



New South Wales

Legislative Council

PARLIAMENTARY DEBATES (HANSARD)

**Fifty-Sixth Parliament
First Session**

Wednesday, 19 October 2016

Authorised by the Parliament of New South Wales

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LEGISLATIVE COUNCIL

Wednesday, 19 October 2016

The PRESIDENT (The Hon. Donald Thomas Harwin) took the chair at 11:00.

The PRESIDENT read the prayers.

Bills

WASTE AVOIDANCE AND RESOURCE RECOVERY AMENDMENT (CONTAINER DEPOSIT SCHEME) BILL 2016

CHILD PROTECTION (WORKING WITH CHILDREN) AND OTHER CHILD PROTECTION LEGISLATION AMENDMENT BILL 2016

First Reading

Bills received from the Legislative Assembly.

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

The Hon. DUNCAN GAY: I move:

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

Motion agreed to.

Motions

METROPOLITAN COMMUNITY CHURCH GOOD SHEPHERD THIRTIETH ANNIVERSARY

The Hon. PENNY SHARPE (11:02): I move:

- (1) That this House notes that:
 - (a) on 23 July 1986, a group of Metropolitan Community Church Sydney members formed the Metropolitan Community Church Good Shepherd [MCC Good Shepherd];
 - (b) the MCC Good Shepherd is part of the Universal Fellowship of Metropolitan Community Churches, a Christian Church founded in the gay community for all the community, which decrees that all people will have equality of access and opportunity which is free from discrimination on grounds of gender, sexual orientation, identification, nationality, or economic status;
 - (c) after its beginnings in the Sydney CBD, the MCC Good Shepherd realised there was an urgent need for a Metropolitan Community Church in Western Sydney, and moved first to Parramatta and then Granville, where it continues to this day; and
 - (d) on 26 July 2016, the MCC Good Shepherd held a thirtieth anniversary dinner to celebrate the formation of the Church and its values of promoting equality in theology and worship and providing an inclusive, safe spiritual home of faith, community and love.
- (2) That this House congratulates the Metropolitan Community Church Good Shepherd Western Sydney on reaching its 30 year anniversary and thanks its members and clergy for their ongoing spiritual support for the gay, lesbian, bisexual, transgender and intersex community of Western Sydney.

Motion agreed to.

SYDNEY RECOVERY WALK

The Hon. SHAYNE MALLARD (11:04): I move:

- (1) That this House notes that:
 - (a) on Sunday 25 September 2016, the third annual Sydney Recovery Walk was held, with approximately 500 people walking from Customs House to the New South Wales Parliament;
 - (b) the event, sponsored by Reverend Bill Crews, is inspired by the global recovery movement ending shame, stigma, and discrimination, associated with recovery from alcohol, prescription and other drug addiction; and
 - (c) participating in the walk representing the Premier of New South Wales, the Hon. Mike Baird, MP, was the Hon. Shayne Mallard, MLC.
- (2) That this House congratulates:
 - (a) the organisers of the Sydney Recovery Walk 2016;

- (b) the many community health organisations and campaigners who took part in the Sydney Recovery Walk 2016; and
- (c) Reverend Bill Crews for his tireless community outreach work in the area of recovery from addiction and sponsorship of the Sydney Recovery Walk 2016.

Motion agreed to.

Irregular Petitions

HUMAN ORGAN TRAFFICKING

Mr DAVID SHOEBRIDGE: I move:

That standing and sessional orders be suspended to allow the presentation of an irregular petition from 4,628 citizens of Australia requesting that the Government outlaw human organ trafficking and harvesting, make it illegal for people in New South Wales to receive illegally trafficked and harvested organs, and urge the Federal Government to make changes to laws regarding overseas organ trafficking and harvesting.

Petition received.

Visitors

VISITORS

The PRESIDENT: I welcome to the visitors' gallery young women who are attending the Department of Parliamentary Services Young Women's Leadership Seminar. Welcome to Parliament House. I hope the program that we are putting on for you today is one that you will find interesting and stimulating. I hope that you get a great deal out of it. Thank you for visiting the Legislative Council this morning.

Business of the House

POSTPONEMENT OF BUSINESS

The Hon. ADAM SEARLE: I move:

That Business of the House Notice of Motion No. 1 be postponed for a future day.

Motion agreed to.

Sessional Orders

CUT-OFF DATES FOR GOVERNMENT BILLS 2017

The Hon. MICK VEITCH (11:16): I move:

- (1) That the following procedures apply to the passage of Government bills introduced by a Minister or received from the Legislative Assembly after 25 May 2017 (Budget sittings):
 - (a) If after the first reading, a Minister declares a bill to be an urgent bill and copies have been circulated to members, the question "That the bill be considered an urgent bill" is to be decided without amendment or debate, except a statement not exceeding 10 minutes each by a Minister and the Leader of the Opposition or a member nominated by the Leader of the Opposition, and two cross bench members not of the same party and not exceeding five minutes each. If that question is agreed to, the second reading debate and subsequent stages may proceed forthwith or at any time during any sitting of the House.
 - (b) If the question on urgency is negatived or if urgency is not sought:
 - (i) if the bill originated in the Legislative Assembly, a motion may be moved, without notice, that standing orders be suspended to allow the passing of the bill through all its remaining stages during any one sitting of the House after the winter recess; and
 - (ii) the debate on the motion for the second reading of any bill introduced or received after 25 May 2017 is to be adjourned at the conclusion of the speech of the Minister moving the motion, and the resumption of the debate is to be made an order of the day for the first sitting day after the winter recess.
- (2) That the following procedures apply to the passage of Government bills introduced by a Minister or received from the Legislative Assembly after 19 October 2017 (Spring sittings):
 - (a) If after the first reading, a Minister declares a bill to be an urgent bill and copies have been circulated to members, the question "That the bill be considered an urgent bill" is to be decided without amendment or debate, except a statement not exceeding 10 minutes each by a Minister and the Leader of the Opposition or a member nominated by the Leader of the Opposition, and two cross bench members not of the same party and not exceeding five minutes each. If that question is agreed to, the second reading debate and subsequent stages may proceed forthwith or at any time during any sitting of the House.
 - (b) If the question on urgency is negatived or if urgency is not sought:

- (i) if the bill originated in the Legislative Assembly, a motion may be moved, without notice, that standing orders be suspended to allow the passing of the bill through all its remaining stages during any one sitting of the House after the summer recess; and
- (ii) the debate on the motion for the second reading of any bill introduced or received after 19 October 2017 is to be adjourned at the conclusion of the speech of the Minister moving the motion, and the resumption of the debate is to be made an order of the day for the first sitting day after the summer recess.

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (11:16): I indicate that the Government supports the motion.

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

Motion agreed to.

Bills

REGULATORY AND OTHER LEGISLATION (AMENDMENTS AND REPEALS) BILL 2016

First Reading

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

Second Reading

The Hon. JOHN AJAKA (Minister for Ageing, Minister for Disability Services, and Minister for Multiculturalism) (11:18): I move:

That this bill be now read a second time. I am pleased to introduce the Regulatory and Other Legislation (Amendments and Repeals) Bill 2016 which continues this Government's commitment to repealing unnecessary legislation, reducing the regulatory burden, and removing barriers to digitisation within government. This Government already has made significant inroads in reducing red tape and removing unnecessary regulatory burdens. Initiatives like the Easy to do Business Program and the Commerce Regulation Program, the NSW Data Analytics Centre and the establishment of an independent review of the New South Wales regulatory policy framework show that this Government does not just talk about red tape reduction, we act on it. This bill does so by providing for repeals, amendments and reforms to increase digitisation, improve regulatory quality and consumer protection, and reduce regulatory burdens.

I turn to the amendments in the bill that will strengthen underquoting protections for consumers. The bill contains proposed amendments to the Property, Stock and Business Agents Act 2002 to clarify that a real estate and property industry licensee-in-charge is responsible for the actions of their employees. The need for these amendments arose following the outcome of the NSW Fair Trading prosecution against a Sydney real estate agency for underquoting the likely selling price of a residential property to consumers. In this case, the real estate agents were the licensees who operated the real estate agency, but the individual agents who made the false representations were in fact employed by a subsidiary company. The magistrate dismissed all charges on the basis that the individual agents, who had underquoted, were not directly employed by the licensees and therefore the licensees had not breached the laws. This is clearly not the intent of the Act. To prevent this situation from occurring again, the proposed amendments will ensure that licensees are liable for the actions of their employees regardless of the employment arrangements.

Key industry stakeholders such as the Real Estate Institute of New South Wales and the Estate Agents Co-operative have been consulted and support these proposed amendments. I thank these stakeholders for their ongoing contributions to the improvement of real estate laws. It is very important to understand that the events behind this case occurred in 2014 and the matter was prosecuted under old underquoting laws. In January 2016, the Government took steps to provide greater consumer protections for prospective homebuyers with the introduction of stronger underquoting laws. I am confident that these amendments will work in conjunction with the new underquoting laws to protect consumers, clarify responsibilities of licensees and aid the enforcement of the property, stock and business agents laws.

I now turn to the provisions in the bill that will increase the number and uptake of government transactions that can be conducted online. The Rental Bonds Online service is a key initiative allowing tenants to lodge their bond quickly in a user-friendly, secure online environment. The money will go directly to the Rental Bond Board as the independent custodian, eliminating the possibility of those funds not being lodged. While there has been an encouraging start to lodging bonds online, changes are needed to help accelerate the uptake so as to ensure more tenants have the benefit of making this transaction digitally. The amendment in this bill will make it mandatory for real estate agents and landlords to register with the online service and offer it to all new tenants as the first option for paying their bond. Tenants without internet access will still be able to pay their bond in the traditional way.

This amendment will help achieve the target set for 80 per cent of bonds lodged via the online service by the end of 2017. The requirement for registration will not commence until next year, therefore landlords and

agents will have ample time to register and get used to offering the online service to their tenants. Another amendment in the bill, which will increase the number of government transactions provided by digital means, is the removal of the requirement in the Architects Act 2003 and the Building Professionals Act 2005 to provide a statutory declaration when lodging a complaint. By removing this requirement, consumers will be able to lodge these complaints online in the same way they currently lodge complaints digitally about other services, providing yet another government transaction that can be completed online.

I will now address the proposed amendments in the bill to improve regulatory quality and consumer protection measures. The bill also makes an amendment to the Fair Trading Act 1987 to improve access to existing consumer protection provisions for addressing information asymmetry in the market. Section 58 of the Fair Trading Act enables the New South Wales Government to establish a scheme for the publication of standard retail prices of fuel for motor vehicle users. The Act is being amended to include hydrogen and electricity in the definition of "prescribed fuel" to ensure commercial recharging stations for electric vehicles are also covered in the publication of standard retail fuel prices. As more motor vehicle users purchase electric vehicles, this will ensure they have the same access as other motor vehicle users to readily available price information. The amendments are not intended to capture any private recharging facilities but to apply only where the service is being offered to the public on a commercial basis.

The bill also makes a number of repeals to legislation and legislative provisions that were not commenced for several reasons or have become redundant in order to improve the currency and overall quality of the regulatory stock in New South Wales. One of these amendments is the repeal of the uncommenced schedule in the Classification (Publications, Films and Computer Games) Enforcement Amendment Act 2001. As we all know, advances in electronic communication are progressing at lightning speed. These advances mean that the provisions in the uncommenced schedule 2 are now unable to adequately control the availability of dangerous material online. Instead, a combination of State and Federal legislation operates to control that online material. Given these other protections, the Legislative Council Standing Committee on Social Issues recommended the schedule, and hence the amendment Act, be repealed.

The Department of Justice has advised that it remained uncommenced pending the outcome of a review of the Broadcasting Services Act 1992. The review was not completed and the schedule is now being repealed. The bill also contains a number of smaller regulatory fixes to ensure legislation is not out of date and is still fit for purpose. Some of these amendments are minor technical changes to legislation that the Parliamentary Counsel considers are appropriate for inclusion in the bill. Examples of such amendments include corrections of cross-references, typographical errors and amendments arising out of the enactment of other legislation.

I now turn to the proposed amendments in the bill to remove red tape and reduce regulatory burden. The amendments in this bill will further reduce unnecessary red tape and relieve the regulatory burden on certain businesses as part of the Government's agenda to make it easier to do business in New South Wales. There are a number of reasons why a person would want to hold both a New South Wales driver licence and a photo card; however, due to an anomalous legislative provision this is not possible. Consequently, the bill repeals the provisions of the Photo Card Act 2005 that prevent the holder of a driver licence from being issued with a NSW Photo Card, thereby removing unnecessary regulatory barriers.

The amendments in the bill to the Funeral Funds Act will remove duplication of regulatory requirements and reduce red tape and regulatory burden on affected businesses. Friendly societies in New South Wales operating funeral funds will be exempt, as they are already subject to a stringent regulatory regime under the Commonwealth's Life Insurance Act and, as such, are under prudential supervision by the Australian Prudential Regulation Authority. Similarly, Crown cemetery trusts are adequately regulated by the recently introduced Cemeteries and Crematoria Trusts Act 2013, and therefore the requirement to comply with the Funeral Funds Act when performing those functions is unnecessarily burdensome.

To reduce time and costs involved in renewing licences and doing business in New South Wales, the Conveyancers Licensing Act 2003 and the Pawnbrokers and Second-hand Dealers Act are being amended to enable licences issued under these Acts to have effect for up to three years, rather than business people having to renew the licence annually. This amendment is consistent with home building and motor dealers and repairers licensees, who already have the choice of applying for one- or three-year licences. This amendment will save a new conveyancer, pawnbroker, or second-hand dealer over 30 per cent in processing fees over three years and an existing licensee 66 per cent in renewal processing fees over three years.

Finally, I say a big thank you to the Ministers for their support of the important work of regulatory reform contained in this bill. My thanks also go to the department secretaries for the contribution made by their departments. This bill delivers on the Government's commitment to increase the number of transactions delivered via digital platforms and reduce red tape and regulatory burden to make it easier to do business in New South Wales. I commend the bill to the House.

Debate adjourned.

CROWN LAND MANAGEMENT BILL 2016

First Reading

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

Second Reading

The Hon. NIALL BLAIR (Minister for Primary Industries, and Minister for Lands and Water)
(11:29): I move:

That this bill be now read a second time.

I ask the House to consider a package of landmark reforms to the management of Crown land in New South Wales. These reforms are a result of a thorough and consultative review of Crown land in New South Wales over the last four years. This bill aims to fundamentally improve the management of Crown land and ensure the Crown estate continues to provide significant social, economic, environmental and cultural heritage benefits to the people of this State. It demonstrates the Government's commitment to protect and preserve Crown land for future generations.

Management of the State's vast Crown land estate has been an important responsibility of the New South Wales Government since the earliest days of the colony. Crown land is land that belongs to the State of New South Wales. It is owned and managed by the State for the people of New South Wales. It should not be confused with other forms of government-owned land such as national parks, State forests, State rail property and community lands owned by local councils. Crown land is one of New South Wales's most valuable assets. Across New South Wales there are 580,000 individual Crown land parcels covering some 33 million hectares with an overall value of \$11 billion. This valuable asset supports and generates significant social, environmental and cultural benefits in every community in New South Wales. The people of New South Wales, businesses and community organisations depend on fair and transparent access to Crown land.

On coming to Government, it was obvious that there needed to be a substantial rethink of the way that the Government oversaw the management of Crown land. The existing framework governing Crown land in New South Wales is complex and outdated and no longer effectively allows for the wide variety of the needs of the community to be realised. For this reason in 2012 the Government initiated the first comprehensive review of Crown land in New South Wales in 25 years, led by Michael Carapiet. The aim of the review was to determine how to improve the management of Crown land and therefore increase the economic, social, environmental and cultural heritage benefits and returns from Crown land to the community. The review made a number of recommendations. However, the most significant finding of the review was that New South Wales needs new and comprehensive Crown land legislation. This is needed now.

As a companion to the review, in 2014 this Government published the Crown Lands Legislation White Paper which set out key elements of the bill. Over 600 submissions were received, and since that time we have continued to consult and engage with stakeholders on the development of this bill. We also heard from the community through the recent parliamentary inquiry into Crown land. Similarly, we have reflected on the recent Audit Office report into sale and leasing of Crown land. The bill responds to and incorporates key findings from these processes. Both the review and the parliamentary inquiry have given this Government the opportunity to listen closely to the people of New South Wales.

We have heard the community's voice calling for greater protection of environmental, cultural heritage and social values derived from the use of Crown land; more meaningful community involvement in the decisions relating to the management of Crown land; a clear, publicly available strategy for the management of Crown land; proved management arrangements for Crown reserves; stronger frameworks for key community assets such as showgrounds and travelling stock reserves; better provisions for tenures and rents; removal of red tape, duplication and reduction of transaction costs; a new approach to the Western Division to aid the productive use of agricultural land; stronger provisions for law enforcement to protect Crown land; greater recognition of Aboriginal interests and involvement in Crown land; and greater clarity on Crown land of State significance and Crown land of local significance.

We have listened to what the community and stakeholders have said, and these views have culminated in the introduction of this bill and in a second bill with consequential amendments that will be introduced next year. These bills will address the delays, duplication and poor practices of Crown land management, some of which have existed for decades. It will also set expectations for how we want Crown land to be managed for the future. The bill creates a single modern legislative framework for Crown land which will be easier to understand and increase community involvement in major decisions about it.

This bill is the first stage in a process that will consolidate eight existing pieces of legislation into one clear, modern legislative framework. It will require environmental, social, cultural heritage and economic considerations to be taken into account in decision-making about Crown land. The bill provides for greater local decision-making by allowing locally significant Crown land to be devolved to a local level and strengthen opportunities for community involvement. It provides for genuine and tailored consultation with the community on important decisions and ensures that the people of New South Wales will have a say on relevant decisions.

For the first time Crown land legislation will include provisions for Aboriginal management of Crown land, acknowledge the need to facilitate Aboriginal people's use of Crown land and, appropriately, reference the rights given to Aboriginal people through the State land rights legislation and recognised by the Commonwealth native title legislation. Importantly, the new bill will not automatically transfer any Crown lands to councils or to government agencies, for that matter. It will not change the Aboriginal Land Rights Act 1983 or the Commonwealth Native Title Act 1993, and it will not lead to the wholesale or widespread sale or disposal of Crown land.

A key finding of the Crown Lands Management Review was that while the New South Wales Government should continue to manage land of State significance, land of local importance should be subject to local level decision-making, which is best achieved by transferring these lands to local councils. The bill will allow this to occur with a number of safeguards. Fundamentally the New South Wales Government will retain Crown land that is State significant. Criteria have been developed to guide decisions on what Crown land is State significant. The criteria are publicly available and sit outside the legislation to ensure they are responsive to changing community needs. These guidance criteria will ensure that key infrastructure, iconic land and land that has State significant, environmental, social, heritage and cultural values is retained in State ownership. Importantly, the bill effectively presumes that all Crown land is State significant. It does this by requiring ministerial consideration as to whether land is of primarily local significance before it can be transferred to a local council. This is done in the bill by reference to the local land criteria.

These criteria, like the State land criteria, have been developed to guide decisions on local significance and are publicly available. In practice, this means that departmental staff will do a stocktake of each piece of land against both the State and local land criteria before recommending to the Minister whether the land is appropriate for vesting in the local council. Land that is identified as being primarily land of local community value—for example, local parks and libraries—will be vested in local councils through voluntary and staged negotiations. Land which is currently the subject of an undetermined land claim will not be transferred to local councils or indeed the other government agencies without the consent of the Local Aboriginal Land Council and the NSW Aboriginal Land Council where relevant.

As the House would be aware, the recent parliamentary inquiry into Crown land and the Audit Office report on the sale and leasing of Crown land highlighted the need for new Crown land legislation. The inquiry into Crown land led by the Hon. Paul Green was timely, as it allowed further exploration of the community's views about the management of Crown land just as the drafting of this bill was being completed. The Government participated in the inquiry process by providing submissions, and I appeared before the committee on two occasions. To support the committee's deliberations, I provided a high-level briefing on this bill. The committee has now released its report and findings on Crown land in New South Wales. I take this opportunity to thank the committee for its very useful and timely report. I also extend my thanks to everyone who took the time to make some 350 submissions to the inquiry to inform the report.

In its report, the committee took into account all of those submissions and considered the ownership and management of Crown land in the context of the proposed bill. Importantly, the committee stated that it is generally supportive of this Government's legislative proposals to recognise the importance and timeliness of these changes. In addition, in recommendations Nos 1 to 6 and recommendation No. 18 of the report, the committee made a number of considered recommendations in relation to the bill. I will address each of those recommendations. In recommendation No. 1, the committee asked the Government to consider additional legislative protections to ensure that local land is retained as public land and is managed in the public interest. I understand the reasons behind this recommendation.

The Government has listened to the community's concerns that Crown land identified as local land of primarily local interest will be sold by councils if it is transferred to them. I am pleased to confirm that the bill puts in place a number of protections to ensure that this does not happen where the land needs to be retained for a public purpose. The bill does this by requiring that local land vested in councils will transfer as community land under the Local Government Act 1993 in most circumstances. That Act provides that community land cannot be sold by councils, and all community land must be managed in accordance with clear community-focused objectives under a plan of management.

There will be only two scenarios where land may be vested as operational land under the Local Government Act. The first will be where the relevant land is already being used for a truly operational purpose and is not being used by the broader community. In most cases this will be where land is used to support council services, such as works depots. The second will be where categorisation as operational is required to allow the current land use to continue. This is required in some important circumstances such as where Crown land is being used for long-term residential accommodation and cemeteries. As these uses support the community, it is in the public interest to allow the land to continue to be used in this manner.

The bill also provides powers to put covenants on titles to land. There may be circumstances where it is appropriate to put covenants on a title to land that is vested in councils to restrict how the land is used and managed into the future. This will be considered on a case-by-case basis as land is put forward for transfer of ownership. The cost to councils of owning and managing the land transferred to them was also raised by the committee in recommendation No. 4 of its report. To address this concern, the bill has been clarified to provide that all income from land transferred to local councils will be able to be retained by them.

The committee's second recommendation was that the Department of Industry—Lands prepare a strategic plan that establishes how Crown land will be managed, maintained and resourced. This recommendation has been incorporated in the bill, as has the need for board consultation on the plan, including with local governments. The committee's third recommendation was that the bill should allow for the appointment of a Crown lands commissioner. Again, the Government has incorporated that in the bill, which provides for a Crown lands commissioner to be appointed. The commissioner will be able to investigate and report on anything in relation to the administration of the bill, including its implementation and management.

In recommendation No. 5, the committee recommended that particular types of land, such as travelling stock reserves and showgrounds, should be classified as State land. This outcome is achieved in the bill, which presumes that all Crown land is State land unless and until the Minister is satisfied that the land is suitable for local use having regard to the local land criteria. At an operational level, there will be a parcel-by-parcel stocktake against the criteria before any land is transferred to local councils, thereby ensuring that there are appropriate safeguards on land leaving the Crown estate.

In recommendation No. 6, the committee stated that the bill should include the same community consultation methods as those used for plans of management that now operate under the Local Government Act. This recommendation is partially adopted in the bill. The approximately 7,800 reserves that are managed by local councils will need to have plans of management that follow the community consultation requirements in the Local Government Act. For reserves managed by other groups, such as community organisations, the consultation requirements will be set out in the new community engagement strategy.

As I will explain in detail, this strategy will ensure that there is an appropriate level and method of consultation and engagement with the community about decisions that affect their use and enjoyment of Crown land. In some cases, the strategy could require consultation above and beyond that which is in the Local Government Act. In other cases, detailed consultation may not be appropriate, for example, for drainage reserves. The strategy will allow for this flexibility in the context of meaningful consultation where the community is affected. In recommendation No. 18, the committee recommended ensuring that the bill recognises the fact of prior and continuing Aboriginal custodianship of Crown land, and operates together with the Aboriginal Land Rights Act 1983. The bill provides for timely recognition and facilitation of Aboriginal people's rights and interests. The bill also recognises the operation of the Aboriginal Land Rights Act 1983.

In addition to its findings that relate directly to the bill, the committee made other findings that are relevant. In recommendation No. 7, the committee recommended that the department develop guidelines to ensure that plans of management and leases are flexible enough to allow for small community-oriented commercial activities to operate for the benefit of both the community and the land manager. The bill explicitly recognises that commercial activities can operate from Crown reserves, and gives flexibility to government and Crown land managers in setting the terms of leases and licences.

Finally, the bill enshrines comprehensive rebate, waiver and concession provisions to ensure that community benefits can be taken into account when considering rentals. In recommendation No. 13, the committee recommended that the department explore the feasibility of including an independent appeals mechanism for decisions regarding Crown land plans of management, sales and leases. The bill allows for that by including a regulation-making power that would confer jurisdiction on the Land and Environment Court or the NSW Civil and Administrative Tribunal to hear appeals arising from decisions made under the bill. This provides flexibility in terms of creating appellate jurisdiction in appropriate circumstances.

In addition to the Crown land parliamentary inquiry, the Audit Office tabled a report on the sale and lease of Crown land on 8 September 2016. The Audit Office report made six recommendations, all of which have been

accepted by the Government. This bill goes a long way towards addressing the areas in the report that recommend attention and reform. Specifically, the Auditor-General recommended that the department improve its consultation with stakeholders regarding the sale and lease of Crown land. It also recommended increasing transparency about sales and leases. The bill proposes significant improvements to how the community is consulted.

As I have mentioned, the bill introduces the requirement for a community engagement strategy to be developed and adhered to for dealings with Crown land. The strategy will commence at the same time as the main provisions in the bill. The Audit Office also recommended that a number of important administrative arrangements be put in place. These relate to compliance, direct negotiations, policies, guidelines, procedures, and enhancing transparency of decisions. The Government has accepted all of those recommendations and, consistent with recommendation No. 12 of the parliamentary inquiry report, will report to the Parliament on progress. The Auditor-General recognised in her report that this bill will represent the most comprehensive reform of management of Crown lands undertaken in New South Wales in more than 25 years.

I now turn to the detail of the bill. The bill is divided into 13 parts. Part one provides preliminary information. Clause 1 sets out the new objects for the bill, which are centred on establishing a clear legal framework applicable to Crown land and providing for the ownership, use, and management of Crown land in New South Wales. The object is to provide a definitive basis for decision-making around Crown land to encompass environmental, social and cultural heritage, and economic considerations. The benefits of Crown land to the people of New South Wales are protected through an objective to provide for consistent, efficient, fair, and transparent management of Crown land.

The objects make it clear that the Government is committed to protecting the interests of Aboriginal people in its dealings in Crown land. The objects include facilitating Aboriginal people's use of Crown land and emphasise the need to enable co-management of dedicated or reserve Crown land where appropriate. Division 1.3 of the bill sets out what is Crown land and makes it clear when land is vested in the Crown. It also provides for when land ceases to be Crown land and when land will become Crown land. This provides for a simplified approach in deciding what is Crown land and makes it clear when land will form part of the Crown estate. Dedicated land, which is land that has been dedicated for particular purposes, is clearly recognised as Crown land and is part of the Crown estate.

Commons and schools of arts and mechanics institutes will also be recognised as Crown land, with their special uses acknowledged through appropriate reserve purposes to ensure that those uses can continue. Land leased under the Wentworth and Hay irrigation Acts will also become Crown land, facilitating a consistent approach to leasing land owned by the Crown. Crown reserves and dedications are a fundamental aspect of the Crown estate. They are the key mechanism through which the community can manage Crown land. Across New South Wales more than 700 community volunteer trusts look after important areas of Crown land on behalf of their local community and the State. This bill will significantly simplify and improve the way Crown reserves are managed.

Part 2 of the bill sets up a standardised scheme for the dedication and reservation of Crown land. The Minister may dedicate or reserve Crown land if it is for a purpose consistent with the new objects of the bill, or if it is in the public interest. This will broaden the purposes available to the Minister for the dedication of Crown land and ensure the community can continue to play a significant role in the management of Crown land. Regarding dedicated land, clause 2.7 retains the requirement that any dedication can only be revoked following tabling in both Houses of this Parliament for 10 days. This provides the opportunity for both Houses to disallow any amendment to a dedication. This is an important protection and recognises the special status of dedicated land.

In order to cut red tape, clause 2.23 of the new bill confirms that the Minister for lands will be taken to have given consent to low-impact acts on dedicated or reserved land. Applicable low-impact acts are minor, such as repairs and maintenance. This will help to reduce red tape for reserve managers and tenure holders. No longer will hardworking volunteers need to approach the often lengthy and resource-intensive landowner consent process to fix small issues such as public toilets.

Part 3 of the bill implements a modern approach to the management of dedicated or reserved Crown land. This is necessary because the current arrangement of three-tier trust governance and reserve management system is outdated and complex. The current trust and trust manager system will be replaced with a single incorporated manager responsible for each Crown reserve known as the Crown land manager. These arrangements will simplify the management structures, enable improved governance standards to be set for Crown land managers and reduce the overall approvals and reporting required. Ministerial oversight will remain to ensure that reserves are managed appropriately for the people of New South Wales. Importantly, community groups managing Crown land will continue to play a crucial role in the management of dedicated and reserved Crown land. Existing community reserve managers will continue to manage their reserves, with no changes to existing arrangements.

This bill provides new powers to ensure that Crown reserves continue to be managed effectively and are protected. Clause 3.15 enables the Minister to create "Crown land management rules" that can apply to any Crown land manager. Rules can be made about a number of factors. However, it is significant to note that the bill specifically enables rules to be made about environmental standards that are to be taken into account in decision-making, rules about public access to and use of land, and rules to facilitate the use of the land by Aboriginal people. It is intended that rules will be made over time and be set strategically. This new framework will ensure the rules applying to specific Crown land managers can be responsive to changing State and community needs for Crown land reserves.

The Crown Lands Management Review found that the current system for management of reserves was excessively complex. This bill will reduce this complexity by enabling local council managers to manage dedicated or reserved Crown land as if it was community land under the Local Government Act 1993. This will reduce the duplication and drain on resources experienced by local councils in their management of Crown land. It will also mean that all Crown reserves managed by local councils will have plans of management. Although local councils will generally be managing Crown land under the Local Government Act 1993, the Minister will retain important oversight rights and powers including the ability to make rules that local councils must comply with.

Local council Crown land managers will not be able to sell or re-categorise managed Crown land without the consent of the Minister. Communities will be in a position to influence decisions about how Crown land is managed by local councils through the strong existing processes under the Local Government Act. Additionally, this bill brings forward new comprehensive governance provisions to regulate the conduct of non-council Crown land managers and require them to uphold high professional standards.

Division 3.5 introduces two new categories of non-council Crown land managers and represents a risk-based approach to the undertaking of functions on behalf of the Minister. Those Crown land managers that have proven themselves capable of meeting the highest levels of professional standards will become category 1 Crown land managers. They will be able to undertake certain dealings without the Minister's approval. Category 1 Crown land managers will be responsible for submitting comprehensive annual reporting. All other non-council Crown land managers will be category 2 Crown land managers.

These category 2 Crown land managers will generally manage single and/or smaller Crown reserves and have fewer resources when compared to the category 1 Crown land managers. They will largely be required to seek ministerial approval for all matters in the first instance. Ministerial requirements can then be tailored to fit the circumstances of the Crown land manager until they are equipped to undertake more functions. The Minister will continue to be able to direct a Crown land manager to prepare a plan of management. However, now they will be required to undertake consultation as set through the community engagement strategy.

Land has continued to be set aside or separated from the Crown estate since the early settlement in New South Wales. Part 5 of the bill will continue to provide for the sale, lease, licence and other tenure of Crown land. The object of the bill requires social, economic, cultural heritage and environmental considerations to be taken into account in decision-making about Crown land. These decisions include the sale of Crown land. Any sale would also need to follow the requirements set out in the community engagement strategy required under division 5.3.

At the same time, the land-use framework under planning and environmental legislation will regulate what happens on the land, protecting the land from inappropriate development. Combined, this regime goes towards addressing the criticisms of the Auditor-General and ensures that the sale process is transparent when community use is affected. The current legislative requirements for community engagement for sales, disposals, leases and licences are limited. Community engagement has been a legacy concern of the public around decisions in Crown land.

This Government has responded by including a requirement for a community engagement strategy in the bill to be in place when the main provisions in the bill commence. The new community engagement strategy is a cornerstone of the new legislation and will provide for more meaningful engagement with the public where proposals will impact on the community's use and enjoyment of a parcel of Crown land. The strategy will define the requirements for community engagement on Crown land and when engagement is required. Mandatory requirements specified by the strategy must be complied with. The strategy will enable the move from a traditional and limited notification approach to a modern, best-practice approach. This new approach provides for tailored and more accessible engagement so that Crown land decisions of greatest impact will trigger greater public participation.

To consolidate and simplify legislation, tenures under the Western Lands Act will be transitioned to the framework in the bill. However, certain provisions in the bill will apply only to the Western Division of New South

Wales, due to the unique characteristics of that area. Division 5.4 sets conditions around the ability to sell Crown land in the Western Division. Crown land will not be able to be sold in the Western Division unless it is urban land; required for urban expansion; within a prescribed distance of urban land and will contribute to the economic growth of the region; in a rural area and predominately used for residential, business, industrial or community purposes; or has at least a moderate land and soil capability. This balances environmental considerations with the need to ensure that farmers in the Western Division have the greatest possible flexibility to own and productively manage their land without artificial barriers.

The Crown land white paper 2014 found that the current Crown Lands Act and related Acts and regulations established a network of variable tenures, rent requirements and surrender provisions. Part 5 of the bill includes a standardised regime for the management of all Crown land tenures to the extent possible. This improvement to the Crown land framework will harmonise and provide certainty to all those involved in Crown land leases in New South Wales. The New South Wales Government needs to be able to enter into flexible and commercial tenure arrangements with proponents to ensure leases are best tailored to individual circumstances. The bill enables the terms and conditions of a lease to be commercially negotiated—for example, by negotiating individual rent redetermination clauses. However, the bill recognises that some terms and conditions should be mandatory and will continue to be included in all lease arrangements.

The bill also standardises the leasing arrangements on the land in the Hay and Wentworth areas as well as land currently leased and licensed under the Crown Lands (Continued Tenures) Act 1989 to the extent possible. This reduces the duplication across the multiple Acts and introduces a consistent approach to tenures. The licensed provisions have also been reviewed and updated and are contained in division 5.6 of the bill. The bill allows the Minister to unilaterally issue licences where Crown land is being used without permission, but that the use would be permissible if a licence had been applied for. This is to deal with a lack of understanding of the requirements for a licence for use of public lands. Licences will not be issued in this manner where their relevant activity is detrimental to the Crown land in question.

Rental income has been an ongoing concern in Crown land management and has also been identified as a concern in the Audit Office report. Whilst this can be primarily an enforcement issue, part 6 will standardise the minimum rent and bring together all the rental schemes across the current Acts into one harmonised framework. The objective is to promote equity across all holders of tenures in Crown land. Determination and redetermination of rent is a significant part of the lease negotiations. The bill provides new general principles for rent determinations and redeterminations that will be set with reference to market rent.

The exception to this is Western lands leases. Rent determinations for Western lands leases will continue to be determined by a set formula as prescribed in regulations. This recognises the difficulties of establishing an applicable and equitable market in the Western Division. Flexibility is also built in to allow the secretary and Independent Pricing and Regulatory Tribunal to make recommendations that different rent be applied to a determination. Importantly, the bill will include an ability to object to a redetermination and will also provide for tenure holders to seek waivers, rebates or concessions for rents payable.

In addition to land claims, the New South Wales Government has obligations to deal with Crown land in compliance with obligations in the Commonwealth Native Title Act 1993. As such, part A to the new bill will have additional provisions to facilitate compliance with the native title regime by local councils and certain Crown land managers. Although the obligation already exists, this is the first time it has been made clear in the State's legislation.

The provisions include a requirement for local councils and professional Crown land managers to engage a native title manager. This person will be trained on how to manage land in accordance with the Native Title Act 1993. To assist local councils and Crown land managers in this regard, the Government will pay for the initial training to take place across the State. The bill also contains a specific provision prescribing that all vesting of land in councils is subject to native title rights and interests in the land so that the native title is not extinguished when land is vested.

A key concern raised in the Crown Land Management Review and the recommendations of the Auditor-General was that the regulatory framework and enforcement by the department was inadequate to protect Crown land. This bill responds to this and includes increased powers to ensure that Crown land is appropriately used and managed. Part 9 to part 11 contain a robust suite of compliance and enforcement powers. Stronger enforcement provisions received almost unanimous support through submissions to the Crown Land Legislation White Paper.

The new compliance provisions enable a broader pool of officers to be authorised and empowered to undertake compliance activities similar to those provided for in the benchmark regime in the Protection of the Environment Operations Act 1997. The new provisions include powers to question persons of interest, seize

vehicles, enter into and search non-residential land, and offences for obstructing authorised officers in their work. Safeguards to ensure that those powers are exercised appropriately are included.

The Crown lands white paper found that the Local Courts are ill-equipped to deal with the full range of complexity of Crown lands prosecutions. The bill, therefore, provides that proceedings for offences can be initiated in the Local Court and also in the Land and Environment Court in its summary jurisdiction for more serious offences requiring greater penalties.

The Crown lands review also found that the current penalties as established by the Crown Lands Act 1989 are an inadequate deterrent for compliance purposes and are out of step with benchmark penalty regimes. As such, the bill introduces different categories of maximum penalties applicable to the offences in part 9. For more serious offences where intent and significant harm to the Crown land can be proven, a higher maximum penalty will apply. The Minister also will now be able to accept civil undertakings under the new bill. This represents more adequately the value of Crown lands to the New South Wales public and the seriousness in which this Government takes offences against Crown land.

Part 12 of the bill contains provisions to ensure that there is an appropriate scheme for administering the bill. As part of this, the bill includes the new power for the Minister to appoint a Crown land commissioner as recommended by the parliamentary inquiry in recommendation three. The bill also provides for a State strategic plan for Crown land as recommended by the parliamentary inquiry in recommendation two. This plan will set out the vision, priorities and overarching strategy to ensure that the objects of the bill are achieved.

The Crown Lands Management Review found that some processes in the Western Division were constraining flexible land management. Schedule 3 provides for the transition of existing Western Division tenures and allows for further enhancement to the Western Division framework. The schedule enables lease holders to diversify their activities on land under the Western lands leases by removing duplicative and onerous requirements for ministerial consent.

The Crown lands review found that there was a need to simplify and modernise the processes under which certain lessees of Crown land can purchase their leases. Schedule 4 of this bill provides a scheme of applications for purchasable leases. This includes incentives for eastern and central perpetual leases to purchase their land within two years of commencement of the schedule. It also streamlines and simplifies the processes to purchase land. For perpetual leases in the Western Division, a different and longer term purchase regime is appropriate.

The Crown lands review found that Western lands leases for primary production purposes could be considered for conversion to freehold ownership. Schedule 4 facilitates the purchase of leased land in the Western Division by perpetual lease holders. This responds to the need to stimulate productivity and growth in the Western Division and balances that need against the importance of protecting the range lands. It gives lessees opportunities to greatly enhance productivity in many areas that are now perpetual lease tenures while keeping environmental protections in place. The bill also allows applications to freehold perpetual leases in the Western Division and, in deciding on these applications, will ensure environmental, social, cultural, heritage and economic factors are taken into account.

Over the past four years there has been extensive consultation with the community and stakeholders relating to the Crown Lands Management Review and the new bill. More than 600 submissions were received to the Crown Lands Legislation White Paper and, more recently, some 350 submissions were received and there were seven public hearings on the public inquiry into Crown land.

The Government and the Department of Industry—Lands have spoken with numerous stakeholders and community representatives. This has provided a rich evidence base of the issues relating to Crown land that are important to the people of New South Wales. This level of consultation is entirely appropriate given this is the most significant overhaul of legislation relating to Crown lands in more than 25 years.

The Crown estate is an important asset that is entrusted to the responsibility of the Government of the day. For too long, New South Wales has operated under an outdated and disconnected series of Acts that have led to inconsistent decisions over Crown land. In response, this Government committed to improve Crown land management. This bill delivers on that important commitment.

In summary, this bill introduces a consolidated framework for the contemporary, efficient, fair and balanced management of Crown land for the benefit of the people of New South Wales. It is a product of the Crown Land Management Review and the white paper and has been informed by the parliamentary inquiry and Audit Office report. The bill is the result of an in-depth consultation over a number of years by this Government and is a landmark achievement for the ongoing management of Crown land in New South Wales and into the future. I commend the bill to the House.

Debate adjourned.

JUSTICE PORTFOLIO LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL 2016

Returned

DEPUTY PRESIDENT (The Hon. Paul Green): I report receipt of a message from the Legislative Assembly returning the abovementioned bill without amendment.

WASTE AVOIDANCE AND RESOURCE RECOVERY AMENDMENT (CONTAINER DEPOSIT SCHEME) BILL 2016

Second Reading

Mr SCOT MacDONALD (12:09): On behalf of the Hon. John Ajaka: I move:

That this bill be now read a second time.

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

Leave granted.

Introduction

The Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016 forms an important part of the New South Wales Government's commitment to reduce litter and to improve the New South Wales environment.

When enacted, it will enable the establishment of a container deposit scheme in New South Wales that will allow people to receive a refund when they deliver an eligible beverage container to a collection point.

Evidence from container deposit schemes in Australia and in many other overseas jurisdictions where such schemes operate indicates that these schemes are highly effective at reducing beverage container litter.

They work by providing people with an incentive to hold on to their empty beverage containers for later redemption rather than discarding them into the environment as litter. They also provide an incentive for other people to pick up and to redeem containers if they are littered.

Impact of beverage container litter

Litter is an important issue for New South Wales. According to the Keep Australia Beautiful National Litter Index, an annual litter survey undertaken in every jurisdiction in Australia, the volume of litter in New South Wales, at 5.69 litres per 1,000 m² in 2015-16, is significantly above the national average, which is 4.1 litres per 1,000 m².

Significant investments in anti-littering programs by the Government over the last four years under the Environment Protection Authority's Waste Less Recycle More initiative and reforms to anti-littering legislation have had some effect. The volume of litter in New South Wales is falling and we are moving toward the Premier's priority goal of a 40 per cent reduction in the volume of litter by 2020. However, these reductions have not been even across all types of litter.

According to the National Litter Index, beverage containers make up the largest proportion of litter volume in New South Wales and this proportion is growing. In 2014-15, beverage containers made up 44 per cent of the volume of litter in New South Wales, which was almost twice the volume of the next largest category, which was take-away food containers and cups.

The results of the National Litter Index show that in 2015-16 the overall litter volume in New South Wales fell by 12 per cent, significantly more than the fall in the national average, indicating that New South Wales anti-littering programs are working. However, the volume of littered beverage containers in New South Wales fell by only 3 per cent, resulting in the proportion of beverage container volume in the overall litter volume increasing. Drink containers now represent 49 per cent of the total volume of litter in New South Wales.

The NSW Environment Protection Authority estimates this represents around 160 million beverage containers being littered across the state each year.

Littered beverage containers have a significant impact not only on the amenity value of our public places, like parks, rivers and beaches. They also add significantly to litter clean-up costs. A survey in 2015 of local councils, public and private land managers and community groups found that more than \$180 million is being spent each year on managing litter in New South Wales.

Despite this, a significant amount of litter is not cleaned up and ends up getting broken up and becoming part of the landscape or making its way into our waterways and into the marine environment, where it can cause environmental harm.

The New South Wales container deposit scheme that will result from this amendment will focus on reducing the growing proportion of litter volume resulting from littered beverage containers, and thereby preventing environmental harm.

Consultation in developing the scheme

In developing the proposed scheme, I would like to acknowledge the assistance and advice of the many people that provided input into it.

In particular, I would like to thank the members of the Advisory Committee and the Implementation Working Group. These expert panels devoted a significant amount of time to considering all of the issues involved. I would like to thank the Advisory Committee for their advice and recommendations on the initial design of the scheme and the Implementation Working Group for their advice and recommendations on the regulatory framework. These expert panels included Jeff Angel from the Total Environment Centre and Boomerang Alliance, Tanya Barden from the Australian Food and Grocery Council, Susy Cenedese from Local Government NSW, Brad Gray from Planet Ark, Professor Don Hine of the University of New England, Liz Livingstone and William Murphy

of the Department of Premier and Cabinet, Bill Stanhope from NSW Treasury, Stephen Sykes from Sykes Peer Review, Tony Wilkins from News Corp Australia, and Tony Wright from Wright Corporate Strategy.

I would also like to thank the many people who participated in the sub-groups that sat under the Advisory Committee and Implementation Working Group, including representatives from the beverage industry, the waste and recycling industry, community groups, local government, retailers and other Australian jurisdictions, among others.

Finally, I would like to thank all of the people who attended the public forums and provided submissions during the consultation period for the draft bill. More than 300 people attended forums around the state and 138 submissions were received, providing detailed comments on all aspects of the draft bill and proposed regulatory framework.

We have listened to stakeholders' feedback and incorporated much of this feedback into the design of the bill.

Provisions in the amendment

The resulting Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016 establishes a New South Wales container deposit scheme that will allow people to receive a 10 cent refund when they return eligible empty beverage containers to a collection point.

The amendment does this by placing obligations on the suppliers of eligible beverage containers to participate in the scheme and provide the refund (subdivision 1 of division 3 of the amendment places obligations on suppliers of beverages).

The amount of the refund and the types of containers that will be subject to the refund will be specified in Regulation under the amendment.

The Government has chosen to go with a refund amount and a scope of containers that largely match the existing schemes in South Australia and the Northern Territory. This will help to reduce costs for industry and reduce the risk of cross border arbitrage between jurisdictions.

The design of the New South Wales container deposit scheme allows for other states to harmonise processes and operations, allowing for consistent and straightforward processes for beverage suppliers and other participants. The amendment allows for recognition of containers from 'corresponding jurisdictions': other states and territories with a similar scheme in place.

The Government will ensure that detail of this nature is expressed in Regulation. This will enable the New South Wales container deposit scheme to be sufficiently flexible so that future changes, such as other jurisdictions establishing a scheme, inflation and the changing nature of the beverage market, can be adequately addressed.

Scheme structure

The amendment will also establish a governance structure for delivering an efficient and effective scheme. Specifically, the amendment provides a power for the Minister for the Environment to appoint and enter into contracts with a Scheme Coordinator and with network operators, which together will deliver the scheme (see proposed section 24).

These contractual arrangements will allow the Government to set obligations on the Scheme Coordinator and network operators to meet specific performance targets, such as accessibility and recovery rates, to ensure an effective scheme is delivered with contractual penalties if targets are not met.

The Government will also be able to set reporting requirements on these bodies to ensure there is a high level of transparency in the scheme.

Scheme Coordinator

It is intended that under the agreement between the Minister and the Scheme Coordinator, the Scheme Coordinator will be required to enter into contracts with all relevant beverage suppliers and act as a clearing house for the payment of refunds by those beverage suppliers.

A key responsibility for the Scheme Coordinator in this regard will be validating the number of eligible containers sold in New South Wales to ensure that each beverage supplier is correctly reporting its sales and therefore not obtaining an unfair advantage by avoiding the costs of the scheme. It is intended that the Scheme Coordinator will also be responsible for validating the number of containers recovered through the scheme to ensure that suppliers are only paying refunds for containers that are recovered.

The contract between the Minister and the Scheme Coordinator will also aim to incentivise the Coordinator to deliver a cost efficient scheme.

The Minister may impose specific performance targets and responsibilities on the Scheme Coordinator, particularly regarding the recovery of containers and accessibility to ensure that people across New South Wales have reasonable access to collection points. These targets will be established in Regulation, but enforced through the contract between the Scheme Coordinator and the Minister.

It is the Government's intention to consult with key stakeholders on these performance targets prior to them being finalised in the Regulation.

It is intended that the Scheme Coordinator will discharge its responsibilities by providing an incentive to network operators to set up and to run networks of collection points where people can redeem their containers. The incentive will be in the form of a fee to be paid on a per container basis for each container collected. This approach provides an incentive for network operators to maximise the convenience of their collection network in order to be able to collect as many containers as they can, while minimising costs.

Network operators

It is intended that each network operator will be obliged under its contract with the Minister to ensure that the community access target is achieved for the region in which it operates. This will ensure that network operators commit to servicing their region and invest for the long term, rather than cherry-picking only the most lucrative spots or moving in and out of the market, causing

consumer confusion and significant difficulties for the Scheme Coordinator to achieve state-wide coverage on a consistent basis. The Government is committed to delivering a stable scheme that delivers on community expectations over the long term.

Application processes and advisory committees

Making sure that the Minister appoints the best qualified candidates to the roles of Scheme Coordinator and network operators will be critical to the success of the scheme. The amendment provides for processes for interested persons to apply and be considered for these roles (see proposed subsection 24(3)). The amendment also provides for the Minister to set up advisory committees who can provide independent advice as part of the selection process (see proposed section 36). Advisory committees will also be able to provide independent advice to the Minister on the ongoing performance of the scheme and the performance of the Scheme Coordinator and network operators once the scheme is in operation.

The development of the container deposit scheme to date, including establishment and operation of the Implementation Working Group, has been guided and supported by an independent probity adviser, Mr Scott Alden of Holding Redlich. Timely probity advice and guidance will continue to play a key role going forward in the implementation of the scheme, including in the establishment and operation of advisory committees and in the selection of Scheme Coordinator and network operators. This will ensure decision-making processes are transparent and all potential or real conflicts of interest are regularly declared and dealt with.

Collection points

From a community perspective, the main interaction with the scheme will be through the collection points. Under the proposed scheme, network operators may own and operate their own collection points.

Experience from existing container deposit schemes suggests that network operators are likely to contract with small businesses, retailers, councils, charities and social enterprises to run the collection points.

The proposed New South Wales scheme is therefore likely to see significant opportunities flow to these types of organisations and for a variety of collection solutions to be offered that take advantage of local circumstances. This may include, for example, reverse vending machines located at local shopping centres, train stations or retail stores. Collection points may also be mobile operations that periodically set up to service a large event or in communities that may not have sufficient volume to warrant a more permanent site. Collection points may also be part of a local small business or charity operation.

Network operators are also likely to contract with existing facilities that are already offering similar collection services, such as community recycling centres where people may be able to drop off a variety of other recyclable materials, such as paint, batteries, gas bottles, smoke detectors, oils or other materials. Sharing with existing infrastructure has dual advantages. There are lower set up costs for establishing such sites and people are already used to visiting these sites for recycling purposes. Being able to drop off multiple materials also increases the convenience of the site and is likely to lead to better recovery rates for all materials.

The development of these community recycling centres has been highly successful. Since the start of Waste Less Recycle More, \$12 million has been awarded in grants to develop 101 community recycling centres across New South Wales. To date, 47 community recycling centres are already operational and almost 1,000 tonnes of problem waste has been collected for recycling or safe disposal.

Experience from schemes in South Australia and British Columbia and from other schemes that offer the community the opportunity to drop off multiple types of materials is that convenience is a surrogate for popularity.

Alternative models

There are some stakeholders, including environment groups and reverse vending machine operators, who advocate a "return--to-retail" model.

Under such a model, retailers that sell beverages would be obliged to take back empty containers and pay out the refund. Overseas schemes that rely on this model often make extensive use of reverse vending machines at retail sites.

Experience from overseas shows that these types of schemes may result in high recovery rates. However, such an approach could also result in significant costs to consumers, since very few retailers are currently set up to take back empty containers.

Obliging large retailers to provide the collection infrastructure for the scheme is also likely to mean that small businesses, charities and social enterprises would have little opportunity to participate.

In the proposed New South Wales scheme, access and convenience are driven by the obligation that can be imposed on the Scheme Coordinator to achieve recovery and state-wide access targets. They are also driven by the obligations on the network operators to achieve regional access targets and the financial incentive the network operators have to maximise the number of containers they can recover.

It should be noted that the proposed New South Wales approach does not stop retailers from participating in the scheme by operating collection points. It just means that every single retail site is not obliged to participate.

Retailers will still be able to choose to operate collection points and the Government welcomes their involvement. Participating in the scheme could help retailers to differentiate themselves from their competitors, increase foot traffic and deliver a competitive advantage.

The Government will work with the Scheme Coordinator and network operators to encourage retailers, public land managers and shopping centre owners to participate in the scheme.

Obligations on beverage suppliers

Ultimately, the amendment sets the main obligation for funding the refund on suppliers of eligible beverages (see subdivision 1 of division 3 of the amendment placing obligations on those suppliers). While the Scheme Coordinator and the network operators have responsibilities for delivering the scheme, none of these bodies will exist without the obligation on the relevant beverage suppliers to pay for the refund. It is therefore crucial that all relevant beverage suppliers participate in the scheme.

The amendment ensures relevant beverage suppliers participate by prohibiting them from first supplying beverages in eligible containers in New South Wales without meeting three key obligations. These are:

1. All eligible containers must be approved by the NSW Environment Protection Authority (see proposed section 40);
2. All eligible containers must have the specified refund marking (see proposed section 39); and
3. There must be a supply arrangement between the supplier and the Scheme Coordinator covering the approved containers (see proposed section 38).

The supply arrangement with the Scheme Coordinator will include obligations on the supplier to provide information to the Scheme Coordinator on the number and types of containers the supplier supplies in New South Wales, as well as an obligation to pay the refund and any costs needed to make this happen.

The details of which containers will require approval and the required refund marking will be included in Regulation established under the amendment.

Bar code obligation

The Government intends that the refund marking obligation will include a requirement for all eligible containers to have a bar code. The bar code will significantly simplify the container approval and enforcement process, and it may remove the need for suppliers to provide images of each label to the Environment Protection Authority - in order for the Environment Protection Authority to be able to verify containers are in the scheme when undertaking compliance activities. This may also remove the need for suppliers to seek additional approvals for any changes to approved labels, allowing suppliers to more easily implement special event labelling and other changes to their artwork.

Bar codes may also assist the Scheme Coordinator to verify the number of containers that are redeemed and therefore significantly reduce the risk of fraud in the system.

Delay for refund marking obligation

The Government acknowledges that it will take time for beverage suppliers to clear existing stocks of beverages that do not have the refund marking. The beverage industry and retailers have indicated that this may take between 12 and 18 months from the time the Regulation is made and the refund marking is known. This may mean that stocks have not been fully cleared at the commencement of the scheme. To avoid industry having to liquidate stock, the Government intends to delay the obligation to have the refund marking on eligible containers coming into effect until a date to be proclaimed. The date will be determined once the Regulation is made and the refund marking requirement confirmed.

The Government is also working with South Australia, the Northern Territory and other jurisdictions that have announced the intention to implement a container deposit scheme, to agree on a common refund mark that suppliers will be able to use across all states and territories. It is intended that this mark will be designed so that it will not need to be changed if other jurisdictions adopt CDS with the same refund amount in future. Consistency across all jurisdictions will simplify the process for industry, minimise read tape, and reduce the need to for any future label changes.

Obligations on collection point operators

The amendment also sets obligations on collection point operators. These are primarily aimed at maintaining the integrity of the scheme and to reduce the potential for fraud.

For example, collection point operators will be obliged to pay the refund to anyone who presents an eligible container and asks for the refund (see proposed subsection 42(1)). However, collection point operators will be allowed to refuse payment under certain circumstances (see proposed subsection 42(2)), such as if the collection point operator reasonably believes:

- A container was acquired outside of New South Wales,
- A container was acquired before the commencement of the scheme, or
- A refund has already been claimed on a container.

Furthermore, the collection point operator will also be able to refuse payment if the container does not bear the required refund marking. However it is intended that this will only come into effect once the refund marking obligation on suppliers comes into effect and consumers have had a reasonable time to consume the beverage and return the unlabelled container for a refund.

Collection point operators will also be obliged to refuse payment of the refund if a person seeking the refund is trying to redeem a large number of containers and refuses to provide a refund declaration or the collection point operator is not satisfied with proof of identification (see proposed subsection 43(3)). The number of containers required to trigger this obligation will be specified in the underpinning Regulation.

Cross-border movements of containers could undermine the financial viability of the New South Wales container deposit scheme. If containers are purchased and consumed outside the state and then brought into New South Wales to be redeemed, then they would impact on the scheme because they would not have been accounted for in the scheme funding. Offences for redemption of containers purchased outside of New South Wales, as well as the requirement for proof of identification for large-scale redemptions, will minimise the risk of cross border arbitrage.

Offences for individuals

The amendment also creates offences for people who try to cheat the scheme. For example, it will be an offence for a person to knowingly redeem a container that is purchased outside of New South Wales or one that has been previously redeemed (see proposed subsection 44(1)).

There will also be an offence for redeeming a container that was purchased prior to the commencement of the scheme. However, the Government may consider delaying the commencement of this offence to ensure a smooth transition period after 1 July 2017

as community behaviour adjusts to the scheme, and to maximise the clean-up of littered containers from the environment for a short period of time at the beginning of the scheme. These arrangements will be finalised closer to the start of the scheme.

Interaction with kerbside recycling

Finally, the Government acknowledges that kerbside recycling services already offer an effective and relatively low cost system for collecting and recycling containers consumed at home. The Government's aim has always been for the container deposit scheme to complement the kerbside system.

The amendment therefore allows for an option for material recovery facilities, where kerbside materials are sorted for recycling after being collected from the kerbside, to be able to claim refund amounts on eligible containers directly from the Scheme Coordinator (see proposed section 28).

Allowing these facilities to claim refund amounts will reduce the incentive they would otherwise have to manually separate out containers for redemption at a collection point. Such an outcome would add significant costs to the system for very little environmental benefit.

Instead, material recovery facilities will be able to make use of an Environment Protection Authority issued methodology to determine an accurate estimate of the number of eligible containers passing through the facility and being recycled and then claim the refund on these containers. How the process will work will be defined in the Regulation and in the Scheme Coordinator contract.

The Government's intention with this provision is to also ensure that these refunds are shared with the local governments and communities that contract and pay for the kerbside services supplying the material recovery facilities, through negotiation between local governments and these facilities. Kerbside services in many cases are provided on a contractual basis, with councils and their rate payers paying service providers to provide a kerbside collection and recycling service.

It is not the intention of the amendment to overturn these commercial contracts. Instead, the Government aims to provide a strong incentive for the relevant parties to come to an acceptable arrangement about how the refunds will be shared. It is intended that the incentive will be that material recovery facilities and relevant local councils must agree on a sharing arrangement within 12 months after the commencement of the scheme operations. If the Environment Protection Authority has not been informed that an acceptable agreement has been reached within that period, then the Scheme Coordinator will no longer be obliged to pay the refund to the relevant material recovery facility.

Local councils are obliged under the Local Government Act 1993 to only charge the cost for domestic waste and recycling services, and as such will be required to pass back their negotiated share of the refunds to residents in the form of a reduced waste management service charge or the provision of increased waste management services. In this way, households benefit from the scheme even if they choose to continue using their convenient kerbside recycling system.

Material recovery facilities will not be required to access refund amounts. However, it will require very little effort or change of existing processes to access the refund in this way. It is therefore a strong incentive to negotiate a mutually acceptable sharing arrangement with relevant councils. At the same time, councils will be motivated to come to an agreement in order for them to access the refund money from containers going through their kerbside recycling systems.

These requirements are a transitional arrangement to deal with existing commercial arrangements between councils and their kerbside recycling service providers that were entered into prior to the commencement of the scheme. After the scheme starts, it will be assumed that any new kerbside recycling contracts that are entered into between councils and their service providers will take into consideration the value of eligible containers in bins and therefore will not require a separate agreement in order for a material recovery facility to claim the refund from the Scheme Coordinator.

Principal Regulation

As part of the consultation on the bill, the Government also sought feedback on the regulatory framework that underpins the Scheme.

Given the extensive consultation on the scheme to date, the bill exempts the requirement to prepare and consult on a Regulatory Impact Statement for the first principal Regulation that will be made in relation to the scheme.

However, the Government will consult with key stakeholders on the performance targets and the mechanism for material recovery facilities and commercial bottle recyclers that service the hospitality sector to participate in the scheme.

Next steps

The Government has, and will continue to, engage with businesses, councils and the community on the implementation of the Scheme.

To ensure a smooth implementation, we will continue to engage particularly with small businesses, such as cafes, pubs and restaurants, and their respective associations to ensure they can successfully participate in the Scheme.

As part of these efforts, the Government has been, and will continue to actively engage with the Office of the Small Business Commissioner to ensure that small businesses are fully informed and engaged and to facilitate the smooth introduction of the Scheme.

The EPA will also continue to work with small beverage manufacturers and suppliers to ensure that their concerns and issues are addressed. The implementation of the Scheme will be critical to minimise the burden on these smaller players in the industry. For example, by ensuring that application processes are simple and streamlined and that there is sufficient information available for these businesses to understand what they need to do.

To help ensure that these issues are taken into consideration, the NSW Environment Protection Authority will establish a small business working group to provide an opportunity to bring forward and work through issues of particular importance to these businesses.

In addition, the Government will continue to move forward on the implementation of the scheme. This will involve making new principal regulation to support the bill and commencing the selection process for both the Scheme Coordinator and network operators.

The New South Wales container deposit scheme will commence from 1 July 2017. This timeframe is ambitious but achievable. To achieve this, the selection process of the Scheme Coordinator and Network Operators will proceed concurrently, and will be finalised with sufficient time to enable the roll out of the collection network across New South Wales.

Conclusion

In conclusion, the amendment establishes a framework for the delivery of a container deposit scheme in New South Wales. It sets specific obligations on beverage suppliers that will require them to participate in the scheme and finance the refunds for containers that are returned to collection points. It also establishes the power for the Minister for the Environment to enter into contracts with a Scheme Coordinator and network operators, which will be tasked with delivering the scheme. The Minister will also have the power to set performance targets in Regulation that will provide clear guidance to the Scheme Coordinator and the network operators of the level and type of performance required.

The amendment also sets enforceable obligations on collection point operators and individuals returning containers for the refund to ensure the integrity of the scheme and to minimise the risk of fraud.

Together, these measures are designed to deliver a significant reduction in the number of beverage containers that are currently ending up in litter across New South Wales and help deliver on the Premier's priority to reduce the volume of litter in New South Wales by 40 per cent by 2020.

I commend the bill to the House.

The Hon. PENNY SHARPE (12:11): I cannot count the number of people who have said, "I remember when I was a kid we used to collect cans for money", which means that a lot of people still remember that behaviour. It is already embedded and already people think it is a good idea. People think it is ridiculous to have to fight so hard for the implementation of a container deposit scheme. They think that this is a no-brainer and they ask why this did not happen many years ago. To Liana di Stefano, who is a community volunteer from Gladesville, I am now able to say, "Here we are today with container deposit legislation." She should be very pleased with the outcome of her extremely hard work and the broad community support for this proposal. We know that every minute of every day 21,000 bottles and cans are littered or go into landfills across Australia. We know that the current system is not working. Perhaps this is best reflected in the observation made by Will Gould, who is a former President of the University of Newcastle Student Environment Club:

It is like we are picking up the same piece of garbage again and again. We clean it up one day and the next day it is back—the same bottles, cans and plastics—in exactly the same way.

Labor is pleased to support the Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016. It is an important bill that has been a long time coming. I will spend some time discussing the history related to this legislation. Cash for containers is something that those of us who were around in the 1970s remember very well. We recall finding cans and bottles and taking them back to a retailer, getting money for them, and either spending the money at the shops, or contributing it to community fundraising. It was in the 1970s when drink companies moved away from recycling of bottles and the money that came with it to the idea of disposable containers. We have been living with the impact of that decision ever since. It is very clear from all the evidence that the minute we stopped returning bottles and cans, litter overwhelmed our parks and public spaces and found its way into our waterways. We have been cleaning it up ever since.

The community realised that very quickly and called for the return of the container deposit scheme, but it is true that over a long period governments, with the notable exception of South Australia, adopted a range of other ways in which to try to combat the huge quantity of litter that is found in public spaces. There has been a long history of different attempts to try to resolve the problem. Essentially, the attempts include national packaging covenants, anti-litter campaigns, important changes in relation to recycling that include kerbside recycling—the success of which local government must take great credit—but it is clear that we need to do more. It does not take long to look around any open space and see cans and bottles that are littered every day, and the problem is overwhelming us.

I draw the attention of the House to a very important report of the Boomerang Alliance published in 2013. I congratulate David West, who has done an incredible amount of work on the report. The alliance basically tried to examine the exact type of waste that was being found in public spaces. The alliance visited 25 sites and did a very detailed survey of 19 of them. The alliance compared the very good work done by Keep Australia Beautiful to the national litter index, which collects a whole range of littering statistics. The findings of the alliance in 2013 lay out how serious the matter is when we are talking about litter in public places.

The survey found that within 1,000 square metres, Tamarama Park and Tamarama Gully had 844 pieces of rubbish, which is a huge quantity. That area of public land has two public place recycling stations, lots of bins and a good stormwater drain. But we know that no matter where it is, plastic bottles and cans find their way into public spaces. Bondi Beach is particularly terrifying. It is also one of the most cleaned-up places in Australia

where there are 212 bins, at least 37 recycling stations, the beach is swept daily and weekly, and there are community litter clean-up campaigns. Despite that, when the survey was done in 2013, in 1,000 square metres 1,270 pieces of rubbish were collected comprising mostly plastic, glass and metals. There is a great group at Bondi known as the Responsible Runners of Bondi. They clean up the area every day, and had this to say:

Bins just don't cut it. They are always overflowing. The wind catches them. People miss the mouth when they dispose of their rubbish. We do a 30-minute clean-up every Sunday afternoon. Since last September we have collected more than 3.5 tonnes of rubbish including 35,000 cigarette butts, 8,700 recyclable beverage containers, 6,100 straws and 6,900 plastic bottle caps.

This is a serious issue. Many good intentions have been directed towards dealing with it. The one thing we know that has worked and is working all over the world, including in our backyard in South Australia, is a container deposit scheme. Labor endorses implementation of a scheme and will vote for this legislation in Parliament. I turn now to discuss the bill as it has been presented. The bill, which is very jargon-laden, will establish a scheme under which a variety of eligible empty beverage containers, which include cans and bottles between 150 millilitres and three litres, can be returned to collection points for a 10¢ refund from 1 July 2017. The scheme is better known as cash for cans. The objects of the bill are important because they acknowledge there is a responsibility within industry and the community to properly and sustainably deal with significant quantities of waste generated by product packaging, which in this case is beverage containers. The two major objects of the bill are to:

- (a) recognise the responsibility that the beverage industry shares with the community for reducing and dealing with waste generated by beverage product packaging, and
- (b) establish a cost effective State-wide container deposit scheme ... to assist the beverage industry to discharge that responsibility and to promote the recovery, reuse and recycling of empty beverage containers ...

As members in the other place have acknowledged, the rationale for the scheme can be found in some pretty sobering statistics. Each year over half of the litter in New South Wales comprises beverage containers representing 160 million containers discarded, which is nearly a 40 per cent higher volume than the national average. To put that in context, the most recent Australian Bureau of Statistics [ABS] data shows New South Wales has a population of 7.7 million, so the quantity of litter to which I have referred represents every single person in New South Wales littering 21 drink containers a year. If we can imagine every person in the State throwing one drink container onto the street every fortnight or so, an incredible quantity of recyclable waste is being discarded into the environment. It cannot continue.

The evidence shows that the scheme will significantly change those statistics and ensure that the vast bulk of containers will be recycled and diverted away from our landfill waste system or our rivers, beaches and the ocean. Evidence from similar schemes around the world indicates that the schemes are highly effective in reducing container beverage litter.

The Government has stated that it has designed this proposed scheme to be similar to the longstanding scheme in South Australia and the more recent scheme in the Northern Territory. The scope of containers eligible under the scheme will be ascribed by regulation, but I note and welcome that the scope is expected to largely match the existing schemes in South Australia and the Northern Territory. This is important not just because of the illegal cross-border trade in relation to containers but also because we know that once New South Wales moves on such a scheme other States looking to introduce such a scheme will move, and that could mean that we are not too far away from a national scheme that is easy to understand and will make a difference. The Opposition notes that both Queensland and Western Australia have indicated that they are working on introducing similar schemes. We also know that Australian Capital Territory Labor, which had a very good win at the election at the weekend, made a commitment to introduce a container scheme in the Territory after its successful re-election, so we know that will also go ahead.

The proposed scheme in New South Wales provides for the Minister to open an application process to enter into a contract with a fit and proper person to be the single scheme coordinator to administer the scheme. The scheme coordinator will be responsible for the financial management, data monitoring and reporting of the scheme and for ensuring the scheme meets performance targets for access and convenience of container collection points and rates of container recovery. The scheme coordinator will be essential to making the scheme work. The Opposition wants to know that consumers with empty beverage containers can easily find a place to deposit those containers. They can either give away the 10¢ they receive in return to their local community group or they can keep the money, but we know that the container will find its way into recycling and not into the local river.

I seek a response from the Parliamentary Secretary in his speech in reply on some concerns that have been raised with me in relation to privacy and protection of that data. Beverage companies operate in a highly competitive market, and there are a lot of different companies in the market. The scheme coordinator will collect a huge amount of data, and I seek information on how that data will be protected through the regulations and through contracts to ensure the protection of the sensitive data from suppliers, particularly smaller suppliers.

The scheme coordinator will be required to enter into arrangements with suppliers that require the suppliers to pay the scheme coordinator contributions towards the cost of management, administration and operation of the scheme, and also with network operators who will have the responsibility for the establishment, administration and operation of collection points. In this way the costs of the scheme are to be met first by beverage suppliers bringing eligible containers into New South Wales. The scheme coordinator will be required to pay to the network operators the refund amounts and associated administration and handling costs for containers that are collected at the collection points. Networks will be able to build and operate collection points themselves, or they will be able to contract other organisations to do this, which could include small businesses, retailers, councils, charities and social enterprises. Again, an important part of the design of the scheme is to embrace these networks and I welcome the attention that has been paid to ensuring that social enterprises and charities in particular can take advantage of the scheme to raise money for all of the good work that they too.

Collection points could range from small reverse-vending machines to large recycling depots alongside existing facilities. Section 25 of the bill provides for the regulations to make performance targets to be included in contracts with the scheme coordinator and network operators. These targets are not available for scrutiny now as they will be established in the regulations. However, the Opposition will be paying close attention to ensure the Government's stated intentions are met when this detail is provided. I note the Minister in his second reading speech undertook to consult with stakeholders prior to finalising targets in their regulation. The Opposition will hold the Minister to that promise.

I thank the Government for the briefing I received on the bill. In the briefing and in the Minister's second reading speech it is clear that these performance targets are expected to be crucial to the scheme's success. We were told that they will create an additional set of incentives to ensure collection points are located at an adequate amount of convenient and accessible places for the community to use, and that they collect enough containers to reach recovery targets. Should these targets and their corresponding penalties not result in the community making ample use of the scheme, or if there is an increase in areas where the public has limited or no access to collection points, it is my view that there is a risk that the scheme could be underutilised. Having done the work to implement the scheme, it is critical to make sure it succeeds, especially through the early transition and adoption phase.

In order to ensure that a mechanism exists for collection points to be placed at locations accessible and convenient to the community, I indicate to the House that I will be moving an amendment to provide the Minister with the power, should it be required at a future time, to require the establishment of collection points by retail suppliers. In the Committee stage I will go through the detail of that amendment. I note that the Minister has stated that network operators will be required to run a network of container collection points in a specific region and I acknowledge that this is to give the scheme every chance to be accessible to the community. Operators will be required to service all areas in the region, rather than just choosing the most highly profitable locations. These are important and welcome aspects of the scheme that will give good access to all communities in New South Wales, particularly those in regional and remote areas. However, without indicating the detail in the legislation, it will be left to close analysis of the subsequent regulations to make a final judgement as to whether the Government has got it right regarding equal access and opportunities to the scheme.

Monitoring and reporting will also be crucial to the success of the scheme, especially in its early stages. It is critical that the Government does not allow this scheme to falter in the start-up stage and ensures a smooth process that encourages the community to make use of the scheme from the beginning. From reading the bill's monitoring requirements, the Opposition believes that reporting on the scheme is inadequate at this point. The proposed monitoring conditions provide for a report to be delivered once a year by the scheme coordinator, with 90 days granted for the report to be presented to the Minister and then a further nine months granted to the Minister to present the report to the New South Wales Parliament. In effect this means that the Parliament and the community might not receive the first response on the scheme until two years after it has begun, which I note also takes the first report to a time beyond the next State election in 2019.

Given it will be critical to get the scheme right from the start to ensure it is fully utilised, this reporting architecture is insufficient. I will move another set of amendments, which are minor, to provide for a twice-yearly reporting structure in the beginning. The amendments are also designed to try to capture the differences in beverage consumption according to the seasons; people consume different amounts in winter and summer, and it would be good to have clear and transparent reporting of these trends early in the scheme. These amendments will ensure the first report on the operation of the scheme will be received at the very latest after one year of operation, or potentially sooner if the Minister is willing to offer a greater level of transparency.

Further aspects of the bill place necessary obligations on containers suppliers including ensuring that correct markings appear on labelling and providing for corresponding penalties for failing to comply. I note details of which containers will require approval and the required refund marking will be included in the regulations including the scope of eligible containers and the process for gaining approvals. Further obligations and penalties

will be placed on collection point operators to reduce the possibility of fraud. With the significant amount of money about to be available to what is essentially a new market, the Labor Opposition believes that this is important. I am pleased that containers in the existing kerbside recycling will be able to be redeemed, and that the scheme is intended to be complementary to the current kerbside recycling scheme.

The Minister's office has advised me that the refund amount through kerbside recycling is to be shared by agreement between councils and the recycling contractor. The Opposition will watch the implementation of this closely to ensure that there are no obstacles to the effective operation of home recycling for residents. I understand that there are some fairly serious challenges when calculating the value of glass when it comes to kerbside recycling. The Opposition looks forward to seeing the final methodology devised for dealing with these challenges.

It is rare for the Opposition to be happy about the consultation process leading up to the drafting of a bill, but I want to acknowledge the extensive consultation process in relation to this bill. My view is that the Government has invited the right people to sit around the table and that there has been a good public consultation process. The Government has also paid very close attention to the implementation of the scheme. I formally thank those who are on the implementation working group, including Steve Beaman from the Environmental Protection Authority—I think he is present in the gallery today. The implementation group has held many meetings during which they have pored over a lot of detail in relation to the scheme. The consultation process has been important because as New South Wales moves on the scheme, we know that others States and Territories will implement similar schemes.

I also acknowledge the work done by the various advisory groups that were set up during the consultation period. These groups included a collection network, a resource recovery group, a technology and innovation group, and a beverage retail industry group. Shadow Ministers know that the Government has pretty much got legislation right when those affected say, "We are basically happy with the draft bill, although we have a few concerns at the end of the day." I therefore know that a lot of the detail and the difficult arguments have happened behind closed doors and those involved have come up with a fair degree of consensus, which I wish to acknowledge.

I acknowledge that litter is one of the Premier's key priorities, although I have said here and in many places that I think that is wholly inadequate when we are dealing with the environmental priorities of this State. Given we are talking about litter today, the other issue I wish to put on the agenda, which we have also been talking about a lot, is plastic pollution beyond container deposits. There is a significant issue of microbeads and microplastics coming into our marine environment. Most importantly, there is also something we can do about single-use plastic bags. The Minister is on the record saying he wants to do something about this. The pace of reform via the national Meeting of Environment Ministers is glacial, but there is an opportunity for us to do something here.

South Australia, the Australian Capital Territory, Tasmania and the Northern Territory have dealt with single-use plastic bags. Retailers know how it works, and we know that if we deal with single-use plastic bags 61 million fewer bags will find their way into our waterways. I urge the Government to support the Opposition's bill on single-use plastic bags. There is massive support for this across the Parliament. There is no reason why it should not proceed, and it is taking too long. Again, I thank the Minister's office and people from the Environment Protection Authority for the briefing; I thank the stakeholders who have all come to discuss the issues of the bill with me; and I particularly thank all those who have been working on this issue for a very long time. It has been 13 years of campaigning. As Boomerang Alliance said:

Over the last 13 years tens of thousands of people have helped the campaign with letters to and meetings with MPs, petitions, media events and actions, community stalls and cleanups; and we have lobbied governments; countered industry misinformation; and developed a best practise Container Deposit System.

This is the work of many, and I pay tribute especially to those from the Boomerang Alliance, Jeff Angel and the 41 national, State and local groups that have never lost sight of this. The Total Environment Centre, Clean Up Australia and Take 3 in particular have led the charge. After a very long campaign, I think they are on the cusp of a national scheme once this bill is passed in New South Wales, and they should be congratulated for it. Campaigners often tire out from long campaigns, but when they see what they have been campaigning for pass through the Parliament they know they have done the environment and the community a very good service. I thank them.

Dr MEHREEN FARUQI (12:31): I speak on the Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016, which establishes a container deposit scheme in New South Wales—a scheme that is long overdue. So many in the community have been campaigning for this for a long time, and all of them are to be congratulated. The Government should also be congratulated. I indicate that The Greens support the bill.

Pollution from plastic and other drink containers causes significant damage to our terrestrial and marine environments, including harm to marine animals and birds. In 2015 a study undertaken by Australia's Commonwealth Scientific and Industrial Research Organisation [CSIRO] discovered a direct link between the increased level of plastic manufacturing and seabird plastic ingestion. Nine in 10 seabirds now have plastic in their stomachs, and plastic bottle caps are one of the leading ingested materials. Seabird populations are an indication of a healthy marine environment—and with statistics stating that seabird populations have declined by 70 per cent since the 1950s, we know our marine ecosystem is in trouble. In addition, we are increasingly becoming a high-consumption and throwaway society that takes little or no responsibility for the environmental costs associated with the clean-up and reduction of waste and litter.

An effective container deposit scheme is based on an extended producer responsibility approach which places the responsibility on the producer over the whole life cycle of the product. The ultimate goal is to move further up the waste hierarchy of avoid-reduce-reuse-recycle-dispose. By placing responsibility for a product's end-of-life environmental impact on producers, extended producer responsibility policies are also expected to push producers to redesign their products for the environment. Such change, while reducing waste management costs, would eventually reduce material use and enhance product reusability and recyclability.

Container deposit schemes have been in operation for decades around the world, including in South Australia for almost four decades and more recently in the Northern Territory. They have been effective in reducing litter and increasing recycling rates. South Australia, for example, has the lowest proportion of beverage containers at clean-up sites, and recycling recovery rates are more than 70 per cent compared to national recovery rates of around 40 per cent. A container deposit scheme meets the principles of ecologically sustainable development and has economic, environmental and social benefits. New South Wales is sorely in need of a way of reducing litter and increasing the recycling rate for beverage containers.

As the Minister noted in his second reading speech, the total volume of litter per 1,000 square metres in New South Wales is significantly above the national average. Beverage containers make up a significant proportion of this—some 44 per cent of all litter. South Australia has had a successful container deposit scheme since 1977 and, according to the CSIRO report "Understanding the effects of marine debris on wildlife", has the lowest proportion of beverage container litter in clean-ups in Australia. Conversely, New South Wales has the highest proportion of beverage container litter in Australia: three times that of South Australia. It is no surprise that The Greens have been long-term proponents of a genuine container deposit scheme.

To my knowledge, The Greens have had container deposit bills in this Parliament almost every year since 2005, and I pay tribute to my predecessors Ian Cohen and Cate Faehrmann for doing this. We have been closely engaged with the Government's consultation process to enact this scheme and I have made two submissions to the discussion papers, so it is good to see all this effort finally coming to fruition. This is a big step forward in waste management in New South Wales, and hopefully the next one will be a ban on the use of plastic bags. I have a personal interest in this issue and it forms one of the case studies of my co-authored book, which shows that the enactment of a container deposit scheme in New South Wales has a long and chequered history.

New South Wales has continuously rejected proposals for container deposit legislation [CDL] or a container deposit scheme and has preferred to take a more voluntary approach to regulating waste, which has been by and large unsuccessful. In 1999 the Carr Government commissioned Professor Stuart White to conduct an independent inquiry into container deposit legislation, including a citizens' jury process to look into the benefits and costs of a container deposit scheme [CDS] for New South Wales. The jury heard from a number of stakeholders and experts, but opponents of a CDS, such as beverage companies, withdrew from the process. Within the framework of a number of recommendations, the jury "unanimously agreed to the implementation of CDL in NSW".

The jury also took on board many of the concerns of the industry, despite its withdrawal from the process. The complete review of container deposit legislation and other policy instruments to foster extended producer responsibility was delayed for 10 months. Four months before the then Government publicly released the review findings, the New South Wales Parliament enacted the new Waste Avoidance and Resource Recovery Act, which was a move allowing the industry to take the voluntary route. The full report of the inquiry was released in February 2002. It concluded that container deposit legislation would be of net financial, environmental and social benefit for New South Wales.

However, the then Minister for the Environment, the Hon. Bob Debus, stated at the time that he did not support a CDS for New South Wales because in his view the scheme could not be pursued by a single State and that the voluntary framework establishment of the Waste Avoidance and Resource Recovery Act was sufficient. Thank goodness that now, 15 years later, we are debating legislation to enact what once seemed impossible. I recognise that this has not been an easy policy process for the Government. The beverage industry has acted unconscionably, both here in New South Wales and across the country, with various lawsuits and threats.

The Hon. Catherine Cusack stood in this place two years ago and told us about the industry's threat to unleash a \$4 million campaign against the Liberals if they had a container deposit scheme as a policy platform at the 2011 election. More recently we have seen the industry's clumsy attempts to trick us into supporting something called Thirst for Good, which involved no deposit and only non-financial incentives and community education. This was, of course, all about minimising its costs. Importantly, its scheme would be voluntary and there would be no legislation requiring it to take responsibility for the waste it produces. This was all about derailing a real container deposit scheme. I congratulate the Government on not caving in on this. I more than encourage the beverage industry to do more to reduce waste and to increase recycling, but not at the expense of a scheme. I also congratulate the many thousands of people who have lobbied their member of Parliament and who have taken action. The Boomerang Alliance and Total Environment Centre have been pivotal in this journey towards a container deposit scheme.

I will now address the details of the bill. The bill provides for the establishment of a single scheme coordinator and network operators across the State with responsibility for the administration of the scheme. The coordinator enters into agreements with beverage companies, known as suppliers, requiring them to pay contributions towards cost, management and administration of the scheme. This includes payments of the deposit, plus enough to cover handling fees to network operators. The coordinator operates as a clearing house, ensuring the transfer of money from the waste producers to the network operator and ultimately the individuals or organisations redeeming the deposit. The scheme coordinator enters into agreements with network operators, requiring them to meet performance targets for a certain region to encourage them to manage the establishment, administration and operation of collection points. These may be manual depots or reverse vending machines. The scheme coordinator pays the deposit plus handling fees to the network operators.

I am pleased to see that containers that go through the kerbside system are able to be redeemed. Whilst the deposit will accrue to the material recovery facility [MRF] operation, the Government will require local councils to negotiate with MRFs to share income from deposits. This must be reinvested in reduced waste charges or increased services. There could be significant financial benefits for local government from collecting the deposit from containers in kerbside recycling bins. This source of funding, depending on the arrangement with the MRF, will be predictable due to the decision to provide the refund on the basis of auditing, not actual container counts. This new ongoing revenue stream will be an opportunity to expand council waste and environmental services, as well as community education. The predictability of funds will also allow councils to plan ahead.

It is important that the refund is reinvested in initiatives designed to help reduce waste production, consumption, material and resources used. Simply reducing waste charges across the board and essentially making the production and management of waste cheaper will not optimise the reduction in waste going to landfill—something that is sorely needed—although I certainly can see the case for more targeted approaches to reduction in waste charges. Importantly, the objects of the bill are very strong and relate to the responsibility that the beverage industry has in dealing with its waste as well as promoting the recovery, reuse and recycling of empty beverage containers. Of course, I do have some concerns, which I will now address. These issues have been canvassed in my submissions, and some have been raised by stakeholders.

First, I urge the Government not to allow the beverage companies to take over the running of this scheme by appointing them as scheme coordinators. We know they have no interest in reducing litter or increasing recycling rates and will only work to sabotage and undermine the scheme. As the scheme coordinator is required to verify the number of beverage containers sold, if beverage companies run the scheme this will be a big conflict of interest that would jeopardise transparency. The scheme coordinator must also be completely independent. Therefore, there must be a prohibition on them operating as network operator. Given the role the coordinator has in monitoring network operators, there is an inherent conflict of interest. It is also disappointing to see no involvement of retailers in the scheme. The Boomerang Alliance has pointed out that schemes that have some kind of retailer involvement have consistently performed better than those without. It states that 10 of the 13 jurisdictions around the world that have a container deposit scheme have retailer obligations, and they have significantly higher recovery rates than the three without retailer obligations.

I understand that this is principally due to a lot of faith that the Government has in the market to deal with this issue, but the evidence suggests this is not the best approach. It makes sense that the place where people visit often and probably purchase many of their beverages is the same place where refunds are available. At the very least, there should be an indication of the location of the nearest place at which a refund can be obtained. It is vital to ensure that people can receive their refund quickly and with maximum convenience. Clearly, knowing how a refund will be delivered will facilitate a swift uptake of the scheme and its ongoing use. It is especially important that people's first interaction with the scheme is positive and provides tangible benefits to ensure its continued use.

I understand that the bill has provisions that allow for the establishment of advisory committees. However, given that the main purpose of the container deposit scheme is the reduction of waste and an increase in recycling, it is necessary that environmental expertise is included on any such committee. It is also important that there be frequent reporting on the scheme, especially in its early stages, so that we can detect any problems early. It is wonderful that we will have a container deposit scheme next year. However, we now have an opportunity to get a robust and effective scheme. That is why I will be moving amendments to address the concerns that I have raised, and I hope members will support them.

The Hon. SHAOQUETT MOSELMANE (12:45): I concur with the contribution made to the debate on the Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016 by my colleague the shadow Minister for the Environment, the Hon. Penny Sharpe. The member commenced her contribution by sharing her memories of the 1970s when people would collect items and hand them in for a refund. The best recyclers are people in developing countries, where recycling is an important part of life. In my birthplace in southern Lebanon, people would exchange food for rubber, plastic or tin. People would cycle from one village to another to collect recyclable items. Recycling was a great contributor to the economy, but it also provided jobs and, as rubbish was not thrown away, we had a clean environment. That happens in countries such as India and other developing countries. I am encouraged by this bill because it has a number of objectives, which I will read onto the record. The bill states:

The object of this Bill is to amend the Waste Avoidance and Resource Recovery Act 2001 (the principal Act) to:

- (a) recognise the responsibility that the beverage industry shares with the community for reducing and dealing with waste generated by beverage product packaging, and
- (b) establish a cost effective State-wide container deposit scheme (the Scheme) to assist the beverage industry to discharge that responsibility and to promote the recovery, reuse and recycling of empty beverage containers, and
- (c) confer on the Environment Protection Authority (the EPA) functions under the principal Act that are currently conferred on the Chief Executive of the Office of Environment and Heritage ...

They are extremely important objectives. The bill includes a number of other features. It states:

The Scheme includes the following features:

- (a) it provides for the establishment of a Scheme Coordinator and network operators with responsibility for the administration of the Scheme,
- (b) it provides for the payment of refund amounts to persons depositing at collection points empty beverage containers that are subject to the Scheme,
- (c) it provides for the establishment by the Scheme Coordinator of a cost recovery scheme under which beverage suppliers agree to make contributions towards the cost of paying those refund amounts,
- (d) it prohibits the supply of beverages in containers that are subject to the Scheme by beverage suppliers who have not agreed with the Scheme Coordinator to make those contributions,
- (e) it prohibits the supply of beverages in containers of a kind that are not approved by the EPA. As the Hon. Penny Sharpe said, everyone involved in the development of this legislation should be congratulated. Having said that, this bill is long overdue. It was first explored in 2000 by the then New South Wales environment Minister, the Hon. Bob Debus. Many organisations have supported some form of deposit scheme. I point to studies done by the Institute for Sustainable Futures at the University of Technology Sydney [UTS] and, in the United States, the Businesses and Environmentalists Allied for Recycling which noted "there are significant net benefits to establishing a container deposit scheme in our jurisdiction".

That sentiment has been echoed by members in this Chamber and in the other place. A former Labor Premier of South Australia, Don Dunstan, successfully implemented a similar scheme in that State more than 35 years ago, and the Northern Territory now has an equivalent scheme. Let us hope that the implementation of a container deposit scheme in New South Wales, Australia's first and largest State, will lead to many more schemes being introduced across the country. Currently Western Australia and Queensland are preparing their own proposals.

As I said earlier, I am encouraged by the environmental benefits this legislation will bring to our State. The benefits include: the reduction of litter which eventually would be washed into our sewers and waterways; the minimisation of landfill; the strengthening of recycling as a social good; and the recovery and reuse of raw materials like plastic and aluminium, which in turn reduces the environmental damage along the supply chain by negating the need to dig up more resources and to manufacture new containers. Further, I am fully supportive of the projected economic benefits that a container deposit scheme is likely to provide to our State.

The UTS independent study suggested the cost of container disposal could be reduced from 8¢ to 9¢, when it is disposed of as landfill, to potentially 2¢ to 3¢ through the use of a deposit and kerbside recycling strategy. That is a difference of 200 per cent. That extra money could be spent on health care, education and services for the people of New South Wales. Local government—such as it is following the Premier's controversial

amalgamation process—eventually will be the major beneficiary through the reduction in kerbside rubbish costs and revenue from unredeemed containers. All members would be aware, particularly those who have been involved in local government, that local government is the level of government that best deals with the recycling of waste. It is important to recognise the contribution of local government and include councils in any legislation—

The Hon. Dr Peter Phelps: Hear, hear! Local government is excellent at rubbish. When I think rubbish I think local government.

The Hon. SHAOQUETT MOSELMANE: I will ignore that interjection. Local government is an important level of government that looks after the wellbeing and environmental concerns of communities. The community is extremely supportive of the many initiatives of local government. As a former mayor of Rockdale, I was pleased to see the number of community members who were involved in recycling, garbage collection and clean-up days. More and more people are becoming environmentally conscious and are supportive of legislation such as the bill before the House. I encourage the Government to involve local government in initiatives to reduce waste and to recycle so that we can maintain the wonderful environment we have in Australia.

The container deposit scheme will create jobs and provide opportunities to small business. To many in our community, such as the unemployed or underemployed, a refund of 10¢ per beverage container will represent an opportunity to supplement their income. I have seen people collecting cans and plastics who then sell and recycle in order to generate an income for themselves and their families. In turn, their work produces a cycle of benefit for others in the State. We cannot predict all the unexpected benefits that this container deposit scheme might provide. I commend the environmental impact motivation for this legislation, and I look forward to seeing the economic benefits in the future.

Recycling is an important initiative not only in local government but also in our schools. At school, students learn the benefits of recycling paper, plastic, aluminium, glass and other products. Through education, our young people are becoming more environmentally conscious and they encourage the wider community to look after our environment and to keep our parks, streets and other areas clean. I commend the Government members, the Hon. Penny Sharpe and The Greens members who have been working on this legislation. This tripartisan support sends a message to the community that all members of Parliament consider that this is an important issue for our community. I commend the bill to the House.

The DEPUTY PRESIDENT (The Hon. Shayne Mallard): I will now leave the chair. The House will resume at 2.30 p.m.

The PRESIDENT: Order! According to sessional order, proceedings are now interrupted for questions.

Questions Without Notice

WESTCONNEX PROPERTY ACQUISITION

The Hon. ADAM SEARLE (14:31): My question without notice is directed to the Minister for Roads, Maritime and Freight. Given that many of the families who have settled with the Government on the acquisition of their homes for WestConnex say that they have been bullied into doing so, will the Government now have an independent review into those acquisitions?

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (14:31): I thank the honourable member for his question. We have just had two independent reviews.

The Hon. Adam Searle: Will you release them?

The Hon. DUNCAN GAY: How many questions does the member want to put on notice? He can put questions on notice but he has already asked a question: Will the Government have an independent review? The Government has had two independent reviews. The Government has had the Russell review and the Pratt inquiry. I thank my staff member for passing me that note.

The Hon. Walt Secord: "Here is one I prepared earlier."

The Hon. DUNCAN GAY: We always need aide-memoires when it comes to some of these things. That note was not the one that I was looking for, but I thank my staff anyway.

The Hon. Walt Secord: Blame the poor staff.

The Hon. DUNCAN GAY: They are great staff, but the note was an answer to another question. We are always pre-prepared for the questions that are going to be asked. I guess the short and the longer answer to this question is that we have had an independent inquiry. As I said yesterday, over 80 per cent of acquisitions have been settled by mutual agreement, and we are working through the others. The Government has put in place,

retrospectively—back to the start of the Russell inquiry—a raft of improvements that will help. That certainly goes back. Where possible, staff from my office, staff from Roads and Maritime Services [RMS] and others have met with people to try to address issues that have been raised. We will continue to do that. If people have genuine concerns, we are more than willing to listen to them and work through them.

The Hon. ADAM SEARLE (14:33): I ask a supplementary question. Would the Minister elucidate his answer with respect to when the results of those inquiries will be made public?

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (14:34): The inquiries were put in place by the Minister for Finance. That is a question for the Minister for Finance, which I will refer to him for an answer.

WESTCONNEX AND SYDNEY PARK

The Hon. SCOTT FARLOW (14:34): My question without notice is addressed to the Minister for Roads, Maritime and Freight. Will the Minister update the House on what the New South Wales Government is doing to improve Sydney Park as part of WestConnex?

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (14:34): This is a good question, and members will like the answer. The New South Wales Government is getting on with the job of building a first-class motorway that the thousands of Sydney motorists stuck in gridlock every day have been crying out for over many decades. As part of this, the design for the area in and around Sydney Park is a win-win for the local community. We are delivering a much-needed and long-overdue upgrade of the local road network and cleaning up and transforming the contaminated eyesore that was the old Alexandria landfill site—the old Sydney City council tip.

We are creating 85,000 square metres of new open space for locals, which is more than six Sydney Cricket Grounds [SCGs]. Despite extensive consultation with the City of Sydney, which has included design refinements to ensure the city's desires are met, and fantastic outcomes with respect to green space for deprived locals, Lord Mayor Clover Moore seems to have missed the memo. In the latest chapter of her book of political self-interest, Clover is actually opposing the great work we are doing at Sydney Park, despite its delivering for her constituents. She has recently organised protests claiming that we are taking land from Sydney Park. Newsflash: we are not; we are actually increasing the green space. In a desperate bid for validity, she then wrote in an opinion editorial for the *Daily Telegraph*—a strange place for Clover—suggesting that we are taking more land than we claim. That was more incorrect scaremongering.

Most recently, Clover Moore enlisted Greens MP Jenny Leong—I notice there are no Greens in the House at the moment—to claim that we were going to remove trees without planning approval and that the only thing that stopped us were Clover's professional protesters. That is just ludicrous. Frankly, those are further falsehoods. Following this, the Department of Planning even sent in the dedicated WestConnex compliance officer. What did the officer find? The officer found that contractors did not breach compliance requirements. That was no surprise to us. Clover and Jenny are both telling fibs to the good people of Sydney City and Newtown. These desperate protests are just more examples of Clover peddling her own anti-WestConnex agenda, on which she spends hundreds of thousands of her ratepayers' dollars.

To be clear, the matter of Sydney Park is a good-news story. We are widening and upgrading Euston Road, Campbell Road and the surrounding local road networks, which will help those communities. To do this we need just 1,500 square metres of land—the equivalent of one bowling green. In return, we are providing 55 times what we are taking. This means a better local road system and hectares of new open space—a great result. This is what responsible planning is all about: looking at the big picture and ensuring the best results for the local community. Clover should perhaps take a few tips from us on how to be a responsible public figure: Tell the truth and stop dishing out advice to the Labor Party about how to run its game. Members of the Labor Party already know— [*Time expired.*]

WOY WOY UNDERPASS PROJECT

The Hon. WALT SECORD (14:39): My question without notice is directed to the Minister for Roads, Maritime and Freight. Given reports that Roads and Maritime Services [RMS] officials this week notified local businesses that the Government was dropping the Woy Woy underpass project, how does his Government justify spending at least \$52 million on the project so far?

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (14:39): The Government spent a large amount of money on that bypass, which was originally promised in 2011 by the then shadow Minister for roads and maritime services, Andrew Stoner, as an election commitment in the lead-up to the 2011 election. The promise was based on costings provided by the

council. During the period from 2011 onwards, costs escalated. I do not have accurate numbers in front of me, but I am certainly more than willing to provide the details to the House.

The project is a good example of estimating the cost of a project in good faith, committing the funds, doubling that amount of money, and then asking for more money, at which stage someone has to say "Whoa, let's look at this." That is pretty much the situation in the case of this project. I am more than happy to take the question on notice because it is a good question. It is a lesson to oppositions everywhere on ensuring that costings provided by someone else are accurate. To The Nationals' credit, as the opposition we were relying on council figures on that occasion. Sadly, in that instance—and in a number of other instances—the figures were not as good as they could have been. Some councils' estimates have been great, but not all councils are the same. Some costs contained variants, and reliance on council estimates of cost sometimes produces mixed outcomes.

When the Government puts project costings in place and looks at benefit cost ratios [BCRs] and what can be achieved for a community, in some instances someone has to say, "Whoa, a lot of money has gone into this. Let's reappraise the situation." I will provide a detailed response to the question, but to the best of my knowledge, what I have described was the situation.

WESTCONNEX SOUTHERN EXTENSION PROPOSAL

The Hon. PAUL GREEN (14:41): In directing my question to the Minister for Roads, Maritime and Freight, I point out that recently I did a site visit to WestConnex and I congratulate the Government on a project that will connect communities, ease congestion, save time and create jobs. I ask: Will the Government update the House on the southern extension, known as the SouthConnex, to Waterfall and a connection to the F6?

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (14:42): I thank the Hon. Paul Green for his question and for his comments on WestConnex. I am more than happy to extend an offer already made to the crossbench to the Opposition because some Opposition members, who are slightly embarrassed, take a look at WestConnex, privately tell the Government how great it is, tell the Government that they secretly do not agree with the commissars who run the Labor Party, and say that the WestConnex project is really terrific. However, the offer remains for Opposition members to be able to travel to the site—and we will put the big bus on for Wally. It will not be a case of "Where's Wally?" because he will be with us on the trip.

The Hon. Paul Green: Point of order: The Minister is wasting valuable time. The question was on a very specific topic, SouthConnex, not the Hon. Walt Secord.

The PRESIDENT: Order! I could not agree more. I uphold the point of order. The Minister has the call.

The Hon. DUNCAN GAY: I apologise to the Hon. Paul Green. First of all, I will comment on SouthConnex. There is no SouthConnex. However, the Government is doing early work by examining a southern connection. To have a NorthConnex or a WestConnex, the Government first must have a business plan that has been approved to go ahead. The Government is in the early stages of examining the proposal for a southern connection. I must say there is a great deal of support coming from people who live in the southern part of the State for such a project going ahead. On stage two of WestConnex there is a stub that would allow a connector to go to the south and a section of road that has been put aside. It is one of the few sections of dedicated roadway put aside by the former Labor Government, which must have been asleep at the wheel because it did not flog that off. That section of road is still there and that would be helpful in the provision of a southern connector.

Anyone who travels to Sydney from the south in the morning peak, particularly along The Grand Parade, would understand the need for improvement. The progression of a southern connector project is subject to analysis of traffic numbers, geotechnical factors and timing. The previous Labor Government's Minister, Carl "Sparkles" Scully, considered building a southern connector into Rockdale, but the former Labor Government rejected that proposal.

The Hon. Rick Colless: Did Jack live there?

The Hon. DUNCAN GAY: No. The former Labor Government rejected it because it would have just directed the traffic to nowhere. What we need is stages one and two of WestConnex to be in place and stage three at least about to start or starting. That is the timing that would allow a southern connector project to work. If a southern connector project is underway and WestConnex stage three is nearing completion, the two would meet at about the same time. Making something like that happen depends upon logistics, and timing also is a necessary part of that. In the meantime the Government has \$300 million that was put into a gateway project to fix the pinch points in the southern part of Sydney. It is important to rectify impediments to traffic flow—the things that people notice daily—such as the absence of a slip lane and an intersection that is not properly controlled by traffic lights. People say, "Why doesn't someone do something about this?"

The Hon. Walt Secord: Good idea, Duncan.

The Hon. DUNCAN GAY: I thank the Hon. Walt Secord for his praise, but a good government does that type of thing. Previous governments just had glossy brochures, but this Government at least is getting on with the projects. The work that is being carried out further south is where the Hon. Paul Green lives—in the Shoalhaven.

The Hon. PAUL GREEN (14:46): I ask a supplementary question. Will the Minister elucidate on the work being done in the south of Sydney involving the F6-Waterfall connection?

The Hon. Walt Secord: Point of order: The Hon. Paul Green has restated the original question.

The PRESIDENT: Order! Strictly speaking, there is a qualitative difference between the original question and the supplementary question. For that reason, I cannot uphold the point of order. The Minister has the call.

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (14:47): I also acknowledge that the Government already has done a lot of work on the pinch points in areas south of Sydney and certainly some of the clearway work. It should be acknowledged by anyone who travels across the Taren Point bridge that there is a clearway outside the fish and chip shop. I am sure members will recall the pinch point at that location. Everyone used to say, "Why is that bloke able to have his sign on the back of the truck? Why are those three cars there?" The Government put in a parking lot, cleared away parking zones for vehicles, and traffic now flows through. Anyone travelling farther south would know the work that is being done at Gerringong and that the bypass at Berry is hugely important.

I know that the Hon. Paul Green, who is a former Mayor of the Shoalhaven, was concerned about where the bridge would be placed. The Government clarified that for the Shoalhaven City Council so that the council could undertake future planning in the knowledge of where the bridge would be placed. Unfortunately, all the money—with the exception of \$10 million allocated for preparatory bridgeworks—has come from the State Government. I would love to obtain funding from the Federal Government so that southern road projects can progress. Despite additional funding being one of the things that the Government needs, we are steaming along with the work with not only the Berry bypass but also the Albion Park Rail bypass.

The people who live in the Shoalhaven voted Labor for what must have been a thousand years and got nothing. They will be voting for us next time, because finally someone has listened to them. I am going to run a "Shooters, Fishers, Farmers and Nurses" candidate there to try to channel votes to us, because finally someone has listened to them in the Illawarra. They have the great Parliamentary Secretary for the Illawarra and South Coast, Gareth Ward, who is a legend. [*Time expired.*]

MINISTERIAL ADVISORY COMMITTEE ON AGEING MEDIA AWARDS

Mr SCOT MacDONALD (14:49): My question without notice is addressed to the Minister for Ageing, Minister for Disability Services, and Minister for Multiculturalism. How is the New South Wales Government recognising excellence in media and advertising for older people?

The Hon. JOHN AJAKA (Minister for Ageing, Minister for Disability Services, and Minister for Multiculturalism) (14:49): I thank the honourable member for his question. As members are aware, the Ministerial Advisory Committee on Ageing, also known as MACA, is chaired by Kathryn Greiner and is the peak advisory body to the New South Wales Government on matters affecting the needs, interests and wellbeing of all older people in New South Wales. One of MACA's current priorities is to tackle ageism and change community perceptions of ageing.

We all know that our population is ageing. With this, we need to accept that who we are as people, as a community and as a nation is changing. More people are living longer, and that is a good thing. It is a great irony that on a personal level we all want our loved ones to live longer, but on a national level more people living longer seems to be turned into a bad thing. Inaccurate portrayals of older people that focus solely on the negative aspects of ageing can be harmful. We need to end ageism in our community and recognise the great value and benefit seniors provide to our whole community.

I am supportive of Kathryn Greiner's and MACA's work in righting this undeniable wrong. I am also pleased to say that inclusion is a key part of the renewed NSW Ageing Strategy, which I was proud to recently launch. As part of its work to address the harmful perceptions of ageing in the community, MACA developed the inaugural MACA Media Awards program to celebrate examples of balanced and realistic media reporting on older people and ageing. I am pleased the committee initiated these awards to draw our attention to the issue. The committee also prepared a set of guidelines titled "ReportAGE: Media guidelines for portraying people who are older". These guidelines provide useful tips on writing about older people and ageing for media professionals.

These changes are easy to make. For example, if a person's age is not relevant to the story then there is no need to put it in print.

MACA received over 100 nominations for the awards, and I had a great time meeting the finalists and winners at a ceremony on Monday evening at which the master of ceremonies was Lee Lin Chin. I am pleased to inform the House of the award winners. Laura Gartry of ABC News took out the news category for her story "David Goodall: Australia's oldest working scientist fights to stay at university". The judges felt that Laura's article displayed a commitment to telling David's story in the most honest way possible, highlighting his achievements past and present.

Ellen Fanning of ABC Radio National won the current affairs category for her program "Reverse mentoring", a thoughtful program that highlighted the issue of ongoing employment of older people without sensationalising the issue or the participants. *Dateline* SBS won the lifestyle and health category for "My 93-year-old flatmate", which the judges believed used realistic portrayals of interactions between older and younger people. NRMA Insurance won the advertising category for "DIY Your NRMA Insurance Policies online". Judges commented that this advertising campaign stood out due to its focus on technology as a tool that anyone can use.

The winning entries have been published on MACA's website to inspire change in the media. I am sure all of those opposite will rush to have a look at these entries. I am also sure members will all agree with me that this is a great initiative, and I look forward to seeing the MACA Media Awards grow into an annual event.

WHALE MIGRATION AND FISH TRAPS

The Hon. MARK PEARSON (14:53): My question is directed to the Minister for Primary Industries, and Minister for Lands and Water. It has been reported to my office that quite recently a humpback whale calf was trapped and entangled in a marker buoy located within the fish farm lease area that is jointly operated by the Department of Primary Industries and Huon Aquaculture in Port Stephens. This caused both the mother and calf great distress and potential injury. Given that this area is in what is known as the "whale highway" of the east coast, what measures has the department put in place to ensure that marine life is protected from the consequences of intensive fish farming in the area?

The Hon. NIALL BLAIR (Minister for Primary Industries, and Minister for Lands and Water) (14:54): I thank the member for his question. I am trying to remember whether he was in the Chamber in question time last week when the Hon. Penny Sharpe asked a question that was similar if not exactly the same as this one. The New South Wales Department of Primary Industries [DPI] received a report of a whale calf seen with a rope across its back while within the Marine Aquaculture Research Lease [MARL] area on 8 November. Images provided of the incident show a rope on the whale of a type not used on the MARL. The temporary anchor line ropes used on the MARL are 40 millimetre orange ropes used to provide visibility to whales. Other photographs also indicated a small surface float commonly used for fishing traps on the surface near the temporary anchor buoys. After a short period the whale moved away from the site without incident. DPI is investigating this report further.

The DPI has worked with the Office of Environment and Heritage [OEH] to mitigate risks to marine fauna during the deployment and installation of sea pens at Port Stephens, and an OEH-appointed observer has been on hand to monitor any interactions. A marine fauna interaction plan was approved with an interaction response protocol before work commenced, and a training course is being developed for staff and members of the Port Stephens tourism industry. Observations of whales, dolphins and seals during deployment on the MARL since 21 September have shown no negative interactions.

I note that there was a supplementary budget estimates hearing on Friday 14 October at which my agency was represented. At the hearing the Hon. Penny Sharpe followed up on this incident by asking the department secretary further questions. I refer the member to the transcript of that hearing for further details.

HUME DAM WATER RELEASE

The Hon. MICK VEITCH (14:57): My question without notice is directed to the Minister for Primary Industries, and Minister for Lands and Water. Given the recent severe floods affecting Riverina farmers and the Murray-Darling Basin Authority's decision to delay a water release from the Hume Dam, what investigations has he or his department undertaken into claims that the delay in earlier gradual releases caused subsequent flooding, property damage and significant crop losses?

The Hon. NIALL BLAIR (Minister for Primary Industries, and Minister for Lands and Water) (14:57): I thank the member for his question. Before I answer it, I would like to pass on my thoughts to those producers affected by the floods, particularly those in that part of the State. They are doing it tough at the moment

as they are in the emergency and response phase with floodwaters working their way through the Murray River system. These floodwaters are impacting a number of landholders in southern New South Wales. Communities and landholders are doing everything they can to protect their valuable crops, stock and homes, but in some cases extensive losses have occurred.

While I am very pleased at the way WaterNSW, the NSW State Emergency Service [SES] and Local Land Services have handled the recent floods across New South Wales, the Hume Dam is not operated by New South Wales but instead is operated for the benefit of all basin States by the Murray-Darling Basin Authority. All decisions related to managing outflows and airspace under both normal operating conditions and in times of flood are made by the Murray-Darling Basin Authority. I am aware of some of those concerns.

I have seen media reports on television and in print in relation to farmers who are criticising those operations. As I mentioned to the House yesterday, I was in Forbes last week. One of the things that was very heartening for me was that time after time people who had been affected by the floods in Forbes were praising the operations of WaterNSW and how it has been able to manage the dams. I know one or two people have been critical, but others went to great lengths to remove themselves from those who were critical while I was in those meetings last week.

Anyone who has lived in that area for some time and who has seen the amount of rainfall that has occurred not only in the catchment of the dam but also below the dam would know that we have had significant rain across the State over the last few months. Another system is predicted to come through this weekend, which may present even more challenges. One thing that was consistent in Forbes last week was the praise for WaterNSW for working with the other agencies—in particular, the Bureau of Meteorology but also the State Emergency Service—to provide clear and timely decisions to make sure it could do whatever it could within its powers to not have a worse impact. Unfortunately we cannot say that at the moment regarding operations further down the State in the Murray. I cannot comment directly on the operations of the Hume Dam because that is under the operation of the Murray-Darling Basin Authority, but what is clear is in one part of the State those affected are praising the operations of the dams and in another part of the State those responsible are being criticised.

NATIONAL WATER WEEK

The Hon. BEN FRANKLIN (15:01): My question is addressed to the Minister for Primary Industries, and Minister for Lands and Water. Can the Minister please update the House on National Water Week and the water projects being carried out across the State?

The Hon. NIALL BLAIR (Minister for Primary Industries, and Minister for Lands and Water) (15:01): I thank the member for his question. I am pleased to inform the House that this week is National Water Week—a week that aims to build awareness and understanding of current water issues and opportunities for growth and innovation. National Water Week also highlights the importance of safe and secure water for all communities and the need to conserve and use our most precious resource wisely. This week is an opportunity to reflect on the strides this Government is taking in the water space to not only provide water security for our regional towns and primary producers but also help plan for population growth in Sydney. We are committed to delivering record funding for water and wastewater infrastructure across New South Wales to provide the solid foundations our communities and economy need.

The issue of water security was ignored for far too long in New South Wales, which is why we are investing \$1 billion to fix it once and for all in regional areas. Our initiatives in regional areas include: investigating a number of new dams; getting to the end of the Murray-Darling Basin Plan with as little further pain as possible for our regional communities, with no further non-strategic buybacks of productive water; building the pipeline from the Murray to Broken Hill; working with the Commonwealth to modernise on-farm irrigation systems; and investing record amounts to clear a backlog of projects to ensure water and sewerage infrastructure is provided in regional towns.

Just today I have announced more than 30 new projects that will be funded under our \$110 million Regional Water and Waste Water Backlog Program. I have said it before and I will say it again: It should not matter whether you live in Cobar or Coogee, you should have access to safe and secure water and sewerage facilities. The backlog program forms part of the New South Wales Government's dedicated infrastructure fund, Restart NSW, which is focused on the growth and productivity of this State and is the same fund that will secure Broken Hill's water supply. Some of the new projects to be funded in the backlog program include: Stuarts Point near Kempsey, where a new reticulated wastewater network will be delivered; Cobar in the State's west, which will receive funds for a new water treatment plant; Coolah and Coonabarabran in the Warrumbungle Shire, which will receive funding for wastewater treatment plants upgrades; and White Cliffs in the State's far west, which will receive funding for a new water treatment plant and reticulation network.

We are also delivering for the people of Sydney to ensure that the right water infrastructure is in place to cater for New South Wales's continued population growth, which is expected to reach 11.2 million people by 2056. On Monday I announced that the New South Wales Government will invest a total infrastructure capital budget of \$2.2 billion through Sydney Water until 2020. On Monday I was joined by the member for Camden to launch one of these projects, the \$27 million Oran Park wastewater project which will allow for 7,000 new homes to be built in Sydney's south-west. Not only are we investing a record amount through Sydney Water's infrastructure capital budget, but we are doing it while still delivering a cut to water bills of \$100 per year—the first reduction of any kind in Sydney Water's history. We said we would deliver water security for the regions and for the people of Sydney. That is what we are getting on with doing. Whether it is in the regional areas or in the cities, this is good news to be celebrated during National Water Week and something this Government is proud of.

BARANGAROO CASINO POKER MACHINES

The Hon. PAUL GREEN (15:05): My question is directed to Minister for Roads, Maritime and Freight, representing the Premier. Can the Minister please comment on the article in the *Sydney Morning Herald* this morning regarding the placement of poker machines in the casino at Barangaroo? Can the Minister give the House an ironclad guarantee that there will be no poker machines in the Barangaroo casino?

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (15:05): I thank the honourable member for his question. I indicate I did not read the article that he referred to in today's *Sydney Morning Herald* but I am informed that Crown Resorts was granted a licence by the Independent Liquor and Gaming Authority in 2014 to operate a restricted gaming facility at Barangaroo South. The Crown Sydney Hotel Resort will be a world-class tourist offering helping Sydney to compete with other global destinations and is expected to become a landmark attraction for millions of international and domestic visitors.

As required by the agreement between the State and Crown, the proposal for the Crown Sydney Hotel Resort has been assessed by the New South Wales Planning Assessment Commission in accordance with the requirements of Environmental Planning and Assessment Act 1979. On 28 June 2016 the Government accepted the commission's advice that the Barangaroo concept plan and the Crown Sydney Hotel Resort application be approved. As part of the approval the commission recommended that conditions be imposed on the availability of alcohol in areas of Crown Sydney not associated with gaming. It covered a lot of other areas but the information that I have received is silent on the issue that the member has raised, and I am more than happy to refer the matter to the Premier for a detailed answer.

GEORGES RIVER OSPREYS

The Hon. PENNY SHARPE (15:08): My question is directed to the Minister for Roads, Maritime and Freight. Minister, this one is for you.

The PRESIDENT: I suggest that Opposition members seeking to entice the attention of the Leader of the Government defer to their colleague who is asking the question.

The Hon. PENNY SHARPE: Given that rare osprey chicks were drowned when jetskiers on the Georges River destroyed their nests recently, how many jetskiers have been charged under the anti-jetski laws?

The Hon. Walt Secord: What a good question.

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (15:08): Yes, it is a good question. It is obviously one that did not come from the Opposition's question time committee, because it has the mark of someone who cares and who is in touch.

The Hon. Walt Secord: Little birdies!

The Hon. DUNCAN GAY: A little birdy told me that the Hon. Walt Secord did not write it. The incident referred to by the member is terrible for that community. I know that many people are concerned about the heedless way in which others operate these watercraft. I am informed that Roads and Maritime Services is investigating an incident that occurred on the Georges River at Illawong last weekend. As the member indicated, the osprey nest, which was built on a platform attached to a navigational aid, is alleged to have been destroyed. In the past few weeks, a pair of rare ospreys built a nest on the platform and hatched two chicks. The nest was monitored closely by staff from both Roads and Maritime Services and the Office of Environment and Heritage.

As members know, the osprey is a large bird of prey that usually nests close to water in dead trees and other structures, and it is listed in New South Wales as a vulnerable species. On Sunday 16 October, three jetskiers

were photographed in the vicinity of the nest, and the photos appear to show spray from the vessels being directed towards the nest. Roads and Maritime Services is aware of the incident and is working with the NSW Police Force and the Office of Environment and Heritage on an investigation. A range of offences under both marine and environment legislation can be applied to anyone found guilty of destroying this habitat. I am sure that all members wish the various services all the best in their pursuit and prosecution of the people involved. The second part of the question asked how many charges have been laid. I do not have that information at hand, but I will seek it for the member.

FIXING COUNTRY RAIL PROGRAM

The Hon. SARAH MITCHELL (15:11): I address my question to the Minister for Roads, Maritime and Freight. Can the Minister update the House on the Government's Fixing Country Rail program?

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (15:12): Across regional New South Wales, our towns, communities, and industries are booming. In order to support a booming country New South Wales, we need to build the right infrastructure. That is why this Government is investing historic levels of funding in road, rail and bridge infrastructure. The freight task in New South Wales is expected to double by 2031, and we need to be ready. The Government is delivering infrastructure to support our regional industries now and well into the future. The key to supporting the freight task is our \$400 million Fixing Country Rail program and our \$15 million pilot program, which is already well underway. These projects will help to transform the way freight is moved in country New South Wales. This is important.

I draw members' attention to the reinstatement of a 2.8 kilometre section of the Moree to Inverell railway line. The Government has invested \$2 million to restore the line at Moree, and work will be completed in December this year. As a result, 250,000 tonnes of grain and 6,400 20-foot containers of cotton and pulses per year will be taken off council and State roads in the region and put onto rail. There is more good news. The Government is determined to shift more bulk freight onto railway lines like the one at Moree to ensure that we get produce from paddocks to ports as quickly and as efficiently as possible. Once the track is open for business, local industries could see freight savings of \$25 a tonne for moving freight from Moree to the Port of Newcastle.

No member of the Opposition is listening to this. Members opposite should be, because they are insistent on peddling urban myths about the Port of Newcastle. This Government is investing significant funds to ensure agricultural products, in addition to coal, are exported from the port. The Government has always said that the Port of Newcastle is New South Wales's primary coal export facility. However, the port is continuing to diversify into bulk grain and other commodities such as fertiliser, alumina, cement and petroleum. More than \$690 million of bulk fuels have been imported through the port this year alone. It was only last month that the Government announced the construction of a 3,000 square metre multipurpose cruise terminal at Newcastle.

I point out that 22 per cent of the State's grain is grown in the Moree Plains Shire. Investing in this railway line is not only good for producers in the north-west, it is also good for the Hunter region, with more commodities heading out of the Port of Newcastle. At the moment these commodities go out through the Port of Brisbane. As a result of this Government's investment, the farmers save \$25 a tonne and their freight will go out through the Port of Newcastle. No-one in the Opposition is applauding or even listening. They do not care about Newcastle; it is only members of the Coalition who care about it and the port.

PACIFIC HIGHWAY UPGRADE AND WILDLIFE HABITATS

Ms JAN BARHAM (15:16): I direct my question to the Minister for Roads, Maritime and Freight. My question relates to section 10 of the Pacific Highway upgrade around the western edge of the Ngunya Jargoona Indigenous Protected Area, south of Wardell. What steps will the Government take to ensure that all northern long-nosed potoroo habitats falling within the construction corridor will be adequately protected during the construction phase of the upgrade?

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (15:16): Whatever the species that could be impacted by the construction of the highway, the Government will take the utmost care. The conditions of planning approval for the work include stringent guidelines as to how we should operate and what we should do in relation to the native flora and fauna. We know we must take care, but we also know that we have a moral obligation to operate in that way. The Pacific Highway is one of the most important highways in the State. This upgrade will save the lives of the people who travel on the highway between States and cities, and those who use it for their daily commute. It is extremely important that this duplication is constructed. However, as we do so we must ensure that all the proper care and consideration is given to the fauna, whether it be the long-nosed potoroo, koalas or any other of our native species. We must be

vigilant and careful. The people working on the project take great pride in minimising any interference in this area.

GRANVILLE PROPERTY ACQUISITIONS

The Hon. LYNDIA VOLTZ (15:18): I direct my question to the Minister for Roads, Maritime and Freight. I wrote to the Minister on 30 April 2014 about the impact of the M4 extension on the residents of 52 Onslow Street, Granville. Why did it take until 12 August 2015 for his department to agree to meet with the family to discuss the purchase of their property, and why is that acquisition still not finalised 28 months later?

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council) (15:19): I will take this question on notice. I know the honourable member has a record in the House of being inaccurate in the questions she asks but I am certainly going to give her the benefit of the doubt today and indicate that the question that she has asked me is accurate. I will—

The Hon. Lyndia Voltz: Point of order: I would ask you to ask the Minister not to make reflections on me, which he seems to constantly take liberties in doing in this House.

The PRESIDENT: Order! The member should simply state the point of order and not make debating points.

The Hon. Lyndia Voltz: I also ask you to bring the Minister back to relevance and ask him to answer the question.

The PRESIDENT: In terms of the first point of order, it is not out of order to make comments about accuracy of questions as long as one does not debate those questions. On the other hand, if it is not done carefully it can amount to a reflection on the member. I ask the Minister to be careful in the observations that he makes not to reflect on members. In terms of the answer the Minister has been giving, he certainly has been in order and relevant.

The Hon. DUNCAN GAY: I was about to say I will certainly take that question on notice and come back to the House with an answer in detail.

VOLUNTEERING

The Hon. LOU AMATO (15:20): My question is addressed to the Minister for Ageing, Minister for Disability Services, and Minister for Multiculturalism. Can the Minister please outline what the New South Wales Government is doing to enhance volunteering opportunities?

The Hon. JOHN AJAKA (Minister for Ageing, Minister for Disability Services, and Minister for Multiculturalism) (15:21): I thank the honourable member for his question. I am well aware of his interest in continuing to support volunteers and I thank him for that. I recently attended the Local Community Services Association Annual Conference in Redfern where I gave an opening address to the 250 attendees from community and neighbourhood centres throughout New South Wales. At the conference I was pleased to discuss the enhancement and growth of Timebanking as a major initiative of the NSW Volunteering Strategy.

Timebanking is an online system active in 71 communities across New South Wales. It involves community members exchanging volunteer services to meet local community needs. To date, Timebanking has seen over 6,400 members exchange more than 26,500 hours of support across New South Wales. As part of the second volunteering strategy the Government has provided an additional \$2 million which will be used to stimulate and enhance local communities' capacity to engage with Timebanking. Organisations in the Blue Mountains, Liverpool, Lismore, Ryde, Kogarah, the eastern beaches of Sydney and Port Macquarie have recently received this funding and work is already being undertaken on the ground to maximise this investment.

It was my great pleasure to join with Minister Dominello in the other place to provide \$15,000 in funding to the North Ryde Community Aid Centre. We saw firsthand the wonderful work being done there to support their volunteers and local community. In the Ryde Timebanking community over 100 people have exchanged nearly 900 hours of volunteering support. This is terrific news. The focus is on sites where Timebanking is already established and where a new local Timebanking community can be established. Timebanking promotes mutual support and has a positive impact particularly in the lives of older people and people who experience disadvantage. The concept is that everyone has something to offer. Everyone's time is equally valued.

The eastern beaches is an example of an area where there is a strong interest in establishing a local Timebanking community. There is a key local community organisation, the Junction Neighbourhood Centre, with the capacity and appetite to drive community engagement and leverage existing local strengths to ensure its emerging success. As a pathway to employment the Timebanking coordination role will be engaged by a woman

who is returning to the workforce after an absence of 10 years. Hopefully other people can also find new employment and independence in this way.

The groups support learning English as a second language, community barbeques, computer tuition and men's wellbeing—all these are on offer as volunteers assist in all of these areas. It is these experiences of inclusiveness that make a real-world difference, particularly for people newly arrived to our shores. This has created a community of people who help with local needs such as shed building, house repair, home computer help, shopping assistance, caring for pets, children and the elderly and other support roles where neighbours are helping neighbours. These examples demonstrate why it is so important for the Government and communities to continue to support participation through volunteering in all forms. I am sure that I speak on behalf of everyone in this House when I thank all of our volunteers for the wonderful work they do to assist those within the community.

WATER ALLOCATIONS

The Hon. ROBERT BROWN (15:24): My question without notice is directed to the Minister for Primary Industries, and Minister for Lands and Water. Can the Minister explain why Department of Primary Industries [DPI]—Water is still allocating according to the lowest inflow sequence modelling when it is clear that the catchment cannot possibly revert to minimum inflows resembling those of 1902 and 2006 during this 2016-2017 irrigation season?

The Hon. NIALL BLAIR (Minister for Primary Industries, and Minister for Lands and Water) (15:25): I thank the member for his question and his interest in this matter. Water allocations are always contentious and most times are a very important issue for those who rely upon those allocations. In the Murrumbidgee at the moment I think the last allocation—and I could be wrong—was earlier this month. We have seen general security up to around 60 per cent for general allocation because of the levels in Burrinjuck and Blowering and carryover water at roughly 20 per cent. So general security irrigators have access to roughly 80 per cent of the allocation at the moment.

I was with many members of this House including the Hon. Mick Veitch, the Hon. Sarah Mitchell, the Hon. Rick Colless and the Hon. Dr Peter Phelps at a function with rice growers on Monday night. One of the issues that came up was allocations of water. I was informed by one of the growers there that although the allocation is not 100 per cent at the moment they were given indications when the last allocation was announced that it is expected that it will go to 100 per cent because as the weather warms up we will see some irrigators putting a call on the water that is in the dams that is probably the carryover water. That will then allow us to increase those other allocations.

It is an issue that for a long time has led to some confusion. When we just produce an allocation, people are not sure what water their allocation is when they look at the dam levels. That is why we have been more transparent, with DPI—Water producing and printing what we call "the rocket", which is basically the breakdown of what water is in the dams—whether it is environmental water, carryover water or irrigators' water. That is something we have done in consultation with those irrigator groups to make sure that we provide as much information as possible to those growers so they can understand what water is in the dams and whether it is eartagged for certain purposes.

In relation to the inflow assumptions used to calculate the allocations I am happy to take the member's question on notice and come back to him with some more detail in relation to whether we can look at those low inflow allocations. They are on the conservative side generally when they do the allocations because in days gone by they have been caught out with allocating water that then did not end up in the dam. It is a complex area. Hopefully that has shed some light on the issue. We will be looking to see close to 100 per cent general security allocation for those general security irrigators in that valley but I will take the main detail of the question on notice and come back to the member.

MULTICULTURAL NSW BUSINESS ADVISORY PANEL

The Hon. JOHN GRAHAM (15:28): My question without notice is directed to the Minister for Multiculturalism. Given the Treasurer's decision to slash more than 200 boards, including the Multicultural NSW Business Advisory Panel, what advice did the Minister provide to the Treasurer on the importance of these boards to the multicultural business community and the multicultural community?

The Hon. JOHN AJAKA (Minister for Ageing, Minister for Disability Services, and Minister for Multiculturalism) (15:29): I thank the Hon. John Graham for his question. I am incredibly honoured to receive his inaugural question. I indicate that the board that the Hon. John Graham referred to does not come under my ministerial responsibilities. I am sorry, he has the wrong Minister; it is not my board.

The Hon. Walt Secord: Point of order: I have several points. The Hon. John Ajaka is debating the question. The question was clear. It was about what advice did he as the Minister for Multiculturalism provide—unless the Hon. John Ajaka does nothing, which is quite obvious.

The PRESIDENT: Order! It is clear that the Deputy Leader of the Opposition is debating the question. There is no point of order. There is far too much competition from Government members. I am not sure the Minister can hear himself, let alone Hansard and the Chair.

The Hon. JOHN AJAKA: Members are excited about the Hon. John Graham's first question. I am the Minister responsible for Multicultural NSW and the board of Multicultural NSW. As the Hon. John Graham is new to the Chamber, he may not be aware—

The PRESIDENT: Order! If the Hon. Catherine Cusack and the Hon. Penny Sharpe wish to have a conversation they should do so outside of the Chamber. The Minister has the call.

The Hon. JOHN AJAKA: The Hon. John Graham may not be aware that this Government increased funding for Multicultural NSW in the last budget, which impacts on the Multicultural NSW board being able to undertake further work.

The Hon. Penny Sharpe: Point of order: My point of order is relevance. The question is about the Multicultural NSW business board and what, if any, conversations the Minister has had with the Treasurer about the abolition of it. The Minister is not even close to answering the question.

The PRESIDENT: Order! The point of order of the Hon. Penny Sharpe is clear. The Minister, after introducing the subject, was straying away from being directly relevant. He might consider that when giving the remainder of his answer.

The Hon. JOHN AJAKA: In March 2015 the New South Wales Government made an election commitment to eliminate unnecessary duplication across government. Our goal is to ensure that we use the resources of our State in the best way so that we can put resources where they are needed most—which members opposite failed to do in their 16 years in office, creating duplication after duplication after duplication. It was for that reason that the Treasurer made the right decision. As far as my ministerial responsibilities are concerned, my board and advisory council are in place. In fact, we have increased the responsibility of the board by having 12 RACs—regional advisory councils—across New South Wales, each of them shared by a member of the Multicultural NSW board. This Government is delivering for multicultural residents of New South Wales.

The Hon. DUNCAN GAY: The time for questions has expired. Unfortunately, the Hon. John Graham did not take my advice not to accept a question from the Hon. Walt Secord.

Deferred Answers

PRISON TEACHERS

In reply to **Mr DAVID SHOEBRIDGE** (14 September 2016)

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council)—The Minister provided the following response:

There is no plan to "terminate" the employment of Corrective Services NSW education staff at this time. A staff placement process is progressing and more than 65 education staff have expressed an interest in available roles.

Voluntary redundancy offers will be made to education staff in late November 2016.

The \$3.8 billion announced in June was part of the Prison Bed Capacity Program to create 7,000 beds across the State over the next four years which is a record investment in the correctional system. It will fund a long-term infrastructure plan to cater for the rising prisoner population and better manage and rehabilitate inmates.

FIREARMS AMNESTY

In reply to **the Hon. ROBERT BROWN** (14 September 2016)

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council)—The Minister provided the following response:

The NSW Police Force has advised me:

Amnesties and buy backs are generally operated with no questions asked of the public, an approach which is aimed at maximising the number of weapons surrendered and destroyed. Police have therefore not tested or checked surrendered firearms prior to the firearms being destroyed. Accurate figures from all amnesties were not kept, however it is estimated around 63,000 firearms have been surrendered in amnesties since 1996.

*Bills***WASTE AVOIDANCE AND RESOURCE RECOVERY AMENDMENT (CONTAINER DEPOSIT SCHEME) BILL 2016****Second Reading****Debate resumed from an earlier hour.**

The Hon. BEN FRANKLIN (15:35): I am delighted to speak in support of the Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016. I have been passionate about this issue for many years, not only as a member of this place but also in my seven years as the State director of The Nationals. I am delighted that The Nationals in New South Wales have been a passionate and strong supporter of the introduction of a container deposit scheme in this State. Over the past 10 years, four motions have been passed for the introduction of such a scheme at our annual conferences, which were unanimously supported by members at those conferences. I am incredibly proud that this Nationals-Liberal Government has determined to implement such a scheme. I know that every member in The Nationals party room has been passionate and articulate about advocating for such a scheme, including yourself, Mr President.

The container deposit scheme is not only important for me as a resident of Byron Bay, which is on the north coast of New South Wales, but it is also important for all residents of this State who are passionate about the local environment and the local amenity in such a special part of New South Wales. The bill will add to its special character by reducing litter and adding to the beauty and natural elegance of that incredible part of the world. I wish to address two substantial issues. First, the strong public support throughout this State for a container deposit scheme and, secondly, the litter reduction and recycling opportunities that this scheme will provide for communities in regional areas.

Litter has a significant impact on our natural environment, harming terrestrial and marine wildlife and polluting our beaches, parks and waterways. According to the 2015-16 Keep Australia Beautiful National Litter Index, drink containers made up the largest proportion of litter volume in New South Wales at 49 per cent. Drink containers also represent almost twice the volume of the next largest category, which is takeaway cups and food containers. The NSW Environment Protection Authority [EPA] estimates that approximately 160 million drink containers are littered in the environment each year.

For many years there has been strong public support for the introduction of a container deposit scheme in New South Wales to tackle this issue of container litter. This movement has been led by a number of key environmental groups, which have received support from community groups and local governments across the political spectrum. The introduction of a container deposit scheme is the largest litter initiative ever to be undertaken in New South Wales and will go a long way towards contributing to the Premier's priority to reduce the volume of litter in this State by 40 per cent by the year 2020. The views of the New South Wales community has been of key concern when designing this scheme. The Government has consulted broadly with the public and with key stakeholders. I acknowledge the contribution of the shadow Minister for the Environment and her congratulations to this Government for its community consultation on this issue. We have consulted with key stakeholders, including the beverage industry, local government, community groups, recyclers, other jurisdictions and the population and community at large to design the best possible scheme for our State.

During the two periods of consultation, the support from the public for the introduction of the scheme was overwhelming. In December 2015, the Government released a container deposit scheme discussion paper, which discussed options for reducing container litter in New South Wales. The community was resounding in its support of the refund container deposit scheme. In fact, of the 10,610 submissions received directly from individual community members—these were individuals who took the time to express their support or opposition to the scheme—over 95 per cent were in favour of the introduction of such a scheme. That is an extraordinary validation and an incredible mandate, I think members will agree.

The most common reasons for support of this scheme were its environmental outcomes: reducing litter, reducing marine impacts, and improving resource recovery. The bill that we have before us achieves those outcomes. In the process it aims to provide accessible and convenient collection points—not only in Sydney, Newcastle and Wollongong but across New South Wales, including in regional and remote areas of this State. This key statewide coverage objective recognises that beverage container litter is a universal issue affecting communities across the State. Litter is found at all types of locations, from beaches and parks to industrial sites, and particularly along highways. Social research consistently shows that litter is perceived to be "extremely" or "very" important by most people in New South Wales, with the degree of community concern similar across metropolitan, regional and rural areas.

To ensure that the Government's accessibility and convenience objectives are achieved in regional and rural areas as well as in the city, this bill contains a provision for setting performance targets in the underpinning regulation. It is intended that these targets will set minimum requirements to statewide accessibility to the scheme, including specific targets for metropolitan, regional and rural New South Wales. The Government is committed to ensuring performance targets so that access to the scheme's collection points is convenient for all members of the community. The good news is that these accessibility targets are expected to drive the establishment of collection points in regional and rural areas that currently do not have access to kerbside recycling but do have limited capacity to deal with litter. The scheme will provide new opportunities for communities that may have limited alternatives for recycling the containers covered by the scheme.

To help ensure accessibility targets are achieved by operators with an understanding of the particular needs and circumstances of regional New South Wales, the Government will divide the State into a number of defined geographical zones and then invite potential network operators to bid for the opportunity to provide collection networks for each of these zones. Details of these zones will be finalised following further consultation with key stakeholders. This will allow for local organisations to bid for a zone or for potential network operators to partner with local organisations to deliver collection services in each zone.

Network operators will be able to work with existing organisations and recycling sites, such as the new community recycling centres that have been established across New South Wales. These centres are operated by local councils and other organisations, in partnership with the New South Wales Environment Protection Authority, as part of the Waste Less, Recycle More initiative. The development of these community recycling centres has been highly successful. Grants of \$12 million have been awarded to develop 101 community recycling centres across New South Wales, with the majority located in rural and remote areas. Almost 1,000 tonnes of problem waste has already been collected for recycling or safe disposal from the 47 community recycling centres that have opened so far.

On a personal note, I am proud to have represented Minister Speakman and officially opened two of those community recycling centres this year. I opened one in Byron Bay, alongside the newly re-elected mayor, Simon Richardson. I opened the second in Ballina, alongside the newly re-elected mayor there, David Wright. It was a privilege to open both of those facilities, which are state-of-the-art facilities and will be extremely well used by the local communities. Co-locating container deposit scheme collection points at sites such as these is likely to increase their convenience for the community and improve the recovery of both containers and the other materials that they currently collect—materials that are currently extremely difficult to recycle.

Network operators and collection points will be able to determine the most suitable technology to meet the needs of the community in their regions. This may include reverse vending machines, which could be located in local shopping centres or train stations. Collection points may also include mobile operations that are periodically set up to service communities that do not require a more permanent site. These may be of particular assistance in smaller regional communities.

Social enterprises and community groups in regional areas will also have the opportunity to work with network operators to set up and run collection points. We all know that in regional areas the sense of community is stronger than in many urban centres. There is a genuine desire by individuals in regional areas to work with and for their communities. This is another area where this scheme will be of assistance. Collection point operators will receive a handling fee for each container they collect from the community in addition to the refund amount to pay out to people redeeming containers. This presents a significant fundraising opportunity for charities and community groups. In South Australia, for example, community groups have been able to raise millions of dollars while providing environmental benefits through collecting empty containers for recycling. Even more than that, the scheme will teach children the value of entrepreneurialism. As I did, they will learn about making a few dollars by doing something that is valuable for our environment and our society—and that can only be a good thing.

This is a welcome bill, and it will provide new opportunities and environmental benefits across New South Wales, particularly in regional areas, which often otherwise would not have access to these types of collection and recycling services. I congratulate Minister Speakman, who I know has been a passionate advocate of this scheme. I also congratulate his predecessor as Minister for the Environment, Rob Stokes. Both of them are outstanding advocates for the environment in this State. I thank the spectrum of political parties in New South Wales. They have all supported this initiative. Most importantly, I am incredibly proud that The Nationals party has stood up so strongly and so vociferously to support this initiative over so many years. I am pleased to commend this bill to the House.

The Hon. PAUL GREEN (15:46): I speak on behalf of the Christian Democratic Party on the Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016. It is a good bill. I am pleased that the parties have been able to get this bill onto the Government's priority list and into this Chamber. The bill aims to establish a statewide container deposit scheme to encourage recovery, reuse and recycling of

empty beverage containers. It will provide a refund to persons depositing at collection points and it will establish a cost recovery scheme to ensure that beverage suppliers agree to make contributions towards the costs of paying those refunds.

Many of us would recall the days when we would pick up bottles. I think some of the bottles that I picked up to recycle were full of milk—which I drank, I am sure by accident. That was in the good old days, when households would have a six pack—of milk, that is—delivered to their doors. Many of us made a few extra dollars from recycling beverage containers. That was when children could get two lollies for 1¢ or 10 lollies for 5¢. Now, they are lucky if they can get one lolly for 5¢.

The Hon. Rick Colless: You could get a bag of lollies.

The Hon. PAUL GREEN: If you can remember as far back as Rick Colless can, you would probably remember getting a trolley full of lollies for sixpence. Those were good days. The refund on bottles gave people who were quite vulnerable and exposed the opportunity to make a couple of bucks, which could make a difference to their days, to their weeks and, eventually, to their lives. Clean Up Australia chairman, Ian Kiernan, AO, has said:

Beverage waste is among the most common type of rubbish collected by volunteers on Clean Up Australia Day.

Mr Kiernan went on to say:

Clean Up Australia's most recent figures show that 40 per cent of rubbish found in the state's environment is beverage containers. As many would know, Mr Kiernan was a keen sailor and he turned his mind to this issue after seeing the amount of rubbish that was in the ocean. Much of that rubbish consisted of containers. Clean Up Australia has found that each aluminium can recycled saves enough electricity to run a television for three hours. The Minister in the other place noted that a survey in 2015-16 of local councils, public and private land managers and community groups found that more than \$180 million is spent each year on managing litter throughout New South Wales. Beverage containers represent approximately 49 per cent of the total quantity of litter collected, and much of that litter makes its way into our waterways.

It is believed that the cost of kerbside collection will decrease as a result of this initiative. Currently, our waste is collected in a three-bin collection method. Where I live, a red bin is used for normal household refuse, a yellow bin for recycling, and a green bin for grass, leaves and small branches. The more that households separate their rubbish, the greater will be the benefit to the community, and we must educate people about the benefits of recycling. Mr David Hoy, who is the waste minimisation manager at the Shoalhaven City Council, is passionate about reducing waste landfills. He has come up with numerous initiatives that are designed to reduce the volume of household waste, including activities such as free composting workshops for people who enjoy gardening.

The Hon. Penny Sharpe: And worm farms.

The Hon. PAUL GREEN: The composting workshops were incredibly popular. As mentioned by the Hon. Penny Sharpe, there were also workshops on worm farming, which were fantastic. We all know that a reliable indication of good soil and a means of producing good tilth in the soil is by having worms, but not curl grubs.

The Hon. Penny Sharpe: The chooks like curl grubs.

The Hon. PAUL GREEN: Yes, and so do magpies. Waste minimisation programs are operated across local government areas in an effort to minimise the quantity of refuse that is brought to waste station weighbridges. Some waste stations now recycle steel and hold chemical waste days. There are many great initiatives throughout local government areas for reducing the volume of toxic waste that goes into the ground. As many members know, landfills create leachate that eventually makes its way into water tables and waterways, and ultimately into our food chain through contaminated livestock and estuarine seafood. Everything constructive helps, but one thing that does not help are waste levies.

On previous occasions in this House, I have referred to section 88 of the Protection of the Environment Operations Act 1997 relating to the waste levy. The revenue from the levy was always intended to go into an Environmental Trust fund that would be used to assist local councils to reduce waste in landfills. Sadly, many of the landfill waste stations are still in existence. The section 88 waste levy was not an initiative that encouraged councils to be more efficient waste collectors. Rather, it penalised the people of New South Wales because any waste taken to the waste station weighbridge for a fee and dumped at a waste station added to the cost of local councils dealing with waste and implementing waste minimisation measures.

Consequently, the cost of the levy added to the cost of rates, and people who wished to avoid the added expense dumped their waste in our beautiful forests and pristine Crown lands. There is nothing worse than taking a nice walk in a natural environment and seeing a dumped mattress or gym set. For the sake of not spending an extra couple of dollars to deposit waste in a transfer station for a fee, people dump their rubbish in public lands. The section 88 waste levy has become a disincentive for people who otherwise might have been persuaded to support waste minimisation programs. The wonderful annual Clean Up Australia Day event attracts volunteers

who are willing to give up a few hours of their day to clear public spaces of litter, but it seems that those types of initiatives affirm bad behaviour and the perception that people can get away with dumping rubbish in pristine areas because somebody else will clean it up. In 2011, in respect to the section 88 waste levy, I asked a question in the House of the then Minister, the Hon. Greg Pearce. It was the day before my birthday and his reply was quite positive. He stated:

The Government has also announced that it would review the waste and environment levy to consider and advise on the efficiency and effectiveness of current settings, and achievement of the objectives of reducing waste generation, increasing resource recovery from waste and providing revenues to support delivery of priority Government services.

That was a great answer, but I wonder what is happening now. The section 88 waste levy is still a rod for local government's back and does not encourage people to appropriately dispose of their waste. In many cases, loads taken to waste transfer stations could be recycled. I remain of the view that the Government should hypothecate waste levy funds, return them to local councils so that the burden on ratepayers can be reduced, and assist councils to proceed with waste minimisation programs. Currently, local councils are making massive investments in the creation of areas in which waste deposits can be separated into different categories of items. Councils are being hampered in their efforts by having to apply to the Government for funds from the Environmental Trust—some of the millions of dollars that already have been paid by ratepayers to the trust. The returns from the trust have been such that, if a council was lucky, \$200,000 might be obtained along with a handshake and a photograph—but that is not good enough.

I estimate that Shoalhaven ratepayers alone have paid between \$10 million and \$15 million which the current Government controls. Collection of the levy began under the Carr Government, which promised to direct funds through the Environmental Trust waste fund back to local communities. It was only two years after the Carr Government began collecting the levy when the whole amount of the waste fund was turned over to consolidated revenue. As all members know, there are no rules relating to the type of expenditure for which consolidated revenue funds can be used. If members are really serious about waste minimisation, this great legislation could be improved by the Government removing the rod from local government's back and repealing the waste levy provisions of section 88 of the Protection of the Environment Operations Act 1997.

The application of section 88 has gone so far as to force councils to even pay for a section of road that leads to the waste transfer station, which is ridiculous. To obtain a refund, councils have had to beg, borrow and steal, and that is just not good management. If the Government wants to take waste management to the next level, local communities should be empowered instead of being hit with a big bill at the waste transfer station weighbridge. That time has passed. Our children and many organisations share one heart when it comes to waste minimisation. They are very mindful about recycling and about where cans, bottles, tins and plastic end up. That is fantastic and the education program should continue, but we could do better by hypothecating the funds collected from the application of section 88 to allow local councils to have real control over diverting waste from landfills. The Government should be providing encouragement to local councils, not hitting them with the section 88 stick.

Clean Up Australia research reveals that eight out of 10 people want a 10¢ refund on cans and bottles. A Newspoll survey shows that a majority of Australians supports a container deposit scheme, and a national scheme has been proposed. Many members of this House are hoping that this initiative by the Baird Government will flow towards the adoption of a national approach to implementing a container deposit scheme. Concerns have been expressed by the Boomerang Alliance that has advocated for installation of reverse vending machines. The Premier has had some conversations with the group but the alliance is concerned that its suggestion has not been accepted. In an effort to obtain a clear understanding about what this legislation is intended to achieve, I had a briefing with the Minister for the Environment who told me that the Government is aiming to introduce good, cost-effective legislation and a best practice container deposit scheme.

It is fortunate that New South Wales can learn from schemes in other parts of Australia. It is important to bear in mind that while we might like New South Wales to be immediately at the top of jurisdictions that have container deposit schemes, it might take some time to achieve that. By simply inserting in legislation a plethora of wants rather than needs, we will short-change the people of New South Wales. We should first allow the tenderers—people who know how to manage waste—present a picture of how they will manage a container deposit scheme. If that fails and we need to revert to a reverse vending machine option, we will be able to do so later. We must ensure that tenders are open, creative and innovative. As a former mayor of the Shoalhaven, my experience in dealing with \$100 million waste reduction contracts tells me that it is counterproductive to be too prescriptive with the terms of a tender. There is a lot of world's best practice involved in waste minimisation, and we do not wish to restrict tenderers from coming up with innovative and creative solutions.

We want to give them every opportunity to come forward and thrive. I have asked the Minister to comment on the review process so that, when the scheme is reviewed, we can quickly tell whether the key

performance indicators [KPIs] are working and the scheme is not a flop. The Government has indicated that the KPIs will be reviewed through contracts with tenderers. This bill introduces penalties relating to the supply and collection of containers. A supplier must have a supply arrangement and must not supply a beverage in a container unless the container has the recycle refund marking. Beverage container suppliers must agree to make contributions to the cost of paying refunds. I think this puts the onus on the supplier to be responsible for the containers they produce.

I note that The Greens intend to move an amendment to make major supermarkets be a point of collection. Again I say that the market must be allowed to drive where collection points are located. I believe that smart supermarkets can drive campaigns to this end. For example, major supermarkets in the Shoalhaven have driven a successful coin-operated or token-operated shopping trolley campaign. This smart campaign was pitched as reducing shopping trolleys being abandoned in places like our waterways and around car parks. The supermarkets worked with council to make sure that shopping trolleys ended up back at the shops, not on roadways, in car parks or in waterways. In this way the supermarkets encouraged community members to be responsible for the return of these shopping trolleys and therefore keep them out of our waterways.

Who were the winners from this campaign? I think the retailers were because they showed that they would buy into community expectations about the proper management of shopping trolleys. They were responding to vandalism and the abandonment of shopping trolleys in inappropriate places like our waterways. When I was mayor I congratulated these major supermarkets for helping to clean up our city. This was a good news story, and community-minded supermarkets will quickly realise how they can play a part in being a collection point for containers to give them some brownie points from the community for being environmentally sensitive.

I asked the Minister about the costs to the supplier regarding branding new containers. He advised that there will be uniform branding across New South Wales, Queensland, Western Australia and Tasmania to ease production costs. The Australian Capital Territory is expected to introduce a similar scheme shortly. The regulations will allow a period to reduce excess stock, and the companies will be given a few years to roll out uniform branding. The Minister advised that there will be a five-year statutory review. The Christian Democratic Party feels that this is too far away. However, we understand that legislation is normally reviewed after this period, and we have been reassured by the Minister that there will be constant reviews over the next few months, as this was an election promise. We have also been assured that formal annual reporting will be required as part of the contracts.

The Christian Democratic Party has been advised that a lot of the detail of this bill will be in the regulations. That always makes us nervous, because although you can see the beautiful tree that is above the ground, so to speak, you cannot always see the root system. Regulations are very much the root system, and we do not know what those roots are.

Mr David Shoebridge: Tentacles, I think they are called.

The Hon. PAUL GREEN: They are called a lot of things. We always get nervous when the Government says that the legislation has been drafted and we can leave the details until the regulations are published. We know that the regulations will contain the rod or the carrot. I believe that some members of The Greens may find this ambiguous. The Christian Democratic Party believes the flexibility in the regulations will allow for competitive, innovative and interesting tendering opportunities to meet various key performance indicators put forward by the Government. I believe The Greens would like mandatory collection points at large supermarkets, as I have noted. This is probably a good idea; however, we want to ensure smaller not-for-profit organisations like the Scouts, church groups, Police Citizens Youth Clubs and other wonderful groups are given the opportunity to make a quid.

All in all the Christian Democratic Party is happy to work with the Government to reduce littering in New South Wales. This bill is a win for the Government, a win for the environment and a win for the community. It is also a win for all the parties represented in the Parliament. Many members have spoken in support of this legislation. At the end of the day, I have to give accolades to Premier Mike Baird because some big players were against this legislation, yet today the New South Wales Government has delivered. The Christian Democratic Party commends the bill to the House.

Mr DAVID SHOEBRIDGE (16:05): I welcome the beautifully named Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016. This bill does one good thing: It finally establishes a container deposit scheme for New South Wales. I commend not only the words but also the work of my colleague Dr Mehreen Faruqi, who has been championing such a scheme in New South Wales for years. However, this bill also has a series of limitations. I could spend the next 20 minutes detailing these limitations, but I thought I would start by talking about the really good things in the bill.

The first good thing is that New South Wales is finally joining South Australia and the Northern Territory in having container deposit legislation. That is a plain good thing for people who like their creeks not littered with drink containers and who would like our public highways and streets to be much cleaner. This legislation will go a long way to making New South Wales much cleaner. Container deposit legislation is one of the key anti-littering devices, and we have known that for years. As I noted, I commend the work of my colleague Dr Mehreen Faruqi and the work of the Total Environment Centre headed by Jeff Angel. For years he has also been advocating for container deposit legislation, and he genuinely deserves credit for this legislation finally seeing the light of day in this Parliament.

As a kid I used to crush aluminium cans for 5¢ a pop, I think. I would then deliver these cans in a hessian sack to collection points where they would be weighed, as we were paid by weight. I would then deliver the cans into big metal containers. I know some unscrupulous friends would fill up cans with small rocks, but I never did that. It was an excellent scheme as kids would rummage around for containers in order to get the money. This meant that kids worked as litter removal agents scouring the State to get cans. We were always disappointed when we found steel cans that would not give the return and were also a bugger to squash compared to the aluminium cans.

Of course it makes sense to make those players who most benefit from the distribution of containers also have a core obligation in the container deposit legislation. That is why I particularly commend the amendment that my colleague Dr Mehreen Faruqi will move to ensure that the big retailers are also collection points. They need to be collection points, because millions of these containers are distributed by these players. It makes fundamental sense to have them as mandatory places for collection of these containers. This is logical in that they benefit, they distribute and they should play their part in recovery.

It also makes great logistical sense because many people drive to or take their nanna trolley to the supermarkets, so those supermarkets should be the spots where they can toss in the cans and containers. These supermarkets are central points to which people are already travelling either in their cars or taking nanna trolleys, so they could easily deliver their empty containers and get their refund when they shop. I hope that if this amendment is not passed in the Committee stage, it still becomes the case in New South Wales. This is not a perfect bill, but it is a darned site better than the current state of play. I with my colleagues in The Greens commend the bill to the House.

The Hon. Dr PETER PHELPS (16:09): Earlier we had to listen to the usual nauseating cavalcade of virtue-signalling between the Labor Left and the Greens—the interspersing of feelings and nostalgia as some sort of interpretation of the facts. Indeed there was almost, one could say, a Stakhanovite attempt to try to woo the King Street cognoscenti as to who was more virtuous when it came to anti-pollution devices. The simple fact is that the Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016 is a Government bill, and I will be supporting it.

The Hon. Shaoquett Moselmane: You have no choice.

The Hon. Dr PETER PHELPS: There is always a choice. The idea that you have no choice is a false one, at least on this side of the House. There is always a choice. I am pretty sure "I'm just following orders" does not cut it, or at least has not cut it since 1946. Let us not mince words: The impact of this will fall on a particular class of people. The apprentice brickie—let us just call him John—

The Hon. Penny Sharpe: Or her.

The Hon. Dr PETER PHELPS: "Her" is coming next. The apprentice brickie, John, from Mount Druitt, who on his way home picks up a slab of beer will be paying an extra \$2.40. However, the sociology professor at the University of New South Wales—we will call her Mehreen—who picks up three bottles of Hill of Grace at a cost of several hundred dollars will pay absolutely zero. A person who goes and buys a slab of beer will pay \$2.40; a person who goes and buys a bottle of Hill of Grace for \$300 or so will be paying zero.

Dr Mehreen Faruqi: I don't drink—

The Hon. Dr PETER PHELPS: You are also not a sociology professor, last time I checked. It is a purely hypothetical person I was thinking of, but I was trying to make the example of a good solid working-class lad from Western Sydney, as opposed to a bourgeois left elitist from the eastern suburbs who is out of touch with the sort of people who might enjoy a slab of beer when they get home—and not litter with it but put it in the bin after they have finished—who will still be paying \$2.40 unless he actually makes the conscious effort to use his time to go down to the recycling centre and retrieve that \$2.40. It will probably cost him more in fuel to get to that recycling centre but that is something he will have to live with.

I am pleased to say that in this bill there will be a system of competitive oversight. Competitive oversight is always good in arrangements like this. Of course, The Greens were not happy about that. The Greens said, "No, we don't like that if it involves a particular party. If it involves a key player in the industry, we're not happy with that." Once again, this shows the true mettle of The Greens: They are anti-business, anti-industry and anti-human achievement. They are anti-business and anti-industry, which is ironic. They see business as being horrible and terrible. They oppose the profit principle. They think capitalism is evil. They say industry is bad and it should not be involved in trying to clean up the mess, which is ironic when you consider that so many of their members were quite happy to cheer on the Great Leap Forward in China and keen to support Stalinist industrialisation policies and Stalinist hydro-electric projects, which of course effectively killed the Caspian Sea. It is quite ironic that there is some sort of industry which is really bad, and that is free-market capitalist industry, and there is some sort of industry that is really good, and that is totalitarian socialist industry, which is just amazing.

Dr Mehreen Faruqi mentioned that there is "a need for environmental experience required on the committee". Let us have a look at this. If this is not a jobs for the boys situation on behalf of The Greens! One can bet that they have on tap folders full of left-wing environmental activists who will be only too happy to seek out a well-paying government job where they can pursue their own picayune interests for the benefit of themselves and The Greens fundraising base. The final thing that Dr Faruqi said was that any savings made from the application of the deposit scheme to local council kerbside collections should be reinvested in anti-garbage initiatives. What about cutting rates?

This goes to prove that, given the option of cutting rates or increasing bureaucracy, The Greens choose increasing bureaucracy. For them it is a one-way ratchet: It is tax, tax and more tax. They cannot get enough tax. They love tax. They would have 100 per cent tax if they possibly could. They envisage a North Korean-style situation where there is a 100 per cent tax on all your labour. That is what The Greens want. Even the left wing of the Labor Party is not that mad. The Greens say, "All the savings which are made should be invested in new anti-littering initiatives, new recycling initiatives, garbage initiatives or whatever," but how about giving the poor humble tradie from Mount Druitt a break when he has to pay his annual rates?

Most people assume that I am opposed to this bill, and they would be wrong. In my effort to explain why someone with a classical liberal bent would be in support of this bill, I will quote from none other than Adam Smith and Milton Friedman. Smith said this on the duties of government:

The third and last duty of the sovereign or commonwealth, is that of erecting and maintaining those public institutions and those public works, which though they may be in the highest degree advantageous to a great society, are, however, of such a nature, that the profit could never repay the expense to any individual, or small number of individuals; and which it, therefore, cannot be expected that any individual, or small number of individuals, should erect or maintain. The performance of this duty requires, too, very different degrees of expense in the different periods of society.

What does that mean? Friedman had a look at this and said:

Adam Smith's third duty raises the most troublesome issues. He himself regarded it as having a narrow application. It has since been used to justify an extremely wide range of government activities. In our view it describes a valid duty of a government directed to preserving and strengthening a free society; but it can also be interpreted to justify unlimited extensions of government power.

He goes on to say that this also:

... involves effects on "third parties," people who are not parties to the particular exchange—the classic "smoke nuisance" case. Your furnace pours forth sooty smoke that dirties a third party's shirt collar. You have unintentionally imposed costs on a third party. He would be willing to let you dirty his collar for a price—but it is simply not feasible for you to identify all of the people whom you affect or for them to discover who has dirtied their collars and to require you to indemnify them individually or reach individual agreements with them.

...

To lapse into technical jargon, there is a "market failure" because of "external" or "neighborhood" effects for which it is not feasible (i.e., would cost too much) to compensate or charge the people affected; third parties have had involuntary exchanges imposed on them.

What does all that mean? The first thing we have to say is: What is the problem? The problem in this instance is pollution. It is rubbish. It is waste. It is the bad which is a necessary by-product of the production of the good. In other words, a good is produced, it is packaged and it is then, because there is no value in the proper disposal of the packaging—other than of course punitive laws which by experience have been shown to be ineffective in controlling the problem—and because there is no economic good within the packaging itself, simply disposed of in an inappropriate way, a way which then creates externalities such as visual pollution and possible other effects on enjoyment of the society and the landscape around us.

There is an externality in play. What do we do to fix it? As I have mentioned, littering is already a crime. Many things in this State are crimes, but they still occur. Speeding still occurs, as does the consumption of marijuana. There are many things which are technically crimes but which still occur because the law is ineffective.

We then ask ourselves: What mechanism can we rely upon to give effect to the change we want to limit the impact of externalities on society?

We could approach it from an economic point of view, which is something The Greens never do. Their first rush to judgement is always to ban something, to shut it down, to make it illegal; that is, to stop it by legislative fiat. There is a way forward. It involves monetising what it means to dispose of a bad. There is now no net cost to a person if they simply throw away a container. Under the scheme proposed, there will be a cost. That cost will be the lost 10¢ if they do not seek to redeem it through recycling, whether it be using a return deposit machine, a collection centre or something similar. That mechanism of monetising the cost of improper disposal creates a disincentive. Some people will say that they do not care about 10¢, and they will simply throw away the container.

The great advantage of this scheme is that it then incentivises others to find the rubbish and to dispose of it thoughtfully. There are people for whom 10¢ might not seem much, but there are some for whom it is important, especially if they spend an entire day collecting and disposing of containers. There might be an argument that 10¢ is too little. That is the refund under the South Australian scheme, and that will be the amount under our scheme. However, it comes down to economics. Even if people do the wrong thing, even if they do not deal with their externalities appropriately, there are others in the market who are willing to do that job for them.

What is the best way to do that job? It is to have a system of effective competition by not merely providing an oversight body but also tendering out through competitive processes to various geographic locations the ability to have that as a particular market where it is in their interests to maximise the return of waste materials. That is exactly what Milton Friedman suggests we do when we have a problem with externalities in the form of pollution. In fact, he uses the example of what happens if we have unclean water that is disposed of into a lake or a river. His solution is to impose effluent charges; in other words, we impose a tax of a specified amount per unit of effluent discharged. Why? It then prompts the people disposing of the effluent to reduce the amount of effluent that is being discharged using technological processes, or alternatively we can tax them to such a level that we will then be able to use that money to go to the free market to find people who will then be able to clear up—

The Hon. Penny Sharpe: Are you supporting a carbon trading scheme?

The Hon. Dr PETER PHELPS: I acknowledge that interjection. I do not support it because I do not accept that carbon dioxide is an externality. Carbon dioxide is a good because it provides food for plants. If there were none, plants would die and so would we, which I think even the Labor Left would consider to be a bad thing.

The DEPUTY PRESIDENT (The Hon. Trevor Khan): Order! First, members should not interject at the table. Secondly, members who have the call should not respond to interjections. Thirdly, the Hon. Dr Peter Phelps has strayed well away from the long title of the bill. I invite him to return to the leave of the bill.

The Hon. Dr PETER PHELPS: The point is that this is a good bill because it does exactly what a classical liberal would expect done in a situation of externalities. It does not ban something; it does not apply punitive taxes in the way they are applied to cigarettes and alcohol to stop a certain activity from taking place. It says that we will make a qualitative assessment of the problem and then impose a duty on those creating the externality in the first place.

Let us not kid ourselves about this, ultimately the duty will fall not on the producers but on the consumers. However, the consumers are throwing away their Coca-Cola cans or their beer bottles; it is not the companies who are doing that. The companies provide the good, but it is the consumers who provide the bad. The obligation then falls on the consumer to do the right thing and to limit the amount of bad that is produced through the good that they consume. As I said, they may not choose to do that, but the scheme is set up in such a way that even if an individual makes the irrational—or in some cases rational—decision figuratively to throw away money, there is someone who is willing to pick up that asset and turn it back into money. This is a very good example of what government should be doing, and should be doing more often. It should be looking at the problems it faces or envisages not as experiments in which it can engage in legislative action to ban things, but rather as economic problems and ask what is the economic solution. If we were to do that, we would have a far freer and far better society. I commend the bill to the House.

Mr JUSTIN FIELD (16:25): I make a contribution to debate on the Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016 as The Greens spokesperson on marine and fisheries. I welcome this legislation because it is in the interests of the broader community and the health of our oceans that we make this scheme the best it can be. The goal is to reduce as much as possible, and hopefully in the long term to eliminate, the amount of plastic litter entering our environment. Inevitably, that litter injures and kills our wildlife on a massive scale. The plastic pollution and the toxic loading that it attracts has entered our

food chain. This is not only about litter; it is also about our ability to consume fish from healthy seas, and to swim in healthy oceans, rivers, and creeks.

This bill has far greater incentives for the broader public than those outlined by the Hon. Dr Peter Phelps. It provides for the establishment of a deposit and refund scheme that will ensure people who deposit an empty beverage container at a collection point will receive a 10¢ refund. We should be proud of a parliament that introduces legislation to establish a container deposit scheme in this State. However, we must recognise that we are well behind the eight ball on this issue. A deposit container scheme of this type has been in place since 1977 in South Australia. Before I came into this place, I took a moment to refresh my memory about what happened in 1977. Members might not believe it, but I was not around. I was a glint in my father's eyes

The Hon. Dr Peter Phelps: I was.

Mr JUSTIN FIELD: I know the Hon. Dr Peter Phelps was around. There is no doubt given his contribution to this debate that he is well and truly stuck in the 1970s. Members might remember that *Rocky* won the Academy Award for best picture in 1977, and Fleetwood Mac released *Rumours*, which is one of my favourites. I recently rediscovered it. The Apple 2 was released, Elvis died, France conducted its last execution by guillotine, the Atari gaming system was released, and South Australia had the foresight to recognise that we could easily deal with litter by introducing a deposit and refund scheme for beverage containers. We know how successful it has been given the evidence that has been compiled by campaigners. The last speaker was trying to have a go at The Greens, but it is The Greens who have been championing this sort of approach. It might be seen as a traditional—

The Hon. Penny Sharpe: What was the Government in South Australia? Was it a Labor Government?

Mr JUSTIN FIELD: I am pretty sure that it was.

The Hon. Penny Sharpe: I think it was.

Mr JUSTIN FIELD: I am prepared to acknowledge that and I acknowledge Labor has been supporting this as well, as have The Greens. Ian Cohen brought legislation to this place in 2005.

Mr Jeremy Buckingham: Bob Carr did not.

Mr JUSTIN FIELD: Bob Carr did not—Labor did not, actually. But what a load of nonsense from the last speaker! Conservative governments and their relationship with the beverage industry seem to have been the main cause of the delay in bringing in what we know will be a very successful scheme in reducing litter. It is one of the Government's goals—it is its only environmental goal in this State. The Government could have done it years ago, first thing off the box in 2011, and we would not have litter. We know what has happened in the time since then: Tens of thousands of bottles have entered our marine environment, down our rivers and creek lines, choking our beaches and our marine life. Let us get on with this and make it the best scheme that it can possibly be.

I was at a Surfrider event recently. The local president of Surfrider was talking about his experience of the marine environment and contrasting that with the experiences of his children. It made me reflect on my own experience. I was born in a very small coastal community south of Bundaberg. As a young child I spent my first few years walking on that beach and digging holes in the sand. I took my son, who is five months old, for his first beach experience last week. I had to walk over bottle tops and styrofoam beads just to get down to the water's edge. As I dangled his feet into the ocean for the very first time in his life, washing up on his feet was litter—plastic wrappings and the little red ends of the soy sauce fish that we get from sushi bars.

In one generation we have lost the experience that I had as a child digging in the sand and not seeing any plastic anywhere—I may have seen a cork float from a fishing rod that washed up but no plastic or styrofoam. This is not just about an economic solution to an environmental problem through which we are paying people to clean up. This is actually about how we live our lives and enjoy our communities and the future health of our communities and the marine environment. I find it illustrative that in one generation we have caused that much damage. One generation ago we had a solution down in South Australia.

The Hon. Dr Peter Phelps: You should have lived in the 1970s and seen what litter was like then. That is why the Clean Up Australia campaign was created.

Mr JUSTIN FIELD: We did have the Clean Up Australia campaign. I remember those ads. Where are the ads now from the Government?

The DEPUTY PRESIDENT (The Hon. Shayne Mallard): Order! Mr Justin Field will direct his comments through the chair and refrain from responding to interjections.

Mr JUSTIN FIELD: It was the next point on my speech, talking about how good the ads were years ago for Clean Up Australia and Do the Right Thing. They are on YouTube. People should go and have a look at how good they were. It is an indicator of the lack of leadership on this that we no longer use our position as parliamentarians and the Government does not use the influence that it could through public awareness campaigns to encourage people to do the right thing. It was very successful and we have dropped away from that, but we are now introducing this scheme and it is a good one.

I stress that this cannot be the end of the road for reducing plastic pollution. I call on the Government to do more to reduce the impact of plastics on our environment. It would be great if we could come up with economic incentives which The Greens support in this case to solve some of these problems but it might be that the next logical step is to regulate out of existence some of these harms which are unnecessary and unneeded. Even in my youth I could go to a food court and order a meal that would come on a plate with a steel knife and fork, which I would hand back to a person who was paid to clean those knives, forks and plates for the next person. If one goes to the MLC Centre food court now, one sees at the end of the day the many dozens of bags of plastic waste that did not need to be consumed. And where does that end up? How can that possibly be the responsible economic approach to the use of resources in our society? It cannot be.

The next logical step might be that we need to regulate some of these things out of existence. I think we can and should do it. There are alternatives. Communities are taking it upon themselves where governments are failing. I certainly support that and The Greens support those communities. It is wonderful to see the proliferation of plastic bag free campaigns and Boomerang Bags campaigns. I suspect that they will get more prolific because every time someone walks along a beach these days they are walking through waste and plastic rot. It is killing our natural environment.

I conclude by acknowledging those groups who have actively campaigned for container deposits over many years: the Boomerang Alliance, associated groups such as the Total Environment Centre, the Nature Conservation Council of New South Wales, Take 3 and Responsible Runners. As I mentioned, in the past few years there has been a proliferation of groups and they are increasingly working with local businesses to solve some of these problems where governments have failed. I know that that will continue and I hope that we can do our job to make the transition to being a plastic free community easier.

Mr JEREMY BUCKINGHAM (16:35): This afternoon I add my voice to the debate on the Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016. I join with my colleagues Mr Justin Field and Dr Mehreen Faruqi in saying that it has been a long time coming and that it is a sensible step to make. As a kid in Tasmania one of our routine activities was to head out and scour the gutters, creeks and ovals for the big 20¢ Coke bottles.

The Hon. Dr Peter Phelps: That was the only fun in Tasmania.

Mr JEREMY BUCKINGHAM: That was pretty much the only fun, but I had to find only one bottle for a bag of Cobbers or a Mars Bar. I could get a bus into Hobart and back or I could get into the pool just for finding three Coke bottles and taking them down to the local shop, to Con the greengrocer at Taroona village, and life was great. We were participating in cleaning up our community and the system worked. Did we see those bottles anywhere other than being collected and taken in? No, we did not. That was the market and a price signal working. I note the effluent spewing forth from the Hon. Dr Peter Phelps in his contribution—again, more effluent, more clichés, more rhetoric, the blasts of empty cannons of rhetoric from the class warrior stuck in 1973. Unbelievably the Hon. Dr Peter Phelps was saying that to deal with externalities you should set a price signal. I noted the interjection of the Hon. Penny Sharpe. I could not believe the torrent of invective from the other side we have heard over the years about the carbon pollution reduction scheme—

The Hon. Penny Sharpe: Which you guys opposed too.

Mr JEREMY BUCKINGHAM: Yes, well—the carbon pollution reduction scheme and then the carbon tax—the most effective way of dealing with externalities, putting a price signal on it. So the community knows these types of things work, whether it is the kid picking up the Coke bottle in the gutter or the highest levels of government and economists around the world. Set a price signal and it works and has a massive effect. It happened with the Coke bottles in Taroona and it happened with greenhouse gas emissions in Australia—there was a massive reduction and it was the market working. There is a great need for it to work because our oceans are an absolute disgrace. Like Mr Justin Field I occasionally go down to Bondi for a surf, a swim and a run along the beach. I challenge any member of this House to go to Bondi Beach, one of the most important and iconic tourism and cultural locations in this nation, after a major storm event and have a look at the amount of plastic on the beach. I went down there with a Responsible Runners group and one square metre—

The Hon. Trevor Khan: Going back to the fifties and sixties.

Mr JEREMY BUCKINGHAM: I remember the Hon. Ian Cohen telling me about the Bondi cigars and other things, but we have moved on. The plastics in our oceans are a case in point and are particularly bad. In one square metre 100 millimetres deep, I found 137 pieces of microplastic. That is spread across the entire planet. We have poisoned our oceans with plastic. The Pacific gyre and the Atlantic gyre are massive whirlpools of plastic, and we need to deal with it. We need to stop making plastic. I agree with my colleagues—we need to set price signals but we also need to ban these unnecessary—

The Hon. Dr Peter Phelps: Ban stuff.

Mr JEREMY BUCKINGHAM: Absolutely right. This bill is long overdue. It is a small step in the right direction. It is disappointing, as my colleague Dr Mehreen Faruqi said, that large retailers are not required to be involved. The food and grocery lobby, Coca-Cola Amatil and others, have been incredibly successful at dragging the chain. There is one area in which I disagree with my friend Mr Justice Field. Where did the money come from for the Do the Right Thing campaign and Clean Up Australia? It came from Coca-Cola, and Coles and Woolworths. It was their fig leaf to disguise their pollution. The people accepted it, but then they learnt that the best thing we could do was avoid making waste in the first place and create an incentive to get rid of it. This is absolutely a step in the right direction. I hope that this bill leads to other changes to reduce plastic pollution in our community. I will finish by saying that, again, the Hon. Dr Peter Phelps is wrong to introduce class war. I do not know what a bottle of—what was it—Hill and Grange?

The Hon. Dr Peter Phelps: Hill of Grace.

Mr JEREMY BUCKINGHAM: Who knew? I did not know. The Hon. Dr Peter Phelps knew what a bottle of Hill of Grace is. We all know he is a quaffer of champagne. I would not touch the stuff; I am a Reschs man. I want my parks cleaned up. I am a tradesman. I am from western New South Wales. I would rather pay a little more to have this system in place to make sure that when I go to the beach or to the park that they are not a filthy disgrace polluted with plastic.

The Hon. Dr Peter Phelps: With hippies.

Mr JEREMY BUCKINGHAM: No, the working class, the people who clean up their creeks and their recreation areas on Clean Up Australia Day. They do not like the highways being polluted with all this garbage. They want this system. They wanted it in South Australia and they will accept it here.

The Hon. CATHERINE CUSACK (16:42): Hallelujah! It has been an extremely long journey to get to this point. It is an absolute joy for me to hear members sometimes in confusing ways but nevertheless thunderously agreeing with each other. Hearing the Hon. Dr Peter Phelps explain why imposing a levy is beneficial and hearing Mr Jeremy Buckingham explain the importance of price signals and having a market operate efficiently is a good thing. I note that the Shooters, Fishers and Farmers Party, the Christian Democratic Party, The Greens, Labor and Liberal members—

The Hon. Dr Peter Phelps: And The Nationals.

The Hon. CATHERINE CUSACK: —and The Nationals members have overwhelmingly supported this concept for decades. I would postulate that had this bill been introduced in Parliament at any point over the past 30 years it would have been passed with overwhelming support. I wish to talk about the two delays that have occurred in getting us to this point. The more recent delay has been the gap between the announcement of the bill and bringing the legislation before the House today, which has taken a couple of years. It reflects the responsible approach that was taken to ensure that good notice could be given about kerbside collections.

Many waste collectors had factored in the presence of recyclable materials as part of the resource that would be available to offset the prices when they were bidding and tendering for waste collection contracts. Those contracts often exist for a number of years. I commend the Premier and the former Minister, Mr Rob Stokes, for their understanding. The Premier gave notice of this scheme early on in his term of office and the process has been undertaken in a consultative way to ensure that every stakeholder was involved and that their issues were understood and addressed.

However, the longer delay that has preceded that delay is disturbing. I cannot see the bill being passed today without some reflections being cast upon it. This bill ought to have passed decades ago. I recall that Tim Moore was a big fan of the container deposit scheme when he was the shadow Minister for Environment in the early 1980s. It was impossible to find a person in this building to speak against it. In fact, the beverage industry, which uses these containers, has been vehemently opposed to the scheme.

I would slightly disagree with the Hon. Dr Peter Phelps. This is not a charge that economists would say will fall squarely upon the consumer in any sales tax or levy. There is a sharing of the expense amongst the businesses that are producing containers, which is not inappropriate. Nevertheless it creates a self-interest and in

my view it has caused disproportionate well-funded, sometimes unseemly, behind-closed-doors campaigns that have targeted governments and have rendered Parliaments powerless to act on this matter.

The ease with which they have been able to gum up the reform process to make it go around in circles for decades is disturbing because it thwarts democracy. Local ratepayers, local councils, The Greens, the Shooters, kids, their parents and their grandparents want this policy. It is reprehensible that a scheme that is popular, desirable and good for the environment could be held up for this amount of time. It reflects extremely poorly on our Commonwealth-State forums and the ease with which they are hijacked.

In this case, the beverage industry has focused strongly on the argument that this needs to be a national policy—one policy for Australia. But then we have the ministerial events and stakeholder forums are held. Each of those is given a year to report, they go over time and it takes 18 months to report. When the report finding is received, a vote is taken by the Ministers to refer it to somebody else to review the review. This process has literally gone on for decades. It offends me that a decision that is in the interests of our community and wanted by the community could be that far removed. There is a higher purpose in having a national consensus, which would be lovely.

I congratulate Mike Baird and former Minister Mr Rob Stokes and the current Minister Mr Mark Speakman for saying enough is enough, otherwise it would go on forever because the stakeholders would never support it and would always find a way to undermine the move to reform. The beverage industry has played a strong role in election campaigns and some people would say that it is its democratic right. I disagree, because it has been done in an underhanded way. It has been about bullying political parties. We witnessed what went on prior to the Northern Territory election. It is a poor reflection on the beverage industry, and it raises issues about our democracy and the need for our democracy to be protected.

In relation to the scheme, I am not going to delve into the details of who should be appointed to the committee. I am really impressed by the way the scheme has been designed to allow for innovation and solutions. There will also be flexibility to adapt to future conditions. We all remember the horrors of the Solar Bonus Scheme, where every aspect of the scheme was legislated—even the amount of the subsidies, such that when the Government wanted to change it, it had to bring Parliament back to do that.

This is a marvellous example of a policy where there has been a white paper and consultation. It is all very well documented, and it has been transparent on websites. The legislation is an arm of the implementation, which is the proper role for legislation. The legislation makes lots of options available, and I am really excited about the ideas that will come forward. There is one thing, however, that has not been referred to, and which I think is very important to a container deposit scheme—that is, the pool of funds that will accumulate as soon as the levy is applied to the containers.

There will be a gap between the time that somebody purchases the can of Coke—when they will pay the levy—and the time when they collect the refund. I believe the international research shows that it could be 10 days to two weeks before that empty can finds its way back and a refund is offered. In the interim, a pool of funds is accumulating. That pool of funds is drawn from, 10 days or two weeks later, when the can is cashed-in again. If one looks at the volume of cans and containers that this will apply to one will see that the pool of funds could quite feasibly be in the order of \$100 million to \$200 million. This is not an unreasonable estimate if one considers the volumes of containers that are flowing through the system.

That pool of funds is detained pending the cashing-in of the containers. It amounts to a vast sum of money, which will yield a good income for the scheme. Even with the low interest rates that we have at the moment, with prudent investment the yield ought to cover a whole range of innovative approaches. Obviously we would expect that interest of consumer money detained in the fund to be returned to the scheme and used for innovative policies. The framework crafted in this legislation allows for that and it is potentially the largest source of revenue for funding the scheme. If it is well managed, the scheme will not need to have further public subsidy.

I would like to acknowledge the persistence of the Boomerang Alliance and its predecessors—in particular Jeff Angel, with whom I have been discussing this issue for more than 30 years. This must be a very proud day for him. He has been a warrior for the conservation movement. He has persisted, understood and engaged through the forums. I have never seen him lose his temper. I have heard him say, "Now the Minister has resolved to do this, just at the point where every box has been ticked. Now they have found another circle to put the issue into." I think he has been phenomenal and I congratulate him for his leadership. I congratulate all the others who have persevered, including Ian Kiernan. He actually did lose his temper—and I cannot blame him. It has been immensely frustrating for those people. The introduction of this legislation means that today is a very good day for them.

I extend my congratulations to all members who have contributed to this second reading debate. I say good luck to those children whose pocket money might be a little bit reduced, but who can start on a really fantastic project. We will find our showgrounds cleaner. I am sure Mr Scot MacDonald would remember collecting bottles at the showgrounds in order to buy fairy floss or visit the sideshows. I conclude with that, and thank the House for its time.

Ms JAN BARHAM (16:53): I wish to speak to the Waste Avoidance and Resource Recovery Amendment (Container Deposit Scheme) Bill 2016 because it is such a great day, as the previous member and representative from the North Coast, the Hon. Catherine Cusack, has said. This legislation has been a long time coming. I also want to pay tribute to Jeff Angel, whom I saw just yesterday in the House. Like the previous speaker, I have never seen him lose his temper. He has been consistent on key issues. I asked him, "How do you not get disheartened?" He said, "I have a very good process of compartmentalising everything. I have to." Otherwise, he would not have been able to survive doing this for 40 years.

I am speaking on this matter because I found it interesting to hear my colleague speaking. I heard Mr Justin Field say that he does not remember the collecting of bottles and cans—he is too young. Some of us in this place are old enough to know that that is how we got our pocket money. That is how we were able to get some lollies or something that we were not meant to have. For me, as a child, it was just how things were. I do not understand why the deposit scheme of those days stopped. I have not heard anyone explain how we lost a good system.

It is perplexing to think that something that was in place when I was child was removed. It ceased to exist but it was not for the betterment of society. For some reason that happened but we do not have any real understanding of why. There has been a long-term campaign on this issue by the environment movement and, I am proud to say, by The Greens. I recall that container deposit legislation was in the earliest policies of The Greens. In the 1994-95 election campaign we sought from the Carr-led Opposition a commitment to introduce container deposit legislation. I still have all the media releases and letters from that time so I know that that commitment was given. It was going to be embedded in the Waste Minimisation Act. The debate on that legislation was one of the most furious and heated that I have ever seen. The people in the Parliament were bombarded by manufacturers and the major supermarkets. It was the most lobbying I have ever seen. Huge bundles of documentation and other things were presented to us.

This is an important day but I want to put on the record that my colleague the Hon. Ian Cohen introduced the 2008 bill in this place—the Waste Avoidance and Resource Recovery (Container Recovery) Bill 2008. I point out that people have said that if a bill had been introduced to do this it would have been supported by everyone. Well, it was not. It was not supported but I want to put on the record that the members of The Greens and the Hon. Robert Brown supported the bill at that time. I feel it is important to put on the record those who did not support the bill and who are still in the House with us. That included—

The Hon. Catherine Cusack: Me?

Ms JAN BARHAM: Minister Ajaka, the Hon. David Clarke, the Hon. Rick Colless, the Hon. Trevor Khan, the Hon. Matthew Mason-Cox, Reverend the Hon. Fred Nile, the Hon. Greg Pearce, the Hon. Penny Sharpe, the Hon. Mick Veitch, the Hon. Lynda Voltz, the Hon. Greg Donnelly and the Hon. Don Harwin. The Hon. Catherine Cusack must have been paired. That is what happened in 2008; thank goodness we are here now. It is important that we have a bill. It has been a long time coming. There were situations when such a bill should have been passed. Questions were asked by Ian Cohen over and over again about why the Government was not utilising section 39 of the Waste Minimisation Act to make this happen. The power to do that was provided by the waste minimisation Act, but it did not happen. I think that was because of the pressure that was being brought to bear on the Government.

I wish to address two matters that I do not think have been mentioned: public safety and glass. I know from living in a tourist town and having council responsibility for public safety in relation to big events such as Schoolies Week, New Year's Eve and summer holidays that glass is a major problem. It is dangerous and it causes real grief on beaches and in parks. Moreover, it costs councils a lot of money. Hopefully the container deposit scheme will be good for public safety. It is a very important issue. We have heard about environmental safety, the non-pollution of our waterways and plastic issues, which are very important, but I wish to raise another issue concerning artists who have provided focus on the pollution issue.

A great artist, one of the first environmental artists who represented Australia at the 2004 Athens Olympics Artade Exhibition—and I know that few people recognise that the Olympics has an arts component—is John Dahlsen. He has exhibited in New York and in many other parts of the world because his work is made from collected waste from the beach. He picks up the plastic and makes art. I am sure that the Hon. Catherine Cusack knows his work. I have a piece of his art in my office and I invite members to see it. By having this

legislation, the environment will be spared rubbish being left on beaches and in parks. I congratulate the Government on the introduction of this legislation and on presenting a bill that has support from all political representatives. I am very pleased that the Government finally has reached this point. It is a good day in Parliament to have legislation that I assume every member supports.

Mr SCOT MacDONALD (17:01): On behalf of the Hon. John Ajaka: In reply: I thank the Hon. Penny Sharpe, the Hon. Mehreen Faruqi, the Hon. Shaoquett Moselmane, the Hon. Ben Franklin, the Hon. Paul Green, Mr David Shoebridge, the Hon. Dr Peter Phelps, Mr Justin Field, Mr Jeremy Buckingham, the Hon. Catherine Cusack and Ms Jan Barham for their contributions to debate on the Waste Avoidance and Resource Recovery (Container Deposit Scheme) Bill 2016. Drink containers now represent nearly half the State's litter in volume. The container deposit scheme that will be established by the bill will encourage people in New South Wales to hold onto empty beverage containers instead of littering them and to pick up littered containers by providing a 10¢ refund for those containers when they are returned to a collection point. The scope of containers that are eligible for the refund will be mostly the same scope of containers that apply in the existing schemes in South Australia and the Northern Territory.

Beverage suppliers who bring eligible beverage containers into the New South Wales market will be required to participate in the scheme by entering into a contract with the scheme coordinator. They must also obtain a container approval from the Environment Protection Authority [EPA] for each class of beverage container that they wish to supply in New South Wales. Those suppliers also will be required to ensure that the containers they wish to supply bear the prescribed refund mark. Under the contract with the scheme coordinator, those suppliers will be obliged to pay their share towards the costs of setting up and operating the scheme. The Minister for the Environment will appoint and enter into contracts with a single scheme coordinator and multiple network operators to deliver the scheme. Each network operator can either set up and operate collection points or enter into a contract with another person for the other person to be a collection point operator.

Each network operator will be obliged under their contract to ensure their network of collection points meets the community access targets set out in the regulations. These targets aim to ensure that the people across New South Wales have reasonable access to collection points. The scheme coordinator will be responsible for managing the financial costs of the scheme and for validating the containers collected under the scheme. The coordinator also will be required to enter into contracts with all relevant beverage suppliers. Under those contracts, the scheme coordinator will act as the clearing house for the payment of the scheme's costs by the suppliers. The scheme coordinator also will be required to meet performance targets on recovery rates and statewide community access imposed under the regulations and the contract with the Minister.

The scheme also will complement the existing kerbside recycling services provided by local councils. Under the scheme, the operator of a material recovery facility that processes eligible containers collected from kerbside recycling bins will be able to claim a refund on the processed containers directly from the scheme's coordinator. The facility operator may use a methodology, to be developed and published by the EPA, to estimate the number of processed containers. The operator may then claim the refund on the estimated number from the scheme's coordinator. That will greatly reduce the costs and effort for the operator to claim the refunds on the processed containers, especially for operators with automated facilities. The Government also will provide a strong incentive for material recovery facility operators who use the methodology to share the refunds with the local councils that send their recycling waste to the facility operators to process.

To protect the integrity of the scheme, the bill will introduce strong offence provisions to deter people from fraudulently claiming a refund on containers that are not purchased in New South Wales or containers that are purchased before the commencement of the scheme. Enforceable obligations also will be imposed on collection point operators to require declarations and proof of identity when refunds are being claimed for large numbers of containers. I now turn to address some issues that have been raised during the course of the debate. I note the suggestions from the Opposition regarding a ban on plastic bags. However, I note that this is a commitment that Labor made at least twice without result, including when Labor was in government. In 2004 the Labor State Government said it would ban plastic bags if there was no national approach within a couple of months, but ended up doing nothing. In 2007, Kevin Rudd and Peter Garrett went to the Federal election promising to ban plastic bags. That said, I welcome the Opposition's recognition and description of the serious harm that single-use plastic bags do to our environment, especially our marine environment.

New South Wales is leading a national push for a harmonised approach on how to tackle the use of single-use plastic bags. However, I suggest the House acquire a sense of perspective. Certainly plastic bags are a serious threat to our environment, particularly our marine environment, but they make up less than 2 per cent of litter by volume in New South Wales. Let us compare that with beverage containers. The latest national index report tells us that they make up 49 per cent of litter by volume in New South Wales. When one separates beverage containers into those that will be caught by the container deposit scheme and those that will not, 43 per cent of

litter by volume in New South Wales consists of beverage containers that will be subject to the beverage container scheme. To make that comparison is not to belittle the significance of single-use plastic bags but, rather, to draw a comparison to show the enormity of what we have done with the container deposit scheme in New South Wales and how enormous and significant beverage containers are as a source of pollution and litter compared with plastic bags.

Reporting by the scheme coordinator on matters relating to the performance of the scheme has been raised. The bill currently requires an annual report. Concern has been raised by members, who include the Hon. Paul Green, that this reporting should be more frequent. The purpose of the annual reporting requirement is to oblige the scheme coordinator to reconcile the performance of the scheme against annual performance targets that will be in the regulations. It always has been the Government's intention to require the scheme's coordinator to require more frequent reporting under the contract, with the Minister to track operational issues. In response to the Opposition, the Christian Democratic Party and The Greens concerns regarding reporting, the Government will set reporting requirements on those bodies to ensure there is a high level of transparency in the scheme. This includes an obligation in proposed section 35 for the scheme coordinator to deliver an annual report to the Minister for the Environment on how the scheme is performing against the performance targets.

The bill also provides the Minister with the power to require additional and more frequent operational and performance reporting by the scheme coordinator and the network operators through the contractual arrangements between the Minister and those bodies. The additional reporting requirements will allow the Government to assess the ongoing performance of the scheme beyond the annual reconciliation against the annual targets that will be in regulation. The Government therefore does not think it is necessary to amend the bill. A concern has been raised that people in rural and remote areas may not have sufficient access to the scheme to be able to return their containers for refund. I assure the House that it is the Government's intention that people across New South Wales will be able to participate in the scheme. As pointed out by a number of speakers, litter is found throughout the State and it is the aim of the scheme to reduce litter throughout the State.

The bill is designed to ensure statewide access through the setting of performance targets for accessibility. The Government intends to oblige the scheme coordinator and network operators to achieve those targets by imposing penalties for failing to do so. The next issue relates to a concern that the collection system will not be convenient enough and whether there is a need to specifically oblige large retailers to act as collection sites. As has been pointed out by a number of speakers, the convenience of the collection system is key to delivering community access and an effective scheme.

The Government has designed the scheme with this issue very much in mind. It is for this reason that the Government intends to set performance targets that will drive and ensure the establishment of a convenient network of collection sites. Contrary to what at least one member said, it is not a free market free-for-all. Instead, there is very much government intervention in ensuring adequate and appropriate community access across the State through the setting of performance targets.

An obligation on large retailers to take back containers will also provide for such an outcome, but it will be a fundamentally different model to that which has been proposed and a far more expensive option for the New South Wales community. The issue here is one of convenience. The bill proposes to drive convenience through obligations to achieve performance targets. If the scheme coordinator and network operators are delivering on those targets but litter outcomes are not being achieved, or we do not believe that the community has sufficient access to the scheme, then it will be possible to update and upgrade the performance targets in the regulation to increase access and efficiency.

In principle, the Government already has the power through the bill to specify locations for collection points as part of the access performance target in the regulation, so an additional power may be redundant. Moreover, there is the issue of whether the inclusion of such a power may create unnecessary uncertainty for the network operators with respect to estimating their potential financial obligations. A further issue was raised about imposing an obligation on retailers to have signage in their shopfronts to promote and provide information about the scheme. This was said to ensure that the scheme and the availability of a refund for containers are promoted to the community. Local councils, collection point operators and network operators will be naturally committed to promoting the scheme and such efforts should not be limited to retailers. We therefore do not think it is necessary to specify such requirements in the bill.

The next issue raised was the imposition of financial burdens on the scheme coordinator. The Government agrees that the financial costs of the scheme are to be borne by the beverage suppliers and not by the scheme coordinator. The bill is already designed to address this issue through the contract between the scheme coordinator and the Minister. The intention is to oblige the scheme coordinator to ensure that it has the capacity to remain financially viable at all times. It is anticipated that this will be addressed through the contracts between the scheme coordinator and the beverage suppliers. This will involve not only the potential obligation on suppliers

to provide the scheme coordinator with an up-front payment to cover expected redemptions but also requirements on suppliers to continue to pay the scheme coordinator even in the event of a dispute.

The next issue that was raised related to ensuring that the scheme coordinator was not also a network operator. The likely outcome of the structure that the Government is setting up is that the scheme coordinator will not be a network operator. I would observe, however, that in many other schemes this role is not split and the same entity acts both as what would be a scheme coordinator and a network operator in New South Wales. The Government has split the roles here to create some competitive tension in the process. For a final decision as to whether a scheme coordinator should or should not be a network operator, we should await the results of any tenders that prospective scheme coordinators and network operators submit to decide whether enforcing such a split is in the public interest or whether there is a better outcome for consumers in New South Wales in terms of cost and accessibility.

A concern was raised that there is no explicit statutory requirement for the advisory committees to include representation from environmental groups. The bill currently allows the Minister to establish advisory committees to advise the Minister of functions under the scheme and to appoint members with relevant expertise to the functions of the committee. Of course, environment expertise is important, and it is open to the Minister to appoint to the committee members, amongst others, with appropriate environmental knowledge. The ability to do that already exists. We therefore do not think it is necessary to specify such requirements in the bill.

The Government has engaged and will continue to engage with industry, businesses, local government and the community on the implementation of the scheme. It will continue to engage particularly with small businesses like cafes, pubs and restaurants and their respective associations to ensure that they can successfully participate in the scheme. As part of these efforts, the Government has been engaging and will continue to actively engage with the office of the Small Business Commissioner to ensure that small businesses are fully informed and engaged and to facilitate the smooth introduction of the scheme. The Environment Protection Authority will establish a small business working group to provide an opportunity to bring forward and to work through issues of particular importance to these businesses. The Government will continue to move forward on the implementation of the scheme. If the bill is passed and becomes legislation, this will involve making a new principal regulation to support it and to commence the selection process of both the scheme coordinator and network operators.

The bill also proposes in section 48 a review of the bill after four years to ensure that the objectives of the scheme are still relevant and the outcomes are being achieved. The Hon. Paul Green has raised a concern that this period may be too far into the future to determine if the bill is being effective. I can assure honourable members that the Government will be tracking the progress and outcomes of the scheme from the very beginning. This will be not only through the annual reports and more frequent contractual reporting requirements but also through the advice of a ministerial advisory committee established under section 36, which will be providing advice to the Minister for the Environment on the performance of the scheme. The Government is strongly committed to ensuring the scheme delivers on the objective to reduce litter.

In relation to the Opposition and The Greens concerns in relation to the security of commercial-in-confidence data held by the scheme coordinator, the Government can confirm that the scheme coordinator as part of the tender process will need to demonstrate that it has the policies, systems and procedures in place to securely manage sensitive sales data. In addition, the contract with the scheme coordinator will have specific provisions and contractual penalties for the misuse of commercial-in-confidence data held by the scheme coordinator. We therefore do not think it is necessary to specify such requirements in the bill.

The Government also notes the Opposition's comments regarding the need for robust approach to account and redeem eligible glass containers at material recycling facilities. The Government confirms that the Environment Protection Authority will engage with sampling and statistical experts to develop a robust methodology for material recycling facilities to claim the refund on glass and other containers from kerbside collections. We note the Opposition's concerns and commit to consult on the proposed sampling methodology.

The New South Wales Container Deposit Scheme will commence on 1 July 2017—an ambitious but achievable time frame. To achieve this, the selection process of the scheme coordinator and network operators will proceed concurrently and be finalised with sufficient time to enable the rollout of the collection network across New South Wales. Together, the measures in this bill are part of a scheme designed to deliver a significant reduction in the number of beverage containers that currently end up in litter across New South Wales and help to deliver on the Premier's priority to reduce the volume of litter in New South Wales by 40 per cent by 2020. It is yet another example of this Government delivering on its election promises. I commend the bill to the House.

The DEPUTY PRESIDENT (The Hon. Shayne Mallard): The question is that this bill be now read a second time.

Motion agreed to.**In Committee**

The CHAIR (The Hon. Trevor Khan): There being no objection, the Committee will deal with the bill as a whole.

Dr MEHREEN FARUQI (17:19): By leave: I move The Greens amendments Nos 1 and 5 on sheet C2016-097C in globo:

No. 1 **Retailers**

Page 4, Schedule 1 [3]. Insert after line 43:

retailer means a supplier who carries on a business that is or includes the retail supply of beverages in containers.

No. 5 **Retailers**

Page 12, Schedule 1 [3]. Insert after line 16:

40 Requirement for signage

- (1) The Minister may, by notice in writing given to a retailer, require the retailer to display at any premises at which the retailer offers to supply a beverage in a container signage stating:
 - (a) that a container deposit scheme is in force in the State; and
 - (b) the refund amount that is payable to persons depositing at collection points empty beverage containers that are subject to the Scheme; and
 - (c) the location of the nearest collection point.
 - (2) A retailer must comply with a requirement made of the supplier under this section.
- Maximum penalty: 40 penalty units.

I sincerely hope these amendments are passed today because they bring across a provision from the Northern Territory scheme that would give the Minister the power to require certain retailers to display signage that tells consumers that a container deposit scheme is in force and that they can receive their refunds, and the location of the nearest store acting as a collection depot. I want to be clear that it does not require every retailer or every corner store to display these signs, although it might be very helpful to the uptake of the scheme if they did. It simply allows the Minister to address a gap in the scheme directly.

For example, if it were identified that a particular area or town had a much lower redemption rate than any other part of the State, the Minister could require the local large supermarket—a Woolworths, a Coles or an Aldi—to display signage to encourage people to increase their usage of the scheme. The Parliamentary Secretary stated that the network coordinators will be naturally obligated to do something like this, but I am not sure how that could be enforced. I reiterate that this provision already operates quite successfully in the Northern Territory and will not apply to all retailers. It simply gives the Minister another tool to educate and encourage people to engage with the scheme. After all, we want to try everything to make the scheme successful. I commend the amendment to the Committee.

Mr SCOT MacDONALD (17:20): The Government does not support the amendments. The proposed amendments seek to ensure community awareness of the scheme. The Environment Protection Authority and local councils will be heavily involved in promoting the scheme. In addition, network operators and collection point operators will also be motivated to communicate details of their collection points to the public to maximise the number of containers they collect. We do not agree with The Greens amendments Nos 1 and 5.

The Hon. PENNY SHARPE (17:21): Labor is happy to support these amendments. It is important to note that they are not forcing every collection place to display a sign. They simply give the Minister a lever to use where a problem has been identified. I do not see why the Government cannot support these amendments.

The Hon. PAUL GREEN (17:21): The Christian Democratic Party has sought the Government's advice on these amendments. The fact that we are dealing with this bill today shows that the Government has come a long way. I have been advised that the Minister is not supporting these amendments because, having studied the scheme in other States, he believes the bill as it stands is the best way forward at this time. If the system needs to be retrofitted down the track, he is prepared to look at amendments to the legislation. At this point, I am confident that the Government has got it right. The settings are right. Let the market determine the process; let the players play their part. As I have said, this is a great initiative: If the operators are wise, they will come on board. The Christian Democratic Party supports the Government's position on these amendments.

The CHAIR (The Hon. Trevor Khan): Dr Mehreen Faruqi has moved The Greens amendments Nos 1 and 5 on sheet C2016-097C. The question is that the amendments be agreed to.

The Committee divided.

Ayes 16

Noes 19

Majority.....3

AYES

Barham, Ms J
Field, Mr J (teller)
Moselmane, Mr S
Searle, Mr A
Shoebridge, Mr D
(teller)
Wong, Mr E

Buckingham, Mr J
Graham, Mr J
Pearson, Mr M
Secord, Mr W
Veitch, Mr M

Faruqi, Dr M
Houssos, Ms C
Primrose, Mr P
Sharpe, Ms P
Voltz, Ms L

NOES

Ajaka, Mr J
Brown, Mr R
Cusack, Ms C
Gallacher, Mr M
MacDonald, Mr S

Amato, Mr L
Clarke, Mr D
Farlow, Mr S
Gay, Mr D
Maclaren-Jones, Ms N
(teller)
Pearce, Mr G

Blair, Mr N
Colless, Mr R
Franklin, Mr B (teller)
Green, Mr P
Mason-Cox, Mr M
Phelps, Dr P

PAIRS

Donnelly, Mr G
Mookhey, Mr D

Harwin, Mr D
Mallard, Mr S

Amendments negatived.

Dr MEHREEN FARUQI (17:30): I move The Greens amendment No. 2 on sheet C2016-097C:

No. 2 **Scheme administration agreements**

Page 5, Schedule 1 [3]. Insert after line 43:

- (3) Only one type of Scheme administration agreement can be in force in respect of a person at any time.

The purpose of this amendment is to ensure that the scheme coordinator cannot operate as a network operator. Members will remember that this was a question raised in the "NSW Container Deposit Scheme: Regulatory Framework Discussion Paper", which I am sure they have all read and responded to by making a submission. In simple terms, the scheme coordinator is required to maintain the integrity of the scheme by auditing the network operators, whose role it is to operate collection points. The purpose of the audit is to ensure that the network operators are not claiming more refunds than is appropriate given the number of beverage containers they are receiving. If the scheme coordinator is allowed to operate also as a network operator, there is an inherent conflict of interest because they are the same organisation. They will effectively be auditing themselves.

I note proposed section 25, which relates to the content of scheme administration agreements, and more specifically proposed section 3B, which requires that the scheme coordinator not act unfairly or unreasonably, or discriminate against or in favour of any particular scheme participant. While this is a useful part of the legislation, I am not sure how it will be enforced. It is fanciful to think that the scheme coordinator would not read its other operations as a network operator more favourably. I remind members that the scheme works only if its integrity is maintained. This means that the beverage companies are reporting their sales correctly, and the network operators are reporting their returns correctly. All it would take is one scandal to make the scheme fall apart. It is for this reason that I commend the amendment to the Committee.

Mr SCOT MacDONALD (17:32): The Government does not support The Greens amendment No. 2. The amendment seeks to ensure that the scheme coordinator will not be a network operator. The Government has split the roles to create some competitive tension in the process. The final decision as to whether a scheme coordinator should or should not be a network operator should await the results of any tenders that prospective scheme coordinators and network operators submit. The Government will decide whether at the end of the day enforcing such a split is in the public interest or whether there is a better outcome for the consumers of New South Wales in terms of cost, accessibility and efficiency.

The Hon. PENNY SHARPE (17:33): I have listened to the arguments from both The Greens and the Government. The Opposition supports the Government's position on this amendment. It is too early to be so definitive about the way in which the scheme will operate. Of course, we will be watching the scheme's implementation carefully. The Opposition opposes this amendment.

The CHAIR (The Hon. Trevor Khan): Dr Mehreen Faruqi has moved The Greens amendment No. 2 on sheet C2016-097C. The question is that the amendment be agreed to.

Amendment negated.

Dr MEHREEN FARUQI (17:34): I move The Greens amendment No. 3 on sheet C2016-097C:

No. 3 **Scheme Coordinator agreements**

Page 6, Schedule 1 [3]. Insert after line 29:

- (2) A Scheme Coordinator agreement must include such provisions as the Minister considers necessary to ensure that at any given time the Scheme Coordinator has sufficient funds to meet the reasonably estimated cost of making payments under network arrangements for the following period of 3 months.

One of the biggest risks in this scheme is that almost the entire the financial risk sits with the scheme coordinator rather than the beverage companies. In a true extended producer responsibility arrangement it is not only the cost but also the responsibility that should be borne by the waste producers. In this model, the beverage companies are simply required to pay the invoice when it comes in from the scheme coordinator. This amendment tries to reduce the financial risk to the scheme coordinator and ultimately the entire scheme. It would be a complete disaster if for whatever reason a large bottler disputed a payment or was late in paying, which would mean that the scheme coordinator could not pay deposits to the network operators and consequently to individual consumers. That would severely undermine people's trust in the utility of the scheme. I understand the intention is for the risk to be managed through the contract with the scheme coordinator.

We also do not want a situation where only organisations with a spare \$50 million are able to tender for the scheme. This amendment requires that the agreements be written in such a way that the scheme coordinator could operate the scheme for at least three months with surety at any given time. In practice, this would probably mean that the scheme coordinators would bill the bottling companies three months in advance based on their projected sales and market share, and then adjust the amount when the measured data came in. In simple terms, this is a bill-now-dispute-later arrangement, which exists in similar schemes such as the South Australian scheme. I commend the amendment to the Committee.

Mr SCOT MacDONALD (17:36): The Government does not support The Greens amendment No. 3. The Government agrees that the financial costs of the scheme are to be borne by the beverage suppliers and not the scheme coordinator. The bill is designed in such a way that that issue can be managed through the contract between the scheme coordinator and the Minister, and also through the contracts between the scheme coordinator and the beverage suppliers. This may involve a potential obligation on suppliers to provide the scheme coordinator with an up-front payment to cover expected redemptions, and requirements on suppliers to continue to pay the scheme coordinator even in the event of a dispute.

The Hon. PENNY SHARPE (17:37): The Opposition supports this amendment. I think we underestimate the pent-up demand that will emerge in response to the establishment of this scheme. Ensuring that the system is ready to go when we need it to be, and that those who are seeking to participate in it will be paid when they need to be are reasonable protection.

The CHAIR (The Hon. Trevor Khan): Dr Mehreen Faruqi has moved The Greens amendment No. 3 on sheet C2016-097C. The question is that the amendment be agreed to.

Amendment negated.

The CHAIR (The Hon. Trevor Khan): It would be appropriate to keep this process in order. We will now go to sheet C2016-099A, which is The Greens' other sheet of amendments. The Greens' first amendment on this sheet has lapsed because it is the same as the first amendment on sheet C2016-097C. We will now go to the

second amendment. However, I suggest that the member seek to move the third amendment at the same time because they seem to be related. After those amendments have been debated, I will call upon the Hon. Penny Sharpe to move the Opposition's amendment No. 4, because it covers the same issue.

Dr MEHREEN FARUQI (17:39): By leave: I move The Greens amendments Nos 2 and 3 on sheet C2016-099A in globo:

No. 2 **Retailers**

Page 8, Schedule 1 [3], line 29. Omit "25 or 27". Insert instead "25, 27 or 41".

No. 3 **Retailers**

Page 13, Schedule 1 [3]. Insert after line 12:

41 Operation of collection points by retailers

- (1) The regulations may make provision for or with respect to requiring retailers to establish and operate collection points.
- (2) In particular, the regulations may:
 - (a) require any retailer, or retailer of a specified class, to enter into a collection point arrangement with a network operator; and
 - (b) make further provision for or with respect to the content of network operator agreements in relation to the establishment and operation of collection points by retailers; and
 - (c) modify any provisions of this Part in its application to the establishment and operation of collection points by retailers.
- (3) The Minister is not to recommend the making of a regulation under this section unless the Minister certifies that in the Minister's opinion the existing collection point network coverage is inadequate to achieve the objects of the Scheme.

These amendments are being moved so that retailers have some obligations to have collection points near the retailer. We know that schemes with retailer obligations are far more effective. In some schemes in Europe it is entirely a return to the retailer model that has been completely culturally normalised, resulting in very high rates of participation in such schemes. That is what these amendment are about. We have been advocating for greater retailer involvement in the scheme. However, the Government leaving it completely up to the market to identify the optimum location of collection points may undermine the scheme.

If the market fails—and it would not be the first time that a market has failed—the scheme will not have sufficient coverage and the Minister may require a certain class of retailers to enter into agreements with network operators to establish collection points. This certain class could be retailers over a certain size or in a certain location where there are obvious coverage problems. It seems obvious that there is a market failure if it has not delivered collection points where people have the most opportunity to engage in the scheme on their weekly shop. Again this does not require all retailers to become collection points. No doubt the regulations, if required, would be very detailed to deal with issues that may come up—for example, rental costs for the collection points—but I would hate to see this legislation come back into this place in a few years to make these changes if the Government's faith in the market is misplaced. I commend the amendments to the Committee.

Mr SCOT MacDONALD (17:41): The Government does not support The Greens amendments Nos 2 and 3 on sheet C2016-099A. The proposed amendments would provide for an additional power for the regulations to require retailers of a specified class to set up and operate collections, presumably at their retail shopfronts, where the existing collection point network is inadequate. The Government does not think the additional power is necessary as the existing power to set access targets by regulations can already achieve a similar outcome. For example, the regulations may be drafted or amended if necessary to impose access targets that require collection points to be set up within a specified distance from retailers of a particular size.

The Hon. PENNY SHARPE (17:42): I move Labor Party amendment No. 4 on sheet C2016-098A:

No. 4 **Operation of collection points by suppliers**

Page 13, Schedule 1 [3]. Insert after line 12:

41 Operation of collection points by suppliers

- (1) The regulations may make provision for or with respect to requiring any supplier or class of suppliers to establish and operate collection points.
- (2) The regulations may modify any provisions of this Part in its application to the establishment and operation of collection points for the purposes of a regulation made under subsection (1).

- (3) The Minister is not to recommend the making of a regulation under subsection (1) unless the Minister certifies that in the Minister's opinion the accessibility and network coverage of existing collection points is inadequate to achieve the objects of the Scheme.

There is very little difference between our amendments. Essentially, The Greens specify retailers and Labor's amendment specifies suppliers. Retailers are a subgroup of suppliers. I would argue that Labor's amendment is slightly wider in relation to the power given to the Minister. I have heard what the Government has said in relation to the regulation-making power and I am very supportive of the fact that they will have as part of the performance agreements not just targets around percentage recycled but also convenience to consumers—that is very important.

The Greens and Labor are trying to make very clear to everyone involved in the scheme the desire of this Parliament to ensure that the scheme is as well covered as it can be and that ultimately participation will not be optional. What we are arguing about here is whether we can accept that we will get there through the regulations or instead should actually provide a lever for the Minister to intervene where the market fails. I believe the Opposition amendment is not overly prescriptive. We have been very careful in the way we have drafted the amendment that it requires the Minister to find a gap and for certain criteria to be met before the Minister would be able to step in and require outlets to provide a collection point.

I do not think this is an overly onerous amendment. We are seeking to give the Minister a lever that sends a very clear signal from the Parliament and from this legislation about our desire to have as many collection points as possible in the most convenient locations for consumers. Again, the difference between The Greens amendments and the Opposition amendment is that the Opposition amendment says "suppliers" and The Greens' says "retailers". I argue that the Opposition amendment is slightly broader. That is the only difference. The mechanism is exactly the same.

The CHAIR (The Hon. Trevor Khan): Dr Mehreen Faruqi has moved The Greens amendments Nos 2 and 3 on sheet C2016-099A. The question is that the amendments be agreed to.

Amendments negatived.

The CHAIR (The Hon. Trevor Khan): The Hon. Penny Sharpe has moved Opposition amendment No. 4 on sheet C2016-098A. The question is that the amendment be agreed to.

Amendment negatived.

The Hon. PENNY SHARPE (17:45): By leave: I move Labor Party amendments Nos 1 to 3 on sheet C2016-098A in globo:

No. 1 Reports by Scheme Coordinator

Page 10, Schedule 1 [3], lines 42–43. Omit "financial year". Insert instead "reporting period".

No. 2 Reports by Scheme Coordinator

Page 11, Schedule 1 [3], line 4. Omit "9 months". Insert instead "3 months".

No. 3 Reports by Scheme Coordinator

Page 11, Schedule 1 [3], line 6. Omit all words on that line. Insert instead:

reporting period means a period of 6 months commencing on 1 January or 1 July in each year.

As I said in the second reading debate, Labor's concern here is about the reporting. My reading of the current reporting arrangements is that it could be two years before there is any publicly available information about how the scheme is going. There is currently an annual reporting requirement. These amendments seek to make that a twice yearly reporting requirement. There is also an issue around seasonality in the use of containers. We are trying to capture the difference so that we can see the trend over time. The amendments seek to change the reporting period to once every six months. It is a bit cheeky that the Minister is requiring beverage companies, suppliers and network operators to provide reports within three months, but he is not required to report to anyone else for another nine months—that is a bit rude. What is good for the goose is good for the gander. No-one wants to be tied up in too much red tape. The Opposition amendments are pretty sensible. They simply change the reporting period from once a year to twice a year as the system is bedded in.

Mr SCOT MacDONALD (17:47): The Government does not support Opposition amendments Nos 1 to 3 on sheet C2016-098A. The existing annual reporting provision in the bill is to require the scheme coordinator to reconcile their performance against the annual performance targets. The Government already intends to impose additional reporting obligations under the contract between the Minister and the scheme coordinator. The Government does not think it is necessary to change the existing annual requirements in the bill.

The CHAIR (The Hon. Trevor Khan): The Hon. Penny Sharpe has moved Opposition amendments Nos 1 to 3 on sheet C2016-098A. The question is that the amendments be agreed to.

Amendments negated.

Dr MEHREEN FARUQI (17:48): I move The Greens amendment No. 4 on sheet C2016-097C:

No. 4 **Advisory committees**

Page 11, Schedule 1 [3], lines 13–15. Omit all words on those lines. Insert instead:

- (3) The persons appointed as members of an advisory committee must:
- (a) include at least one representative who, in the opinion of the Minister, has environmental expertise; and
 - (b) in the opinion of the Minister, represent a range of other interests and expertise appropriate to the purpose for which the committee is appointed.

This amendment is about advisory committees. It would require the Minister to ensure that any advisory committees established by the Minister must include a range of interests and expertise appropriate to the purpose of the committee and at least one member of the committee must have environmental expertise. Again I refer to the Container Deposit Scheme Regulatory Framework Discussion Paper in which it was canvassed that the Minister would have to appoint an advisory committee with different expertise. Examples were given of finance, law, risk management and so forth. Predictably, environmental expertise was not even canvassed in that paper. But now we see that in the legislation there is no real requirement for any specific expertise and the Minister may set up any committee that they wish. This amendment is also aimed at futureproofing the scheme and making sure that the current Minister and all future Ministers administering the scheme cannot appoint an advisory committee without the appropriate expertise. I commend the amendment to the Chamber.

Mr SCOT MacDONALD (17:49): The Government does not support The Greens amendment No. 4 on sheet C2016-097C. The proposed amendment is not necessary because the bill currently allows the Minister to appoint advisory committees to advise the Minister on the exercise of the Minister's functions under the scheme and to appoint members with a range of interests and expertise relevant to the functions of the committee. Environmental expertise is a key expertise that is usually relevant to the advisory committees. Therefore, the Government expects that the Minister will usually appoint members with the appropriate environmental expertise to the advisory committee established under this provision.

The CHAIR (The Hon. Trevor Khan): Dr Mehreen Faruqi has moved The Greens amendment No. 4 on sheet C2016-097C. The question is that the amendment be agreed to.

Amendment negated.

Dr MEHREEN FARUQI (17:50): I move The Greens amendment No. 6 on sheet C2016-097C:

No. 6 **Reports by Scheme Coordinator**

Page 17, Schedule 1 [6]. Insert after line 20:

21 Additional reports by Scheme Coordinator

- (1) Within 14 days after the end of each quarter, the Scheme Coordinator must publish on the EPA's website and in any other manner prescribed by the regulations a report on the rates of supply and collection of beverage containers, and the payment of refund amounts, in the State during the quarter.
- (2) The regulations may make further provision for or with respect to the information to be included in a report under this clause.
- (3) Words and expressions used in this clause have the same meanings as they have in Part 5 of this Act.
- (4) In this clause:

quarter means a period of 3 months ending on 31 March, 30 June, 30 September or 31 December in each year during the transition period.

transition period means the period of 2 years commencing on the day on which this clause commences.

This amendment is about reporting and the frequency of reporting. Its intention is similar to the Opposition's amendment on reporting. Data is crucial to the success of this scheme. At the moment the only data we will see will be that contained in the annual report. Annual reports should be extensive and in-depth. This amendment does not seek to change any of that. This amendment requires that quarterly statistics be published on the Environment Protection Authority website for the first two years of the scheme so we can monitor how the scheme is operating.

We will be able to see trends on how container flows are operating and any problems can be rectified. Having this data is important because it will allow environmental groups, academics, researchers and the community to see how the scheme is operating and how it can be improved. As mentioned earlier, the quicker any problems in the scheme are identified and rectified, the less damage it will do to the integrity of, and trust, in the scheme.

Mr SCOT MacDONALD (17:52): The Government does not support The Greens amendment No. 6 on sheet C2016-097C. The Government already requires similar reporting obligations under the contract between the Minister and the scheme coordinator. We do not think it is necessary to also specify such requirements in the bill.

The Hon. PENNY SHARPE (17:52): I am surprised at the response by the Government to this amendment. If data is already going to be available, there is absolutely no reason why it cannot be put on the website and made transparent. The Hon. Scot MacDonald has let the cat out of the bag. Labor supports this amendment. I register my disappointment in the Minister. After his second reading speech in the lower House, a number of issues were raised with him for which he said he would consider the amendments. All of the amendments have been carefully drafted. I do not believe any of them are onerous and it is disappointing to see the Government reject all of them.

The CHAIR (The Hon. Trevor Khan): Dr Mehreen Faruqi has moved The Greens amendment No. 6 appearing on sheet C2016-097C. The question is that the amendment be agreed to.

Amendment negatived.

The CHAIR (The Hon. Trevor Khan): The question is that the bill as read be agreed to.

Motion agreed to.

The CHAIR (The Hon. Trevor Khan): I thank all members who have participated in this process for the manner in which we have moved through it, which has been efficient.

Mr SCOT MacDONALD: On behalf of the Hon. John Ajaka: I move:

That the Chair do now leave the chair and report the bill to the House without amendment.

Motion agreed to.

Adoption of Report

Mr SCOT MacDONALD: On behalf of the Hon. John Ajaka: I move:

That the report be adopted.

Motion agreed to.

Third Reading

Mr SCOT MacDONALD: On behalf of the Hon. John Ajaka: I move:

That this bill be now read a third time.

Motion agreed to.

HOUSING LEGISLATION AMENDMENT BILL 2016

Returned

DEPUTY PRESIDENT (The Hon. Paul Green): I report receipt of a message from the Legislative Assembly returning the abovementioned bill without amendment.

CHILD PROTECTION (WORKING WITH CHILDREN) AND OTHER CHILD PROTECTION LEGISLATION AMENDMENT BILL 2016

Second Reading

The Hon. SARAH MITCHELL (17:56): On behalf of the Hon. John Ajaka: I move:

That this bill be now read a second time.

I seek leave to incorporate my second reading speech in Hansard.

Leave granted.

I am very pleased to bring before the House the Child Protection (Working with Children) and Other Legislation Amendment Bill 2016.

The bill supports the Government's commitment to keep children and young people safe on an ongoing basis.

It amends the Child Protection (Working with Children) Act 2012 and the Children and Young Persons (Care and Protection) Act 1998 and also includes amendments to the Teaching Services Act 1980 and the Education (School Administrative Support Staff) Act 1987. Turning first to the amendments to the Working with Children Act, as members of the House would be aware, this Government has already implemented a number of significant improvements to the Working With Children Check regime.

The most recent amendments introduced last November will ensure that those who have committed serious sexual and other offences and served a term of imprisonment will never be able to appeal a bar imposed on them. Persons who have been convicted of serious offences and are subject to a current specified bond, also cannot appeal for the duration of the bond.

Those amendments were in line with recommendations of the Royal Commission into Institutional Responses to Child Sexual Abuse, in its Working With Children Check Report.

Other notable improvements were the introduction of a reasonable person test to be applied by the Children's Guardian and the NSW Civil and Administrative Tribunal and the establishment of an expert advisory panel to provide general advice to the Children's Guardian in relation to risk assessments.

I think I can safely say that the NSW Working With Children Check regime is by far the most progressive check in Australia and is broadly consistent with the standards recommended by the Royal Commission in its Working With Children Check Report.

I note however that no legislative regime can ever replace implementing strong child safe practices and strategies that complement the Working With Children Check scheme to provide a child safe environment in every workplace.

This legislation builds on the strong foundations of our Working With Children Check scheme, providing greater clarity and strengthening legislative frameworks and systems that underpin the safety and wellbeing of children in our State.

Overall, the amendments clarify certain provisions which have unintended consequences or are ambiguous, and provide legislative authority for operations that address community concerns regarding perceived risks to children.

I turn now to the detail of the Working With Children Check amendments. As I mentioned earlier, many of the proposed amendments address inconsistencies within the Act.

One such inconsistency is in the treatment of applicants for a Working With Children Check and holders of a Working With Children Check clearance. One of the most notable features of the Working With Children Check scheme is that all cleared persons—that is, holders of clearances—are subject to ongoing monitoring for relevant records in New South Wales for the five-year life of the clearance. Some continuous check events will cause a holder of a clearance to be disqualified or will trigger a risk assessment. In the risk assessment process, both applicants and holders should be treated alike. However, there are some inconsistencies in the treatment of applicants and holders that this bill addresses:

- At present, the Children's Guardian can terminate an application if the applicant fails, without reasonable excuse, to provide further information within three months of the Children's Guardian's request for further information. This does not extend to holders. The bill will allow the Children's Guardian to similarly cancel a clearance if a holder fails, without reasonable excuse, to provide further information within three months of the Children's Guardian's request for further information.
- Similarly, applicants who wish to withdraw their Working With Children Check applications cannot do so without the consent of the Children's Guardian and such consent will not be granted if the Children's Guardian is of the view that the person wishing to withdraw their application poses a risk to the safety of children. To ensure consistency of practices this bill will require a holder of a clearance to similarly obtain the consent of the Children's Guardian before surrendering a clearance.
- Further, an applicant who has been refused a clearance because of pending charges for a disqualifying offence cannot seek review or apply for an enabling order. However, at present, this exclusion does not apply to a holder whose clearance has been cancelled because of a pending charge. The bill makes it clear that a person whose clearance has been cancelled on the ground of pending charges for a schedule 2 offence is also not entitled to make an application for review or enabling order, as is the case for applicants with a similar pending charge.

Other clarifying amendments are in relation to where a person has been convicted of a specified offence and is subject to a current order under specified New South Wales and Commonwealth legislation. Such persons are precluded from seeking review at the NSW Civil and Administrative Tribunal [NCAT] for the duration of the order. No reference is currently made to equivalent orders of another State, Territory or foreign jurisdiction.

The bill clarifies that a person who is subject to equivalent current orders from another jurisdiction to those currently prescribed in the Act will also not be entitled to apply for review or an enabling order for the duration of the order—as is the case in relation to persons convicted of certain offences who have served a term of imprisonment regardless of the jurisdiction.

The bill also reiterates the present position that a person whose clearance has been cancelled can apply for review only if the cancellation was because the person has been disqualified or poses a risk to the safety of children.

Section 35 of the Working With Children Act requires reporting bodies to notify the Children's Guardian of their findings that a child related worker has engaged in sexual misconduct or serious physical assault. The notification period extends to findings made before the commencement of the section, which is 15 June 2013, with no limitation on the age of the findings.

This means that all historical matters must be reported regardless of the age of the matter placing an unreasonable burden on agencies. Under the previous legislation before the Working With Children Act was enacted, the reporting period was limited to post-1995 matters. The change is understood to be unintended as there was no consultation on this issue. The issue was resolved temporarily by way of a transitional regulation which lapses on 29 October 2016 not requiring reporting of findings pre-1995 except if required by the Children's Guardian. This bill legislates for agencies to not be required to report on misconduct matters pre-1995, unless required by the Children's Guardian. The bill also includes reporting obligations for holders of key positions reflecting the

findings of the royal commission about the requirement for an agency to report if aware of relevant records, but with no requirement to review or seek out pre-1995 records.

The bill also proactively makes provision for the recommendations of the royal commission with regard to exchange of information relating to Working With Children Checks with corresponding bodies in other jurisdictions subject to ministerial protocols. This provision is modelled on a similar provision in the Care Act which makes provision for the exchange of assessment information relevant to assessing the suitability of a person to be an authorised carer or adoptive parent. Providing for such an information sharing provision about decisions relating to Working With Children Check matters between the Office of the Children's Guardian and corresponding interstate bodies is a step towards eventual portability of information between States and Territories, a step that will vastly assist in keeping our children safe from people who pose a risk to the safety of children and use jurisdictional boundaries as a mode of escape.

Another recommendation of the royal commission included in this bill is the introduction of the offence of providing false and misleading information when applying for a Working With Children Check or in connection with any inquiry made by the Children's Guardian in relation to such an application.

On the advice of the Solicitor General, the bill also formalises the disclosure of certain probity information to prescribed Government agencies. This disclosure limits the need for further probity checking thus providing significant savings to Government.

Lastly, in relation to the Working With Children Check amendments, the bill provides clarification that the reasonable person test is to be applied by both the Children's Guardian and the NCAT only where the Working With Children Check application to the Guardian has been made after 2 November 2013.

All of these amendments, some more significant than others, contribute to making the Working With Children Check scheme in New South Wales an even more effective tool in managing risk in the workplace and I strongly support these amendments.

However, I reiterate that it is only one of a range of responses, not to be relied on in isolation, but rather as a necessary adjunct to other child safe strategies and policies.

Moving now to the amendments to the children's employment provisions in the Care Act, overall, the amendments are intended to strengthen the enforcement options available to the Children's Guardian for the protection of children.

The amendments pertain to the regulation of child employment by the entertainment industry. While ethical employers willingly comply and take direction from the Office of the Children's Guardian, there are increasing numbers of production companies, particularly from overseas, who for commercial reasons blatantly falsify information about children employed in their productions to avoid falling within the ambit of the regulations of the Office of the Children's Guardian.

Employers who knowingly and deliberately break the law by employing children without obtaining the necessary authority required under the law are currently under no obligation to provide information or assist the Office of the Children's Guardian with its inquiries and the Office of the Children's Guardian has no powers to require compliance.

To this end, the bill proposes amendments to the Care Act to provide that the Children's Guardian can:

- accept a written undertaking from an employer in relation to children's employment as an enforcement option,
- by notice in writing require a person to provide information, and documents, relevant to their functions relating to employing children;
- enter and inspect premises, other than a dwelling, if there is a reasonable suspicion that a child is being employed in contravention of the legislative provisions governing children's employment; and
- authorise an employee of the Office of the Children's Guardian to serve penalty notices.

The types of enforcement options listed above are widely used by government regulators across a wide array of legislative regimes in New South Wales.

Further, the power of entry is already available in relation to children's employment where the employer holds an employer's authority or exemption.

However, for employers, who should, but fail to, hold an employer's authority, staff of the Children's Guardian do not currently have the power to enter the employer's work premises. This bill amends this gap to allow authorised officers approved by the Children's Guardian to enter premises where there are reasonable grounds to exercise the power on the suspicion that a child is being employed in contravention of the legislation.

Further, appropriate safeguards adopted by other regulators will be adopted by the Office of the Children's Guardian and included in standard operating procedures. These safeguards will include authorised officers having widely recognised and appropriate training—a minimum of Certificate IV in Government Investigations—the requirement for reasonable belief or grounds to believe that an offence has been or is being committed under the legislation and the requirement to carry the delegation of the Children's Guardian appearing on the authority identification card which officers must be able to produce when asked.

I am pleased to advise the House that there has been considerable consultation on these proposals from the stage of developing the Cabinet minute through to the development of the bill with industry bodies and Government agencies including the NSW Police Force who are supportive of the proposed changes.

Overall, the amendments to the Working With Children Act and the children's employment provisions of the Care Act are aimed at acting responsibly and ensuring greater safety for our children.

The last set of amendments introduced by this bill relate to education.

The amendment makes provision for a person whose Working With Children Check has been cancelled on the grounds of pending proceedings to be suspended or placed on alternate duties pending the outcome of the proceedings, rather than being immediately dismissed.

From the point of view of the Working With Children Check, this change makes no difference as such persons will not be engaged in child-related work. From the perspective of the employee, it would be more reasonable to suspend rather than dismiss an employee while the investigation is still pending.

Members on both sides of this House are all aware of the tragic outcomes for children where adequate protections have not been put in place to safeguard their wellbeing. Indeed, there can never be too much protection for our children. This bill reflects the Government's ongoing commitment to provide the continuous improvements necessary to protect our children and young people, particularly those most vulnerable in our society.

I commend this bill to the House.

The Hon. ADAM SEARLE (17:56): I lead for the Opposition on the Child Protection (Working with Children) and Other Child Protection Legislation Amendment Bill 2016. The Opposition does not oppose the bill and will always ensure that it does what it can to support any strengthening of legislation that guarantees child protection is front and centre of all of our considerations. Protecting children is and should be paramount to those of us charged with the public duties that we have. The bill seeks to amend the Child Protection (Working with Children) Act 2012, the Children and Young Persons (Care and Protection Act) 1998, the Teaching Services Act 1980, and the Education (School Administrative Support Staff) Act 1987. The bill seeks to implement various amendments concerning the governance of the clearance framework for working with children.

As the Opposition has already indicated in the other place, Labor is supportive of toughening the legislative framework governing child protection in New South Wales. This remains a top priority for members on this side of the Chamber. We want to see every loophole closed without question to ensure that Working With Children Checks continue to function as an effective safeguard to prevent unsuitable individuals from obtaining paid or unpaid work relating to children. The safety of children must always remain above partisan politics. The Parliament has an overriding obligation to ensure that legislation is passed to ensure that the child protection framework remains as fit for purpose as possible to keep children safe from harm.

As the Minister indicated in his second reading speech, and the Parliamentary Secretary in this place indicated in her second reading speech, the Child Protection (Working with Children) Act was amended in 2015. During the contribution by the relevant shadow Minister in the second reading debate on that bill, the Opposition flagged concerns about a number of reported cases in which individuals who had committed serious offences had been able to appeal the decisions of the Office of the Children's Guardian to continue working with children. We note that following a concerted campaign by the Opposition, the Minister took on board those concerns and they were subsequently incorporated into the bill.

The commonsense amendments that the shadow Minister had drafted and provided to the Minister were incorporated in the Government's thinking. Those amendments have prevented individuals convicted of murder or the indecent or sexual assault of children from appealing a decision to the NSW Civil and Administrative Tribunal [NCAT]. While the loophole allowing child murderers to appeal a decision that bars them from a Working With Children Check clearance has been closed, the Minister has indicated his opposition to preventing child murderers from caring for children in the future. Other States such as South Australia have enacted such legislation.

In debate on this legislation in the other place the shadow Minister foreshadowed that the Opposition would propose a series of commonsense amendments to this bill. They were, in fact, proposed in the other place but unfortunately were voted down. Those amendments were drafted to ensure the safety of children and young persons on school grounds. I will return to those concerns shortly. I indicate for the benefit of members in this House that the Government will be given another opportunity to embrace those commonsense amendments in this place, as members would expect. We could not let the Minister's truculence and short-sightedness turn against the public interest. We will allow the Government the opportunity to reflect and repent.

These amendments will enable the Children's Guardian to cancel a clearance if the holder of a clearance fails without reasonable excuse to provide further information in relation to the clearance within three months to the Children's Guardian requesting the information. The bill will also amend section 24 of the Child Protection (Working with Children) Act 2012 to require a holder of a clearance to obtain the consent of the Children's Guardian before surrendering the clearance. The Children's Guardian may not consent to the surrender of that clearance if he or she is of the opinion that it is likely there is a risk to the safety of children.

Schedule 1 to the bill will further amend section 26 of the Child Protection (Working with Children) Act. If a person is subject to an equivalent order from another State or Territory jurisdiction then that person will not be entitled to apply for a review or enabling order for the length of the equivalent order. The bill will amend section 35 of the Child Protection (Working with Children) Act so that agencies will not be required to report on serious physical assault or sexual misconduct matters that occurred prior to 1995 unless required by the Children's Guardian. This is due to a transitional regulation to the same effect which expires on 29 October this year—only a few days away. The insertion of proposed section 45A into the Act will make it an offence for an individual to

knowingly provide false or misleading information to the Office of the Children's Guardian whilst applying for a clearance. This offence will be punishable by a maximum of five penalty units.

Schedule 2 to the bill amends the Children and Young Persons (Care and Protection) Act 1998. The proposed amendments to that Act will enable the Children's Guardian to enter and inspect any premises other than a dwelling that the Children's Guardian reasonably suspects is a place at which a person is employing a child in contravention of chapter 13 of the Act. The Children's Guardian will also have the power to compel an individual to provide information relating to the suspected employment of children. Schedules 3 and 4 to the bill will amend the Teaching Service Act 1980 and the Education (School Administrative and Support Staff) Act 1987. For the purposes of those Acts it is proposed that a person whose clearance is cancelled pending determination of proceedings against a person known as a charged person in this bill is not an unauthorised person until a conviction has been laid against the person as per schedule 2 of the Child Protection (Working with Children) Act. This bill provides for a charged person to be suspended or to be given other non-child-related work until a decision is made.

It is the Opposition's understanding that a charged person who is either suspended or dismissed immediately rather than given alternative duties may end up not being convicted. There are examples of charges being withdrawn by police. If the person has been dismissed they will be unable to continue in their previous employment. We understand that is the reason for this amendment. While it may be more reasonable for the charged person to be given alternative duties than to be dismissed or suspended, we must ensure they are not put in a position where they could—I emphasise "could"—pose a risk to the ongoing safety of schoolchildren. That is why the Opposition amendments should be supported.

It should be clear that if a member of staff were to be charged either under the Teaching Service Act or the Education Act that person should not be allowed to perform duties on a school site. The bill requires amendment to reflect this commonsense approach. The bill provides that a charged person or teacher as defined in the legislation can pose a risk to children if we do not clarify that the person cannot remain on a school site when that person is given alternative duties. For example, in these circumstances a charged teacher could continue marking while working from home rather than in a school office while children are at the school. A charged person might be transferred to the department or might work from home. The Opposition will move amendments to address that point. In the second reading speech, the Government stated that the bill supports the commitment of the Government to keep children and young people safe on an on-going basis. The Opposition, of course, supports that approach, and will hold the Government to account in that regard.

In his speech, the Minister stated that the amendments made in 2015 provided for the establishment of an expert advisory panel that would provide general advice to the Children's Guardian, and in particular to the NSW Civil and Administrative Tribunal when it considers matters on appeal. The panel was to include forensic psychologists, psychiatrists, and mental health and other specialists who would provide guidance to the Children's Guardian and to the tribunal. The Opposition understands that the panel is not presently functioning. It has received 10 applications, but only three have been approved. The panel was announced in September 2015 and the Government has failed to ensure that it is up and running. If that is correct it is a matter of significant incompetence. The Opposition asks the Government to address that matter in its reply in this place.

The Government should explain—the Minister ought to have explained already—why it has taken more than a year to set up a panel of experts to advise on who should or should not be able to work with children. When the welfare of children is at stake delays such as this are not acceptable. When it comes to the safety and welfare of children we cannot afford to let any inappropriate individuals slip through the cracks. We must make sure that the regulatory regime as proposed by Parliament is fully operative. So we ask the Government to support the amendments that the Opposition proposed in the other place, and will again propose in this place, to ensure that persons who are charged are not working on school grounds while waiting for a determination of their charges. The Opposition does not oppose this legislation. We look forward to the debate in the Committee stage of the bill.

Mr DAVID SHOEBRIDGE (18:06): On behalf of the Greens I indicate that we support the Child Protection (Working With Children) and Other Child Protection Legislation Amendment Bill 2016. This bill does a number of things. The objectives of the bill include:

- (a) to amend the Child Protection (Working with Children) Act 2012 (the Working with Children Act) to make provision for the exchange of information relating to working with children clearance checks with relevant bodies in other jurisdictions and other miscellaneous matters relating to clearances and the disclosure and notification of certain information, and
- (b) to amend the Children and Young Persons (Care and Protection) Act 1998 (the Care Act) to make provision for enforceable undertakings, entry without warrant into premises, the issue of penalty notices by certain employees of the Children's Guardian and the production of certain information relating to the employment of children, and
- (c) to amend the Teaching Service Act 1980 (the Teaching Act) and the Education (School Administrative and Support Staff) Act 1987 (the Education Act) to provide that a person whose clearance has been cancelled pending determination

of proceedings against the person for an offence, may be suspended or placed on alternative duties, rather than being immediately dismissed.

The first part of this bill, which provides for the exchange of information between other jurisdictions—other State jurisdictions and the Commonwealth—covers one of the key recommendations from the Child Abuse Royal Commission, when it was looking at the Working With Children checks [WWCCs]. In the report that it delivered on Working With Children checks the royal commission noted that there were inconsistencies. Some of that inconsistency is explicable by each of the State jurisdictions trying to work out the best model. There is a bit of creative tension between the different jurisdictions, but the royal commission also noted that there were some difficulties and some real failings in terms of transmitting information between the different jurisdictions. In the executive summary of the royal commission the commissioners said:

We have determined that implementing a national approach to WWCCs is overdue. For too long, governments have favoured maintaining their own systems over working together to achieve a more nationally consistent approach. We have therefore recommended a national model for WWCCs, by introducing consistent standards and establishing a centralised WWCC database to facilitate cross-border information sharing. I continue the quote from the executive summary:

Implementing these recommendations will improve the protection afforded to children by:

- creating a standardised approach so that key aspects of WWCC schemes are dealt with in the same way (for example, who needs a check and how records are assessed)—

This is a work in progress. Different State jurisdictions are meeting, and hopefully will continue to meet, to try to find a standardised approach. We cannot have a lowest common denominator approach—

- allowing WWCCs to be portable across jurisdictions
- assisting organisations and people working across borders to comply with the schemes by reducing their complexity and duplication
- eliminating the opportunity for forum shopping, whereby potential perpetrators can work in locations with less rigorous checking or where access to adverse records is limited
- improving information sharing so that there is continuous monitoring of WWCC cardholders' national criminal history records and visibility of WWCC decisions across all jurisdictions

The Greens support each of those recommendations. Indeed, we hope this is just the first part in implementing that kind of national scheme, which will go a long way towards protecting children. The provisions of the bill that amend the Children and Young Persons (Care and Protection) Act to provide for the enforcement of undertakings are found in proposed sections 226A and 226B. They provide that the Children's Guardian may accept a written undertaking given by a person in connection with a matter in relation to which the Children's Guardian has a function under the Act. In other words, they allow the Children's Guardian to accept an undertaking that certain conduct will be engaged in, that certain information will be provided, or there could be a restorative justice activity.

If that undertaking is breached, the Children's Guardian can apply to the Supreme Court to either enforce the undertaking in its terms or to direct the person who breached the undertaking to make a payment to the State equivalent to the financial benefit the person received from breaching the undertaking, or an order directing the person to compensate another person who suffered loss or damage as a result of the breach of the undertaking. This sensible set of enforcement procedures gives the Office of the Children's Guardian some teeth when demanding undertakings in the course of its work. The Greens support this. However, amendments to the Teaching Service Act and some consequential amendments to the Child Protection (Working with Children) and Other Child Protection Act have gained some controversy. In proposed section 93R of the Teaching Service Act a "charged person", which is a new class of person, is defined as:

charged person means a person whose working with children check clearance is cancelled pending determination of proceedings against the person for an offence specified in Schedule 2 to the *Child Protection (Working with Children) Act 2012*.

Two definitions are provided in section 93R. The first definition is:

a person whose working with children check clearance is cancelled under section 23 of the Child Protection (Working with Children) Act 2012, other than a charged person.

The second definition is:

a charged person on the person being convicted ...

Under section 93T of the Act an unauthorised person is automatically terminated. This new category of "charged person" has been proposed because there will now be a power to suspend the charged person under the Teaching Service Act rather than automatically terminating that person under 93T. Why is that an important distinction? Because when someone is charged they have not as yet been found guilty. It is inappropriate to have someone automatically terminated on the basis of being charged. On a reading of schedule 2, these are very serious

offences—starting with the manslaughter of a child. So if someone has been charged with one of those offences, it is entirely appropriate that they be suspended.

In the briefings I have had with the Government, which I understand have been made broadly available, it is very clear that the current policy is that when an officer or temporary employee for the purposes of the Teaching Service Act is charged with a schedule 2 offence it is automatic policy now that they will be suspended. Of course suspension rather than termination is the correct response until the charge has been determined. Quite rightly, the bill draws that distinction. But it was infelicity in the initial drafting that had the definition of an unauthorised person and the automatic termination provisions applying to someone who had been charged but not yet found guilty. That is the way I read it. I think it was a gap in the original drafting. This legislation is an attempt to put the bill in the position in which it should have been in the first place.

The Opposition has put forward some amendments to put in place a very clear statutory requirement that the secretary must ensure that a charged person who has not been suspended does not carry out duties at a school and is not present at a school at any time when children are at the school. The shadow Minister has sought to create a political issue when in practice none exists. All parties in this Parliament agree that when someone has been charged with a schedule 2 offence, they should be suspended from teaching, which is the state of play in New South Wales. If a person is charged with the schedule 2 offence, that person is suspended. The Government's position is that it is sufficient that they are suspended under the policy, but the Opposition wants a statutory provision that requires that the person who has been suspended not carry out duties at a school. Again I note for the record that the briefing The Greens received from the Government indicated that it is a very clear policy. If someone is charged with a schedule 2 offence, they cannot carry out duties at a school.

I think a real difficulty with the Opposition's amendments is that they include not only that a person cannot carry out duties at a school but also that that person cannot be present at a school when children are at the school. People have lives outside of their employment. On a plain reading of that amendment, it would prohibit somebody from taking their own child to school. I am pretty sure that that would not be what the Opposition intended. I am pretty sure that the Opposition intended the restriction to be applied to their employment-related duties. Unfortunately, the drafting by the Opposition is so broad that it would require the secretary to put in place measures to prevent a teacher being present at a school when they bring their own children to school or when they are attending a child-teacher interview. The Greens at this stage are considering amendments to delete the words stated in parentheses in the Opposition's amendment. I will endeavour to find common ground, but of course I will leave discussion on that point to the Committee stage.

This bill is a genuine and positive step forward. It is the first step towards implementing recommendations from the royal commission to try to get different jurisdictions talking and to get an exchange of information on working with children checks. I commend the Minister and the department for the work involved in bringing forward this legislation. It is a pity that there has been a great deal of rancour over form rather than the reality of child protection when it comes to the amendments of the Teaching Service Act. I hope that consensus will be reached so that we can legislate the policy in terms that will not be harmful.

The Hon. ERNEST WONG (18:17): I am pleased to participate in debate on the Child Protection (Working with Children) and Other Child Protection Legislation Amendment Bill 2016. As my colleagues have noted, Labor will not oppose this bill but does propose to move some commonsense amendments. Indeed, the Labor Opposition is pleased that the Government is finally moving to close a potential loophole in our child protection system. We all know the Government's position has not been reached without some significant pressure being applied by the Opposition and the New South Wales media. But even if the Minister Hazzard is late to the party, at least he finally has arrived.

There is no doubt that all members of this Parliament are deeply concerned with the health and safety of our children, but it was Labor that established the important protections—such as the creation of the Office of the Children's Guardian in 1998 by the Carr Government—that are sought to be strengthened today. That is a very proud achievement, and one that we have continued to build on both in government and in opposition. Indeed, the last significant changes to this important protection regime occurred last year and followed a concerted campaign by Labor to highlight examples of clearances granted on appeal to individuals who had committed serious crimes against children. I am pleased to say that those changes have ensured that people convicted and imprisoned for murder, indecent assault, sexual assault, pornography or incest where a child is the victim will never be able to appeal or have overturned a ban on their working with children.

I acknowledge that this is an unusual step in the normal course of a justice system. The usual view is that the punishment of crimes should allow for the prospect of rehabilitation. The usual view is that once someone has served their time their opportunities to participate in society should not be limited. So restrictions such as the ones we debate today are an exception. I acknowledge that—we all acknowledge that—and it is, I believe, a most justifiable exception given the circumstances at play. These are extraordinary provisions because our children

deserve extraordinary protection; they are entitled to anticipate that their school and care environments are the safest and most trusted spaces in their young lives, and nothing should compromise that. With this in mind, we welcome the Government's decision to further review, tighten and strengthen New South Wales' working with children regime.

While most of the matters outlined by Minister Hazzard in his speech in the other place are fairly straightforward and administrative, Labor has proposed some commonsense amendments, which my colleague in the other place Ms Tania Mihailuk outlined. These amendments go to striking the correct balance between protecting the rights of children and protecting the rights of an accused person when an allegation is made that would affect their ability to work with children under this legislation. In its current form, the bill provides for a charged person to be suspended or to be given other non-child-related work until a decision is made. I understand, of course, that a person who is charged may end up not being convicted, and there are examples of charges having been withdrawn by the police. If the person has already been dismissed they will be unable to continue in their previous employment. Therefore, while it may be more reasonable for the charged person to be given alternative duties rather than being dismissed or suspended, we must ensure that they are not put in a position where they could pose a risk to the ongoing safety of schoolchildren.

It should therefore be clear that if a member of staff under either the Teaching Service Act or the education Act were to be charged, they should not be allowed to perform any duties on a school site. Labor has proposed an amendment to reflect this commonsense approach. A charged teacher could continue working from home on administrative matters for the school or could be transferred to the department for a time. I trust that those opposite will support this simple, commonsense amendment to ensure that the bill will have its full practical, protective effect in the difficult scenario where a teacher or other carer is subject to a charge that is pending a full hearing. Beyond this, as I outlined, Labor will support the bill. The working with children system has provided an excellent protection framework for our children in their education environments for some 18 years now. But it is a framework that we must constantly review and renew to ensure that it is as strong as it can be. I thank members for their attention.

The Hon. PAUL GREEN (18:23): On behalf of the Christian Democratic Party I make a contribution to this debate on the Child Protection (Working with Children) and Other Child Protection Legislation Amendment Bill 2016. This legislation is part of our core business and is certainly a passion of mine. We must ensure that we do everything we can to protect our children and to give them the very best opportunities to live their dreams and achieve their goals in life. The main object of the bill is to make provision for the exchange of information relating to working with children clearance checks in other jurisdictions. The bill also legislates for enforceable undertakings, entry without warrants into premises, the issuing of penalty notices by the Children's Guardian and the production of information relating to the employment of children. Finally, the bill aims to allow a person to be suspended or placed on alternative duties instead of being dismissed pending the determination of proceedings.

The Working with Children Check involving pre-employment screening for child-related work commenced in Australia in 2000, when the New South Wales Government introduced its Working with Children Check scheme. Since then, every jurisdiction has established some form of Working with Children Check scheme. The Office of the Children's Guardian defines a Working with Children Check as:

A requirement for people who work or volunteer in child-related work. It involves a national criminal history check and a review of findings of workplace misconduct.

The result of a Working With Children Check is either clearance to work with children for five years, or a bar against working with children. The applicants are subject to ongoing monitoring and relevant new records may lead to clearance being revoked.

The Working With Children Check is fully portable so it can be used for any paid or unpaid child-related work in NSW for as long as the worker remains cleared.

The Royal Commission into Institutional Responses to Child Sexual Abuse examined what makes an organisation child safe. The Working with Children Check is one tool that helps to ensure the right people are selected to work with our children. The final recommendation of the royal commission's report aims to strengthen the protection that our children receive through the Working with Children Check. The royal commission found:

Each state and territory has its own scheme, and each of the eight schemes operates independently of the others. They are inconsistent and complex, and there is unnecessary duplication across the schemes. There is no integration of the schemes, and there is inadequate information sharing and monitoring of WWCC cardholders. These problems create a number of weaknesses:

- Each scheme defines who needs a check differently, such that you might require a WWCC in one jurisdiction but not in another despite engaging in the same type of work.
- Aside from criminal history, there are no mechanisms to share information between jurisdictions for the purposes of assessing WWCC applications.

- People are able to 'forum shop', whereby a person with adverse records in one jurisdiction may be able to obtain clearance in another jurisdiction where the adverse records are not available.
- Screening agencies do not have the capacity to access WWCC decisions or the status of WWCC cardholders from other jurisdictions.
- Once a person holds a WWCC, the continuous monitoring does not include monitoring of national criminal history records.
- WWCCs are not portable across jurisdictional borders.
- People and organisations working across jurisdictional borders find it challenging to comply with the varied and complex schemes.

Child protection is paramount and, as outlined, there are obvious opportunities to strengthen this regime to contribute better to making organisations child safe. The bill aims to address those obvious issues by ensuring that the exchange of information relating to the Working with Children Check with corresponding bodies in other jurisdictions. This will assist in keeping our children safe from people who may move to other jurisdictions as a mode of escape

The second part of the amendments relate to the Children and Young Persons (Care and Protection) Act and is aimed at strengthening the enforcement options available to the Children's Guardian for the protection of children. It relates to the employment of children. It allows the Office of the Children's Guardian permission to enter and inspect premises if there is reasonable suspicion that a child is employed contrary to provisions regarding children's employment. It will also authorise Office of the Children's Guardian's employees to issue penalty notices.

The final amendments relate to the Teaching Services Act 1980 and the Education (School Administrative and Support Staff) Act 1987. These changes will allow a person whose clearance has been cancelled because of a pending charge to be suspended and placed on alternative duties rather than being dismissed immediately. The Christian Democratic Party did have hesitations regarding this amendment. However, we have been assured by the Government that the person whose clearance has been cancelled pending charge will either be suspended or placed on alternative duties with no contact with any children.

We have been advised that the Executive Director of Employment Performance and Conduct in the Department of Education will make the decision as to whether a person whose clearance has been cancelled will either be suspended or placed on alternative duties pending charge. The Opposition's amendment to ensure charged persons must not be on school grounds when children are present is already consistent with Department of Education policy. The Christian Democratic Party is all about the family and ensuring children are protected in all ways at all times. We are supportive of the implementation of the royal commission's recommendations regarding Working With Children Checks to ensure the cohesive screening across all jurisdictions.

We support the provisions regarding the new enforcement mechanisms afforded to the Office of the Children's Guardian. We support the Government's amendment to allow a person pending charge to be suspended or placed on alternative duties only if the person has no contact with any children at any time pending charge. The Christian Democratic Party has a great commitment to ensuring that New South Wales is the safest place for a child to be raised and to enjoy his or her future. The Christian Democratic Party commends the bill to the House.

The Hon. SARAH MITCHELL (18:30): On behalf of the Hon. John Ajaka: In reply: I thank members for their valuable contributions to this debate. While we are confident that this bill proposes some necessary and important amendments, it is always reassuring to know that it has withstood the test of energetic debate in this House, thereby ensuring that it is robust and capable of meeting its objectives. I refer to a couple of comments made by Mr David Shoebridge in his contribution. First, Mr David Shoebridge stated that no consequential amendments to the Child Protection (Working With Children) Act 2012 will be part of this. Secondly, he said that the definition of a "charged person" is not a new addition to the legislation; it is to clarify that a person charged with an offence under schedule 2 of the Child Protection (Working With Children) Act is to be suspended rather than dismissed, as is the case in relation to all other offences.

All decision-making in child protection should be driven by what is in the best interests of children, their safety and their wellbeing. This principle is at the heart of our child protection legislation and it drives our policymaking and practice. It also drives the need to be vigilant and attentive to the issues, and to constantly be looking at ways and means of improving protections for our children. The objects of the bill are to make various clarifying amendments to the Child Protection (Working With Children) Act removing inconsistencies and ambiguities, formalising processes, and including royal commission recommendations relating to information sharing; to amend the Children and Young Persons (Care and Protection) Act to enhance the Children's Guardian's enforcement powers; and to make certain amendments to legislation within the Education portfolio.

The majority of amendments to the Child Protection (Working With Children) Act clarify provisions in the Act such that applicants for and holders of Working With Children Check clearances are treated alike when surrendering a clearance, providing information on request or even for appeals when they have a pending charge. Similarly, the formalising provisions in relation to the processes for disclosing probity information to specified employers and the modification of the requirements to report misconduct information to the Children's Guardian have been formulated following considerable consultation so as to ensure safety to children while not imposing overly onerous and unrealistic obligations on employers.

New South Wales is again taking the lead in implementing the royal commission recommendations, this time with regard to information exchange. The amendments make provision for information exchange between corresponding State and Territory Working With Children Check agencies, subject to ministerial protocols, which is likely to make it difficult for offenders to take cover under jurisdictional boundaries. The bill also makes it an offence to provide false and misleading information—again a recommendation of the royal commission. Enhancing the Children's Guardian's enforcement powers is an important step towards providing protection for children employed in the entertainment industry. The enhanced enforcement powers will allow the Children's Guardian to make provision for enforceable undertakings, entry without warrant into premises where the employer is not but should be authorised, the issue of penalty notices by authorised officers of the Children's Guardian, and the production of information pertaining to employment of children.

All of these amendments have been widely consulted on with the NSW Police Force and industry peak groups, all of whom support such measures being implemented. The amendments provide the Children's Guardian with enforcement options that other agency regulators already have at their disposal. Further, the powers of entry provision is simply an extension of powers that the Children's Guardian already has in relation to entering premises where employment is authorised. All appropriate safeguards will be in place for Children's Guardian staff utilising the powers this bill enables. The bill also makes amendments to the Teaching Services Act and the Education (School Administrative and Support Staff) Act so as to suspend and place on alternative duties employees who have been refused a Working With Children Check clearance because of a pending charge for an offence under schedule 2 of the Child Protection (Working With Children) Act instead of being immediately dismissed, as is currently the requirement. This will maintain the safety of children because employees will not be able to participate in child-related work, and it will be fairer to employees.

While I am confident that this bill is yet another step towards keeping our children and young people safe, as I mentioned earlier, the best legislation cannot guarantee that they will be 100 per cent safe. That is why all employers must implement strong child-safe policies, practices and strategies to complement the Working With Children Check regime to provide the optimum protection for our children. I thank all of those involved in the reform process and in the preparation of this bill, especially the Minister, who is present in the President's gallery this evening. I thank members for their support of the passage of this bill through the House, and I commend the bill to the House.

The DEPUTY PRESIDENT (The Hon. Paul Green): The question is that this bill be now read a second time.

Motion agreed to.

In Committee

The TEMPORARY CHAIR (The Hon. Shayne Mallard): There being no objection, the Committee will deal with the bill as a whole.

The Hon. ADAM SEARLE (18:36): By leave: I move Opposition amendment Nos 1 and 2 on sheet C2016-101 in globo:

No. 1 **Charged persons must not be on school grounds when children present**

Page 9, Schedule 3. Insert after line 30:

[5] **Section 93ZAB**

Insert after section 93ZA:

93ZAB Charged person must not be on school grounds with children

The Secretary must ensure that a charged person who has not been suspended does not carry out duties at a school (and is not present at a school) at any time when children are at the school.

No. 2 **Charged persons must not be on school grounds when children present**

Page 11, Schedule 4. Insert after line 31:

[5] **Section 32RA**

Insert after section 32R:

32RA Charged person must not be on school grounds with children

The Secretary must ensure that a charged person who has not been suspended does not carry out duties at a school (and is not present at a school) at any time when children are at the school.

The rationale of the amendments was comprehensively articulated by the relevant shadow Minister in the other place and touched on by me in my second reading contribution here. The Parliamentary Secretary and other contributors to the debate have said that the amendments are not necessary because they are covered by existing policy and, according to some views, they may even be covered by existing legislative provisions. We say let us take the precautionary principle and put the matter beyond any doubt.

The amendments are clear and directly to the point. The Minister indicated that he thought they were a bit restrictive. We take the view that we would rather err on the side of caution. We understand the Government is acting in good faith, as are all members in this place, but of course school halls and playgrounds are increasingly open to users other than people who are at school for purposes of work or picking up or dropping off children. We understand that in many cases—we would hope in all cases—where a charged person is attending to other duties that they would not be permitted to do so at a school premises. It is such an important matter of protection using first principles that it should be put beyond any doubt and be in black and white. That is why I have moved these amendments, and I ask all members to join with us and support them.

Mr DAVID SHOEBRIDGE (18:38): I indicate that The Greens will not be supporting these amendments. During the second reading debate, The Greens suggested an amendment to the amendment which might draw us closer, but I do not think it will get majority support in this House. More fundamentally, and I have had the benefit of some further discussion with staff of the Office of the Children's Guardian, these amendments are not only unnecessary but would create potential complexity for school administrative officers and principals.

Section 9 of the Child Protection (Working with Children) Act provides that an employer must not commence employing or continue to employ a worker in child-related work if the employer knows or has reasonable cause to believe the worker is not the holder of a Working With Children Check clearance. In the current circumstances, if teachers or officers are charged under the Teaching Services Act with a schedule 2 offence they automatically lose their Working With Children Check clearance and that would automatically introduce section 9 of the Child Protection (Working with Children) Act that states the secretary, the employer, must not continue to employ that worker in child-related work.

As soon as a teacher loses the Working With Children Check clearance there is an obligation under section 9 for the secretary not to continue to employ that teacher in child-related work. The definition of child-related work explicitly includes work in an educational institution or a school. The Child Protection (Working with Children) Act already has a provision similar to that in the Opposition's amendments. Having parallel but marginally dissimilar obligations directed to the secretary, one in the Teaching Services Act and one in the Child Protection (Working with Children) Act, will not be helpful. It will create confusion and it will not achieve the desired aim of ensuring that children are protected. The obligation of the employer under section 9 of the Child Protection (Working with Children) Act is mirrored by an obligation on the individual teacher under section 8, who would be committing an offence if he or she sought to work at a school without a Working With Children Check clearance. On those grounds these amendments are unnecessary and unhelpful.

The Hon. SARAH MITCHELL (18:41): The Government opposes the amendments. For the first time the Government wholeheartedly agrees with the contribution of Mr David Shoebridge. He was articulate in his reasoning for opposing the amendments. I have nothing further to add.

The TEMPORARY CHAIR (The Hon. Shayne Mallard): The question is that Opposition amendments Nos 1 and 2 on sheet C2016-101 be agreed to.

The Committee divided.

Ayes 10
Noes 24
Majority..... 14

AYES

Graham, Mr J

Houssos, Ms C

Moselmane, Mr S
(teller)

Primrose, Mr P

Searle, Mr A

Secord, Mr W

Sharpe, Ms P

Veitch, Mr M

Voltz, Ms L

AYES

Wong, Mr E (teller)

NOES

Ajaka, Mr J
Blair, Mr N
Clarke, Mr D
Faruqi, Dr M
Gallacher, Mr M
Khan, Mr T

Amato, Mr L
Brown, Mr R
Colless, Mr R
Field, Mr J
Gay, Mr D
MacDonald, Mr S

Mason-Cox, Mr M
Phelps, Dr P

Mitchell, Ms S
Shoebridge, Mr D

Barham, Ms J
Buckingham, Mr J
Farlow, Mr S
Franklin, Mr B (teller)
Green, Mr P
Maclaren-Jones, Ms N (teller)
Pearce, Mr G
Taylor, Ms B

PAIRS

Donnelly, Mr G
Mookhey, Mr D

Cusack, Ms C
Harwin, Mr D

Amendments negatived.

The TEMPORARY CHAIR (The Hon. Shayne Mallard): The question is that the bill as read be agreed to.

Motion agreed to.

The Hon. SARAH MITCHELL: I move:

That the Chair do now leave the chair and report the bill to the House without amendment.

Motion agreed to.**Adoption of Report**

The Hon. SARAH MITCHELL: On behalf of the Hon. John Ajaka: I move:

That the report be adopted.

Motion agreed to.**Third Reading**

The Hon. SARAH MITCHELL: On behalf of the Hon. John Ajaka: I move:

That this bill be now read a third time.

Motion agreed to.*Adjournment Debate***ADJOURNMENT**

The Hon. JOHN AJAKA: I move:

That this House do now adjourn.

PAID DOMESTIC VIOLENCE LEAVE

The Hon. PETER PRIMROSE (18:51): The first meeting that I attended as shadow Minister for Local Government was in Penrith and had been organised by the New South Wales division of the Australian Local Government Women's Association. It was a forum on the topic of domestic violence, and in particular what supports could be offered to victims in their workplaces. I learned of the great work that was underway in many local councils, but also how patchy the progress was, as it largely depended on the willingness of senior managers and their councils to take action.

Even simple actions such as allowing victims to change their workplace phone numbers and email addresses were hard fought gains. I was heartened to hear of the ongoing campaign to support victims of domestic

violence in local government by all those present at the meeting, including the diligent and effective actions that were being undertaken by the United Services Union and its general secretary, Graeme Kelly. I undertook to the forum to take whatever actions I could to support this cause. I have continued to promote it whenever I visit local councils and, as I promised the Penrith meeting, have made a point of raising paid domestic violence leave in estimates hearings.

That is why I was so pleased to be able to attend the rally for paid domestic violence leave that was held outside Parliament House last Thursday. Hundreds of front-line community workers and trade union activists called on Premier Mike Baird to support the inclusion of domestic violence leave in the National Employment Standards, before the national summit on reducing violence against women and their children, to be hosted by the Council of Australian Governments. Sharan Burrow, the leader of the International Trade Union Confederation, congratulated the Australian union movement on leading the world in paid domestic violence leave but said more must be done to support women and children living with violence.

The Secretary of Unions NSW, Mark Morey, told the rally that, on average, 184 incidents of domestic violence are reported in New South Wales every day. Yet there is no basic entitlement for a worker experiencing this violence to access leave. Maintaining employment means financial independence. It means that women have more choices and options to leave situations of domestic violence. Natalie Lang, secretary of the New South Wales and Australian Capital Territory branch of the Australian Services Union, told the rally that the claim for 10 days paid domestic violence leave was supported by front-line workers in the community sector and had the backing of key agencies such as the Australian Law Reform Commission and the Australian Human Rights Commission.

She pointed out that the union movement had already negotiated for more than 1.6 million workers to have access to paid domestic violence leave. But such leave should not have to be negotiated—it should be a universal right and have equal status to annual leave, long service leave and personal leave. The Leader of the Opposition, Luke Foley, confirmed that Premier Mike Baird has failed to commit to supporting the inclusion of paid domestic violence leave at the Council of Australian Governments [COAG]. He publicly committed a future New South Wales Labor Government to doubling paid domestic violence leave and urged Premier Baird to reconsider and put paid domestic violence on the COAG agenda so that bipartisan support will make it a reality for women and families suffering from this violence. Jenny Aitchison, the shadow Minister for the Prevention of Domestic Violence and Sexual Assault, emphasised at the meeting:

While Labor supports programs to stop perpetrators from committing domestic violence, more must be done to help those who are escaping domestic violence.

Financial stability is vital for helping victims rebuild their lives. Without paid domestic violence leave women and their children are vulnerable to poverty, and may be forced back to violent homes.

Having access to paid domestic violence leave helps people keep their jobs and gives them time to attend court appearances, see legal advisers and make relocation arrangements. We need action, not words, from the New South Wales Government. If Premier Baird shows some spine on this issue, he will save lives. If not, he deserves to be damned by all those who will continue to suffer most as a consequence of his timidity in the face of violence against the most vulnerable.

SHOALHAVEN RIVER FLOOD BOATS

The Hon. PAUL GREEN (18:55): Tonight I speak about the Shoalhaven River flood boats and the need for further funding. The Shoalhaven River flood boats have had a long and significant history in the area. Following the serious flooding of the Shoalhaven River during the 1860s and 1870s the New South Wales Government sought to support the local government and purchased two flood boats for the area. Over the next 30 years the boats slowly fell into disrepair. David Berry, local agriculturist and landowner, agreed to replace the boats and the sheds they were housed in. The two new boats were commissioned and made almost entirely of red cedar. The sheds built to house the boats stood on horse-drawn trailers made completely from wood.

As the years passed, one boat became the property of South Shoalhaven Municipal Council and was named the *Shoalhaven*. The second boat was kept by Berry Municipal Council and called *Noah*. This boat still exists today and is currently housed at the Berry Museum. During the past 100 years the *Shoalhaven* has been restored many times and has had numerous homes around the local government area, all the while remaining the property of Shoalhaven City Council. During the past two years Shoalhaven City Council has worked to obtain funding to contribute towards continuing the important restoration and housing of the boat. The first successful grant application resulted in David Payne, the curator of the Australian Register of Historic Vessels at the Australian National Maritime Museum, providing assistance in a management plan for the boat. A second successful grant has provided an additional \$8,500 to go towards the repair and conservation of the boat.

I acknowledge that these grants have been a community effort. I congratulate the many people who have been involved with the project to date, especially Peter Tonkin, many council staff, specialists at Breakwater Boat Service, former councillor Allan Baptist, Lynne Allen and the Shoalhaven Historical Society. The funding received to date has enabled a full restoration to be completed by Breakwater Boat Service. Shoalhaven City Council and the local community are now looking for the boat to be installed in a purpose-built shelter within the Nowra Aquatic Centre. The location is appropriately close to the Shoalhaven River on the south bank near the water where this once great boat assisted many in the community.

A site-specific encasement has been designed and developed, with glass walls, display lighting and interpretation signage where the boat can be easily maintained and viewed by the public. This location is out of the weather, dry and free from the risk of future deterioration and vandalism. Shoalhaven City Council seeks to restore the boat and manage the conservation and preservation of this Australian registered historic vessel in perpetuity, to serve as an ongoing reminder of the area's heritage and history. The council is requesting assistance with sourcing funding for the construction of the shelter.

The total project cost is \$151,000 for construction of the shelter. Shoalhaven City Council requests the State Government to support the funding of this project. The council will be responsible for all the work and costs associated with the project management to ensure that works are successfully completed and that this project will be of benefit to the local area and community. When I was Mayor of the Shoalhaven City Council I lived across the road from the location of this boat for some time. For the information of members, most of the products such as timber, milk and other supplies of the Shoalhaven were moved by steamboats and not by rail until much later.

This boat is very special for the Shoalhaven community to hold onto as a reminder of its significance and the vital services to the history and heritage of the community. For many families the history and stories of this boat have been passed down from generation to generation, grandparents to grandchildren. Not only is this a monument to part of the history of the Shoalhaven, but we want it to be extended further through generations in the Shoalhaven and New South Wales. The Shoalhaven retains the physical boat, but it also has an emotional attachment to members of the community. I follow up this request and ask that funding is supported in the building and restoration of the boat. This will allow the history of the Shoalhaven to live on, and will acknowledge the story of the people in the good old days who gave so much to our community. It will be place for memory, honour and respect. I commend this grant to the Government.

CHORAGIC MONUMENT OF LYSCRATES

The Hon. GREG PEARCE (19:01:0): Last Sunday 16 October 2016 I joined a distinguished group of people in the Royal Botanic Gardens, including the Governor and Mrs Hurley, to witness the unveiling of the restored replica of the Choragic Monument of Lysicrates. It was a fantastic initiative of the Lysicrates Foundation, which was founded and driven by one of Sydney's most erudite couples, Mr John Azarias and Dr Patricia Azarias. The actual restoration of the monument was effected by the State's stonemasons. The Minister for Finance, Services and Property, the Hon. Dominic Perrottet, officiated. It is obvious he has become a very effective and insightful Minister, and it was very good of him to support the actions and activities of the foundation.

A highlight of Athenian life in the fourth century BC was the theatre competition, held in public in a large amphitheatre. Wealthy patrons would sponsor a theatre company, and the prize for the best play or musical performance—a highly valued status symbol—was a bronze tripod, which the winner was expected to place on top of a monument they would commission. All the winners' monuments lined the Street of the Tripods in central Athens. The Lysicrates monument that was erected in 334 BC remains the only monument still in the Street of Tripods.

Mr Azarias loves to tell an interesting story of one of Sydney's leading lights, Sir James Martin, after whom Martin Place is named, a three-time Premier and later Chief Justice of New South Wales, who in 1860 had a replica built and placed in his garden as a statement of his support for the classics. In World War II the land was resumed and the monument was moved to the Royal Botanic Gardens, which is a wonderful connection between classical Greece and colonial Sydney. The real purpose of the foundation and the dream of John and Patricia was to establish a playwriting competition to support playwrights in New South Wales and Australia. Together with the Griffin Theatre Company the foundation has now conducted three competitions, the third of which is underway, for playwrights who have had main-stage plays produced. The prize supports those artists, with a very significant commission for the winner from Griffin Theatre of \$12,500 to finish the script. Each of the runners-up receive cash prizes of \$1,000.

The third year of that competition is now underway, and part of Sunday's program was to announce the finalists for the 2017 prize for playwriting. They were Melissa Bubnic's, *Ghosting the Party*, Jennifer Compton's *The Goose in the Bottle*, and Nick Coyle's *The Feather in the Web*. I hope members will go along to see those productions when they are produced in full. The foundation's support for playwrights is an amazing opportunity

for New South Wales. Connecting the classics and colonial Sydney with modern Australian talent and creativity provided the reason for John Azarias and Dr Patricia Azarias to bring together many supporters to enable the restoration of this fabulous monument in our wonderful botanical gardens. It is an acknowledgement of classical Greece and the production of talent through our playwriting competition with the Griffin Theatre. I congratulate all of them on their great work.

REGIONAL PUBLIC SECTOR JOBS

The Hon. MICK VEITCH (19:05): There has been a brutal attack on public sector jobs across many vital agencies in country New South Wales since the election of this Coalition Government in 2011. TAFE, vocational teachers in our justice system, hospital staff, operational support for country teachers and Local Lands Services have been affected. As a result of the shortage of staff, people are raising their concerns with me about the capacity of these agencies to do their important work effectively and efficiently. The proactive role of Government in encouraging businesses to relocate and establish businesses in regional New South Wales is a distant memory with the destruction of the role and staffing within regional development offices across the State. Government support of regional development is essential for diversifying and growing regional economies. Those cuts have created an anorexic public service with neither the resources nor the corporate knowledge to undertake and deliver quality services for and on behalf of the people of New South Wales.

The attack on public sector jobs in regional New South Wales impacts not only the lives of the affected workers but also the lives of their family members. Those who remain in the respective agencies are overworked and stressed. Issues, cases and basic functions of the departments cannot be attended to in an efficient or effective manner because they simply do not have enough employees. So it is with Department of Industry—Lands. The unacceptable performance of this department in recent times is due to a large extent to the savage cuts to its workforce. We only have to read the scathing report of the Auditor-General into the aspects of the operation of Crown lands. The real tragedy is the valuable role that an effective, efficient and focused department administering Crown lands could play, particularly in the lives of residents in rural and regional New South Wales.

Over the past five years we have seen a failure of leadership at the ministerial and senior bureaucratic level. People have said to me that the Department of Industry—Lands has been left directionless, leaderless and so gutted in resources and staff that it now borders on a complete breakdown. This all stems back to the first decisions made by the Liberal-Nationals Government in 2011. Reviews were established all over the place in an attempt to identify assets that could be sold off. We know that the main game with Crown lands was to "recycle"—to use an oft-quoted Government term—our coastal caravan park assets. That became all too hard for the saltwater Nationals who realised that the Minister was keen to sell off the social and economic hubs up and down the coast.

If we cut too heavily into the public service, we risk leaving departments bereft in terms of specialised and often technical corporate knowledge. That specialised and technical knowledge is developed over decades and once it is gone, we can never get it back. Last weekend I travelled to Orange to highlight the jobs lost in this once proud and effective regional Crown lands office. In 2011, more than 11 full-time Crown lands employees worked at Orange. They were joined by a small but dedicated Rural Communities Consultative Committee [RCCC], which addressed issues and plugged holes that were left by larger agencies in regional New South Wales. Today approximately five staff are left in Orange. The RCCC is gone. Their departure places great pressure on those employees who remain. Work piles up and so does the pressure and stress levels. Front desks are closed and if we want to see a Crown lands officer in Orange now, we have to make an appointment—just read the sign on the front door on arrival.

Where is the value in this for Crown Lands clients? Where is the upside for trusts, councils and other organisations that have built up relationships with Crown Lands employees over time? Crown Lands has been centralised to a small number of offices, largely in Newcastle and Dubbo. I am told that most of the senior executive in the Department of Crown Lands work on one floor in the Newcastle office. That centralisation of leadership spells disaster for a once regionally focused agency like Crown Lands. Leadership is distant from the day-to-day concerns of their staff and regional clients.

These jobs losses caused by Department of Industry—Lands employees either retiring, being sacked or given voluntary redundancies right across regional New South Wales has gutted the highly specialised expertise within Crown Lands. In my view, it is a direct cause of the matters discussed in the highly scathing report by the Auditor-General. Job cuts ensure the Government cannot keep track of what is happening on public land. Job cuts are why the Government cannot respond to Native Title grants in appropriate time frames. Job cuts explain why rents are not kept in line with the market or in some cases not even collected. We will hear a lot of talk over the coming weeks about the bold Crown land reforms that the Minister says he has embodied in the new Act. I am very concerned about the capacity of the Department of Industry—Lands to prepare for and implement the new Act. That is a very real issue that needs urgent attention.

GREYHOUND RACING INDUSTRY BAN

Dr MEHREEN FARUQI (19:10): About two months ago the Premier stood up in the Legislative Assembly, with the full force of evidence and moral authority, to speak in debate on and give his full support to the Greyhound Racing Prohibition Bill 2016. Despite a despicable campaign of misinformation by the Murdoch media, together with actions by the Labor Opposition that wreaked of political opportunism, Premier Baird stood resolute and said, "This has been a very difficult decision but the Government stands behind it 100 per cent." I, The Greens and the broader community took him at his word that he was willing to take on vested interests to achieve a great outcome backed by a huge body of evidence—the end of the systematic slaughter of thousands of dogs for nothing more than the sake of a bet. In hindsight, how wrong we were to trust Premier Mike Baird.

It is no wonder that people have no faith in politicians when we have political cowardice on one side in the Government and craven opportunism on the other side in the Labor Party. It is clear that certain vested interests with big money and influence control this State. Evidence does not matter anymore, just political connections. Premier Baird says his convictions have not changed but, as Theodore Roosevelt said, "Knowing what's right doesn't mean much unless you do what's right." Now we are supposed to accept the greyhound racing industry's guarantees about cleaning up this so-called sport. I should add that it took just three days for the industry to backtrack from one of its key promises, a 2,000 strict breeding cap per annum. Greyhound racing is the biggest puppy farm in New South Wales.

Without a breeding cap there will be no change in the so-called wastage rates and no way to control the number of pups that are born and slaughtered. Lifetime tracking means nothing if dogs are killed before they are registered. Premier Baird knows this plan will fail; he has just decided to put his own political skin before principle. In his speech the day the bill passed Premier Baird said:

This industry has shown itself to be unable to change its practices and one that prefers cover up to reform. The Greyhound Industry Alliance says that it has presented to the Government a comprehensive plan for industry reform, and I acknowledge the intent of that, but the plan contains four guarantees that would either be impossible to implement or ultimately result in an unviable industry.

Now Premier Baird has said we can overturn the ban because the industry has guaranteed life cycle management, but he himself cast doubt on its ability not that long ago when he said:

The alliance says that it can guarantee total lifecycle management for all greyhounds, yet the special commission found that its 'substandard and incomplete records' was something that 'very much suited the industry'.

Another promise was zero tolerance for animal cruelty. But again two months ago Premier Baird dismissed the ability of the industry to achieve this, stating:

The alliance says it can guarantee zero tolerance for animal cruelty, yet the industry has not only tolerated this for decades but has also deliberately covered it up to avoid scrutiny. So what are we to make of this? People are scratching their heads as to who makes decisions in this State. What has changed between the time when Premier Baird completely and correctly dismissed the industry's unachievable and inadequate promises and last week, when there was total capitulation? The answer is as Sean Nichols of Fairfax has said:

Perhaps we shouldn't be surprised. It's NSW after all. But we have every reason to be deeply disappointed.

I came into this place with an idealism that things can change, and to use every minute of my time here to push boundaries and to challenge a broken system—a system overshadowed by corruption. I want to do this so that the people of New South Wales can regain the trust they have lost in politicians and the political process. I will not give up on that. The ban on greyhound racing was never going to be easy. The battle will go on because we know that the people of New South Wales will not tolerate continued animal abuse. It is only a matter of time before the next mass grave is discovered or there is another live baiting scandal. The collapse of the greyhound racing industry is a question of when, not if.

MENTAL HEALTH MONTH

The Hon. SCOTT FARLOW (19:1): It is Mental Health Month this month—what a fantastic month to recognise mental health in our community. The wonderful WayAhead launch kicked off Mental Health Month, as did the presentation of the Mental Health Matters awards 2016. Participants across the State were awarded significant honours for their work in mental health, recognising their contribution to the community. I would like to refer, in particular, to the award that was given to Barry Taylor, who won the New South Wales Commissioner's Community Champion Award. Barry was instrumental in developing the South Western Sydney Local Health District Wellbeing Collaboration and the Five Ways to Wellbeing initiative, which takes in partners such as local councils and community groups.

The South West Sydney Wellbeing Collaboration has an ambitious and strongly positive vision to nurture thriving individuals who belong to supportive family, cultural and social networks participating and contributing to safe and inclusive communities. This collaboration promotes wellbeing activities in the region carried out by State and local governments, non-government agencies and other key community groups. Barry said that the Five

Ways to Wellbeing gives people the tools to have hope, purpose and meaning in their lives and allows them to find very simple and important ways to have an impact on their wellbeing. It was a pleasure for me to join with Barry and the other winners at the WayAhead awards and to recognise their great contributions to raising the issue of mental health throughout the State and providing positive policies to help those suffering mental illness.

I should note that New South Wales is the only State that has Mental Health Month. Other States recognise Mental Health Week but in New South Wales, and under the leadership of the great Minister for Mental Health, Pru Goward, we have a Mental Health Month. The theme this year is "Learn and Grow". For this mental Health Month we are encouraging people and communities to learn more about mental health and use that knowledge to grow personally and take control of their mental wellbeing.

Nearly half of all Australians—45 per cent—will experience some form of mental illness during their lifetimes, and those who do not will most likely know someone who does. But there is still a lot of stigma and confusion around the topic, and that is where learning and growing comes in. It is important to make sure that as many people as possible know what mental illness looks like and what can be done to treat it. Even if it is not an issue for people right now, it might be one day—either for them or someone they know.

I would like to recognise the great work of the Mental Health Commission in New South Wales. Tomorrow in Martin Place the commission is running Check Up From the Neck Up throughout the day. It is a fantastic program, which the Mental Health Commissioner, John Feneley, who does an amazing job, picked up from Dr Arthur C Evans in Philadelphia. I had the privilege of meeting Dr Evans when he was in Sydney. He runs a program for a mentally healthy city in Philadelphia. The Check Up From the Neck Up program is designed to allow people who are in Martin Place to go in, have a talk, raise the issue of mental health, and have that Check Up From the Neck Up, just like they would if they had any other health complaint. There is no stigma attached and it helps people to look after their own health.

Last weekend with other members of Parliament, in particular the member for Ku-ring-gai, Alister Henskens, and His Excellency the Governor and Mrs Hurley, I took part in the Wellness Walk across the Sydney Harbour Bridge to show support for mental health and wellness. With thousands of people, we set off from Government House and walked across the iconic Sydney Harbour Bridge before returning to Government House and the botanic gardens. I was glad to have my wife, Penny, and my children, Christian and Collette, with me. The Hon. John Ajaka is spearheading disability access to the Sydney Harbour Bridge and I can attest, having done the walk with two children and a pram, that it is needed desperately. Carrying a pram up the stairs to the Sydney Harbour Bridge was a great challenge but, as I have said, the Government is addressing that issue. It was a great day to celebrate.

Just before Mental Health Month I had the privilege of meeting staff at the Mental Health Commission to talk about their preparations and to see the wonderful work they do for the people of New South Wales. I pay tribute to Mental Health Commissioner John Feneley and his deputy commissioners, Bradley Foxlewin, Fay Jackson, Catherine Lourey and Dr Robyn Shields, AM.

The DEPUTY PRESIDENT (The Hon. Paul Green): The question is that this House do now adjourn.

Motion agreed to.

The House adjourned at 19.20 until Thursday 20 October 2016 at 10:00.