants, not less".

The Hon. Walt Secord: Not our Premier; that Premier.

The Hon. ADAM SEARLE: So far this Government has slashed 15,000 public sector service positions. Who knows how many are still to come. The fact that the Government will have the power to set the bands within which the new executive service will operate means that it will be putting employees on lower levels of the existing public service on individual contracts and their employment will be able to be terminated for any reason or for no reason at all.

The Hon. Walt Secord: At a whim.

The Hon. ADAM SEARLE: At a whim. It means that those persons will have absolutely no employment security at all, which can only increase fear and apprehension in the public sector at senior levels. It will enable the Government to extend political control of the public service apparatus to reduce the public service from being servants of the wider public interest and public good to being servants merely of the government of the day. That, of course, is another retrograde step. The bill also will end a person holding a specific job or a specific position. People will be employed within a classification or in a band. Indeed, even non-executive public servants will be employed within a classification and will be able to be moved or deployed to any function within an agency at that level. That means that employees will not have a position to call their own, which also will undermine security of employment. Certainly, the Opposition apprehends that at some point in the near future that will have an impact on circumstances in which a person would be regarded as redundant.

A redundancy occurs when an employer no longer wishes an employee to perform a specific job. This bill proposes that there will be no specific jobs, everyone just fulfils a role and people can be moved around to any place in an agency within New South Wales. When a person's working conditions and the content of their duties are eroded, or they are moved from one location to another and given different and meaningless roles and functions in an attempt to force them to resign or to encourage them to seek employment elsewhere, under the current legislation such a person could regard their employment as having been made redundant. But, because of the very different concepts and settings that would be created by this legislation, people will be very hard pressed to claim to be redundant. The public service agency and its head can stick them in any location and ask them to fulfil any function—even a completely different function—so long as the function is allocated to their classification and their level.

As I indicated, the bill also will permit termination for any or no reason at all. Current senior executives whose employment is terminated would be paid a packaged determined by the Statutory and Other Officers Remuneration Tribunal. A separation package for a Senior Executive Service officer can be determined to be up to 38 weeks pay. Clause 41 (2) of the bill states:

A Public Service senior executive whose employment is ... terminated is entitled to the compensation provided in the contract of employment of the executive (and to no other compensation or entitlement for the termination of employment).

That provision means that their only rights are those in their employment contract, even if it simply states that they are entitled to one week's notice or four weeks' notice or one week's pay. Other provisions in the bill—for example, clause 39—provide machinery for standard form contract and model clauses. Clause 39 (3) states in part:

The government sector employment rules may prescribe model contracts of employment and may specify any model provisions ...

There is no mechanism or architecture in the legislation to provide for any fair entitlement to, for example, employee bargaining. The model contracts and model clauses could well, and probably will, be provided on a take-it-or-leave-it basis. What if the employment separation provisions, the notice provisions and the termination provisions for payment are nugatory or at such a ridiculously low level that there will be no opportunity or possibility for a terminated senior executive to make a challenge or to obtain any sensible or appropriate separation remuneration? They will be limited to the provisions in the contract, if anything. That hardly seems a fair measure or a measure that is designed to encourage any amount of comfort in the wider public sector, particularly for those who will be directly affected.

The machinery for standard form contracts and model clauses is John Howard's Australian workplace agreements, but without even any pretence of bargaining. There is no requirement imposed on the employer to bargain in good faith. There is no requirement to bargain at all, or even to enter into any kind of discussion or meaningful negotiations. The Public Service Commissioner will be able to promulgate those standard clauses and people will have to take it or leave it, even if—for example, in the case of senior officers—they are currently covered by an award. They will be tipped out of the award and into the executive service, and all they will get is whatever the Government chooses to give them in an employment contract. The inequality of bargaining power between an individual employee and the Government of New South Wales is apparent for all to see.

The Hon. Dr Peter Phelps: Then how did the Gillard Government and Rudd Government manage a comparable system federally?

The Hon. ADAM SEARLE: I do not believe they did. For the rest of the public service it also ends employment in any particular job or position. As I indicated, employment will be in a classification of work that is decided by the head of the agency and a public servant will be able to be assigned with or without their agreement to any role in the classification of work, as provided in clauses 45 and 46 of the bill. Clause 47 has new provisions for termination of employment on specified grounds, and that will be significantly different to the current situation. For example, it expands the grounds for termination. Under this bill employees will be able to be terminated for failing "to meet a condition of engagement as an employee imposed under section 44", but the actual conditions of engagement are not specified. Employees will be able to be terminated if "the performance of the employee is determined under section 68 to be unsatisfactory", but only under the subsequent government sector employment rules that deal with unsatisfactory performance—which of course we have not seen yet. Presumably they are in the process of being developed.

Government sector employment rules that deal with unsatisfactory performance are being developed in the course of the promulgation of the government sector employment rules generally, which will not be able to be scrutinised and disallowed by the Parliament. It is the ultimate Henry VIII clause in terms of conditions of employment for public sector workers. I do not say that to cast aspersions on the Public Service Commissioner; I simply say that the institutional arrangements created by this legislation are far from satisfactory and are all one-sided.

The Hon. Dr Peter Phelps: You want us to regulate it. You're kidding, aren't you?

The Hon. ADAM SEARLE: No, I do not wish this Parliament to regulate the minutiae of working relationships. The point is that so much of the content of what is in the current legislation is being shipped off into these new and unseen government sector rules. The Parliament, when it made the existing legislation, was able to scrutinise that legislation and was able to scrutinise the architecture that governs public sector employment. In this bill so much of that level of detail is not seen and is being shipped off to be dealt with later in a way that is not able to be scrutinised by the Parliament. In my submission, that creates a democratic deficit, which is not good. In addition, clauses 50 and 51 in part 4, division 6 of the bill set out new industrial relations machinery functions that make the head of the Treasury the public sector employer.

Clause 52 of the bill confers complete autonomy on the head of Treasury in deciding conditions of employment and dealing with an industrial dispute. Clause 53 empowers the head of Treasury to set conditions of employment. Clause 52 of the bill is very similar to existing section 130, although section 130 (2) is a little differently configured. Section 130 (2) of the Public Sector Employment and Management Act 2002 empowers the current director general to fix conditions of employment, but that is subject to circumstances in which the conditions of employment are fixed under another law. That obviously would include the Industrial Relations Act.

As I said, proposed section 52 (2) is not as clear because a determination made by the Industrial Relations Secretary would only have to give way if it is inconsistent with this Act, a State industrial instrument or any other law. The inclusion of a State industrial instrument obviously means an instrument made by the Industrial Relations Commission, and there are other provisions in the bill which make it clear that the Industrial Relations Act is not intended to be affected in its operation. However, I am sufficiently concerned about the ambiguity in proposed section 52 (2) that I will be proposing an amendment that clarifies that language to make it more consistent with the legislation currently in place and makes it clear that in fixing conditions of employment the Industrial Relations Secretary's power is limited or is subject to conditions of employment being fixed under another law. That is notwithstanding the existence of clauses 79 and 85, which critically say that this Act does not affect the operation of the Industrial Relations Act. I want to make it abundantly clear that there is no intention of reducing the rights to industrial arbitration for workers to be covered by this legislation.

Again, under this legislation the government of the day will not have any input into the Industrial Relations Secretary resolving industrial disputes. That is an existing provision. Also, the person holding that office will not be able to be subject to any political direction or control, which is the current provision. Our concern is that with this provision in the new setting and new circumstances there is a significant risk of the holder of that office deciding matters in a way that is different to the way matters have been resolved in the past. There is a huge psychological difference in having the head of Treasury, effectively, as the public sector employer compared with, for example, the Director General of the Department of Premier and Cabinet. The psychological and mindset switch is so clear and so far-reaching that we are very concerned it may herald the arrival of a completely different approach to resolving industrial disputes. We may have to reconsider whether the provision that recreates the current provision is appropriate to be included in the new legislation. In relation to that, we may move an amendment depending on the tone of debate and any assurances the Government is prepared to provide.

The legislation is bad in that it enhances opportunities for political control of the public sector. Protections against termination have been reduced. Indeed, the independence of the public sector has been significantly diminished by the fact that people will no longer hold positions; they will have roles. For the executive service—although there will be the possibility of ongoing employment, that is, employment not limited by term—the rights upon termination have been so seriously eroded as to be almost non-existent. Again, over time that will affect the quality and frankness of the advice the government of the day will receive from the upper echelons of the public sector. Those who give advice that the government of the day finds inconvenient or difficult face insecurity and uncertainty in their employment.

The Hon. Dr Peter Phelps: That is completely disproved by the Federal system.

The Hon. ADAM SEARLE: The fact that similar provisions may be in place in Victoria or federally does not mean if transplanted to New South Wales they will operate in a politically neutral fashion. In fact, the Government, in its approach to its public sector, has made it clear that the intention is otherwise. The Government places much reliance on the public sector employment rules in this legislation, which can be changed at any time by the Public Service Commissioner and without any scrutiny by Parliament. We believe this is a retrograde step and we will move amendments that will seek to translate those instruments into proper delegated legislation which can be scrutinised and disallowed by Parliament. I will have more to say about this legislation at the Committee stage.

The Members of Parliament Staff Bill 2013, which is cognate with the Government Sector Employment Bill 2013, creates separate employment legislation for the staff of political officeholders, including staff of Ministers and members of Parliament. Again, we consider that this legislation is also misconceived and a retrograde step. Under the bill political officeholders will be authorised to employ their own staff and members of Parliament will be authorised to employ staff to assist them in their electorate and parliamentary duties. The bill makes it clear that the member, on behalf of the State, is to be the employer. The Parliamentary Remuneration Tribunal is to determine the number of staff each member is to employ, although members who hold specified offices provided for in schedule 1 will be entitled to employ additional staff. The contents of the staff's industrial rights, which I believe are currently covered by an award made by the Industrial Relations Commission, will be set out in a contract of employment between staff and their employing member or other officeholder and must be in terms of the model contract approved by the relevant Presiding Officer.

Again, because of the timing of this legislation, my understanding is that the Presiding Officers have not determined that contract. Therefore, much of the content of the rights of staff of members of Parliament is simply not known; a blank cheque is to be given. Currently the content of their employment rights is set out in

an award made by the Industrial Relations Commission on the basis of evidence and in accordance with the dictates of fairness. By abolishing that award and saying that all these employment conditions will be set by some policy or some model contract that is not appended to the bill or circulated is a great leap of faith not in the Presiding Officers but in any document that may be presented to them to sign in the days and weeks to come. It also will mean that Ministers, rather than the Department of Premier and Cabinet, will become employers of their own staff.

In the other place there was debate about the Department of Premier and Cabinet code of conduct, which currently applies also to ministerial staff. Ministerial staff will no longer be covered by that code of conduct. It covers matters such as ethical decision-making, conflicts of interest, information protection and public comment and a whole range of other important safeguards developed in the public interest, including real or perceived conflicts of interest. Members will be interested to remember that in March 2013 Peter Grimshaw, a former communications director of the now Premier, was investigated for breaches of the code of conduct by the head of the Department of Premier and Cabinet, Chris Eccles. Mr Grimshaw was accused of breaching numerous provisions of the code, including real or perceived conflicts of interest in that an employee could be influenced or perceived to be influenced by a person of interest when performing their official duties.

In March 2013 Mr Eccles found that Mr Grimshaw had breached the confidentiality of information section of the code of conduct by forwarding an email from the Premier to an unauthorised person. It was recommended that Mr Grimshaw be terminated or given a first and final warning. As members know, Mr Grimshaw subsequently resigned. If this bill had been in place before the Star casino affair Mr Grimshaw would not have been required to adhere to the code and there would have been no grounds to investigate his conduct. No action would have been taken. It is quite clear that the motivation of this Government is to protect itself from having ministerial staff being held to the highest standards of integrity required by the Department of Premier and Cabinet code of conduct.

In the other place Minister Hazzard said that under this legislation a new code of conduct will be promulgated that will cover ministerial staff. That may well be but we have no idea as to the content or the standards of integrity that will be required of ministerial staff. We know the content of the Department of Premier and Cabinet code of conduct. Ministerial staff should be required to adhere if not to that code specifically then to the high ethical standards required in that code. In the absence of a commitment from the Government as to what is the code of conduct, what its content will be or what standards will be applied to ministerial staff, we will move an amendment that requires ministerial staff to continue to be subject to the Department of Premier and Cabinet code of conduct. We will not contemplate a free pass for ministerial staff to engage in unethical behaviour without consequences.

Other concerns have been brought to our attention by existing staff. It seems that the bill will reverse employer arrangements recommended by the report of the independent inquiry into matters relating to the resignation in October 1994 of former Minister for Police Terence Allan Griffiths. I will not rehash the details of that sorry saga, but on 27 June 1994 the then Minister for Police, Mr Griffiths, resigned after complaints were made by four female employees. In July 1994 then Premier Fahey established an independent inquiry headed by Carmel Niland.

The inquiry found that the Minister had made employment decisions relating to his female staff and staffing arrangements on the basis of considerations other than merit; that there was a lack of accountability of the Minister as an employer, either through the legal system or through management systems; that Ministers and their chiefs of staff may not be experienced managers and the management of people in a Minister's office may not receive adequate attention; and that Ministers' offices needed professional and proactive assistance so that best-practice management was an achievable goal. Ms Niland recommended, and the then Government accepted, that a special unit in the Premier's department be established to assist the Premier in his role as an employer of ministerial staff. This bill reverses those arrangements, which have been in place satisfactorily for a long time. Clearly, that is another retrograde step.

DEPUTY-PRESIDENT (The Hon. Sarah Mitchell): Order! The Hon. Dr Peter Phelps will stop interjecting.

The Hon. ADAM SEARLE: The bill provides Ministers and individual members of Parliament with the power to employ staff. This legislation will subject them to additional and more onerous requirements and potential exposure to other forms of litigation. It also puts Ministers, members of Parliament and their staff into potentially dangerous territory. Ms Niland recognised that Ministers and their staff may not have the human

resources skills necessary for an employer. One could envisage that a member of Parliament who is not a Minister would be even less skilled. This places the whole burden of employer unfairly on the Minister or member of Parliament and exposes the Minister or the member, as well as their staff, to potentially dangerous situations.

The Government will tell us that the Parliament will continue to provide the human resources support that is currently provided. We also will be told, no doubt, that the Department of Premier and Cabinet will continue to provide assistance to Ministers. But the psychology of a direct employment relationship will make it difficult for Ministers and members of Parliament to access any support and assistance available. Of course, it will be disempowering for staff because they will know that the relevant Minister or member is their employer. They will not necessarily be aware of their ability to access support services provided by the Parliament or the Department of Premier and Cabinet. This will seriously erode their rights and, as I said, place Ministers, members and staff in potentially dangerous situations.

It is a matter of particular concern that because hiring and termination will be facilitated much more easily, which we apprehend is a key function of this bill, members will be able to dispose more easily of staff who they find are inconvenient or unsuitable for one reason or another. A great deal of importance then falls on the termination provisions and the rights of staff on termination of employment. Currently those termination rights are clearly spelled out in an award made by the Industrial Relations Commission. Under this legislation the jurisdiction of the commission will be removed. The commission will not be able to make further awards. Staff of a member of Parliament whose employment is terminated will not be able to challenge that termination in the Industrial Relations Commission. I refer, for example, to clause 26 (1) (b). Ministerial staff do not have that right, which is appropriate at an executive level. But for staff of members of Parliament it is a significant erosion of their current industrial rights.

Clause 26 (4) of the bill will extinguish all employment instruments that are in force prior to enactment. What will be the rights upon termination of employment? Again we have to fall back on the model contract or the policies to be promulgated by the Presiding Officers, but those model contracts are not before us. We do not know what they will contain. We do not know what will be the rights of future staff. In fact, the bill does not preserve the rights of existing staff members, despite a professed intention to do so and a ham-fisted attempt by the Government in the lower House to make an amendment to the bill.

Mr David Shoebridge: Point of order: The Government Whip continues to make angry interjections, which are disorderly and are disrupting this member's contribution to the House.

DEPUTY-PRESIDENT (The Hon. Sarah Mitchell): Order! I uphold the point of order and remind the Government Whip that interjections are disorderly at all times.

The Hon. ADAM SEARLE: The bill abolishes severance payments, including when a member of Parliament loses his or her seat. It replaces the current arrangements in the Public Sector Employment Management Act for special temporary staff of members and Ministers. At the very least the legislation should allow existing staff of members of Parliament to retain not only their existing rights on termination but their existing rights to accrue entitlements. The Government did not do include that when it amended the bill in the other place. The Opposition will move an amendment that achieves this objective, among others. It is grossly unfair to not allow existing employees to keep the entitlements they have already worked for. Further, to amend the legislation to state that employees will retain any entitlements accrued to date but will not continue to accrue entitlements pursuant to the conditions under which they were employed is also unfair. We will be moving an amendment to deal with that circumstance.

I could say much more on the myriad imperfections of the Government Sector Employment Bill and the Members of Parliament Staff Bill and the retrograde and plain unfair provisions being proposed which will seriously erode the working conditions and rights of hardworking members of our community. I will save my further contribution for the Committee stage should the bill pass the second reading vote. As I have indicated, the Labor Opposition will oppose outright both pieces of legislation. I conclude on a matter of some controversy. The Government Sector Employment Bill at least arguably abolishes the tenure currently enjoyed by public defenders, Crown prosecutors, the Director of Public Prosecutions and other office holders of an independent nature. On one reading, the bill replicates certain provisions that exist already in the Public Sector Employment and Management Act. Arguably, if this bill is enacted and is the successor Act its provisions will have the same meaning as the existing provisions. It may be that the provisions that give tenure for those office holders will not be eroded or impacted by this bill. However, in my mind there is some lack of clarity.

Mr David Shoebridge: Take a look at section 68 (3).

The Hon. ADAM SEARLE: Section 68 (3) of the Interpretation Act provides that a reference to an Act that is repealed or re-enacted with or without modification extends to the corresponding provision of the re-enacted Act or the re-made instrument. That means if it has a certain meaning that is accepted now, which the provisions in chapter 5 of the Public Sector Employment and Management Act 2002 do, in terms of not overriding the tenure enjoyed by those office holders I have identified—

Mr David Shoebridge: To the extent they are not excluded by the bill.

The Hon. ADAM SEARLE: I acknowledge that interjection. To that extent the tenure and independence of those bodies will not be affected by this bill. I have some doubts as to whether it is as clear as that. It may not be an intention of the Government to undermine the integrity and independence of public defenders and Crown prosecutors who operate in a highly emotional and politically charged environment from time to time.

Mr David Shoebridge: And prosecutors.

The Hon. ADAM SEARLE: And prosecutors, including the Director of Public Prosecutions. A situation where their employment or tenure is able to be ended for any reason or no reason at all as provided for in this bill is not acceptable. It probably was not the intention of this Government to do that, but it is not clear to me that that consequence is avoided by the Interpretation Act and the re-enactment of existing provisions. This bill is arguably broader than the Public Sector Employment and Management Act 2002 and may not be strictly the successor bill. The Opposition has a limited series of amendments that put beyond any shadow of a doubt the tenure of those independent office holders, who are crucial to the proper and independent administration of justice in this State. I ask all members to look favourably upon those amendments if nothing else.

Mr DAVID SHOEBRIDGE [8.32 p.m.]: On behalf of The Greens I speak to the Government Sector Employment Bill 2013. I note that my colleague Dr John Kaye will speak to the cognate bill, the Members of Parliament Staff Bill 2013. The Greens oppose both bills and view them as a substantial attack on the employment rights and the security of public servants. I will address my remarks explicitly to the Government Sector Employment Bill 2013. When introducing this bill the Government stated that it is a modernisation, a tidying up and a clarification process that will make the New South Wales public sector more like the Commonwealth public sector: it stated that there is nothing to worry about. When one looks at the detail of the bill and, more importantly, what is missing from this bill, one sees it is clear that what is intended here is a deep politicisation of the public sector.

This bill has the potential, through changes to the Senior Executive Service, to turn the public service from an organ of the people that provides frank and fearless advice to politicians into a political tool of the government of the day. It will remove essential protections such as security of employment, protection from arbitrary termination, clear merit reviews, clear employment conditions established through the Industrial Relations Commission and statutory rights that currently exist. Rafts of those protections will be lost, and with the loss of those protections is the loss of security for public servants to stand up to the government of the day and offer the unwelcome advice or write the memorandum that finds its way to a Minister's desk that points out errors in Government policy.

The intent of this bill is to cow the public service by removing its rights and, therefore, remove any contrary voice to policies of the government of the day regardless of the political merits of those policies. The bill defines the "government sector" as potentially applying to the public service, teaching service, NSW Police Force, NSW Health, transport service and any other service of the Crown and the persons or bodies prescribed by regulations. Clause 22 of the bill states that the great bulk of this legislation will apply to those employed in public service agencies, departments, public service executive agencies or separate public service agencies as will be set out in schedule 1 of the proposed Act. At the moment schedule 1 of the proposed Act is blank.

I do not critique that aspect of the Government; it has always been an executive role of the Government to determine which bodies are part of the public service as defined and not. The allocation of public servants within agencies is a role of the executive. On any view the Government Sector Employment Bill 2013 has broad-ranging ramifications. The Government says that the existing ethical framework for the government

sector is substantially maintained and suggests it has even been tightened. That may be true on a theoretical reading of certain elements of the bill. When one compares that statement with the increased rights to terminate employees, the lack of employment protection, the removal of the independent arbiter in the form of the Industrial Relations Commission for both employment protections and for appeal and merit rights, one sees that it is clear that despite the rhetoric of the Government this bill will substantially hamper the ethical operation of the government sector.

I refer specifically to the Government Sector Employment Rules, which are an animal of this bill and created under clause 36. The bill provides that those rules can deal with any matter relating to the employment of the public service senior executive, including work level standards and methods for job evaluation. The rules can be decided and implemented by the Minister and notified by gazette. They are not subject to any parliamentary review. They are, in fact, an animal of the Executive. From time to time the Minister can make, amend or entirely remove the rules as he or she sees fit. That aspect of the bill is a matter of enormous concern to, amongst other organisations, the Public Service Association of New South Wales. For months the Public Service Association has been asking for the Government to provide it with a draft copy of the rules, showing the content of the rules and the intent of the Government. There has been silence from the Government about the content of the rules. The biggest stakeholders, apart from the seven million-odd residents of New South Wales, are the public servants who will be subject to the changes.

The Government does not have the decency to even show a draft set of principles to the Public Service Association as to what the employment rules will be. When we couple that secrecy with the fact that the rules are not subject to review in this House we are left with a situation where these rules will be entirely a creature of the executive, subject to change at whim. But they will also, because of the manner in which they are created, not be enforceable in any tribunal. Unlike the current statutory protections in the Public Sector Employment and Management Act 2002, the rules will not be enforceable in the Industrial Relations Commission or any court in this land. As the Public Service Association stated in a submission made to all members of Parliament:

The government sector employment rules do not appear to be enforceable in any way through traditional legal channels. Any rights, benefits or duties specified in these government sector employment rules will be enforced by the Public Service Commission, which is under-resourced for the task.

Government sector employment rules can be changed at any time by the Public Service Commissioner. There is far less certainty about the matters dealt with by these provisions than if the matters in question were enshrined in Acts or Awards.

I endorse those concerns on behalf of The Greens. The Public Service Association is not the only organisation that has concerns about the rules. I refer to correspondence dated 12 June 2013 that was sent by the United Services Union to the Hon. Michael Gallacher, amongst others, which stated:

The USU is concerned that the Government Sector Employment Rules, which will cover a broad range of important issues such as the process for performance management and the procedural requirements for dealing with misconduct, will be created by the Public Sector Commissioner and will not be subject to legislative review. Will relevant unions be consulted with when the Government Sector Employment Rules are being created?

Again there is silence from the Government. A key protection that the Government says is in this legislation, first, has no statutory weight, second, is not subject to any independent third party scrutiny and, third, has not even been negotiated with the key unions and stakeholders that will be most affected by it. Another matter of particular concern in the bill is the moving of all positions to what the legislation describes as "roles", meaning that a person is no longer attached to a specific job. People can be moved around more or less at will by the executive or department head. There is also a move with the removal of existing section 7 (3) of the Public Sector Employment and Management Act towards changing the basic assumption that the usual basis of employment is on a permanent basis. There are phrases such as "ongoing employment" and "an ongoing role". We are losing that security of employment, that certainty of employment that public servants currently have. In its submission the Public Service Association states:

The Bill abolishes the concept of 'officers' holding a defined 'position' and replaces it with the vague concept of 'role'. This removes the security of tenure for public servants. Employees will be assigned by the agency head to any role within their classification and thereafter may be reassigned. This change also raises concerns about the ability of agencies to move roles from one location to another.

If the same role for WorkCover could be performed in Gosford or Sydney, or could be moved to Port Kembla or to Orange, under this new statutory framework it would be expected that the employee would move with it, regardless of his or her family connections, whether he or she may have purchased a house, or the impact on his

or her personal or professional life. Therefore, the move to the concept of role away from the concept of a set position substantially undermines the security of employment for all public servants in New South Wales. The Public Service Association submission—and I accept and adopt its analysis—further stated:

The detailed provisions that regulate the use of casual and temporary staff have also been removed. The Bill specifies that employees can be engaged for a temporary purpose but lacks specifics about what that means.

If this legislation passes we will see more and more temporary employees, people who do not have long-term security. When they turn up to the bank and say they have a job in the New South Wales public service the bank will ask, "Are you temporary or ongoing?" When they disclose that they have temporary employment with a three-month or six-month rolling contract, sadly the bank will refuse them credit on the basis that they cannot prove they have sufficient job security to pay the mortgage. This has a real impact on working people but the Government does not seem to be concerned about that.

The Government Sector Employment Bill removes existing protections for merit selection by removing those existing requirements to advertise positions broadly and removes the current obligation for engagement to be made on the basis of merit. Why would the Government remove the current obligation to select on the basis of merit or the obligation to broadly advertise positions? The only reason would be if it already knew the person to be engaged; basically a mate or an acquaintance who it thought might do the job.

The Hon. Walt Secord: M-a-a-te, m-a-a-te.

Mr DAVID SHOEBRIDGE: It is the mate's provision, absolutely. This new legislative process is one that should be opposed. We should be protecting legislative requirements that ensure appointments are made of the person best suited to the position with the necessary qualifications, not just people with the best connections within government for the job. Again, I note the position put by the Public Service Association on the question of merit. The association stated:

The Bill removes the statutory protections for merit selection. Section 18, the requirement to advertise positions, and section 19, the requirement for merit appointment, of the existing *Public Sector Employment and Management Act 2002* are removed and no similar provisions appear in the new Bill.

Promotional appeals are abolished, thus, removing the last remaining independent review mechanism for merit appointments.

The Government, in its selling of the legislation, states that there are very few promotional appeals currently being lodged and therefore that right can be removed. The problem is that the existence of a right to challenge a promotion or the failure to get a promotion and hold the decision-maker to independent third party scrutiny maintains the integrity in the promotion process in the public service. The fact that a poorly made, unmeritorious decision on promotion can be publicly and openly challenged is one thing that ensures a promotional system has some integrity and is given some sort of rigour. The removal of the right to challenge it removes the rigour and independence in merit selection.

The Government Sector Employment Bill removes many of the current protections for terminations of employees, allowing more and more public servants to be terminated at will, seemingly in circumstances where their advice is not well received or where their independence may somehow become a problem to the Government. This means that rather than being able and willing to provide that frank and fearless advice to the Government, public servants will increasingly be required to toe the Government line. If they do not, they run the risk of losing their jobs. Again the Public Service Association noted:

The Bill removes legislative protections contained in the Managing Conduct and Performance sections of the existing *Public Sector Employment and Management Act 2002* and expands the grounds for termination in section 47. Under the new Bill, employees can be terminated for failing to meet the conditions of engagement as imposed by the proposed section 44. The actual conditions of engagement are not specified.

Employees can be terminated for lacking or losing an essential qualification for performing duties of the assigned role. In addition, employees can be terminated if their performance is determined to be unsatisfactory in accordance with section 68 and the subsequent government sector rules dealing with unsatisfactory performance—

We have not seen any of those rules and none of them are set out in this statute. The Public Service Association further noted:

Termination of ongoing employment can occur if the employee has abandoned their employment. The Bill does not expand on this ground for termination.

We have very wide-ranging grounds for termination, very little guidance and a substantial reduction in employment protection. The bill seeks to reduce the jurisdiction of the Industrial Relations Commission for much of its current oversight of the public service. Whenever the Government tries to do that, it is certainly an indicator that it does not want independent third party scrutiny. Again I note that the Public Service Association has made clear its views as follows:

The Bill facilitates removal of access to the Industrial Relations Commission and Award system for the senior officers who are currently covered by an award.

The proposed section 35 gives the Minister power to make senior executive bands determination from time to time. These determinations will set the salary range of senior executives. This range may be lowered to enable positions below the current senior officer grade ... to be moved on to contract employment. As a consequence senior executives on contract are barred from access to the Industrial Relations Commission and the award system.

As the Public Service Association clearly states in its submission, no case has been made out for why these award entitlements should be removed from these senior members of the public service or why they should not have access to the Industrial Relations Commission. This diminishes the role of the independent tribunal and diminishes the employment protection of those senior public servants. We want the senior public servants, every bit as much as the technical staff working under them, to be standing up to the government of the day, making the tough judgement calls and holding its policies to account within the public service. Again, the Government seeks to remove those rights.

At the end of his contribution the Hon. Adam Searle made reference to the fact that a number of statutory officer positions potentially face the loss of their statutory protections for independence. Those positions include the Director of Public Prosecutions, other senior officers in the Office of the Director of Public Prosecutions, the Public Defender, the Crown Advocate and others. There is an argument for all of those positions that their statutory protections are grandfathered for an interpretation of section 68 (3) of the Interpretations Act. It is a difficult argument and it is a matter on which I would be pleased to hear the Government's confirmation that it intends the existing statutory protections to those key independent officers, such as the Director of Public Prosecutions, that exist in the Director of Public Prosecutions Act to remain in place and that they will not be allowed to be terminated under the capricious will of a government of the day for no reason and with no notice. One officer we know who is not given that protection is the Independent Review Officer. The Greens will be moving amendments in that regard and I will be speaking to those amendments at the Committee stage. I request that under Standing Order 139 the question on the bills be put separately. In addition, I move:

- (1) That the question on the Government Sector Employment Bill 2013 be amended by omitting "be now read a second time" and inserting instead "be referred to General Purpose Standing Committee No. 1 for inquiry and report, and in particular the impact of the proposed changes on public sector workers in New South Wales, including:
 - (a) merit selection,
 - (b) security of employment,
 - (c) access to long service leave and other benefits,
 - (d) political independence of public servants,
 - (e) the impact of the removal of the jurisdiction of the Industrial Relations Commission, and
 - (f) any other related matter
- (2) That the committee report by Tuesday 20 August 2013.

The Greens oppose the Government Sector Employment Bill 2013 and the cognate bill, the Members of Parliament Staff Bill 2013, for the very simple reason that they seek to politicise the public service. [*Time expired.*]

The Hon. PETER PRIMROSE [8.52 p.m.]: I speak in debate on the Government Sector Employment Bill 2013, which is cognate with the Members of Parliament Staff Bill 2013. I oppose both bills. In his second reading speech the Premier said that these bills were necessary to "modernise" the public service. But for the O'Farrell Government the word "modernise" simply means cutting the working conditions and protections of public sector workers. Labor has no problem with updating processes in the New South Wales public service to ensure that the highest levels of integrity, accountability and performance are attained, but many parts of these bills do the opposite and allow the O'Farrell Government to continue its attack on the New South Wales public sector and on those who rely on those services.

The Government Sector Employment Bill 2013 repeals the Public Sector Employment and Management Act 2002. The bill proposes two employment classifications, down from the present four: the public service and the government sector. But in doing so the bill moves approximately 3,000 award-based employees onto a new contract-based senior executive structure. Currently public servants up to grade 11/12 and the senior officer grades are covered by award conditions as well as protections from unfair dismissal. Under this bill the Premier will have discretion to set "bands" within which a person would be employed. That means that no longer will anyone be employed in a specific job or position but in a band, within which they can serve in any type of role.

Nearly 3,000 senior officers and other staff will lose their award coverage and unfair dismissal rights, thanks to Mr O'Farrell. Under clause 35 the Premier will determine the bands in which senior executives are to be employed. This power could be used to pull many more public sector workers into this new category. For instance, employees at grade 11/12 level could be next. All the Premier has to do is publish the changes on the New South Wales legislation website.

Another serious concern is the Government Sector Employment Rules. These rules are yet to be written and will never come before the Parliament, so they can never be disallowed by the Parliament, but they will set the parameters for all senior executive contracts, performance evaluations and procedures for assignment. For non-executives the rules will govern recruitment, including merit selection, conditions of engagement, termination procedures and the process for managing employees regarded as being excess. The rules will also deal with the procedural requirements for dealing with unsatisfactory performance which can lead to dismissal. Yet these rules have not been provided to anyone in this House. It is farcical that this legislation can be brought before the House without details of what is in this vital procedural instrument which will so massively impact the working lives of 300,000 public sector workers.

I am also concerned by the Government's changes to the employment arrangements of the staff of members of Parliament and political office holders. Currently the staff of political office holders, including those of Ministers and the Leader of the Opposition, are classified as special temporary employees of the Department of Premier and Cabinet. The staff of members of Parliament are employed by the relevant Presiding Officer in either Chamber. This bill changes that arrangement, with potentially grim consequences. Under this bill the Government proposes that the political office holder will function, under contract, as the employer of the staff in his or her office. The terms and conditions will be determined by the Premier. That means that members of Parliament will, under contract, be the employer of their staff. I wonder who would welcome changes such as those?

The Hon. Dr Peter Phelps: Bob Hawke.

The Hon. PETER PRIMROSE: It is interesting that throughout this debate the serial interjector, the Government Whip, has been continually interjecting. I can only assume that he does not understand the full implications of this legislation, and that may be because the Minister did not read out his speech in this place. If the Government Whip continues to interject I will ensure that second reading speeches are read out for future bills. Members who want it made easier to sack their staff without recourse and members who want to make it easier to cut conditions will welcome these changes. Those members who sit on the other side of the Chamber are the champions of WorkChoices, but this time they want to enforce it on their own staff.

Electorate staff and the staff of members of the Legislative Council have serious concerns about this bill. They want to know how it will affect their award, redundancy provisions and termination procedures. But of course under this Government they are the last to be consulted. The O'Farrell Government is essentially removing staff from an arm's-length arrangement with either the Department of Premier and Cabinet or the Presiding Officer. It is bringing them in-house and putting a screen around everything that goes on. That is not only detrimental for staff members but also weakens the protection they enjoy against discrimination, harassment and victimisation within the workplace. It is appalling for accountability and the process of public administration in this State.

The bill is a corruption risk in red flashing lights. Take just one concern—that ministerial staff will no longer be covered by the code of conduct of the Department of Premier and Cabinet. The code of conduct defines expected standards of behaviour in areas such as ethical decision-making; conflicts of interest; acceptance of gifts and benefits; outside employment; the use of official resources such as computers and phones; drugs, alcohol and tobacco use; discrimination and harassment; and reporting suspected wrongdoing.

But Premier Barry O'Farrell now wants this bill passed that says to each member of Parliament and to each Minister, "Never mind about the agreed code of conduct; you write your own rules. Anything goes." I quote a section of the code of conduct of the Department of Premier and Cabinet:

Employees are expected to provide advice and reports in a timely and impartial manner. Such advice must be honest, frank, accurate and without material omission, and any limitations on the advice must be made clear.

The code of conduct further states:

Employees must not withhold relevant information from the Government.

I can only begin to guess why the O'Farrell Government wants to get rid of a code of conduct and to introduce legislation that provides that a staff member who knows something or who finds out something that the Minister they are working for should know is under no obligation to advise that Minister. They can be silent, as with the children overboard scandal. If a Minister said that children were thrown overboard from a refugee vessel and the staffer had information to contradict that statement the staffer would be under no ethical obligation to disclose it to the Minister. How can that be positive for good government in New South Wales?

Or imagine that a staffer to the Minister for Police received a leaked report from the police child abuse squad that stated that it was critically understaffed and, as a result, suspected child abusers were not being apprehended. It is politically better for the Minister not to be told, otherwise he or she would have to act on the information. Under this bill Ministers do not have to be told. Getting rid of the code of conduct for ministerial staff is a corruption risk. It is a cover-up risk. It is totally contrary to the concepts of ministerial responsibility under our Westminster tradition.

Let us go back to the shocking case that resulted in staff members being put under the auspices of the Department of Premier and Cabinet in the first place. In 1994 the then Minister for Police, Terry Griffiths, resigned after four female employees took sick leave because of stress and harassment. Subsequently three allegations of sex discrimination, two allegations of victimisation and 37 allegations of sexual harassment were made against the Minister. In July 1994 then Premier John Fahey established an independent inquiry into the affair, which was headed by Carmel Niland. She found that Mr Griffiths made employment decisions about his female staff on the basis of considerations other than merit. She found that there was "lack of accountability of the Minister as an employer either through the legal system or through the management systems." Further, she found that Ministers and their chiefs of staff may not be experienced managers and that Ministers' offices needed professional and proactive assistance to achieve best practice management.

The bill before us contains none of that. It overturns those careful and wise recommendations of Carmel Niland. As philosopher George Santayana said, "Those who cannot remember the past are condemned to repeat it." I urge the Government and all members of this House to remember the past. Do not repeat those mistakes. Oppose these bills.

The Hon. AMANDA FAZIO [9.02 p.m.]: I oppose the Government Sector Employment Bill 2013 and the Members of Parliament Staff Bill 2013. As a number of my colleagues have stated, the Premier said that these bills are necessary to modernise the public service. I do not believe that is true. These bills are only necessary to further politicise the public service in New South Wales. A key thing about both of these bills is that there has been no consultation with employees who will be affected by the bills or with the unions who represent those workers. Some members have referred to correspondence that they have received from the United Services Union and the Public Service Association of New South Wales. I concur with the comments made by these unions. The Public Service Association [PSA] stated that the Government Sector Employment Bill will result in:

The politicisation of the Public Service, impeding "frank and fearless advice."

The abolition of the concept of "Officers" holding a defined "Position" and replaces it with a more nebulous concept of "Role" leading to more insecurity of employment for public sector workers.

The removal of statutory protections for merit based selection for Public Service appointments.

Current senior officers losing tenure, other beneficial conditions and access to the NSW industrial relations jurisdiction.

In a previous life I was a Commonwealth public servant. In fact, I worked there so long ago that at that time seniority applied rather than merit. I can tell members that before the introduction of merit selection there was no incentive for good staff to stay around in the Commonwealth public service, because they had to stay around

for decades and wait for someone to die so that they could get a promotion. There also was no clear way for a supervisor or a manager to select the best person for the job. None of the speeches I have heard or have read given in the other place have contained any justification for getting rid of merit selection. I am forced to agree with some of the members who have spoken in opposition to this bill, saying that abolishing merit selection will simply make it easier to slot people into jobs if a Minister or senior manager wants to put them there but knows that would not be possible under merit selection.

I have had meetings about this legislation with Cassandra Coleman, the senior vice-president of the Public Service Association, and I will raise a few of the issues that she addressed with me. She stated that the Government introduced the Government Sector Employment Bill 2013 on Thursday 23 May. The bill was foreshadowed in the public sector reform announcement made in February this year. Cassandra Coleman also stated that the bill is a comprehensive rewrite of the existing Public Sector Employment and Management Act, which the bill will replace when it is proclaimed. She said that the Public Service Commission is the primary driver behind the reforms and it has advised the Public Service Association that the bill will not come into operation for four to six months.

The bill removes the statutory protections for merit selection. Section 18, the requirement to advertise positions, and section 19, the requirement for merit appointment, of the existing Public Sector Employment and Management Act 2002 are removed and no similar provisions will appear in the new bill. Promotional appeals are abolished, thus removing the last remaining independent review mechanism for merit appointments. Basically, the actions of this bill in relation to merit will entrench cronyism and will mean that talented people who want to get ahead in the public sector will not have any reason to stay in the New South Wales public sector, because their claims to positions will not be fairly considered. They will not have the opportunity to apply for advertised positions, because appointments will be made on the basis of a nod and a wink. The removal of merit-based selection will result in the further politicisation of the public service.

The bill abolishes the concept of officers holding a defined position and, as I said earlier, replaces it with a nebulous concept of role. This removes the security of tenure that public servants had in their positions. Employees will be assigned by the agency head to any role within their classification. The bill removes the requirement at section 7 (3) of the existing Act which stipulates that the usual basis for employment is to be permanent positions. The detailed positions that regulated the use of casual and temporary staff will also be removed. That means that a worker can be transferred from a job in the centre of Sydney to a job in Bourke or Brewarrina or anywhere else if it suits the department to try to get rid of that person.

The bill also expands the grounds for termination and removes the legislative protections contained in the managing conduct and performance sections of the existing Act. People can have their employment terminated for failing to meet the conditions of engagement as imposed by the proposed section 44, but the actual conditions of engagement are not specified in that section. That again shows that this legislation has no transparency. Also, the Government has given no guarantees that it is approaching this in an even-handed or fair-minded way.

The bill fails to remove the termination for no reason cause, and that is the principal mechanism that enables the politicisation of the senior levels of the public service and impedes the provision of frank and fearless advice. As soon as the O'Farrell Government was elected it started parachuting into senior positions its ideologically approved public servants from across the country. The bill also facilitates the removal of access to the Industrial Relations Commission and award system for senior officers who are currently covered by an award. This further diminishes the size of the New South Wales industrial relations jurisdiction.

The bill creates new instruments called government sector employment rules that will set out details that by and large have been taken out of the existing Act. The government sector employment rules do not appear to be enforceable in any way, which means that rights or benefits that flow from those rules will need to be enforced by the Public Service Commission, which is manifestly underresourced for the task. The bill replicates the ethical framework in the existing Act, but proposed section 8 will mean that the Government will not be held to those standards in a court of law. I refer members to the comments made by the Hon. Peter Primrose in relation to past problems that have been redressed: the remedy was incorporated into the current legislation. Those provisions will be repealed by this bill.

For a long time in some ways the public service has been regarded as a model employer for people with disabilities, women and people from an Aboriginal and Torres Strait Islander background. Not one word has been said by any Government member in relation to the impacts of this bill on those categories of employees.

I am quite sure that the Government has not given any consideration to its responsibility as an employer to ensure that it provides employment opportunities, particularly for people with disabilities and people from an Aboriginal and Torres Strait Islander background.

In relation to the Members of Parliament Staff Bill 2013, for a long time I have been of the view that there needs to be some reform of employment arrangements for the staff of members of Parliament. However, I do not believe that the bill represents the proper approach to that reform. In the past we had the problem of the Presiding Officers being nominally, and legally, the employer for everybody who is employed in an electorate office or in the office of a member of the Legislative Council. Particularly in the lower House, that resulted in very poor and unacceptable employment situations arising, resulting in terminations when a staff member has not been fairly dealt with, particularly if he or she has been involved in some form of whistleblower activity. I also believe the stage was reached at which some of the payouts made to staff in those circumstances were overly generous to quieten the problem down before the Presiding Officer—the Speaker in particular—had to deal with the problem and to cover up the transgressions of the members of Parliament involved.

I believe reform is needed in that respect, but it cannot be introduced cognate with the Government Sector Employment Bill without consultation with the relevant unions and current employees. The bill before the House empowers the Presiding Officers to come up with terms and conditions of employment that will apply to the staff of members of Parliament and to ask staff to take a leap of faith and accept moving from award conditions to conditions of employment that will be determined by the Presiding Officers. That is a step too far, especially as there has been no consultation with unions, employees and members of Parliament who could provide some insight into past problems associated with employment arrangements between members of Parliament and their staff. In the absence of consultation with those three groups, the bill should not be supported. All members who are fair-minded, and who have some concept of an independent public service being able to offer accurate advice rather than advice that they think the Ministers of the day want to hear, would not support the Government Sector Employment Bill 2013. I believe the bill should be voted down.

As a fall-back position, the proposal by Mr David Shoebridge of the bill being referred to a committee would be preferable to passing the legislation. Overall, the manner in which the Government has handled the drafting and the introduction of these bills without consultation should result in the bills being rejected outright by this House. I urge all members to do so.

Reverend the Hon. FRED NILE [9.14 p.m.]: On behalf of the Christian Democratic Party I join in debate on the cognate bills before the House, the Government Sector Employment Bill 2013 and the Members of Parliament Staff Bill 2013. The bills stem from the January 2012 commission of audit recommendations that management of the public sector's workforce undergo reform. Over the years the Public Sector Management and Employment Act 2002 has been much modified without the benefit of a comprehensive review, which is the reason for the introduction of the Government Sector Employment Bill. The Government accepted the recommendation of the Public Service Commissioner to rewrite the Public Sector Management and Employment Act to modernise the public service and especially to build on recommendations made by the 2012 New South Wales commission of audit. The purpose of the legislation is to create an outward looking, customer-focused organisation, with resources shifted to the front line to assist in the delivery of services upon which people rely daily. We were discussing that principle earlier during debate on the Service NSW (One-stop Access to Government Services) Bill 2013.

The Coalition Government replaced the Labor Government in 2011. It went to the 2011 election with a commitment to establish a New South Wales Public Service Commissioner to be an independent leader of reform to restore the integrity, performance and accountability of the State's public sector. The inaugural New South Wales Public Service Commissioner, Graeme Head, is delivering reforms and recommendations to the Government which, hopefully, will ensure that New South Wales has the best-qualified and most professional public service in the nation, will restore the highest levels of impartiality, ability, accountability and leadership in the New South Wales public service and will ensure that public service positions are filled on the basis of merit and qualification, not patronage or favouritism. I am strongly opposed to any attempts by Ministers or others to have favourite persons or relatives appointed to staff positions for members of Parliament. I believe that those positions should be filled on the basis of merit or qualification. The Government will be taken on trust by the Parliament and the community to attain its own objective and resist temptation of appointing staff on the basis of patronage or favouritism.

It is hoped that the Government Sector Employment Bill 2013 will promote a public sector culture in which initiative, the achievement of results and individual responsibility, are strongly valued. That represents an

attempt to incorporate private sector attitudes into the public sector. I know many jokes are made about the public sector vis-à-vis private sector. It is often said that people in the private sector who are unsuccessful in business go broke whereas people in the public sector never go broke and just continue in their position. The bill represents an attempt to change public sector culture to ensure that achievement of results and individual responsibility are strongly valued, and consequently, in building a new public service culture, to strengthen the public's confidence and trust in the New South Wales public service.

In particular, the bill picks up the wide-ranging recommendations of the 2012 commission of audit on reforming the public sector's workforce. Against that background, the New South Wales Coalition Government would be at fault if it sat on its hands, did nothing, and took no notice of the recommendations. Whether the Government has produced perfect legislation is always open to question—human beings often do not produce perfect outcomes—but this legislation may be as close as we can get to an improved approach to the existing public sector and the way it functions.

The commission's report identified areas of reform in just about all parts of government employment. One could argue that because of Labor's close association with the public service unions it would not implement radical reform, and probably could not implement it because it is part of the union movement and the unions might have objected to anything that appeared to change the status quo. That is what the commission of audit was raising—the need for reform in almost every part of government employment. It also referred to lack of transparent leadership responsibility and too many employment divisions and controlled entities. We know that is one of the problems that often come out of union activity. There are demarcation disputes and a person can only carry out certain work before another person has to take over. Hopefully we will be able to get rid of demarcation arguments.

The commission also said that there was a need for greater flexibility in staff deployment, middle management was overly layered, insufficient responsibility was devolved to the highest levels, the managers' spans of control should increase, and there was a pressing need for a capability framework. These are the objectives the Government hopes the legislation will implement. I was concerned about the five-year review of the legislation and whether it was physically possible to have an earlier review. However, I understand the complexity of the legislation is such that it will take three years to implement, so it would be impossible to have a review after two years because there would be very little to review. I understand that five years is probably necessary to enable a full review of the implementation of the legislation and its effect.

I have stated the reasons that this legislation is needed. The Public Service Commissioner's inaugural State of the NSW Public Sector Report, which was released in November last year, made the same criticisms of the public service. This is the reality. The commissioner found that departments and agencies are hampered by a poorly designed, outdated and rigid set of public sector workforce arrangements. The commissioner agreed to lead implementation of the workforce recommendations of the Commission of Audit. It is obviously a black-and-white situation; something needs to be done. The Opposition and The Greens argue that the legislation is too radical, but it seems the public sector needs this radical reform. It is hoped that the legislation will encourage good performance, reward talent, support building of career paths, simplify organisational structures, reduce red tape and green tape, and improve service delivery and results for the people who pay for the New South Wales public service—that is, the taxpayers and citizens of the State.

It is bringing into the public sector the principles that operate in the private sector to see whether the public sector can rise to the challenge. I believe it can. There are people of great ability, knowledge and experience in the public sector and I am certain they can, and will, rise to the challenge. I hope we will all be encouraged by the results as this legislation is implemented progressively. I also raised concern about the entitlements of employees who are on the staff of members of Parliament or in the public sector. As members know, an amendment was moved to clause 13 of the bill in the other place. It is included in our copy of the bill, the second print. In relation to members of Parliament staff, it states:

However, any determination under this Act of the conditions of employment of any such existing member of the staff, or the staff member's written agreement of employment under this Act, cannot reduce the entitlements that the staff member had in his or her previous employment with respect to:

- (a) leave, and
- (b) notice periods and severance pay for termination of service.

There is some question about whether that is adequate and goes far enough and whether some additional wording is needed, but to me that is certainly a big improvement and it offers a degree of protection for those

staff who are employed by members of Parliament. As a result of my questions about the Government Sector Employment Bill 2013, schedule 4 on page 58, "Existing employees of the Government Service become employees of Public Service", states twice in clause 5 (1) that they continue in the same kind of employment. Clause 5 (3) states:

The repeal of the former Act does not affect the continuity of service of a person totally employed in the Public Service under this clause, any accrued rights to leave under the former Act or any accrual of rights to leave under this Act.

Clause 5 (4) states:

A person who is taken to be employed in the Public Service under this clause is taken to be employed in a role or classification of work that corresponds to the kind and grade of work of the person's position or work on the repeal of the former Act.

I am always concerned about the protection of employees when there is a change as a result of legislation, but it appears that protection is contained in the legislation. As members have been reminding me, I presented a petition this morning from the Public Service Association, which is very keen—as stated in the petition—that:

... the House refer this legislation to a Legislative Council committee for inquiry to enable proper consideration of the bill and allow stakeholders to make submissions.

It is unfortunate because it is never clear to me how much consultation has occurred on legislation. There has been a lot of criticism of the Government for lack of consultation. The Minister at the table may outline the consultation that took place before this legislation was drafted or admit that the Government decided it was going to implement its policy knowing that the unions would not be very happy with it. If the Public Service Association had been consulted it would have said that it did not agree with what the Government is trying to do. That is the whole point of the legislation. There has been a change of government and the Government is introducing legislation that is more closely related to the private sector, which is anathema to the Labor movement and the union movement. Nevertheless, that is what is happening with this bill. We are prepared to let the bill go through and hopefully it will produce the results the Government wishes. When the review has taken place we will see whether it needs further improvement by way of an amending bill.

Dr JOHN KAYE [9.27 p.m.]: On behalf of The Greens I address the Members of Parliament Staff Bill 2013 and support the comments of my colleague Mr David Shoebridge with respect to the Government Sector Employment Bill 2013. Both of these pieces of legislation substantially remake the relationship between classes of public sector employees and their employers. They remake them in the image that the Liberal Party and The Nationals want. It is an image that takes away independence, takes away workplace rights and takes away the capacity of those individuals to function with some degree of job security, because that is the Liberal way and The Nationals' way.

Before I deal with the substance of the bill I will make an observation about the previous speaker, Reverend the Hon. Fred Nile, and his decision to stand on the steps of Parliament yesterday and say to public sector workers, as he was handed massive bundles of petitions, that he would protect their workplace conditions. I was there. He led those people to believe, and certainly led me to believe, that he would not let this legislation go through. He was prepared to accept the warmth and hospitality of those public sector workers and the Public Service Association but now says in Parliament that he will not even request that the bill be referred to a committee inquiry.

I do not think this is the first time that the union movement has turned to Reverend the Hon. Fred Nile and received some warm signals from him only to find in Parliament that he votes with the Government. It does not matter whether it is a Labor government or a Coalition government, Reverend the Hon. Fred Nile has done that repeatedly. It is appalling and a great shame that he continues to do it. He will let this legislation pass without an inquiry and uses words like "hope". He says, "We hope it will be all right" and "Maybe we can look at it again later".

He is not correct. This is the last chance. Once this legislation goes through we cannot change it without the agreement of the lower House, and that means without the agreement of the Government. We know the Government will stick by its guns on this legislation. This House of review is our one and only shot to change the legislation and that shot is being squandered by Reverend the Hon. Fred Nile, despite the fact that he received a petition that called for the Legislative Council to refer this legislation to an upper House inquiry. I submit he misled that crowd entirely. He certainly misled me in that crowd. I think it is shameful behaviour and it ill becomes a member of Parliament to behave in that way.

Reverend the Hon. Fred Nile: Point of order: The member is making allegations. I had not seen or read that petition. I was simply handed that petition at the meeting. I was invited to attend the meeting. I attended and was handed the petition. That was the first time I saw what was in it.

DEPUTY-PRESIDENT (The Hon. Sarah Mitchell): Order! I do not uphold the point of order. Dr John Kaye may continue.

Dr JOHN KAYE: I turn to the Members of Parliament Staff Bill 2013. This bill will remake the relationship between members of Parliament and their staff. It effectively turns a member of Parliament into the authorised employer of their own staff. While the Parliamentary Remuneration Tribunal will continue to determine staff numbers and the relevant Presiding Officers will determine and arrange for the employment powers of each member, the fundamental contract will no longer be between the people of New South Wales and the staffer but between the member of Parliament and the staffer. The most frightening aspect of this legislation is clause 20 of the bill, which outlines the termination of employment provisions for staff of a member of Parliament. Termination can occur under a number of circumstances such as if the member ceases to be a member of Parliament, or if the member becomes a political office holder, or if the member ceases to be a special office holder, or if the person resigns in writing.

However, there is another condition under which staff members can lose their job, that is, if the services are dispensed with by the member. Under this legislation, a member of staff can be terminated at the will of a member of Parliament. That not only destroys job security and access to a fair and secure workplace of every member of staff employed in this Parliament, it also destroys their independence. Staff members have some degree of independence which comes from their security. They will lose that independence because they can be terminated on the whim of the member of Parliament. There are dual provisions which also apply to political office holders' staff.

Clause 26 of the bill states that industrial proceedings may not be taken in relation to the employment of staff under this Act. In effect, this bill will sever the ability of a member of staff of a political office holder or a member of Parliament if they perceive that they have been treated unfairly to seek redress at the Industrial Relations Commission. Unfair dismissals, unfair contracts, public sector promotions and disciplinary procedures are no longer to be considered as industrial matters for the purpose of the Industrial Relations Act 1996. Additionally, any matter, question or dispute relating to employment is not an industrial matter. If this legislation is passed, staff of members of Parliament will operate without any of the standard protections that they previously had if they are treated poorly, harassed or terminated unfairly. The Legislation Review Committee, chaired by the Hon. Dr Peter Phelps, the Government Whip—

The Hon. Dr Peter Phelps: I am not the chair.

Dr JOHN KAYE: You should be; you do a jolly good job. The Legislation Review Committee, of which Hon. Dr Peter Phelps is deputy chair, raised serious concerns about the clauses relating to termination and the severance of protections under the Industrial Relations Commission. Its concern centred primarily on the violation of fair work conditions, including those relating to unfair dismissal, that these changes will deliver. The committee also was concerned about the removal of access to review bodies in the event of employment grievances.

This legislation is bad news not only for staff of members of Parliament but also for members of Parliament themselves. The independence and protection of a staff member is to the benefit of the member of Parliament. Situations occur in which there is an irretrievable breakdown in a relationship between a member of Parliament and a staffer. Currently, procedures are in place to deal with such situations. Although it is a long process, it is not unreasonable in order to protect an individual's workplace rights. We see here the worst aspects of WorkChoices thrust upon members of Parliament. Those aspects of WorkChoices were rejected by the people of New South Wales not only because they were unfair but because they created dysfunctional workplaces. I am deeply concerned about what this will do to the workplace of members of Parliament. They leave those workplaces unprotected—

The Hon. Dr Peter Phelps: Why did the Federal Greens not move to repeal the Federal Act? Where was Lee Rhiannon's bill to repeal the Federal Act?

Dr JOHN KAYE: It is difficult to continue a speech when faced with constant interjections.

The Hon. Dr Peter Phelps: It is very difficult to listen—

Dr JOHN KAYE: Well, don't listen.

The Hon. Dr Peter Phelps: —to hypocrisy.

Dr JOHN KAYE: Point of order: I have just been accused of hypocrisy.

DEPUTY-PRESIDENT (The Hon. Paul Green): Order! I ask that members do not interject, and I remind the Hon. Dr Peter Phelps that he is already on one call to order.

Dr JOHN KAYE: He should be on two, he deserves it.

DEPUTY-PRESIDENT (The Hon. Paul Green): Order! Dr John Kaye may continue.

Dr JOHN KAYE: The removal of access by staff to review bodies in the event of employment grievances is a violation of their fundamental rights. This legislation is a comprehensive attack on the workplace rights of staff of members of Parliament. It removes long-established employment securities and gives the Premier and Presiding Officers significant control over employment arrangements and staffing numbers. Justification for these changes has not been adequately made, and given the relaxation of the staff employment protections it is hard to see how this will create a stronger or better public service. We will be moving amendments to this legislation to try to create some protection for staff of members of Parliament. In my remaining few moments I will turn to the Government Sector Employment Bill 2013. The Premier, in his second reading speech, claimed that this legislation:

... will create a more professional public service, operating along best practice lines, such as one would find in the most innovative, effective public sector, private sector and non-government organisation anywhere in the world.

Let us measure the Premier's statement against some of the features of the legislation. Speakers before me such as Mr David Shoebridge and members of the Labor Opposition have spoken to some of those provisions. I attach myself to their comments, but I want to highlight a few. Merit selection will disappear in the new O'Farrell public sector world. Pursuant to the current legislation, section 18 requires the advertising of positions and section 19 relates to merit appointment. Both of those provisions will disappear in the new legislation and no similar provisions appear in this bill. The right to appeal promotions is to be abolished, meaning there will be no independent review mechanism where an appointment process has gone wrong.

The whole concept of public sector permanency is being undermined. The bill will abolish the concept of officers holding a defined position and will replace it instead with a vague concept of roles. It removes the security of tenure for a particular public servant and creates opportunities for public sector workers to be shifted around the State at the whim of their employer. The detailed provisions that regulate the use of temporary and casual staff have been entirely removed from the bill. The bill states that staff can be engaged for a temporary purpose, but there are no specifics about what that means. Protections against termination have been substantially diluted by this proposed legislation. The bill removes protections contained in the management of conduct and performance sections of the Act and expands the grounds of termination in section 47. Termination for failing to meet the conditions of engagement is imposed by section 44, but the actual terms of engagement are not specified in the bill.

The bill undermines the independence of the public sector from the government of the day, taking away the political independence of the public sector. Instead of being an opportunity to modernise the legislative framework, the O'Farrell Government has sought to bend the public sector to its own whim, thereby creating a framework that is more suitable to the 1890s. The award coverage and the jurisdiction of the Industrial Relations Commission are substantially weakened. As it stands, the bill takes away any legislative specification of long service leave. The legislation also creates a number of public sector employment rules that are not reviewable by Parliament, which can be changed at the whim of the government and used by the Public Service Commissioner to impose his or her will on a government sector agency.

I refer to the article *New South Wales Wants Power Without Accountability*, published by Blake Stephens on *newmatilda.com* on 13 June 2013. Mr Stephens makes the interesting observation that under proposed laws and a simple change in regulation the New South Wales Government will be able to have significant control over the TAFE Commission and its employees. He states:

The misnamed Public Service Commission will be able to create "employment rules" applying to and binding the TAFE Commission. This will effectively prevent any genuine negotiations between management and staff as the employment rules are legally imposed.

Mr Stephens is saying that by using these employment rules the Public Service Commissioner will be able to interfere in and limit the capacity of the New South Wales Teachers Federation or the Australian Education Union to negotiate an acceptable wage outcome for TAFE teachers and staff. In effect, this allows a set of rules that will be unreviewable by Parliament to create the opportunity for the Public Service Commissioner to interfere with and limit the capacity of TAFE employees to collectively bargain to achieve sensible outcomes. It is a new mechanism and removes the management prerogative from the heads of government sector agencies. It goes even further in that the bill has been established in a way that allows some of these bills to be applied to universities in New South Wales. Universities will become part of the government services for the purposes of the new workforce diversity section.

As Mr Stephens pointed out, this would allow the New South Wales Government to include the University of Sydney as part of the broader government sector by simple regulation, in which case the Public Service Commissioner could issue rules to the vice-chancellor that it would be illegal for the vice-chancellor to allow wage increases to go above 2.5 per cent. For any other workplace-related issue, all the Public Sector Commissioner has to do is discuss the matter with the vice-chancellor. That would not only remove the independence of the vice-chancellor, it would tie the vice-chancellor's hands in any negotiation. That would mean that no negotiation over wages with staff could proceed along normal lines. In fact, university staff and TAFE staff would end up with the worst of both possible worlds. They would have the directive powers of the Public Service Commissioner and they would be before the Federal jurisdiction. In both instances, they would be the losers.

This is an attack on the independence of universities and the TAFE Commission. It is also an attack on the workplace conditions of TAFE employees and university employees. It may well suit the big end of town. It may well replicate conditions that some private sector agencies seek to deploy, but it takes away the essence of the public service. Both pieces of legislation have been written by people who have no sympathy for or understanding of the public sector. To them it is a creature to be harassed, tamed and destroyed, to the disadvantage of the people of New South Wales. I strongly support the motion of Mr David Shoebridge to refer the public sector employment legislation to an independent review. The Public Service Association was not adequately consulted. The people of New South Wales have not been adequately consulted on these two appalling pieces of legislation that impose WorkChoices on the public sector of New South Wales. If the motion is unsuccessful, and it appears it will be, I will vote against both pieces of legislation. They are indicative of bad legislation that works against the independence of the public sector and against the interests of the people of New South Wales.

The Hon. LYNDIA VOLTZ [9.46 p.m.]: Whilst the people of New South Wales will wake up tomorrow to the good news that the Australian Socceroos have beaten Iraq and the Brumbies have beaten the Lions—the first provincial side to do so—unfortunately they also will wake up to the Government Sector Employment Bill 2013. The Government Sector Employment Bill 2013 repeals the Public Sector Employment and Management Act 2002. There now will be two employment classifications, the public sector and the government sector. Previously there were four employment classifications. It will move 300 award-based employees onto a new contract-based senior executive structure. Rather than strengthening the independence of senior executive employees, the bill maintains provisions of termination of employment for no reason.

Proposed section 35 gives the Minister the power to make determinations about senior executive bands. These determinations will set the salary range of senior executives. This range may be lowered to enable positions below the current senior officer grade to move onto contract employment. Senior executives on contract are barred from access to the Industrial Relations Commission and the award system. At present, public servants up to grades 11 and 12 and senior officer grades are covered by award conditions. However, the bill gives the Premier the discretion to set bands within which a person would be employed. Under the provisions of this bill, a person no longer will be employed within a specific job or position. Instead, a person will be employed within a band to serve in any role. Under clause 35, these bands will be determined by the Premier. As the Premier stated in his second reading speech:

All public service employees, including senior executives, will be employed at a classification and assigned to a role within their agencies. Employees can be reassigned to a different role at the same classification to suit the department or agency's present needs.

Indeed, clause 38 allows for a person to be assigned to a role, including being assigned to a different role. A senior executive may be assigned to a role in any public service agency in the band in which that executive is employed. Basically, senior public servants and non-executive public servants can no longer be expected to be assigned to a permanent position in a specific place. They can be moved anywhere within their band or work

classification within their department or agency at the whim of the Premier or the head of the public service agency. I can only assume that a person not being appointed to a position can be shifted anywhere around the State to a government agency. Consent for these movements is not required from the person concerned; clause 38 (8) requires only that the person be consulted.

This Government has previously moved staff members around the State. When the Cronulla Fisheries Research Centre was closed, staff were allowed the option of taking up employment in an area far from their children and families or receiving a termination payment. However, under this bill public servants will be assigned to a position or role, and if the Government decides that position will be in the Tweed rather than in Sydney, no termination provisions will apply. Public servants will take employment where they are posted. That applies not only to senior executives, but also to non-executive public servants. This bill will extend to teachers, medical officers, police and nurses. If a nurse at Bulahdelah Hospital suddenly finds that the Government reduces 24-hour shifts to 14-hour shifts and that that role can be assigned at, say, Wagga Wagga, that is where that job will be. The public servant is not being assigned to a certain job.

The Hon. Rick Colless: What's wrong with Wagga Wagga? You don't like regional New South Wales, do you?

The Hon. LYNDIA VOLTZ: I acknowledge the interjections of those on the other side of the House. For some reason, the Hon. Rick Colless thinks it is acceptable to move a nurse from a position in Bulahdelah to a position in Wagga Wagga, regardless of what the nurse may think or whether he or she consents; under this bill consent is not needed. The Government can send employees wherever it likes. But that is okay because members on that side of the Chamber think it is a joke to close down services and move people at whim: to close the Cronulla Fisheries Research Centre and move people elsewhere or to close nursing positions at Bulahdelah Hospital. Under the previous award people at least had the protection of the Industrial Relations Commission and termination rights. Under this bill that protection no longer applies because people no longer will be assigned to a permanent position in a specific place. They will be given a job within a band or role and will go wherever the head of that agency or the Premier decides.

The main impact of this bill lies within the government sector employment rules, which will never come before this Parliament. Therefore, it is difficult to know the details. According to clause 39, a public service senior executive is to be employed under a written contract of employment and the government sector employment rules may deal with contracts of employment of those executives. Of course, this House is not savvy to the rules as they have not been provided; we are expected to take them on blind faith. All we know is that they may deal with any matter relating to the employment of public service senior executives. However, a list exists of what might be included, but with the clarification that it is without limitation. Despite the Government bill stating that the objects are to provide transparent governance and employment arrangements, the reality is that so much detail is absent from this bill and so many areas of the drafting leave open so many questions that one would doubt the stated objects.

The government sector employment rules do not appear to be enforceable in any way through traditional legal channels. Any rights, benefits or duties specified in these rules will be enforced by the Public Service Commission. Government sector employment rules can be changed at any time by the Public Service Commissioner. The matters contained in these provisions have far less certainty than if they were enshrined in Acts or awards. Because the rules have not been made available and we do not know their content, we are expected to take on faith that somehow this is a transparent process that will deliver to those signing these contracts rules that have yet to be drafted. The objectives of transparent governance really are a joke. The cognate Members of Parliament Staff Bill 2013 relates to the employment of members of Parliament staff. When I was an electorate officer from 1990 to 2000 I was the union representative who negotiated the termination pay for electorate office staff. At that time the Government refused to provide a termination package for those officers. That was fine for the members of Parliament of the day because they all had their parliamentary pensions.

Reverend the Hon. Fred Nile: Not anymore.

The Hon. LYNDIA VOLTZ: If members lost their seat in Parliament at the election, they were fine because they were looked after. I acknowledge the interjection, "Not anymore" because that is a good thing. Members of Parliament should be treated the same way as everybody else in the community is treated and pay their 9 per cent superannuation—or 12 per cent as it soon will be. They are the Government rules by which we should all live. Electorate officers, who carry out the brunt of work of members of Parliament, particularly in

marginal and more difficult electorates, are the last port of call for people who have been to every government agency and usually are most desperate to seek answers to their issue. Electorate staff are the hardworking guts of the parliamentary process. Day in and day out those people deal with community members who need the help of this Parliament. That work can be a lot of strain in certain electorates where community needs, due to socioeconomic conditions, can be much greater.

Putting that aside, in those days electorate officers had no appropriate termination conditions. Members of Parliament looked after themselves: they had their parliamentary pensions. But we managed to negotiate what we thought was quite a good termination package for electorate staff. At the end of the day, the realities of the political cycle are that at the whim of the people one may not have a job after polling day. While members of Parliament receive remuneration, at least electorate staff should receive some consideration. The first draft of this bill I saw removed all those award conditions for electorate staff, including termination pay. I note the Government has included another clause stating that conditions of existing staff will be maintained, although I think they are being grandfathered to this point and thereafter I am not sure what happens. Hopefully the Minister will clarify that in his reply.

Conditions for electorate staff will be removed while members sit in this Chamber with parliamentary pensions without giving any thought to changing their conditions or providing termination pay for their hardworking electorate staff. Why not abolish parliamentary pensions? This bill is an attack on electorate staff who carry out the on-the-ground hard guts work, and that will probably raise concerns with electorate staff, who, I am sure, have made their views known. The bill has been amended for current staff only, not for future staff, but I question whether the amendment is satisfactory. My concern also is that members of Parliament staff no longer will be employed by the Parliament but at the will of the Presiding Officers. I do not understand the necessity for that change and I ask the Government to review that part of the bill.

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [9.59 p.m.], in reply: I thank honourable members for their contributions to this debate. A couple of points were raised and I am sure I will be able to allay members' concerns. Members asked whether the bill removes merit selection. It does not; the legislation makes four separate references to merit principles and merit selection certainly remains a core requirement. Members also asked who sets the executive bands. The Premier does that now and will continue to do so under the new legislation. A great deal was said about whether the bill removes access to the Industrial Relations Commission. The bill does not change the right of access to the Industrial Relations Commission except for current executives on awards who will move to contracts.

Members also asked why "own positions" have been changed to "roles". Both employers and employees benefit from mobility and opportunities to learn new skills and to develop their careers. The public of New South Wales also benefits from better allocation of resources. A number of members asked whether job security will be affected. Ongoing employment provides the same security of employment for non-executive employees as exists now. A great deal was said about consultation. Sadly, as has become evident in a number of recent debates, the Opposition and The Greens are trying to out scare or out claim each other, particularly about consultation. They would have us believe that this legislation was drafted a couple of hours ago and that this is the first time we have seen it.

The Public Service Commissioner conducted 21 workshops, 14 in Sydney and seven in regional centres; that is, Wagga Wagga, Dubbo, Gosford, Lismore, Newcastle, Wollongong and Orange. Approximately 1,800 senior officers and executives who will be directly affected attended the workshops. The New South Wales Public Sector Consultative Forum had two briefings and the Public Service Association had four briefings. The Government Sector Employment Bill has been publicly available since 23 May 2013 and has been published on the Public Service Commission website. Questions and answers about the bill also have been published on the website, which has had 29,000 visits to date and thousands of downloads have occurred.

Despite all the hysteria we have heard from members opposite about this bill, the facts speak for themselves and there has been extensive consultation. Once again, The Greens and the Labor Party have tried to outbid one another with the most outlandish and ridiculous claims that the sky will fall in and that this is the end of the world as we know it. They have done that in response to a number of the Government's reform packages over the past two years. It is classic Chicken Little stuff. The Greens and the Labor Party are turning into one trick ponies in these debates. I commend the bills to the House.

The PRESIDENT: Mr Shoebridge has requested that under Standing Order 139 the question on the cognate bills be put separately.

Question—That the amendment of Mr David Shoebridge be agreed to—put.

The House divided.

[In division]

The Hon. Duncan Gay: Point of order: Mr President, I ask you to clarify the situation when a member is on one side of the Chamber after the doors have been locked. Is the member able to move to the other side of the Chamber?

The PRESIDENT: Order! As the tellers had not been appointed, there is no point of order.

Ayes, 16

Ms Barham	Mr Primrose	Mr Whan
Mr Buckingham	Mr Searle	Mr Wong
Ms Cotsis	Mr Secord	
Mr Donnelly	Mr Shoebridge	<i>Tellers,</i>
Dr Kaye	Mr Veitch	Ms Fazio
Mr Moselmane	Ms Westwood	Ms Voltz

Noes, 20

Mr Ajaka	Mr Gallacher	Mr Mason-Cox
Mr Blair	Miss Gardiner	Mrs Mitchell
Mr Borsak	Mr Gay	Reverend Nile
Mr Brown	Mr Green	Mrs Pavey
Mr Clarke	Mr Khan	<i>Tellers,</i>
Ms Cusack	Mr Lynn	Mr Colless
Ms Ficarra	Mr MacDonald	Dr Phelps

Pairs

Mr Foley	Mrs Maclaren-Jones
Ms Sharpe	Mr Pearce

Question resolved in the negative.

Amendment of Mr David Shoebridge negatived.

Question—That the Government Sector Employment Bill 2013 be now read a second time—put.

Division called for and Standing Order 114 (4) applied.

The House divided.

Ayes, 20

Mr Ajaka	Mr Gallacher	Mr Mason-Cox
Mr Blair	Miss Gardiner	Mrs Mitchell
Mr Borsak	Mr Gay	Reverend Nile
Mr Brown	Mr Green	Mrs Pavey
Mr Clarke	Mr Khan	<i>Tellers,</i>
Ms Cusack	Mr Lynn	Mr Colless
Ms Ficarra	Mr MacDonald	Dr Phelps

Noes, 16

Ms Barham	Mr Primrose	Mr Whan
Mr Buckingham	Mr Searle	Mr Wong
Ms Cotsis	Mr Secord	
Mr Donnelly	Mr Shoebridge	<i>Tellers,</i>
Dr Kaye	Mr Veitch	Ms Fazio
Mr Moselmane	Ms Westwood	Ms Voltz

Pairs

Mrs Maclaren-Jones	Mr Foley
Mr Pearce	Ms Sharpe

Question resolved in the affirmative.

Motion agreed to.

Government Sector Employment Bill 2013 read a second time.

Question—That the Members of Parliament Staff Bill 2013 be now read a second time—put.

Division called for and Standing Order 114 (4) applied.

The House divided.

Ayes, 20

Mr Ajaka	Mr Gallacher	Mr Mason-Cox
Mr Blair	Miss Gardiner	Mrs Mitchell
Mr Borsak	Mr Gay	Reverend Nile
Mr Brown	Mr Green	Mrs Pavey
Mr Clarke	Mr Khan	<i>Tellers,</i>
Ms Cusack	Mr Lynn	Mr Colless
Ms Ficarra	Mr MacDonald	Dr Phelps

Noes, 16

Ms Barham	Mr Primrose	Mr Whan
Mr Buckingham	Mr Searle	Mr Wong
Ms Cotsis	Mr Secord	
Mr Donnelly	Mr Shoebridge	<i>Tellers,</i>
Dr Kaye	Mr Veitch	Ms Fazio
Mr Moselmane	Ms Westwood	Ms Voltz

Pairs

Mr Pearce	Mr Foley
Mrs Maclaren-Jones	Ms Sharpe

Question resolved in the affirmative.

Motion agreed to.

Members of Parliament Staff Bill 2013 read a second time.

In Committee

The CHAIR (The Hon. Jennifer Gardiner): The Committee will deal first with the Government Sector Employment Bill 2013. The Committee will deal with the bill in parts.

Mr DAVID SHOEBRIDGE [10.25 p.m.], by leave: I move The Greens amendments Nos 1, 3, 4, 5 and 6 on sheet C2013-084A in globo:

No. 1 Page 3, clause 3, lines 31 and 32. Omit all words on those lines. Insert instead:

senior executive bands regulation means a regulation made under section 35.

No. 3 Page 10, clause 12. Insert after line 3:

- (4) Sections 40 and 41 of the *Interpretation Act 1987* apply to the government sector employment rules in the same way as they apply to statutory rules.

No. 4 Page 12, clause 17, line 15. Omit "determination". Insert instead "regulation".

No. 5 Page 21, clause 35, lines 1–14. Omit all words on those lines. Insert instead:

35 Regulations may prescribe bands in which senior executives to be employed

- (1) The regulations may prescribe the bands in which Public Service senior executives are to be employed (the *senior executive bands regulation*).
- (2) The senior executive bands regulation may deal with matters related to bands.

No. 6 Page 21, clause 37, line 27. Omit "determination". Insert instead "regulation".

In moving my amendments I understand, as an aside, that alternate Opposition amendment No. 5 is not being pressed. These amendments taken together will do a number of things. Amendment No. 1 deletes the current provision in clause 3 that defines a "senior executive band determination" as a determination made by the Minister under section 35 and changes that to be a "senior executive band regulation", meaning a regulation made under section 35. Amendment No. 3 makes consequential changes to insert a new subparagraph (4) to clause 12, which will provide that sections 40 and 41 of the Interpretation Act 1987 apply to the Government Sector Employment rules in the same way as they apply to statutory rules. Effectively it makes them subsidiary legislation that will be subject to the oversight and purview of the Legislative Council and the Legislative Assembly and makes them disallowable instruments in whole or in part.

Amendment No. 4 is a consequential amendment, changing it from a determination to a regulation. Amendment No. 5 is the guts of the amendment, which amends clause 35 of the bill on page 21 to provide that the regulations may prescribe bands in which senior executives are to be employed, and that the senior executive bands regulation may deal with matters relating to bands. Amendment No. 6 is another consequential amendment changing a reference to a "determination" to a reference to a "regulation". These amendments will ensure that there is some rigour in those rules and determinations. They will ensure that key employment provisions that are currently being proposed to be put into a ministerial determination require scrutiny and oversight by this House. If adopted, it will be an important control on what is otherwise an untrammelled executive power to determine the conditions and employment relations of public servants. For the reasons that have already been expressed in my contribution to the second reading debate, The Greens commend the amendments to the Committee.

The Hon. ADAM SEARLE (Deputy Leader of the Opposition) [10.28 p.m.]: The Opposition will be supporting The Greens amendments Nos 1, 3, 4, 5 and 6, which mirror its amendments with the same numbers. These amendments are directed to making such a large part of the machinery that underpins this legislation more transparent and accountable. At present, most of the detail in the Public Sector Employment and Management Act is in legislation scrutinised and enacted by Parliament directly. Much of the detail will be moved into these public sector employment rules, to be made by the Public Service Commissioner. Those rules will not be scrutinised by the Parliament and will not be disallowable by the Parliament. They will drive much of the reforms intended by this piece of legislation. In our view that is not sufficiently democratic, open or transparent. The Opposition believes that rather than it being a senior executive determination it should be a regulation with all that implies.

The Opposition urges that course of action on the Committee, including crossbench members, particularly Reverend the Hon. Fred Nile, who took that petition at the invitation of the Public Sector Union and tabled it in this place. The very least we could do is to make sure that such an important part of this legislation is accountable to the Parliament.

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [10.30 p.m.]: I speak to The Greens amendments that the

Opposition has indicated mirror its amendments. It is interesting to note that The Greens circulated their amendments on 17 June and the Opposition amendments appear to have been typed up only in the last couple of hours before we have had an opportunity to debate them. It is fair to say that the Opposition is following The Greens in relation to the amendments. Be that as it may, the Government does not support The Greens amendments because senior executive positions are currently determined by the Premier as Minister administering the Public Sector Employment and Management Act. Clause 35 of the Government Sector Employment Bill simply continues the existing regime enabling the Premier to determine senior executive bands and the proposed amendments would mean executive employment bands now determined administratively would be subject to disallowance by Parliament if located in the regulations.

The Government does not support Greens amendment No. 3. Clause 12 of the Government Sector Employment Bill 2013 enables the commissioner to make Government Sector Employment Rules. The reason for introducing employment rules is to allow the commissioner to apply sector-wide employment requirements in a transparent and flexible way. The bill ensures transparency by requiring that the rules will be published on both the New South Wales legislation website and the Public Service Commission website, similar to the approach adopted by other jurisdictions. If this amendment were adopted to require disallowance of each and every rule made by the commissioner, quite simply the process for making and amending the rules would be cumbersome and thus defeat the goal of flexibility. For those reasons the Government does not support The Greens amendments.

Dr JOHN KAYE [10.32 p.m.]: I listened to the Minister's argument as to why the Government would not support the amendments. The Minister states that making these instruments disallowable instruments would take away their flexibility. In fact, that is not correct. It would give Parliament oversight of the rules and give it the capacity to disallow the rules. It has nothing to do with flexibility. It is simply a desire for the Government to conduct this business out of the reach of Parliament. It is a grab for power by the Executive Government over the bands in which senior executives are to be employed. It is a grab for power by the Executive away from Parliament and it removes the accountability of the rules to the Parliament. The argument put forward by the Leader of the Government is simply not correct. It is not correct that it takes away flexibility. It is about accountability.

Question—That The Greens amendments Nos 1, 3, 4, 5 and 6 [C2013-084A] be agreed to—put.

The Committee divided.

Ayes, 16

Mr Buckingham	Mr Searle	Mr Whan
Ms Cotsis	Mr Secord	Mr Wong
Mr Donnelly	Mr Shoebridge	
Ms Fazio	Mr Veitch	<i>Tellers,</i>
Mr Moselmane	Ms Voltz	Ms Barham
Mr Primrose	Ms Westwood	Dr Kaye

Noes, 20

Mr Ajaka	Mr Gallacher	Mr Mason-Cox
Mr Blair	Mr Gay	Mrs Mitchell
Mr Borsak	Mr Green	Reverend Nile
Mr Brown	Mr Harwin	Mrs Pavey
Mr Clarke	Mr Khan	<i>Tellers,</i>
Ms Cusack	Mr Lynn	Mr Colless
Ms Ficarra	Mr MacDonald	Dr Phelps

Pairs

Mr Foley	Mrs Maclaren-Jones
Ms Sharpe	Mr Pearce

Question resolved in the negative.

The Greens amendments Nos 1, 3, 4, 5 and 6 [C2013-084A] negatived.

Part 1 [Clauses 1 to 5] agreed to.

Mr DAVID SHOEBRIDGE [10.42 p.m.]: I move The Greens amendment No. 2 on sheet C2013-084A:

No. 2 Page 6, clause 8, lines 10 and 11. Omit all words on those lines.

Part 2 of the bill talks about an ethical framework for the government sector and sets out some very hifalutin sounding names for it. Clause 7 of part 2 sets out the core values for the government sector, which the Minister has spoken about. It talks about integrity and considering people equally without prejudice or favour. It also suggests something that I would recommend the Committee should take note of: acting professionally, honestly, consistently and impartially. It talks about taking responsibility for situations, showing leadership and courage. It also talks about trust, appreciating difference, welcoming learning from others and building relationships based on mutual respect. It talks about upholding the law, the institutions of government and democratic principles. That is a great ethical framework for the government sector.

Clause 7 of part 2 also talks about a concept of providing service fairly with a focus on customer needs, engaging with the not-for-profit and business sectors to develop and implement service solutions, and focusing on quality while maximising service delivery. It also talks about accountability, recruiting and promoting employees on merit, taking responsibility for decisions and actions, providing transparency to enable public scrutiny, observing standards for safety, and being fiscally responsible and focusing on efficient, effective and prudent use of resources—all values that one would want statutorily entrenched in any piece of legislation. However, the real kick is what it does in clause 8. Clause 8 of part 2 talks about general provisions—namely, those wonderful principles that the Government includes in its bills about integrity, trust, accountability and service—the sorts of things that people want in the public service. Clause 8 (3) states:

Nothing in this Part gives rise to, or can be taken into account in, any civil cause of action.

A whole lot of words which with one clause have no enforceability; they are puff without substance. The core values of integrity, trust, service and accountability that the Government says it is championing through this bill are made nugatory by clause 8 (3). The Greens amendment No. 2 will delete clause 8 (3) of part 2 and ensure that those values are enforceable. Then if there is an issue about the way in which the Government performs in its merit appeals, contracts and tendering or the way in which it deals with its public servants, those values that the Government says it wants to enshrine can be taken into account in a civil cause of action. The Greens amendment No. 2 will hold the Government to its word. It will change the puff and hyperbole to a substantive right. I commend The Greens amendment No. 2.

The Hon. ADAM SEARLE (Deputy Leader of the Opposition) [10.46 p.m.]: The Opposition supports The Greens amendment No. 2. A standard that cannot be enforced is no standard at all; it is hollow rhetoric. These are important principles and if Government members are serious then that standard should be enforceable, including against any transgressions made by the Government.

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [10.47 p.m.]: The Government does not support The Greens amendment No. 2. I again make the observation that this amendment is a mirror to the Opposition's amendment, albeit The Greens amendment was delivered to the Committee much earlier than the Opposition's amendment. There was a time when the Opposition purported to be the voice of the public sector but that no longer is the case. It would appear that The Greens have moved into the ascendancy of union politics. Clause 8 (3) of part 2 states:

Nothing in this Part gives rise to, or can be taken into account in, any civil cause of action.

This is the same wording as that used in section 3C (3) of the previous Public Sector Employment and Management Act and there is no reason to change it.

Question—That The Greens amendment No. 2 [C2013-084A] be agreed to—put and resolved in the negative.

The Greens amendment No. 2 [C2013-084A] negatived.

Part 2 [Clauses 6 to 8] agreed to.

Part 3 [Clauses 9 to 19] agreed to.

Mr DAVID SHOEBRIDGE [10.53 p.m.]: I move The Greens amendment No. 7 on sheet C2013-084A:

No. 7 Page 24, clause 41, lines 5–7. Omit all words on those lines. Insert instead:

- (1) The employer of a Public Service senior executive may, by instrument in writing, terminate the employment of the executive on any of the grounds authorised by the contract of employment of the executive. The instrument is to set out the ground or grounds on which the employment is terminated.

This amendment would have the effect of deleting clause 41 (1), which currently reads:

The employer of a Public Service senior executive may terminate the employment of the executive at any time, for any or no stated reason and without notice.

That is effectively having the employment of senior executives able to be terminated at the will of their employer. Their employment can be terminated on a whim, with no proper reason and with no notice, if those senior executive members—who one would hope would be giving robust and independent advice to the government of the day—potentially give unwelcome advice to their Minister or senior officer in either the public service or in government.

If a senior executive gives unwelcome advice or if they persistently give unwelcome advice that the Minister or their employer may not like—they might be sick of it one day—the Minister or the head of the department can simply say, "I'm sorry, you are terminated now. Pack your box. Head out". The senior executive can ask why they are being terminated but the Minister or the head of the department can say they do not have to tell them and they will not tell them. The senior executive can ask what is their termination pay and the Minister or the head of the department can say, "No notice. See you. You're off". No reason, no notice, no protection, no integrity—that is the sum of clause 41 (1).

The Greens amendment No. 7 would do two things: it would require the Government when it is entering contracts of employment with senior executives to, by contract, set out the bases upon which their employment can be terminated—misbehaviour, failure to follow directives, persistent failure to follow directives, breach of confidence—and then provide that further rigour that when or if employment is terminated reasons must be stated in the instrument of termination.

This is about having some kind of accountability, some kind of scrutiny, but also some kind of protection, because, as it is worded, the bill effectively has the most senior executives in the public service able to be terminated on the whim of their employer—no notice, no reasons, no integrity. There can be no rational basis for this other than that the Government wants to be able to impose its political will on those senior executives with the bill as it is currently drafted. The Greens amendment would at least provide some rigour and integrity to those senior levels of the public service. I commend the amendment to the Committee.

The Hon. ADAM SEARLE (Deputy Leader of the Opposition) [10.56 p.m.]: The Opposition supports The Greens amendment. In its current form the bill highlights a number of difficulties with the legislation. In clause 41 (1) this legislation would permit the termination of a senior executive for no reason whatsoever. Currently some 3,000 senior officers are covered by an industrial award and they would have rights to claim unfair dismissal if their employment was terminated in a way they found was harsh, unjust or unreasonable. Under this legislation they will lose the right to claim unfair dismissal and they will only have such rights as this legislation would give them.

This provision undermines other important parts of the legislation. For example, clause 47, which deals with termination of employment, touches on termination of employment for unsatisfactory conduct or for misconduct or other reasons. But clause 41 (1) removes the need for the employer to have to prove any misconduct against any senior executive. It removes from the employer any obligation to go through demonstrating that a given senior executive has not performed satisfactorily or has somehow fallen short in the performance of their duties. This legislation properly sets out the apparatuses which would also be fleshed out in the Government Sector Employment Rules dealing with these matters, but the employer need never be troubled by the need to establish any of these conditions before terminating the employment of a senior executive because they can terminate for any or no reason. We do not think that is good enough.

When you are taking from someone their livelihood there must be a sound, rational and defensible basis for doing so. That should be the condition for any employer terminating the employment of a worker. But when

the employer is the State of New South Wales there is another dimension—a public interest dimension—where the State as employer should be a model employer and should not wilfully, capriciously or arbitrarily engage in terminating someone's employment but they should do so only upon a specified basis. In fact, one of the bases is set out in this bill in clause 47. The existence of clause 41 (1) means that the government of the day, or its various agencies, do not have to bother with any of that because they just need not engage; they can just terminate for no reason. That is not satisfactory. Protections are needed for these senior executives.

We accept that people who are currently in the senior executive service do not have unfair dismissal rights. However, as I said, thousands of people in the senior officer class currently have those rights, and those rights will be confiscated at a stroke by this legislation, with no additional compensation payable to them, without their rights being grandfathered. We do not think that is satisfactory or good enough. These people should be able to retain a modicum of protections. The very least that a terminated employee should expect of any employer is to know the reason for the termination. This amendment simply requires an instrument to be created to set out the basis for the termination.

That should not be too much to ask of any employer, but where the employer is the State of New South Wales the employer should have to go that extra mile, that extra step. Hardly any effort would be required by the employer, but it should be done because not to do so would simply mean that employment can be terminated arbitrarily, capriciously and without any protections for those workers who are subject to this draconian power.

Dr JOHN KAYE [11.00 p.m.]: This amendment goes to the heart of the independence of the public sector. As clause 41 (1) of the bill is rendered, senior executive service members can be terminated at the whim of their employer. In the case of an employer of an agency other than a department, clause 31 (1) makes it clear that the head of the public service agency is effectively the employer, and clause 30 (1) makes it clear that the head of the public sector agency is responsible to the Minister or ministers to whom the agency is responsible. In effect, it provides that for agencies other than departments the Minister can, by way of his or her directive capacity over the head of the public service agency, cause any member of the senior executive service to be dismissed from their job without cause, no stated reason, and without notice.

Likewise, clause 23 (4) makes it clear that appointments to the office of secretary of a department are made by the Minister. So the Minister is effectively the employer, which means the Minister can effectively, under clause 41 (1) as drafted, dismiss the head of his or her department at any time for any or no stated reason and without notice. This is a direct missile into the guts of the independence of the public service. It gives the Minister almost untrammelled power over the hiring and firing of members of the senior executive service.

As Mr David Shoebridge and the Deputy Leader of the Opposition said, if we are to expect our public service heads to be able to give fearless and independent advice we cannot allow clause 41 (1) to stand. As it is written it works completely against independence. It is extremely important that it be amended. The amendment proposed by Mr David Shoebridge on sheet C2013-084A is a reasonable compromise that at least provides an instrument that sets out the ground or grounds on which employment can be terminated. At least it creates an instrument: it takes a matter from being at the arbitrary whim and caprice of the Minister to being a matter that is at least regulated by an instrument. I commend the amendment to the Committee.

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [11.03 p.m.]: The Government does not support the amendment. Clause 41 of the Government Sector Employment Bill 2013 is the same as the current section 77 of the Public Sector Employment Management Act 2002. The proposed amendment would remove the statutory termination power and replace it with contractual grounds for termination. This would, in effect, activate the jurisdiction of the Industrial Relations Commission to hear contract claims for all senior executives, including termination, which it has never done, and significantly increase the likelihood of senior executives disputing termination by seeking remedies in the courts that are currently not available.

Mr DAVID SHOEBRIDGE [11.04 p.m.]: This amendment would allow senior executives to enforce the contracts they entered into with the Government—the contracts to which they both put their signatures—which set out the terms upon which could be terminated, their requirements for notice and the like. That is not revolutionary. They are standard protections that are given to senior executives in corporations. The Government is proposing to have fewer rights for our most senior public servants than apply even to senior executives in the corporate world, who many people think are subject to extremely rigorous employment situations—the rough and tumble of the market and the like. In this bill the Government is proposing literally no rights, no remedies and no protections.

This amendment would simply say that to the extent that the Government and a senior executive agree in writing to certain contractual rights on termination and certain contractual protections of employment the senior executive could enforce those rights. The Minister did not give a fair characterisation when he said that this would somehow open it up to open slather in the Industrial Relations Commission. This would be limited to the contractual rights agreed to between the Government and the senior executive. For the Government not even to come this far, not to allow for agreed contractual rights to be enforceable, shows that the Government is ideologically driven to get absolute political control at the highest levels of our public service.

Question—That The Greens amendment No. 7 [C2013-084A] be agreed to—put.

The Committee divided.

Ayes, 16

Ms Cotsis	Mr Searle	Mr Whan
Mr Donnelly	Mr Secord	Mr Wong
Ms Fazio	Mr Shoebridge	
Dr Kaye	Mr Veitch	<i>Tellers,</i>
Mr Moselmane	Ms Voltz	Ms Barham
Mr Primrose	Ms Westwood	Mr Buckingham

Noes, 20

Mr Ajaka	Mr Gallacher	Mr Mason-Cox
Mr Blair	Mr Gay	Mrs Mitchell
Mr Borsak	Mr Green	Reverend Nile
Mr Brown	Mr Harwin	Mrs Pavey
Mr Clarke	Mr Khan	<i>Tellers,</i>
Ms Cusack	Mr Lynn	Mr Colless
Ms Ficarra	Mr MacDonald	Dr Phelps

Pairs

Mr Foley	Mrs Maclaren-Jones
Ms Sharpe	Mr Pearce

Question resolved in the negative.

The Greens amendment No. 7 [C2013-084A] negatived.

The Hon. ADAM SEARLE (Deputy Leader of the Opposition) [11.14 p.m.]: I move Opposition amendment No. 8 on sheet C2013-086B:

No. 8 Page 24, clause 41, lines 10 and 11. Omit "(and to no other compensation or entitlement for the termination of employment)". Insert instead "(and to such additional compensation as the Statutory and Other Offices Remuneration Tribunal may determine on the application of any such executive)".

This amendment addresses part of clause 41 (2), which creates a situation where a senior executive whose employment is terminated will receive only such compensation as is provided for in the employment contract and goes on to specify that no other compensation or entitlement can be received. I assume that this is referable to clause 39, which talks about the contract of employment of senior executives, including how the government sector employment rules may prescribe model contracts and model provisions. One would assume that termination payments would be such a model clause.

The difficulty is that we do not know what rights senior executives may have in this regard. At present a senior executive whose employment is terminated goes to the Statutory and Other Offices Remuneration Tribunal [SOORT] and the tribunal determines a separation package with an upper limit of 38 weeks. This legislation removes that known, measurable and transparent facility, and replaces it with a contractual right. However, we do not know the content of that right because the government sector employment rules have not been promulgated. The rules were not circulated with this bill and so we cannot take some comfort in knowing what is in the mind of the Public Service Commissioner and the government of the day.

It may be the case that senior executives will have extremely limited rights upon termination. We must remember—given the previous vote in this place—that termination can be for any, or indeed no, reason. Their continued employment hangs by a thread and can be interrupted arbitrarily or capriciously and there is not even the safety net of a reasonable compensatory payment. Our amendment will reinsert the possibility that the Statutory and Other Offices Remuneration Tribunal could determine some additional compensation. Obviously, the tribunal would do that bearing in mind the rights that the senior executive would ordinarily have.

In this section it must again be remembered that it is not only the existing rights of senior executives that are being curtailed, watered down and severely reduced. Current senior officers who are covered by the award are also having significant employment protections stripped away. They will no longer have those protections or rights. Instead, they will be tipped into the senior executive band in which there is no safety net for them to address the circumstance that their employment will no longer be permanent.

We think this amendment is modest and necessary to address the requirements of fairness for existing senior executives and those persons who will lose their permanency and employment protection rights and be brought into the senior executive band. It is not a radical measure. It does not take away the capacity of government agency heads to terminate employment. It simply provides a mechanism for a fair separation payment to persons whose employment is brought to an end in this way. I urge members to embrace this provision in the interests of fairness.

Mr DAVID SHOEBRIDGE [11.18 p.m.]: The Greens support the Opposition amendment moved by the Hon. Adam Searle. The amendment is essentially a protective measure to retain the potential other compensation or entitlements that may be protected through a determination of the Statutory and Other Offices Remuneration Tribunal. Because it is a protective measure, The Greens support the amendment.

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [11.20 p.m.]: The Opposition amendment is not supported by the Government. The Government believes the Statutory and Other Offices Remuneration Tribunal arrangements do not provide fairness as the payment is related to the length of contract remaining. The Government will provide certainty with compensation aspects in the contract itself.

Question—That Opposition amendment No. 8 [C2013-086B] be agreed to—put and resolved in the negative.

Opposition amendment No. 8 [C2013-086B] negatived.

Mr DAVID SHOEBRIDGE [11.21 p.m.]: I move The Greens amendment No. 8 on sheet C2013-084A:

No. 8 Page 25, clause 43. Insert after line 10:

- (3) Ongoing employment is to be the usual basis for employment of Public Service non-executive employees.

On a number of occasions I have heard interjections from those opposite that the amendments moved by The Greens are trying to add something that is not in existing legislation.

The Hon. Catherine Cusack: Something new.

Mr DAVID SHOEBRIDGE: Something new. I note that, in part, that is true. Some of the previous amendments, particularly regarding senior executives, were trying to insert new and, as far as The Greens are concerned, important protections for senior executives in particular. But amendment No. 8 seeks to retain one of the existing key provisions in the Public Sector Employment and Management Act—that is, the provision that is currently found in section 7 (3). Section 7 of the current Act sets out the categories of employment, and one of the most important provisions not only of that section but of the entire Public Sector Employment and Management Act is section 7 (3), which provides that the usual basis for employment of staff in a department is to be permanent employment. That permanent employment is a right that exists in the current Act and The Greens amendment would insert essentially those words in clause 43 of the current bill, which would then read, using the jargon in the Government's bill:

Ongoing employment is to be the usual basis for employment of Public Service non-executive employees.

As currently drafted, the bill simply sets out that there is a number of different ways that people can be engaged in the public service. They can have ongoing employment, which is the new jargon for effectively permanent employment; they can have temporary employment; or they can have casual employment. Clause 43 defines ongoing employment, temporary employment and casual employment. At no point does it say that the usual form of employment in the public service should be ongoing employment. That is a fundamental policy change in the bill because the concept of permanent employment—being the usual form of employment in the public sector whereby you get a job, you have some permanency in your job, you are not a casual employee and you are not going to be on temporary contracts—is essential to ensure that you have stability of employment.

This is important so that frank and fearless advice can be given and so that those thousands of people who are engaged in the public sector have some permanency in their employment and can go to a bank manager and say, "I have a proper job, not a contract job or a casual job; I have a substantive job in the public sector. Can you please give me a mortgage so that I can buy a place?" It ensures that they can plan for their future without being subject to rolling contractual reviews or, as we so often hear about in the context of ever-expanding temporary and casual employment in the public service, having to be interviewed constantly for their existing job when the contract winds up. There are rolling contracts in the public service; people might have been in the same position for three years and done the same job for three years but it is their seventh contract. Not only does it mean that the worker has had insecure employment for three years, but also think about the waste involved with the public service constantly readvertising the job and putting together a review panel to interview applicants for that job.

Literally thousands of existing employees in the public service are on those rolling contracts with no security of employment and countless thousands of staff hours are being wasted conducting reviews—and that is with an existing statutory statement about having permanent employment. Under this bill the Government proposes to remove entirely the basic principle of permanent employment. If the Government does not intend to offer permanent employment as the basic form of employment, it should be honest and come out and say so. But if the Government is genuine about ensuring that that kind of permanent, ongoing employment is the mainstay of employment in the public service, it should happily and readily support The Greens amendment, which I commend to the Committee.

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [11.26 p.m.]: The Government does not support The Greens amendment. The amendment reinstates an equivalent clause of the current section 7 (3) of the Public Service Employment and Management Act that the usual basis for the employment of staff in a department is to be ongoing employment. This is not necessary because the bill provides expressly for ongoing employment.

The Hon. ADAM SEARLE (Deputy Leader of the Opposition) [11.27 p.m.]: The response from the Government highlights the Opposition's concern, which is shared by The Greens, regarding clause 43. Yes, the bill already provides for ongoing employment but it gives ongoing employment equal weighting with temporary and casual employment. We think it is important to specify in the legislation that ongoing employment is to be the norm or the default position rather than simply an equal one of three possible forms of engagement. Engagement in both the public and the private sectors on a number of short-term, rolling contracts or employment of some casual nature can create enormous difficulties for individual workers and their families, causing difficulties in raising finance for mortgages and the like.

We think ongoing employment should be specified as the default or the norm, which is what this amendment does. It does not prevent or restrict the use of temporary or casual employment where necessary and useful, but it is important in the legislation to give guidance to government as to what is expected in terms of the basic form of employment in the public sector. So we urge members to embrace this amendment and ensure that that protection is provided to the public sector workforce generally.

Question—That The Greens amendment No. 8 [C2013-084A] be agreed to—put.

The Committee divided.

Ayes, 16

Ms Barham	Mr Primrose	Mr Whan
Mr Buckingham	Mr Searle	Mr Wong
Ms Cotsis	Mr Secord	
Mr Donnelly	Mr Shoebridge	<i>Tellers,</i>
Dr Kaye	Mr Veitch	Ms Fazio
Mr Moselmane	Ms Westwood	Ms Voltz

Noes, 20

Mr Ajaka	Mr Gallacher	Mr Mason-Cox
Mr Blair	Mr Gay	Mrs Mitchell
Mr Borsak	Mr Green	Reverend Nile
Mr Brown	Mr Harwin	Mrs Pavey
Mr Clarke	Mr Khan	<i>Tellers,</i>
Ms Cusack	Mr Lynn	Mr Colless
Ms Ficarra	Mr MacDonald	Dr Phelps

Pairs

Mr Foley	Mr Pearce
Ms Sharpe	Mrs Maclaren-Jones

Question resolved in the negative.

The Greens amendment No. 8 [C2013-084A] negatived.

Progress reported from Committee and consideration set down as an order of the day for a future day.

ADJOURNMENT

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [11.36 p.m.]: I move:

That this House do now adjourn.

COMPANION ANIMALS TASKFORCE REPORT

The Hon. AMANDA FAZIO [11.36 p.m.]: I wish to discuss an issue that is causing genuine concern within the pedigree dog breeding community in New South Wales and the pedigree feline breeders. I refer to the draft recommendations of the New South Wales Companion Animals Taskforce. Early in 2012 the New South Wales Companion Animals Taskforce released a discussion paper highlighting recommendations that it was considering including in a report the task force had been commissioned to make to relevant Ministers. Some of the recommendations, particularly the one that proposes a further tier of breeder licencing, were opposed by both the board and the membership of Dogs NSW, which is also known as the Royal New South Wales Canine Council, and together they lodged almost 1,000 submissions against that occurring. On 25 March 2013, the Minister for Local Government, the Hon. Don Page, and the Minister for Primary Industries, the Hon. Katrina Hodgkinson, released the report of the task force and provided a further six weeks for public consultation.

At the meeting of the board of directors held on Wednesday 10 April 2013 a steering committee was appointed to plan and ultimately implement the official Dogs NSW response and submission, which was lodged with the Government for consideration on 23 May 2013. The Government is now analysing all responses that were provided during the community consultation period. The report will be provided to Minister Page and Minister Hodgkinson, who will formulate their final recommendations to the Parliament. There are 22 formal recommendations in the main report but of immediate interest to the membership of Dogs NSW is recommendation one: That a breeder licensing system should be established and the Companion Animals Register should be updated to capture breeder licence information for each animal record.

Dogs NSW is internationally recognised as a self-regulating body imposing control and management over all aspects of Dogs NSW registered purebred dogs and strongly promotes socially responsible pet ownership. Its members are managed under extensive regulations governing their practices and conduct in relation to their ownership, exhibition and breeding of purebred dogs. It has a regulated judicial investigation and inquiry system to deal with breaches and a strict code of ethics which sets the highest standards in breeding practices, committing all registered breeders to compliance with all relevant legislation. Rather than being the problem, it is their contention that Dogs NSW is in fact a model for the solution.

The report to the Ministers states in regard to better breeding, "It is considered essential that there be no exemptions to this requirement". However, during recent appointments with their local members, Dogs NSW

members have consistently been told that racing greyhounds will in fact be exempt because "they are covered by a separate Act". This is, of course, not a valid contention because it is only their racing activities that are covered by a separate Act and not their breeding practices.

Another issue of concern to Dogs NSW is the requirement for a licensed breeder to hold a Certificate II in Animal Studies. This is only warranted for a pet shop, a breeding establishment that employs staff, or a pound or animal shelter. It is not warranted for non-commercial breeders and its applicability to members of Dogs NSW is not justified given that 95.2 per cent of its members who bred any litters at all bred only between one and four litters a year. There are guidelines in the code of practice that will become enforceable standards. Dogs NSW opposes this recommendation because it believes the existing standards in the code are sufficient to ensure that acceptable standards are indeed kept and maintained.

There are a number of other issues of concern including inspections under the breeder licensing system by the RSPCA and the Animal Welfare League. If Dogs NSW is not given an exemption there will be negative outcomes. They believe there will be an impact on the availability to the community of purebred dogs raised by its members for a family environment and potential owners of dogs will have reduced choice if this proposal goes through. They also raise the issues of euthanasia, impounding rates and breeder licensing. The number of dogs euthanased in Australia has been steadily decreasing, with RSPCA rates falling in all States except New South Wales. That requires us to look at why that is happening and to review the behavioural standards for dogs because 42 per cent of dogs are being euthanased because they do not meet behavioural standards.

It is worth looking at where the supply of puppies is coming from in New South Wales. Dogs NSW breeders bred 20,617 puppies in 2012 and non-registered and non-accountable breeders bred 99,383. I do not think any member of this House would argue that we should not take action to eliminate puppy farms and the production of puppies for sale in often unhealthy, cramped conditions with little regard for the breeding dogs and the puppies produced. The recommendations of the Companion Animal Taskforce focus too much on the already well-regulated area of pedigree breeders and would do little to tackle the large existing and unregulated commercial breeding that we should all condemn. I say no to puppy farms and no to these unfair restrictions on pedigree dog breeders.

GONSKI EDUCATION REFORM

Dr JOHN KAYE [11.41 p.m.]: Non-government schools in New South Wales are set to receive an unjustified increase in their public funding from the deal signed off between Premier Barry O'Farrell and Prime Minister Julia Gillard. The additional funds for public education are essential. Gonski offers a lifeline to public schools, which have been ignored for decades by both levels of government. However, the deal signed by the Premier and the Prime Minister delivered a hidden windfall to private schools.

TAFE students are being forced to pay so that more money can be provided to Sydney Grammar School. Universities are being sacrificed to prop up the wealth of schools like Ascham and Kings. Public and private schools have been guaranteed they will receive their year 2013 State funding, indexed at 3 per cent, and their Federal funding, indexed at 4.7 per cent. The very wealthiest private schools will receive indexation at a lower rate of 3 per cent. This not only locks in the unfairness of years of State and Federal funding increases biased to the private sector, it also makes the implementation of the Gonski principles in New South Wales much more expensive. The burden is to be dumped onto TAFE students who will pay higher fees, university students and staff who will experience appalling budget cuts, and communities that rely on New South Wales public services.

Our analysis shows that the public schools could receive their funding increases without making universities and TAFE students pay. All it would take would be to abandon the promised windfalls for private schools. While attention has largely focused on the money to be given to schools to raise their expenditure to the school resource standard, the real windfall for the non-government sector is the indexation of existing funding. Each school will receive funding from the State and Commonwealth governments as two notional amounts. Their base funding, which is their current amount, will be increased—indexed—each year by 3 per cent on State funding and 4.7 per cent on Commonwealth funding, except for those schools that can spend above their school resource standard. They will receive 3 per cent indexation. Schools that are currently unable to spend at or above the school resource standard amount, plus loadings, will receive additional amounts to boost their spending.

Based on the available data, our analysis shows that New South Wales non-government schools will receive the following amounts over the six years from 2014 to 2019 as increases in their funding above 2013

levels. Indexation: \$3.4 billion, made up of \$650 million from the New South Wales Government plus \$2.79 billion from the Commonwealth. Additionally: \$840 million made up of \$290 million from the State and \$540 million from the Commonwealth. The State's 110 wealthiest private schools will receive \$341 million in indexation. Excessively generous indexation and a \$3.4 billion gift to the State's 110 wealthiest non-government schools are needlessly inflating the budget impacts of delivering a fair deal to public education. Ending these unjustified levels of private sector subsidies would allow both governments to deliver Gonski funding outcomes to public schools without pushing up TAFE fees or cutting university funding and State public services.

Today's New South Wales budget revealed a few more details, but on the available information the excessively generous private school indexation is costing \$1.3 billion more than inflation. The wealthiest New South Wales private schools will see their funding grow to an extraordinary \$3.4 billion over the next six years. The indexation arrangements contain hidden, but massive, gifts for private education. Because the Commonwealth provides about 80 per cent of private school funding but only 26 per cent for public education, the higher rate of Commonwealth base funding growth will deliver an \$855 million windfall to non-government schools. Without these extravagances, achieving Gonski for public schools would be relatively easy without robbing other levels of education and public services.

Our analysis shows that a range of fairer measures could be used to pay for Gonski funding for public education. By cutting all of the funding for the 110 wealthiest private schools we would save \$3.4 billion over the six-year period, and by indexing private schools at 2.5 per cent the total cost for private school funding would be reduced by \$4.77 billion over the next six years. That is very close to the \$4.92 billion cost of Gonski-like funding for public schools. The effective rate of indexation for public schools is about 3.2 per cent. This is because the overwhelming majority of public school funding comes from the State, which will only be indexed at 3 per cent. If the Commonwealth indexation of private schools was held at the effective public school rate of 3.2 per cent, the total six years of indexation would be \$2.24 billion, a saving of \$855 million over the next six-year period.

LIEUTENANT-GENERAL SIR STANLEY SAVIGE

The Hon. CHARLIE LYNN (Parliamentary Secretary) [11.46 p.m.]: I speak tonight to clarify the historical record regarding the record of Captain Stanley Savige in the protection of Armenian and Assyrian refugees in Persia in 1918. Captain Savige was part of a British plan to raise a local force of Cossacks, Armenians and other Christians to support the allied cause against Turkish and Kurdish forces. The circumstances he faced in Persia at the time are almost beyond comprehension. Savige's biographer, W. B. Russell, described his visit to a typical nomadic Persian camp comprising 24 huge, black, tarry canvas shelters, filled not only with men, women and children, but also goats, sheep, dogs and fowls, and a floor about two inches deep in mud and filth. Savige was greeted with black looks and scowls from the inhabitants as if his presence polluted the sanctity of the village, and carried the odour of the place in his nostrils for many days. These Persian nomads tended to side with the Turks in World War 1 because of their religious and racial affinity.

As Captain Savige's small squad comprising two British officers, six sergeants, one Armenian and one Assyrian entered Kirmanshah they found people were starving because two successive crops had failed. Local inhabitants scattered across the valley were eating grass, and every step in the city brought him face to face with a living skeleton. Those strong enough begged or watched for their opportunity to steal; those too weak to stand lay dying in the streets. Mothers with maternal instinct clung to their dying and, in many cases, dead children; children crowded around the dead body of a parent, while many were so weak that a touch would fell them to the ground from which they could not rise without assistance. In September 1918 some 70,000 Armenians and Assyrians who had been trapped by Turkish and Kurdish forces at Urmia were liberated and began to move slowly southwards. Their only protection from marauding enemy bands was Captain Savige and his small mounted squad of 10 soldiers. The official historian of World War 1 described Captain Savige's leadership during this operation as

fine as any episode known to the present writer in the history of this war.

According to Savige's biographer, his own religious beliefs were challenged during the liberation of the Armenians and Assyrians as he witnessed thousands of armed men in his refugee column who refused to fight the Turks and Kurds, but who were prepared to massacre local Persians in villages along the route. Savige felt he could no longer subscribe to his former beliefs as to the relations between God and man. He surmised that beliefs change, principles strengthen. However, his love of children and his love for his less fortunate fellow veterans never changed, and he went on to become the founding father of Legacy. After more distinguished service in the Second World War he rose to the rank of Lieutenant-General.

I believe General Savage would be saddened to learn that the embers of age-old hatreds from foreign countries are now being fanned by ill-informed scholars with partisan views. He would be distressed by the introduction of terms such as "genocide" and "holocaust" to sensationalise their claims. There is no mention of such words in the official history of the war, the extensive account of the campaign by the British Force Commander Major General Dunsterville or in W. B. Russell's biography of General Savage.

Another claim, that hundreds of diggers were left in the Gallipoli peninsula after the Anzac withdrawal and that they were witnesses to genocide, is not supported by the facts. The one academic study of Gallipoli prisoners of war verifies that 67 prisoners were captured at Gallipoli, not hundreds. The files of prisoners of war from Gallipoli and the Middle East in the Australian War Memorial show that there is not one reference to witnessing genocide. It is worth noting, however, that various biographies and diaries contain references to dealing with a wide range of Greek and Armenian Ottoman citizens who lived in various parts of Turkey at the time. They included tradesmen, merchants, doctors, dentists, nurses, priests, interpreters and army officers. Australia has a proud record of offering safe refuge to victims of war and foreign lands. We offer a new home, hope, opportunity and freedom. We encourage such immigrants to maintain their cultural traditions but to please leave their hatreds, real or imagined, in the country they departed. We also offer them the freedom to commemorate their traditional days of remembrance in peace and forget the ideological and religious hatreds that tore their ancestral lands apart.

During my 21 years in the army, I served with soldiers whose parents were first-generation refugees from war-torn countries in Europe, the Middle East and Asia. It mattered not if they were Christian, Buddhist, Islamic or agnostic. When they donned their slouch hat, dug a weapon pit, or played in the regimental football team, they were loyal, proud and free of prejudice. I appreciate that those who have not experienced the camaraderie of service life might not understand the bonds of mateship that cross ethnic and religious divides, but I can assure members that it does. As the Parliamentary Secretary for Veterans Affairs I welcome debate on our military history, but I urge members to use authenticated research material to ensure that they do not cause offence to their fellow Australians who have a different ethnic heritage. I believe this is the way Lieutenant-General Sir Stanley Savage, KBE, CB, DSO, MC, ED would have wanted it to be.

INDUSTRIAL RELATIONS REFORM

The Hon. ADAM SEARLE (Deputy Leader of the Opposition) [11.51 p.m.]: For as long as I have been following current affairs, industrial relations has never gone out of fashion. From the Hancock report and reformers of the late 1980s to the missives of the HR Nicholls Society attacking the so-called Industrial Relations Club, the Brereton reform Act of 1993, the 1996 Workplace Relations Act, the 2006 WorkChoices legislation to the Fair Work Act in 2009-10, we seem to be experiencing a period of almost permanent revolution and the same has occurred at a State level, which commenced with the election in 1988 of the Greiner Government and the piecemeal reforms that led to the 1991 New South Wales Act. Coalition parties around Australia campaigned for and then, when in Government, enacted their own versions of industrial relations reform.

On the other side of politics, the Labor Party, in opposition, developed its own critique and responses to these developments, implementing them on its return to office in several States that commenced with the Carr Government of New South Wales in 1995 and Jeff Shaw's 1996 Industrial Relations Act, which remains largely the legislation we have today, with some crucial changes made by this Government. The important thing is that the Coalition and Labor Party have each put forward and debated their own visions of how best to regulate the workplace at the State and national level. This is healthy and right in a democracy, but after the 2007 election and the WorkChoices debacle for the Howard Government, it seems that the Coalition parties have become squeamish about being frank with the community on industrial relations reform.

The current Opposition Leader, Mr Abbott, has indicated that any government he leads will not embark upon significant change to industrial laws but will have a productivity commission inquiry and any recommended changes will be implemented only after a subsequent election and mandate. This is a clear effort to avoid another WorkChoices campaign against the Coalition parties in the lead-up to this year's Federal election. Of course there is great scepticism about this merely being a tactical posture and not a real policy position. The language used by Mr Abbott and his senior colleagues clearly discloses that they have not abandoned their former policy or changed their minds on the appropriate rights for working people. It is merely a recognition that they remain politically unacceptable, which leaves open the prospect that they would do it again should they have the opportunity to do so.

The question arises: how real is the prospect of significant industrial relations law reform change after the next Federal election? If one looks at the example of what has happened in New South Wales, it is my belief that the Coalition has form in this regard. On 24 February 2011 in the Fate of the State debate, the now Premier said, "We will need more public servants not less." But over the past two State budgets, the Coalition Government has slashed 15,000 public sector jobs. In July last year, a leaked Treasury memo confirmed there was no cap on redundancies in the public sector, which is a clear indication that the reduction of the public sector could go further than what has been announced to date. Of course, I have not had a chance to digest fully any nasties that may be in today's budget. Through this fairly brutal assault, the Government is undermining its own capacity to engage its workforce and to develop real innovative changes in workplaces across the New South Wales public sector to improve the nature and quality of the world at work as well as services to the wider community.

Before the last State election the current finance Minister, Greg Pearce, indicated that the Coalition had "no plans" to change the role of the Industrial Relations Commission. However, when I entered this House the Parliament enacted the Industrial Relations Amendment (Public Sector Conditions of Employment) Bill, which permitted the Government through the making of a regulation to create or declare a policy binding on the Industrial Relations Commission. This was said to implement the Government's wages policy but, as we could see in the declared policy of the regulation, it went much wider than wages: It covers all remuneration. Now the current State Government is trying to claw back federally mandated superannuation increases by reducing wage increases for New South Wales public sector workers. Of course, this legislation reflects the radical change in the philosophy of industrial relations legislation from the kind normally seen in this State. Even in the United States, the labour Act, known as the Clayton Act, states:

The labor of a human being is not a commodity or article of commerce.

Yet, this is exactly the approach of the current legislative regime pioneered in this State by this Government. The value of labour has been reduced to a mere economic transaction without proper appreciation of the social dimension of the work public sector workers do. This simple but far-reaching change enacted by the current Government has meant, effectively, the end of industrial arbitration in New South Wales. A proper community debate should have been had about that policy direction prior to and in the lead-up to the last State election. It would be a tragedy for the workers of the Australian community if the same process were to be replicated nationally—that is, a future government embarking upon further radical industrial relations law reform changes without those changes being properly scrutinised and judgement passed on them by the community before the Government takes office.

RUSSELL VALE COLLIERY

The Hon. JEREMY BUCKINGHAM [11.56 p.m.]: This evening I speak about the proposed expansion by Gujarat NRE of its Russell Vale Colliery, located approximately eight kilometres north of Wollongong, on the edge of the Wollongong suburbs.

The Hon. Dr Peter Phelps: I've been there. I've been down in it.

The Hon. JEREMY BUCKINGHAM: I am very displeased that the Hon. Dr Peter Phelps made it out. The project is proposed by Gujarat NRE, which is seeking approval to expand its current underground operation at Russell Vale and triple production of its coking coal to three million tonnes per year. Public submissions closed on 5 April and the Department of Primary Industries currently is considering approval. Many people in the community are very concerned, no less than Kaye Osborn and others, who have been fighting this coalmine and its expansion for many good reasons. Numerous government agencies, community groups and individuals have raised concerns about the proposal. Gujarat admits in its application that impacts for residents in the local area could be negative, including more coal trucks on the road and considerable noise from site operations.

If the expansion proceeds, truck movements are expected to double or triple to more than 680 trips a day by 2019 on local roads that are congested already. Serious concern held by many stakeholders is the plan to expand multi-seam longwall mining to unprecedented levels in the Sydney Water catchment special area. Longwall coalmining already is listed as a key threatening process that damages the surface and cracks water courses and swamps, causing water loss and contamination. The proposed mining undermines and threatens the Cataract River, Cataract Creek, Lizard Creek, Wallandoola Creek, a number of upland swamps, including swamps of significance, endangered ecological communities and threatened species habitats, major cliff lines and significant Aboriginal heritage sites. It even undermines the shores of the Cataract Reservoir.

The Hon. Dr Peter Phelps: That is ridiculous.

The Hon. JEREMY BUCKINGHAM: It does.

The Hon. Dr Peter Phelps: Why not have higher level—

The PRESIDENT: Order!

The Hon. JEREMY BUCKINGHAM: Mr President, shut him up. He should calm down. Gujarat NRE Coking Coal Limited has a history of noncompliance in meeting the conditions and requirements of its mining approvals. For example, the Department of Resources and Energy stated in its submission that Gujarat is in arrears in its mining royalty payments. This Government should be concerned about that given its \$5 million coalmining royalty black hole. Gujarat has delayed the construction of a sound wall to protect local residents from colliery noise and it was the successful tenderer for Wollongong City Council land in 2010 but to date has been unable to come up with the required \$5 million.

Various requirements of the company's preliminary works approval, including real-time air quality and noise monitors, also have not been implemented. An independent environmental audit was due in October 2012, but it still has not been carried out due to lack of funds. The end of panel report for Longwall 4 and the decommissioning of noisy, antiquated colliery infrastructure have been put on hold because of a lack of funds. Gujarat has failed to put numerous management plans in place, which has resulted in the mine not being compliant for months in 2012, and various media reports indicate that contractors have not been paid.

It is also extremely concerning that Gujarat was the second largest shareholder in the Pike River mine, at which 29 miners were killed in an explosion in 2010. Following the disaster, Pike River Coal Limited declared insolvency. The company's former directors—including current executive chairman of Gujarat, Mr Arun Kumar Jagatramka—neglected to disclose their roles in that company in their online biographies. This mine should not be approved for a number of reasons, including that Gujarat has no funds and because of the concerns about the damage that mining will cause. The Greens and the community are calling on the Government to reject this proposal because it has the potential to impact seriously on the Cataract Reservoir and the people of Wollongong.

CHARLES STURT UNIVERSITY RURAL HEALTH CONFERENCE

The Hon. MELINDA PAVEY (Parliamentary Secretary) [12.01 a.m.]: Supplying and maintaining an adequate medical workforce in rural and remote areas has been a longstanding challenge in Australia and the driver behind Charles Sturt University's recent conference addressing the mal-distribution of Australian medical graduates and the medical workforce generally. I had the pleasure of attending the conference with Professor John Dwyer, the member for Riverina Michael McCormack, and the shadow Parliamentary Secretary for Regional Health Services and Indigenous Health Andrew Laming. The delivery of health care in rural New South Wales relies heavily on those doctors who choose to live and work in the bush. The bulk of these doctors are general practitioners, although the role of specialists who are locally resident or who provide outreach services to rural areas must also be recognised.

The data shows that limited access to general practitioners in remote, outer regional and inner regional areas leads to increased presentations to hospitals. Where we have more Medicare service providers we have the lowest presentation to the public hospital system. The recruitment and retention of health professionals in rural and remote areas is an issue of national importance. The pressure being placed on the health workforce by factors such as the ageing population, a growth in chronic and complex conditions and the ageing workforce is well documented. One contributing factor to medical workforce shortages was the insufficient medical student training places in the late 1990s and early 2000s. This has now been addressed.

Between 2006 and 2012 the number of domestic medical graduates grew by 122 per cent and these students are now entering the workforce. These increases will continue with a peak occurring in 2016. The overall data for this country shows that we do not have a shortage of doctors in Australia; we have a problem of workforce distribution with a medical workforce shortage in rural and regional Australia. Intern positions for graduating medical students of Australian universities have been a significant issue which the New South Wales Government has addressed by creating a record number of intern positions for new medical graduates this year.

New South Wales had a record 927 intern positions available for the 2013 clinical year, which is an increase of 77 positions from 2012 and a total investment from the New South Wales Government of approximately \$100 million in 2013. Approximately 100 of those students are seeking entry into the rural training pathway programs. The recent Senate inquiry into the factors affecting the supply of health services and medical professionals in rural areas identified that the pressing issue is not the student numbers but the capacity in the system to adequately train those students along a pathway from student to a health professional who will work in a rural area. As previously stated, New South Wales established a record 927 intern positions for the 2013 clinical year. Rural practice exposure is one important strategy in encouraging doctors to live and work in our rural and regional areas.

Charles Sturt University and La Trobe University recently announced a partnership to develop an innovative medical school based at campuses in Bendigo, Orange and Wagga Wagga. The New South Wales Minister for Health has given in-principle support for this proposal. However, funding of medical undergraduate training and allocation of Commonwealth supported places is a Commonwealth responsibility. Local training and growing our own rural doctors is critical, given that rural communities are currently relying on recruiting doctors from overseas to provide general practice services. Dr Kim Webber, who works with the World Health Organization expert group on increasing access to health workers in rural and remote areas, presented some interesting data at the conference. If we look at the number of general practitioners in rural and regional areas we find that it has improved over the past 10 years, with the number of Australian trained doctors increasing between 2000 and 2010 by about 1.3 per cent per year, whilst the number of overseas trained doctors has grown by 8.7 per cent in the same period.

The number of doctors who trained overseas and who are working in small rural communities now outnumbers those who trained in Australia. From the mid-1990s we have seen the proportional headcount of general practitioners who trained overseas lift from 28 per cent to 40 per cent. Basically, the trend is about 1 per cent per year, such that in 2018 overseas trained doctors will be the majority of the rural and regional workforce and two-thirds of the rural and regional workforce by 2032. There is a growing body of national and international evidence which demonstrates the most successful strategy for increasing the number of medical and health professionals in rural practice is to train rural students in rural locations.

A review of literature on predictive factors for entry to rural health practice found that a person with a rural background was around two to 2½ times more likely to be in a rural practice than his or her urban counterparts. Although rural background is the strongest predictor of subsequent rural practice, the majority of medical school entrants with a rural background varies greatly between metropolitan and regional universities; for example, in 2011 the University of Sydney was 14 per cent; the University of New South Wales was 26 per cent; Notre Dame NSW was 17 per cent; the University of New England was 35 per cent; Wollongong University was excellent at 59 per cent; and James Cook University was 65 per cent. The James Cook University School of Medicine was established in 1999 with a mission to address the health needs of rural—*[Time expired.]*

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

Motion agreed to.

The House adjourned at 12.06 a.m. on Wednesday 19 June 2013 until 10.00 a.m. on the same day.
