



New South Wales

Legislative Council

PARLIAMENTARY DEBATES (HANSARD)

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Wednesday, 5 April 2017

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LEGISLATIVE COUNCIL

Wednesday, 5 April 2017

The PRESIDENT (The Hon. John George Ajaka) took the chair at 11:00.

The PRESIDENT read the prayers.

Bills

GREYHOUND RACING BILL 2017

First Reading

Bill received from the Legislative Assembly, and read a first time and ordered to be printed on motion by the Hon. Don Harwin, on behalf of the Hon. Niall Blair.

The Hon. DON HARWIN: On behalf of the Hon. Niall Blair: I move:

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

Motion agreed to.

The Hon. DON HARWIN: On behalf of the Hon. Niall Blair: I move:

That the second reading of the bill stand an order of the day for a later hour.

Motion agreed to.

Motions

POINT CLARE PUBLIC SCHOOL

Mr SCOT MacDONALD (11:02): I move:

(1) That this House notes that:

- (a) Point Clare Public School is located on Brisbane Water Drive, Point Clare, and currently caters for 529 students from the surrounding suburbs of Point Clare, Koolewong, Tascott, and part of West Gosford;
- (b) Point Clare Public School won Gosford City Council Environmental Awards in 2011, 2013, and 2014; and at the 2015 Gosford Enviro Show a student-grown sample of vegetables and herbs was entered, garnering seven firsts, one second and one third;
- (c) a major capital works project of \$10 million is currently in its final stages at the school, with 11 new classrooms, a library, and administration and staff room now completed and external play areas due for completion shortly;
- (d) the completed facilities were operational as of day one, term 1, 2017;
- (e) on Thursday 9 February 2017, the Hon. Rob Stokes, MP, Minister for Education, toured the school and inspected the buildings recently completed; and
- (f) Mr Scott Campbell, principal, and school captains, Alydia Dumpert and Alexander McGavin, were the hosts for the day.

(2) That this House:

- (a) extends its best wishes to Point Clare Public School and trusts that the new facilities assist staff to continue to deliver a great comprehensive education for their students; and
- (b) thanks the staff and students of Point Clare Public School for the hospitality extended to visitors on Thursday 9 February 2017.

Motion agreed to.

BALLINA TAFE AWARDS OF EXCELLENCE

The Hon. BEN FRANKLIN (11:02): I move:

- (1) That this House notes that the Ballina TAFE Awards of Excellence were held on Monday 27 March 2017 to recognise the hard work, diligence, and achievements of the Ballina TAFE students.
- (2) That this House congratulates the following award recipients:
 - (a) Tammy Wells on receiving the Outstanding Achievement by an Aboriginal and Torres Strait Islander Award of Excellence;

- (b) Joseph Cassidy on receiving the Student of the Year award;
 - (c) Jessica Harbisher on receiving the Memorial Award for Retail; and
 - (d) all other recipients of excellence awards on the day.
- (3) That this House wishes all the best for the award recipients and all students of Ballina TAFE for their future studies and careers.

Motion agreed to.

DOLPHIN SWIM AUSTRALIA

The Hon. MARK PEARSON (11:03): I seek leave to amend Private Members' Business item No. 1270 outside the Order of Precedence for today of which I have given notice by omitting "first licenced" in paragraph (1) and inserting instead "first permitted".

Leave granted.

The Hon. MARK PEARSON: Accordingly, I move:

- (1) That this House commends Dolphin Swim Australia for being the first permitted wild dolphin swim in New South Wales and the first swim system of its kind worldwide.
- (2) That this House notes that Dolphin Swim Australia:
 - (a) was given a permit to operate a wild dolphin swim encounter in the offshore waters of Port Stephens Great Lakes Marine Park in January 2010 and is now in its seventh season;
 - (b) was subject to an independently monitored and government-approved research program initially conducted over three years by cetacean expert Dr Carol Scarpaci, of Victoria University, New Zealand;
 - (c) conducts the operation whereby dolphins lead the way and can choose to interact or not without disruption to travelling or behavioural patterns;
 - (d) utilises specific "approach patterns" to dolphins, ensuring there is no separation of the pod or disruption during feeding or resting; and
 - (e) ensures dolphins are not habituated to the swimming activities.

Motion agreed to.

WORLD'S GREATEST SHAVE

The Hon. DAVID CLARKE (11:04): I move:

- (1) That this House notes that:
 - (a) on Thursday 16 March 2017, the Canterbury-Hurlstone Park RSL Club held a fundraising event for the Leukaemia Foundation's World's Greatest Shave;
 - (b) the event was attended by many special guests including:
 - (i) the cast of Channel 9's *Here Come the Habibs*, Miss Kat Hoyos, Mr Tyler De Nawi, Mr Sam Alhaje, Mr Rob Shehadie and Mr Tahir Bilgic;
 - (ii) Ms Elizabeth Candelaria, a staff member of the Canterbury-Hurlstone Park RSL Club, who raised \$1,200;
 - (iii) Mr Jason Brooks and Shane Hawton, who volunteered their time as hairdressers;
 - (iv) Mr Dean Thomas, Chief Executive Officer of the Canterbury-Hurlstone Park RSL Club, and Michelle O'Leary of the club;
 - (v) Ms Marianne Timbrell, Leukaemia Foundation, and Mr Vincent De Luca, OAM, cancer survivor and volunteer fundraiser for cancer research; and
 - (vi) Mr Simon Miller, Master of Ceremonies.
 - (c) leukaemia, lymphoma and myeloma are types of blood cancer, with more than 60,000 Australians living with blood cancer or related disorders, and every day another 35 people will be diagnosed; and
 - (d) the Leukaemia Foundation's World's Greatest Shave began in 1998 and is now one of Australia's biggest fundraising events.
- (2) That this House acknowledges and commends the Leukaemia Foundation, the Canterbury-Hurlstone Park RSL Club, and those that raised money for the World's Greatest Shave in support of research of blood cancers and related disorders.

Motion agreed to.

AUSTRALIA-KOREAN COMMEMORATIVE GARDEN AND CULTURE CENTRE

The Hon. SCOTT FARLOW (11:04): I move:

- (1) That this House notes that:
- (a) on Friday 31 March 2017 Strathfield Council held a groundbreaking ceremony for the construction of the Australia-Korean Commemorative Garden and Culture Centre in Bressington Park, Homebush;
 - (b) the ceremony was supported by the Korean Society of Sydney, the Korean Community for the Construction of the Australian Korean Memorial Garden and Culture Centre, and the Consulate-General of the Republic of Korea Sydney; and
 - (c) the ceremony was attended by:
 - (i) His Excellency Han Dong-Man, Ambassador for Overseas Koreans and Consular Affairs at the Republic of Korea Ministry of Foreign Affairs;
 - (ii) the Consul-General of the Republic of Korea Sydney, Mr Sang Soo Yoon;
 - (iii) the President of the Korean Society of Sydney, Mr Seung Guk Paik;
 - (iv) the former president of the Korean Society of Sydney, Mr Jack Lee;
 - (v) the President of the Korean Community for the Construction of the Australian Korean Memorial Garden and Culture Centre, Mr Luke Song;
 - (vi) former Mayor of Strathfield, Councillor Sang Ok;
 - (vii) former Mayor of Strathfield, Councillor Giulian Vaccari;
 - (viii) former Mayor of Strathfield, Mr Bill Carney;
 - (ix) the Deputy Mayor of Strathfield, Councillor Stephanie Kokkolis;
 - (x) the member for Strathfield, Ms Jodi McKay, MP; and
 - (xi) the Hon. Scott Farlow, MLC.
- (2) That this House recognises that:
- (a) the Korean community in Sydney has made a significant contribution;
 - (b) according to the 2011 census, more than 50,000 Australian-Koreans reside in New South Wales, representing 58 per cent of the Korean population in Australia; and
 - (c) Australian-Koreans have played a key role in positively shaping the community and economy, strengthening our identity.
- (3) That this House recognises the importance of the groundbreaking ceremony for the Australia-Korean Commemorative Garden and Culture Centre for the Korean community of New South Wales, highlighting the enduring friendship, cultural and economic ties between Australia and Korea.
- (4) That this House congratulates the Korean community of Sydney for their dedication to the Australia-Korean Commemorative Garden and Culture Centre project.

Motion agreed to.

SHOALHAVEN COAL SEAM GAS EXPLORATION

Mr JUSTIN FIELD (11:05): I seek leave to amend Private Members' Business item No. 1288 outside the Order of Precedence for today of which I have given notice by omitting paragraph (1) (d) and paragraph (2) (b).

Leave granted.

Mr JUSTIN FIELD: Accordingly, I move:

- (1) That this House notes that:
- (a) there is overwhelming community opposition in the Shoalhaven to coal seam gas exploration;
 - (b) more than 3,000 people signed a petition calling on members of the New South Wales Parliament to withdraw a coal seam gas licence over the Shoalhaven; and
 - (c) on 14 October 2014 the Government honoured the requests of the Shoalhaven community and cancelled the coal seam gas licence over the Shoalhaven [PEL469], temporarily protecting the community from coal seam gas mining.
- (2) That this House calls on the Government to stand with the community of the Shoalhaven and commit to issuing no future coal seam gas licences in the Shoalhaven region.

Motion agreed to.

*Documents***UNPROCLAIMED LEGISLATION**

The Hon. SCOTT FARLOW: In accordance with Standing Order 117, I table a list detailing all legislation unproclaimed 90 calendar days after assent as at 4 April 2017.

*Bills***GREYHOUND RACING BILL 2017****Second Reading**

The Hon. RICK COLLESS (11:16): On behalf of the Hon. Niall Blair: I move:

That this bill be now read a second time.

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

Leave granted.

The bill being presented here today is critical to securing the future of the greyhound industry in New South Wales.

This bill does two things. First, it repeals the Greyhound Racing Prohibition Act 2016. In doing so, it removes the legislated prohibition on greyhound racing in New South Wales, which would otherwise come into effect from 1 July 2017. Second, it sets the foundations and governance arrangements for a sustainable greyhound racing industry with the highest animal welfare and integrity standards in the country.

The Government and many people in the industry have made it clear that together we must address issues of overbreeding, live baiting, high levels of injury and the euthanasia of healthy dogs.

This Government has listened to the support of the community who want the industry to have the opportunity to prove it can operate appropriately. It is clear that the community wants the industry to provide jobs and continue to make a valuable economic and social contribution to this State. Nowhere is that sentiment felt more strongly than in parts of regional New South Wales, where greyhound racing is the source of direct and indirect employment for so many and where clubs exercise an important social function in bringing people together and providing services to the community. We have listened to community and engaged with the industry to find a sustainable way forward for greyhound racing in New South Wales.

Many of us want to see a strong greyhound industry and many of us are sickened by the wrongdoing of those who continue to live bait and allow animal cruelty as was presented via the ABC's *Four Corners* program. We have seen the Special Commission of Inquiry undertaken by Justice McHugh, and the work headed by Dr John Keniry and the taskforce, where there was acknowledgement of genuine concern for the industry to change its ways.

It was also clear that sections of the community supported giving the industry a final chance to reform. The Government listened to all of these concerns and announced that the industry would be given a further chance to prove itself. In doing so, Government also made it very clear that there can be no return to the status quo. Live baiting, cruel treatment and unnecessary killing of healthy dogs will not be tolerated.

In October 2016, the New South Wales Government established the Greyhound Industry Reform Panel. The panel was asked to recommend a new regime that would allow the industry to continue while applying the strictest animal welfare standards in the country. The panel was chaired by former Premier Morris Iemma and included the Chief Executive Officer of RSPCA NSW, the Chief Executive Officer of the Greyhound Alliance, the New South Wales Chief Veterinary Officer and a Deputy Secretary from the Department of Premier and Cabinet.

The panel submitted its report to Government in February 2017, making 122 recommendations. I highlight something important. Of the 122 recommendations, the RSPCA and the industry representatives failed to agree on just two recommendations, and even then, their respective positions were not miles apart. I think this is remarkable and I thank both parties for the way they approached this work.

In summary, the panel's reforms involve:

- a new governance framework that separates the commercial and regulatory functions of the industry;
- a comprehensive and best practice animal welfare plan;
- registration and accreditation requirements for industry participants;
- new offences and stronger penalties for animal cruelty.

The Government will implement all but one of the recommendations put forward by the panel in its report delivered to the Government earlier this year.

The one recommendation not accepted relates to the form of the commercial entity. That is, while the panel proposed Greyhound Racing NSW be reconstituted as a statutory state-owned corporation, under this bill it will remain a body corporate that does not represent the Crown. This is a more administratively appropriate form for the body.

This bill introduces new governance, regulatory and animal welfare arrangements that will build public trust in the integrity of the greyhound racing industry. These arrangements will set the benchmark for all other jurisdictions.

The bill will separate the regulatory and commercial functions currently being carried out by Greyhound Racing NSW. This will minimise potential for conflicts between the commercial imperatives of industry and animal welfare considerations. This separation will help build the community's confidence in the industry.

To perform the regulatory functions, a new Integrity Commission will be established. It will set standards, register participants, supervise and regulate greyhound racing across New South Wales. The Minister for Racing will be responsible for the commercial entity and the Integrity Commission, with the Minister for Primary Industries having a concurrence role for the commission on certain key animal welfare-related decisions. This governance model is consistent with ministerial arrangements in Queensland.

The Government is confident this bill will put appropriate checks and balances in place for a thriving greyhound industry that adheres to the highest animal welfare standards in the world.

I now turn to the substance of the bill. The bill is divided into nine parts. Part 1 of the bill provides preliminary information. Part 2 of the bill will establish a Greyhound Welfare and Integrity Commission which will:

- promote and protect the welfare of greyhounds;
- safeguard the integrity of greyhound racing and breeding; and
- maintain public confidence in the greyhound racing industry.

The Integrity Commission will be led by a Chief Commissioner and will supervise and regulate greyhound racing across New South Wales. The Chief Commissioner will be supported by two other commissioners, one of whom must have been an Australian lawyer for at least seven years. Commissioners will be appointed by the Governor on the recommendation of the Minister for Racing and with the agreement of the Minister for Primary Industries.

To ensure that the Integrity Commission operates independently and transparently, a person will not be eligible to be appointed as a commissioner if the person is or has at any time been a greyhound racing industry participant. A chief executive will be responsible for the day to day management of the commission and implementation of the commissioners' decisions.

The commission will initiate, develop and implement policies and standards relating to the welfare of greyhounds. It will also undertake research and investigations of best industry practice. The commission will be responsible for monitoring and enforcing compliance with the regulatory framework including the Greyhound Racing Rules.

The bill makes it clear that the Government is committed to ensuring that the greyhound industry operates under the highest animal welfare standards in Australia.

Part 3 of the bill provides for the operation of the reconstituted Greyhound Racing NSW [GRNSW]. GRNSW will be responsible for developing greyhound racing in New South Wales as a competitive and sustainable industry. It will be independent of the Crown and does not represent the State. It will have significant autonomy in determining how to structure the industry in order to achieve commercial sustainability. It has been afforded a number of responsibilities through this bill, including:

- conducting greyhound race meetings or authorising greyhound race meetings to be conducted by greyhound racing clubs;
- developing track safety standards; and
- operating the Greyhounds as Pets (adoption) program.

GRNSW will be required to hold an operating licence to authorise its role as the industry's commercial body. This will provide autonomy to meet its commercial imperatives and manage daily operations, while still allowing the Government to set the high order requirements and conditions for the industry's operation.

The Minister for Racing will be able to issue, amend, suspend or cancel the commercial body's licence. Prior to doing so, the Minister must consult with the Integrity Commission. This provides a mechanism for the Government to take action where, for example, the commercial entity is found to be breaching its licence or the Integrity Commission identifies matters of concern.

I now turn to Part 4 of the bill, which builds on the establishment of the Integrity Commission. The bill creates a strong welfare framework for those greyhounds involved in the industry. Part 4 of the bill creates a Greyhound Industry Animal Welfare Committee to provide advice to the commission. The five-person committee will provide advice to the Integrity Commission, including as the enforceable code of practice relating to the welfare of greyhounds is developed.

The code of practice will address standards for the keeping, treatment, handling and care of industry greyhounds. It will also set standards for the facilities, equipment and conditions at premises where greyhounds are kept, trained or raced.

The commission may make compliance with the code of practice a condition of registration for industry participants, and any contraventions may constitute grounds for disciplinary action such as deregistration. For balance and appropriate scrutiny, the code must be signed off by the Minister for Racing and the Minister for Primary Industries.

Breaches of the code will be dealt with through new penalties, including also the option of prosecution action, with a potential jail term of two years for some offences.

This bill also amends other legislation. For example:

- Schedule 6 of the bill inserts a new offence of serious animal cruelty into the Crimes Act with a maximum penalty of three years imprisonment.
- The offence for live baiting under the Prevention of Cruelty to Animals Act 1979 will be strengthened to prohibit the use of animal carcasses or products in training greyhounds.

These changes address the significant evidentiary issues that have been faced previously in prosecuting alleged live baiting offenders.

The problem of live baiting will also be addressed in other ways. Clause 40 of the bill puts in place a life ban where a person is found guilty of committing a live baiting offence under either the Crimes Act or the Prevention of Cruelty to Animals Act. This disqualification will provide a significant disincentive to doing the wrong thing.

Clause 41 of the bill prohibits keeping at the same time both greyhounds and animals that could be used as a lure. The offence carries a maximum penalty of \$110,000 for corporations and, for individuals, \$22,000 or imprisonment for two years, or both.

The commission is permitted to make an exemption order to these requirements in very limited circumstances. However, no exemptions will be allowed for the keeping of possums or rabbits.

In summary, greyhound welfare is the centrepiece of this bill and the Government's reforms. The combination of a new Integrity Commission, a Greyhound Industry Animal Welfare Committee, an enforceable code of practice and strengthened live baiting offences demonstrate the Government's commitment to implementing the highest possible animal welfare standards in the industry.

I now turn to part 5 of the bill, which sets out the control and regulation of the greyhound industry.

This bill introduces a new registration framework, which will improve transparency over the industry and enable the commission to implement whole-of-life-cycle tracking for every greyhound that enters and exits the industry.

This bill requires all greyhounds involved in the racing industry to be registered. It will be an offence to fail to register a greyhound, or not update the register as required. Registration will be crucial in addressing overbreeding and unnecessary euthanasia of greyhounds. The bill will allow for an upfront bond for each registered greyhound to be paid to the commission, coupled with an ongoing registration fee. The bond would be transferable with ownership and will be refundable in prescribed circumstances, for example, if the greyhound is successfully rehomed or dies of natural causes.

The bond will increase the financial value of greyhounds bred for the purposes of potential use in the greyhound racing industry. Importantly, it will also assist in reducing unnecessary euthanasia of greyhounds and ensuring that all greyhounds bred are adequately cared for. The bill requires all greyhound racing industry participants to be registered with the commission. This includes persons who own, keep or breed greyhounds that are, or are intended to be, used for the purposes of greyhound racing. It also includes greyhound trainers, greyhound handlers, greyhound racing bookmakers and bookmakers' clerks and persons who provide prescribed health services to registered greyhounds.

The commission will be able to impose conditions on any registration, including, for example, requiring industry participants to comply with the code of practice for the welfare of greyhounds and to participate in education programs. This will help to ensure all participants understand their obligations to animal welfare and can be held accountable.

Evidence provided to the commission of inquiry highlighted questionable practices of "muscle men", which are often used as a cheap alternative to veterinary care. The bill will tighten oversight around such practices and ensure persons acting as greyhound health assistants are registered with the commission and regulated as industry participants. This will assist with ensuring they are acting within their capabilities and not denying a greyhound the treatment it requires.

As I have already said, the Government is committed to stamping out the cruel practice of live baiting. The bill requires all greyhound trial tracks to be registered with the commission. The commission can also require the use of closed circuit television [CCTV] as a condition of registration. Knowing where these facilities are and understanding their usage will increase oversight over the industry's training practices.

The bill allows for the commission, in consultation with Greyhound Racing NSW, to make rules relating to:

- the conduct of greyhound race meetings;
- education and training requirements;
- the breeding of greyhounds; and
- the functions of stewards.

The commission may take disciplinary action for any contraventions of the greyhound racing rules, as outlined in part 6 of the bill.

Part 6 of the bill outlines a variety of disciplinary actions that can be taken by the Integrity Commission and by Greyhound Racing NSW. The Integrity Commission may take disciplinary action for any contraventions of relevant legislation, regulation, code or rule. Disciplinary action can also be taken if the commission is of the opinion that a person is no longer fit or proper to be registered.

The Integrity Commission can impose sanctions including suspending or cancelling registration. It may impose conditions on a registration, impose a fine of up to \$22,000, disqualify or warn off a person and prohibit persons or greyhounds from participating in greyhound racing.

The bill provides that Greyhound Racing NSW may take disciplinary action against racing clubs, such as for non-compliance with a direction issued or a minimum standard set by Greyhound Racing NSW.

Like the commission, Greyhound Racing NSW will be able to suspend, cancel or impose conditions on a club's registration. It may also issue fines of up to \$22,000 or disqualify or warn off any official of a club.

Division 3 of part 6 allows for complaints to the commission, including with respect to functions carried out by Greyhound Racing New South Wales officials. It allows for the commission to investigate and report to the Minister as appropriate.

I now turn to part 7 of the bill, which outlines the strengthened investigation and enforcement powers available to the Integrity Commission.

We know that both industry and the community want to remove the unsavoury elements of the sport. These powers help make that happen.

In the first instance, the Integrity Commission will be able to appoint inspectors. The bill also allows the commission to enter into arrangements with the police and animal welfare bodies to exercise inspector functions to better detect and respond to animal welfare offences. Strict eligibility requirements will be applied to inspectors to ensure independence and appropriate probity.

The bill contains a suite of new investigation powers. Inspectors will have powers to require information and records, enter and search premises at any reasonable time, inspect and seize objects and apply for search warrants. Appropriately, inspectors will not

be able to enter any part of premises used only for residential purposes without the consent of the occupier or the authority of a search warrant.

These new powers will also allow inspectors to take photographs, films, audio, video and other recordings. These powers will enable inspectors to effectively monitor and enforce compliance with the new regime and ensure those who are doing the wrong thing are held accountable for their actions. However, there will be limitations on these powers to safeguard rights and privileges.

To ensure these new powers can be executed and our inspectors can do their jobs, we are creating offences for:

- failing to comply, without reasonable excuse, with a requirement of an inspector;
- providing false or misleading information;
- intentionally delaying or obstructing inspectors;
- assaulting, threatening or abusing inspectors; and
- impersonating inspectors.

These new offences will attract maximum penalties of up to 100 penalty units—\$11,000—and for some offences imprisonment for six months. The offences in this part of the bill aim to promote cooperation with inspectors so that they are able to effectively discharge their functions under the new regime and create a framework of compliance.

Part 8 of the bill sets up a framework for inquiries that can be conducted by the Integrity Commission into any matter relating to the greyhound racing industry. Either the Minister for Racing or the Integrity Commission can determine that an inquiry can be conducted. Concurrence by the Minister for Primary Industries is required where an inquiry is to be related to animal welfare.

Importantly, the bill specifies that inquiries will be public and transparent.

Part 9 of the bill covers a range of miscellaneous but important matters. To ensure the new Integrity Commission, local councils, animal welfare bodies and the NSW Police Force can effectively work together, the bill allows for information sharing arrangements to be put in place.

This key new provision will allow for a range of information about greyhounds to be shared, for example whether a greyhound is registered under the Companion Animals Act, so appropriate action can be taken and agencies can work together cooperatively.

Appropriately, the bill ensures individuals who are aggrieved by a reviewable decision made by the commission or a steward can seek an internal review. This new internal review right is in addition to any right of appeal a person has under the Racing Appeals Tribunal Act 1983.

Another change will enable all management members of a syndicate to be held accountable for breaches of the Act, regulations, code of practice and rules of racing, including the potential for prosecution or disciplinary action.

Finally, this part of the Act contains a regulation-making power and a provision requiring a statutory review of the Act three years following assent. This is consistent with the recommendations of the reform panel and will assess the effectiveness of the reforms in improving animal welfare outcomes. The bill allows for the review to be comprehensive, and it will cover the appropriateness of a target for unnecessary euthanasia of greyhounds and a breeding cap using the comprehensive data collected by the commission through the new greyhound racing register.

This bill reflects the outcomes of exhaustive public inquiry and stakeholder engagement over the past several years. This includes a 2014 New South Wales parliamentary inquiry into the industry which saw extensive public and industry input through written submissions and committee appearances.

The Special Commission of Inquiry undertaken by Justice McHugh resulted in more than 800 submissions and over 150,000 pages of evidence.

Dr Keniry was asked to head a transition taskforce; he visited greyhound clubs across the State to hear first-hand the concerns of industry participants. He also engaged directly with businesses and community representatives to understand their concerns about a future without greyhound racing.

The Greyhound Reform Panel under the leadership of former Premier Morris Iemma had access to all this material and also undertook consultation of its own, including with regulators from other jurisdictions. Members representing the RSPCA and the Greyhound Alliance were each encouraged to talk to their stakeholders, and voice these issues during the panel's discussion.

Implementing the new governance, welfare and integrity arrangements outlined in this bill will present challenges. These will be in terms of both the logistics of moving to the new arrangements and the financial support that is required to enable the industry to adjust to the new governance, animal welfare and integrity requirements.

Separating the welfare and integrity and commercial functions of the two new bodies will take time. In the short term it will involve some sharing of functions as recruitment for the Integrity Commission is undertaken, information technology [IT] systems are established and registration of participants is completed.

As the new entities become operational, there will be a focus on developing the central pillars of the new arrangements, particularly the Rules of Racing, the Animal Welfare Code of Practice and track safety standards.

It is expected that all aspects of the new arrangements will be finalised before mid-2018, with a statutory review occurring by mid-2020.

When the greyhound industry asked Government to give it an opportunity to reform, it said it could implement the requisite animal welfare standards within the existing resources.

With the release of the panel report, some individuals raised concerns that the costs of the new arrangement would be too high and could impact on the industry's sustainability. It is important to remember that right now under current arrangements the industry is

responsible for funding GRNSW's integrity, welfare and commercial functions. The new arrangements are in effect a continuation of the status quo.

I have heard greatly exaggerated statements about what these new rules and governance arrangements will do to the industry. Those fears are overstated. The new arrangements will not be setting the industry up to fail. That is not and was never the intention. For emphasis, I again state this Government's acknowledgement of the important social and economic contribution the greyhound racing industry makes to New South Wales and, in particular, to regional New South Wales.

The panel report acknowledged the new arrangements would result in increased costs to industry and that a pathway to sustainability was necessary. Recognising these real concerns, funding will be provided to support the transition process. This will be directed at offsetting the start-up and operational costs of the new integrity body, as well as capital contributions to support the upgrade of infrastructure to meet new safety and animal welfare standards.

On the operational side, a public contribution of \$11 million will be provided towards the costs of regulation. Funding will commence in 2017-18 and will continue for four years.

This contribution is based on the bottom-up development of what the new welfare and Integrity Commission will need in its initial set-up phase, its staffing requirements—and associated staffing costs—and realistic assumptions of additional non-staff costs.

In terms of capital funding, \$30 million over five years has been proposed as appropriate to meet minimum requirements for capital upgrades.

This bill aims to fundamentally reform the regulation of greyhound racing in this State. As I have outlined, the provisions in the bill demonstrate the Government's commitment to upholding the highest possible standards of animal welfare, governance and integrity in the greyhound racing industry. I commend the bill to the House.

The Hon. PETER PRIMROSE (11:16): I lead for the Opposition in this second reading debate on the Greyhound Racing Bill 2017. One of the most pleasing things to experience in this place is when political opponents see the light and come around to one's way of thinking. Every member of the Liberals and The Nationals in this Chamber voted to destroy this industry, and it is great that the New South Wales Liberals and The Nationals are now admitting they got it wrong. One thing is still missing—an apology to the people whose lives they voted to destroy, and whose livelihoods they voted to take away. What is missing is an apology for the totally avoidable stress and pain that those members caused so unnecessarily.

The New South Wales Labor Opposition will not oppose this bill, because it is the right thing to do. But the New South Wales Liberals and The Nationals members also need to apologise to the people in the community whose lives they callously disregarded and sought to destroy. Anything less is, frankly, not good enough. I do not recall an industry in New South Wales ever being assailed in the way that the greyhound industry was by this Government in the past 10 months.

We were all amazed in July last year when the announcement was made on Facebook that an entire industry was going to be extinguished, with no justification whatsoever. It was bewildering that the Government decided to seize on the McHugh report and then selectively pick anecdotes from it—some of which were highly contentious—to justify a decision to ban an entire industry. At the time when we debated the first piece of legislation in this place, I pointed out—as did my colleagues in the other place—that nowhere in the McHugh report was there to be found a recommendation that, without further recourse to the people of New South Wales, to the industry or to Parliament sitting as a body, the greyhound industry in New South Wales be extinguished. Yet that is what former Premier Mike Baird and his right-hand person the member for Dubbo and the then Treasurer, now Premier Gladys Berejiklian, decided to do. As Michael Daley, the shadow Minister for Gaming and Racing has pointed out:

It was arrogance upon arrogance and folly upon folly that led this Government down a sorry path from that day until today. The Government refused to wait, even though the Greyhound Breeders Owners and Trainers Association [GBOTA] had an action in the Supreme Court to set aside the McHugh report, which would have led to an amazing position, had the legislation gone through and had the GBOTA been successful in the court, where this Parliament would have rushed to a decision to extinguish an industry on the basis of a report that was flawed. But the Liberal-Nationals Government pushed on. It refused to support the bill introduced by the Deputy Leader of the Opposition in the other place. Ironically in light of the bill we are now debating, that bill was titled the Greyhound Racing Amendment (Greyhound Racing Integrity Commission) Bill 2016. Labor's bill would have done, in effect, much of what is contemplated and contained in this legislation before us today. Belatedly, even though it announced late last year that it was changing its mind about the greyhound industry, the Government still arrogantly refused to support the Opposition's bill—the Greyhound Racing (Repeal of Ban) Bill 2016—which would have halted the ban and given people in the industry a much happier Christmas than the one they ended up having. In the debate last year I said the following in this place:

People in just about every town across the State generate some or all of their family income from an interest in greyhounds. As I said, they are not glamorous jobs; they provide an honest living. Rather than putting the sport on notice and implementing the road map of recommendations put forward by Justice McHugh, Mr Baird and Mr Grant have chosen to wipe out the industry. They want to crush the thousands of working people across the State who have invested their livelihoods in racing greyhounds. The greyhound industry should be given the chance to reform. It deserves a fair go instead of being destroyed in a political ambush by Mike Baird. Labor says we should give reform a try. If it fails then the industry should be shut down, but it has to be first given the chance that it has not been given by Premier Mike Baird or Deputy Premier Troy Grant.

In no other area of society or the economy do we engage in collective punishment. We do not punish all of the good people for the sins of the few. It is an overreach by this Government to outlaw an entire sport and industry that employs thousands of people

because of the sins of a few wrongdoers. Labor will continue to represent good people in this industry who support stronger animal welfare and a dramatic restructure to ensure only the highest standards.

This unprecedented action by the Liberal-Nationals Government was manifest arrogance at its worst. It showed a complete and utter lack of empathy and a lack of understanding—a lack of any willingness to be empathetic or to understand people in New South Wales. This Government was just marching over the top of the people in the greyhound industry, or so it thought. Much damage has been done to individuals, to families, to businesses and to reputations. People went broke, people lost money, people were stressed, people contemplated suicide, and marriages were put under stress. And for what? Nothing. It was simply because a government decided, again, that it was not going to listen to the people, it was not going to listen to communities and it would not hear the pleas of the good people in the industry. That is why I am calling for an apology. I also point out that not all of those in the Government believed that the ban was the most appropriate thing to do or that it was the most opportune time. I commend those in the Government who stood up to their political masters, including at least one member of this place.

The Labor Party is proud that, from the first minute of this deranged announcement, it stood with the people in the industry—working people and their families. These are the same people who founded the Labor Party and who give us our reason for existence as a political party. Within about an hour of the announcement being made, the Leader of the Opposition and the shadow Minister condemned it and said Labor would not support it. From that day onwards, they took up the fight on behalf of the Labor Opposition—in every community, at every greyhound track and at every club in every corner of the State—to join the people in this industry in fighting back and not giving up.

I congratulate all the industry groups, the Greyhound Breeders Owners and Trainers Association [GBOTA], and all the people whom we met around the racetracks of New South Wales and at field days. Some of those people are in the gallery today. They refused to give up. Their efforts were fundamental in bringing down a Premier and a Deputy Premier who deserved, on the basis of this legislation and of their treatment of ordinary people, to be brought down. Their efforts will stand as a lesson to all ordinary citizens who are assailed by an arrogant government that thinks it can ride roughshod over communities anywhere in this country. When the shadow Minister on behalf of the Labor Opposition addressed the Greyhound Racing Amendment (Greyhound Racing Integrity Commission) Bill in 2016, he said that communities had not been given an opportunity to defend themselves and they woke up to this brutal news. He said:

The simple fact is that in Australia in 2016 the right to be heard is a privilege. It is not a gift. It is a right. The right to defend oneself, to challenge decisions, to elicit facts and find fairness is inherent in so many aspects of modern life. Procedural fairness and natural justice have become bywords entrenched in the legal system that protects our society.

He went on to say:

They are entrenched in the field of employment. If a government worker bullies a fellow worker or steals a stapler from the stationery room he or she will be charged with misconduct, go before a panel and have the right to defend themselves, to be heard and appeal. If you are one of the thousands of good people, the overwhelming majority in the greyhound industry, those rights do not exist. They have yesterday and today been torn up and extinguished by this Government. Labor thinks those rights should continue to exist.

Those rights do exist and this Government, which was dragged kicking and screaming to introduce the bill we are debating today, deserves everything that it got because we should never have reached this stage in the first place. The now Premier was completely and utterly complicit in visiting this legislative atrocity on the people of the greyhound industry. She was in the Cabinet room, and she voted for it in the House. This same arrogance that manifested itself in respect of the greyhound industry is still manifesting itself in forced council amalgamations and the privatisations that are now lethally unpopular across the State—including of hospitals, the sizing up of RailCorp for privatisation, putting Land and Property Information [LPI] on the chopping block, and the unmitigated continuing sale of public real estate and public assets to overseas interests. Premier Berejiklian was up to her eyeballs in the sort of arrogance we saw manifest itself in the ban of the greyhound industry and she is now leading the charge with the continuation of these same sorts of arrogant behaviours right across New South Wales. Mr Barilaro, the now Deputy Premier, is on record as strongly supporting the greyhound ban. On 15 November 2016 he is reported as saying:

I supported the greyhound ban, I supported the decisions and the policies that some people are now saying in our communities that they have been affected by. This was after the Orange by-election and the drubbing of the NSW Nationals. The now Deputy Premier just did not get the fact of the damage and pain that the Liberal-Nationals greyhound ban was causing, especially in rural and regional communities. It simply illustrates just how out of touch he is. I thank former Premier the Hon. Morris Iemma, who chaired the Greyhound Industry Reform Panel, and its members: Simon Draper, Deputy Chair; Mr Brenton Scott; Mr Steve Coleman; and Dr Christine Middlemiss. They delivered a report that they would have delivered very much sooner if this Government had listened to Michael McHugh. The very first recommendation of the McHugh report states:

Given the findings of the Commission concerning the management and governance of the greyhound racing industry, the Parliament of New South Wales should consider whether the industry has lost its social licence and should no longer be permitted to operate in NSW.

The key word in that recommendation is "Parliament". Commissioner McHugh, one of Australia's most eminent jurists, meant what he said when he used the word "Parliament". He anticipated that his report would be considered by a parliamentary committee, or there would be some other way for members as a body to work out everything that was necessary in contemplating whether the social licence had or had not been lost. There should have been a parliamentary inquiry, or perhaps the Opposition could have sat down with the Government and said, "Why don't we form a greyhound industry reform panel with perhaps Morris Iemma, Simon Draper, Brenton Scott, Steve Coleman and Dr Christine Middlemiss?" They would have delivered a similar report. We could have sat down with the industry then and got to exactly where we are today without all the pain that was running through the industry. But that was not to be, thanks to the arrogance of the New South Wales Liberals and Nationals.

In Australia, when citizens join together and get support from others—and we should acknowledge some serious help that the industry received from various sections of the media that made a significant difference—we can achieve results. We can be thankful that today the things that the people working in the industry pleaded for are now a reality, because when we went around the State the sentiments were quite clear: No-one has any tolerance whatsoever for cruelty to animals in the greyhound industry. Everyone made it very clear, time and time again, that we all wanted the same thing—for the small number of perpetrators in the industry who were doing the wrong thing to be driven out. The people in the industry wanted to throw the book at them—prosecute them, ban them and get rid of them from the industry.

However, the industry said, "Give us a chance to reform ourselves. Give the good people in the industry a chance to run it. Don't destroy us." That is what they asked for, that is what Labor tried to give effect to in the Parliament, but was denied. Thankfully, today 101 of the 122 recommendations of the Greyhound Industry Reform Panel are embodied in this legislation, and the Opposition takes no exception to the fact that the administrative body will not be a state-owned corporation. That is not something we were particularly concerned about so we accept the legislation and the mechanisms that it puts forward to achieve what we have always been trying to achieve from day one.

The Greyhound Racing Bill 2017 has two key functions. The first is to repeal the Greyhound Racing Prohibition Act 2016, which would have come into effect on 1 July 2017, the Greyhound Racing Act 2009 and the Greyhound Racing NSW Rules. We wish that had been done through the bill introduced by the Leader of the Opposition last November, so that everyone could have had a much more settled Christmas and New Year than they did. The second is to establish new governance arrangements to allow the industry to continue, while improving animal welfare.

The bill separates the commercial and regulatory functions of the industry currently performed by Greyhound Racing NSW, but creates a new regulatory body for the industry, the Greyhound Welfare and Integrity Commission. It establishes a new industry animal welfare committee to inform the commission and a new code of conduct. It amends various offences relating to animal welfare. It requires the registration of greyhounds, including a bond and an annual registration fee. It gives the commission the power to impose penalties of up to \$110,000 on corporations or \$22,000 on individuals; to suspend, cancel or impose conditions on a registration; and to disqualify or, if required, to prohibit an industry participant from greyhound racing.

Greyhound Racing NSW may take disciplinary action against racing clubs. Finally, it gives the commission's inspectors the power to require information and search premises, and it creates a new offence of failing to comply. In his second reading speech the Minister went through the detail of the bill, and I do not propose to repeat that. I turn to the future funding of the industry. On 27 March 2017 the Opposition received a letter from the Chief Executive of NSW Greyhound Breeders, Owners and Trainers Association, and spokesperson for the NSW Greyhound Racing Industry Alliance, which said:

It is our understanding that the NSW Government is currently finalizing its response to the Reform Panel recommendations and is likely to announce its position very soon. We believe that the Government's response is likely to involve the flagging of a funding contribution to assist with the increased regulatory, governance and animal welfare costs.

We remain highly concerned, however, that the response will not address the critical need of recurrent funding. Both NSW GBOTA and the Alliance will strongly object to the Government's response if these concerns materialize.

The letter then spoke further about funding. The legislation before us today is silent with regard to funding. However, in his second reading speech the Minister stated:

On the operational side, a public contribution of \$11 million will be provided towards the costs of regulation. Funding will commence in 2017-18 and will continue for the next four years. This contribution is based on the bottom-up development of what the new welfare and integrity commission will need in its initial set-up phase, its staffing requirements and associated staffing costs, and realistic assumptions of additional non-staff costs.

That is all that is said about the \$11 million. I ask the Minister to guarantee that there will be a serious percentage of that money in this year's budget. Eleven million dollars over four years could mean \$1 million this year, \$1 million next year and the rest of it back-end loaded to make the budget position look better in the forward estimates until after the election. This Government has already performed that trick many times with regard to the healthcare regime. Cabinet would have scrutinised the submission that led to this bill, and Treasury will have set out the contemplated funding timetable. I understand that that material remains Cabinet in confidence, but the Minister must assure the industry that the money will be front-end loaded and not back-end loaded. The new administrative and integrity bodies need to hit the ground running. I will assume the lack of detail on how the \$11 million will be spent over the next four years is an oversight and not creative wording. In his second reading speech the Minister also stated:

In terms of capital funding, \$30 million over five years has been proposed as appropriate to meet minimum requirements for capital upgrades.

I respectfully also ask the Minister, in the same vein as my comments in relation to recurrent funding, to detail what the Government is contemplating and commit to that funding. I understand that some of the capital will be spent on safety upgrades for tracks. The letter from the Chief Executive of the NSW Greyhound Breeders Owners and Trainers Association also spoke of continued recurrent funding of the industry. Various solutions have been proposed, but they are not contemplated in this bill. This is a perfect opportunity to have a serious examination of the funding requirements of this industry into the future, to ensure its long-term viability.

We do not want a situation where as a result of the decisions of this Parliament, the organs that are set up in relation to this industry are underfunded, and the industry fails accordingly. That cannot be allowed to happen. That is why I have raised, in all seriousness, the need to ensure that the funding required to implement the decisions of this Parliament for the industry to meet its obligations is front loaded. That money must be allocated appropriately, and not simply in the never-never in four years. This industry has copped a lot and it cannot be set up to fail. NSW Labor wishes those involved in the greyhound industry peace and enjoyment working with their dogs. They have certainly earned this and they certainly deserve it. We do not oppose the bill.

[*Business interrupted.*]

Visitors

VISITORS

The PRESIDENT: I take this opportunity to welcome to the gallery the NSW Rural Fire Service and the NSW State Emergency Service Youth awardees for 2017 and their families. On behalf of all members, I congratulate them and thank them for their wonderful service to our State. I trust they will enjoy their day visiting Parliament House and their time in the Chamber.

Bills

GREYHOUND RACING BILL 2017

Second Reading

[*Business resumed.*]

The Hon. DUNCAN GAY (11:38): I will speak briefly on the Greyhound Racing Bill 2017. I am sure the irony of my speaking on and supporting this bill will not be lost on many people, as in a former capacity as Leader of the Government and Leader of Government Business I introduced into the House the legislation that will be replaced by this bill, the Greyhound Racing Prohibition Bill 2016, on behalf of the Government following what was, at the time, a unanimous decision of Cabinet. There will be many that have hedged that it was not quite that unanimous, but the fact was that it was unanimous.

It was put in place for the right reasons, but as we have seen it was the wrong bill. It has created problems for a lot of people, and it was not meant to do that. It has created hurt, hardship, angst and anger for many people across this State, and many of those people include me and the Government—we have felt that angst and that anger. I have been a member of Parliament for more than 29 years. In that time we have passed a lot of bills, we have initiated a lot of bills and we have always tried to do the right thing. Not very often have we, or I, got it wrong, but on this occasion, as I indicated earlier, for all the right reasons, we got it damn wrong. When people get it wrong, it takes people of integrity with guts and strength to admit that they got it wrong. That is why I am speaking on this bill today.

I could easily have sat on the backbench in silence and many would have said, "Well, so he should be silent." But that is not the way I move. It is not the way I act. I am here as part of the Government to support the changes, which are proper changes. I listened to the Hon. Peter Primrose, who led for the Opposition on this bill.

Frankly, it is a day to rejoice because we have finally got it right. His hubris really does not help. I sat on that side as shadow Minister for Energy and highlighted all of the problems with Doyles Creek mine, but Labor voted to destroy the red gum, so it has not got it all right. But its members have not had the guts to say, "We got it wrong; we thought we were doing the right thing, but we got it wrong. We need to replace it with a bill that removes that wrong." Never have those opposite done that. Before they go down this track of hubris, they should remember that. I support the bill.

Reverend the Hon. FRED NILE (11:42): I speak on behalf of the Christian Democratic Party in support of the Greyhound Racing Bill 2017. The bill repeals the Greyhound Racing Prohibition Act 2016, which, as the Hon. Duncan Gay said, was a bill the Government introduced in what I believe was a knee-jerk reaction to certain events. The Government now realises that it was not the right approach, and now supports the repeal of that Act. When the Government announced its intention to close down the greyhound industry, a number of people contacted me very quickly and I set up an appointment with the Premier to discuss what I believed was an alternative plan—that the industry be allowed to continue and that it be put under the authority of a parliamentary review committee. I moved a motion in the House to that effect and I volunteered that I was happy to chair that committee to ensure that the industry acted according to law, and that live baiting and other matters would be completely eliminated from the industry.

Unfortunately, the Premier was not convinced. I am not a psychologist, but I believe he had been emotionally affected by the ABC news program that concentrated on all the negative aspects of the greyhound industry and, as a result, he believed the only option was to close it down. Other options were available, but his frame of mind did not allow him, with his great level of intelligence, to consider other options. After presenting my plan, which would have saved the industry at that point, he said, "I cannot do that because the industry has this, this and this," and he went through all the problems in the industry, such as live baiting. I let him outline all those problems to justify his decision to close down the industry. Finally, I asked him a simple question, "You are the Government. What did you do about those illegal activities?" The Premier acknowledged that he was aware of them, the Government knew about them, but my understanding is that the Government had not undertaken any deliberate clean-up action to stop those activities from occurring.

I said to him, "What did you do about it, Premier?" The answer was that nothing had been done. His solution was to close down the whole industry. As members know, I have been active in the campaign to maintain the greyhound industry. Obviously, I am never interested in the gambling aspect of the industry, but I believe it provided jobs and recreational activity for many hundreds, if not thousands, of people in New South Wales who make up a solid core of good Australians who enjoy that activity. I was pleased to participate in protest meetings, including the large one in Hyde Park, just down the road from Parliament House. A huge number of people attended that protest meeting, as did the Labor Leader of the Opposition, who spoke at that protest meeting. The Government has gone back to the drawing board and produced this legislation, which we support.

It may need some amendments, but the bill does a number of very practical things, which I believe are very beneficial. It will separate the regulatory and commercial functions of the industry and establish an independent Greyhound Welfare and Integrity Commission. Questions have been raised, which may be the subject of amendments, as to how that commission will be funded. It has been suggested that it could cost \$150 million over five years; that is \$30 million a year. Obviously, commissions have staff, administration and office accommodation, so there would be costs in establishing that commission. We have to ensure that funds are available to enable the proposals in the legislation to be implemented effectively so that people will not be saying in six months' time, that the whole thing is a failure—it is not working—and return to the proposition of closing down the industry again. We do not want to set up the industry to fail. It must be given a fair chance.

The bill will also establish the Greyhound Industry Animal Welfare Committee to advise the commission on its animal welfare policy, which is a very important area that deals with taking care of the animals—the greyhound themselves. Following upon that, it will develop an enforceable greyhound animal welfare code of practice that will introduce benchmark practices in breeding and the treatment, handling and care of greyhounds. It will allow the commission to develop a new registration and licensing framework, which will implement the whole-of-life-cycle tracking for every greyhound that enters and exits the industry.

Every greyhound will have that protection from the time it is registered until the time it leaves the industry; it will be followed and protected by that whole-of-life tracking. The bill also introduces an annual bond that will discourage overbreeding and unnecessary euthanasia—although the meaning of "unnecessary" has been questioned. As happens in the horseracing industry, sometimes animals are badly injured during a race and must be put down. However, we must ensure that euthanasia is not used to reduce the number of greyhounds. They must have that protection.

The bill also introduces a register for all public and some private trial tracks to address live baiting and to improve the visibility of training practices used in the industry. Education requirements will also be attached

to certain registrations to improve accountability and to inform better breeding, rearing and training practices. That education is vital. I urge the Government to ensure that people who are not suitable persons to be involved in the industry are excluded from it. That must be strictly implemented. The bill will also improve the control of euthanasia and will introduce compulsory reporting to the commission where greyhounds are unnecessarily euthanased.

The bill has a number of other practical initiatives that the Christian Democratic Party supports, particularly the issuing of an operating licence to Greyhound Racing NSW to give it the authority to conduct greyhound races and to establish clear responsibilities for covering the cost of the commission. The commission will be expensive to administer, and the Government must ensure that it is funded appropriately. It must also ensure that rehoming programs and other activities, including track safety upgrades, are implemented. I believe this legislation will be effective if it is enforced, and if the rules of racing and the NSW Animal Welfare Code of Practice are adhered to. The Christian Democratic Party is pleased to support this bill.

The Hon. WALT SECORD (11:51): I speak on the Greyhound Racing Bill 2017 as Deputy Leader of the Opposition and as the shadow Minister for the North Coast. I endorse the comments of the Hon. Peter Primrose. I also agree with his statement that the greyhound racing industry and its supporters deserve a public and unreserved apology for the pain and injury that the Liberal-Nationals Coalition has inflicted on them. The Hon. Duncan Gay made an extraordinary statement when he revealed that the Cabinet decision to ban greyhound racing was unanimous. It is rare for a Minister to reflect on Cabinet deliberations, but in doing so the honourable member corrected the public record. Many members opposite said publicly that they were against the decision, but the honourable member confirmed that it was unanimous.

I will limit my remarks in this debate to the impact of the Government's decision to ban the greyhound racing industry on the North Coast, and particularly the Tweed. I will refer to one club to illustrate the impact of the ban. On 14 March, along with the Leader of the Opposition, Luke Foley, and the Federal member for Richmond, Justine Elliot, I had the honour of meeting members of the Tweed Heads Coursing Club, also known as the Tweed Heads Greyhound Club. We heard firsthand about the club members' concerns. Those blokes love their dogs. They see them as valuable assets, but they are also pets and almost members of their family. The club delegation included Mr Steve McGrath, the stipendiary steward; Rod Collins, the chairman; Brian Ahrens, a director; and Michael Kelly, the Treasurer. Unfortunately, the Government's decision to close the greyhound racing industry placed a question mark over the future of their club in New South Wales, and they had to make some tough decisions.

As a border club, it had the unusual situation of literally straddling the New South Wales-Queensland border. In fact, the club driveway was in Queensland but the track was in New South Wales. The uncertainty facing the industry placed a great deal of stress on the club and its members. Unfortunately, they reached the decision that they had to sell the track. On the positive side, they discovered that they had \$16 million. However, the Queensland Government also knows they have \$16 million, and it is actively pursuing the club and the associated jobs. Queensland Premier Annastacia Palaszczuk wants the Tweed Heads Coursing Club to move to her State. Queensland is using the uncertainty in New South Wales as a result of the actions of the Baird and Berejiklian governments as a bargaining chip. It is saying, "Come to us because in New South Wales you cannot be certain how you will be treated." I want the club to stay in New South Wales, but it is justifiably worried about the future of the greyhound racing industry in New South Wales under the Berejiklian-Barilaro Government.

During the meeting, Luke Foley, Justine Elliott and I urged the club members to keep the club in New South Wales. At one point Luke Foley said across the table, "What does the State Government have to do to keep you blokes, your dogs and the jobs associated with your club in New South Wales? How do we keep you guys here?" They said that the Queensland Government was actively pursuing them. The Leader of the Opposition was candid with them and said that he wanted them to stay in New South Wales. The members said that the club had generated 16 full-time and part-time direct and indirect jobs in a region with high youth unemployment. They had located several possible sites in New South Wales for a new track, but the Queenslanders were still pursuing them.

They feared that they would be let down by The Nationals, and they could not work with the uncertainty in New South Wales. They said that their local member, Geoff Provest, had been silent and that he refuses to engage with them because he was at the forefront of the greyhound racing ban. They criticised his lack of leadership and his decision to go into hiding. The Nationals on the North Coast have treated the club terribly. The club wants to keep jobs in New South Wales and it wants to establish a new track in this State. They want to run their dogs in New South Wales, and to create jobs and investment in this State. I want to keep them in New South Wales; I want to keep those jobs on the North Coast and in the Tweed, where every job is important. Every pay packet that goes into a home is important in my electorate. I support the bill, but I also want to see The Nationals

do everything in their power to keep the Tweed Heads Coursing Club in New South Wales, where it belongs. We love you and we want you to stay in the Tweed. We also want to keep those jobs in New South Wales.

Dr MEHREEN FARUQI (11:56): I speak on the Greyhound Racing Bill 2017 on behalf of The Greens. Just when we thought that what happens in this Parliament could not sink any lower, here we are. In less than 12 months we have gone from a special commission of inquiry highlighting the entrenched cruelty of greyhound racing to a Premier banning the industry, to him then backflipping on his conviction in spite of overwhelming evidence, to this sad and shameful day. The House is proposing not only to repeal the ban but also to provide \$41 million of taxpayers' money to prop up and to revive the industry, which will allow the cruelty to continue. We have a spineless Government and a shamelessly opportunistic Opposition, both rejoicing in the misery of animals.

Over the past 12 years, 97,783 greyhounds were bred and between 50 per cent and 70 per cent were deliberately killed simply because they never were or were no longer capable of being competitive. That is up to 68,448 dogs killed a year, or more than 15 every day. We saw the overwhelming evidence of drugging, of live baiting, of corrupt Greyhound Racing NSW [GRNSW] officials involved in crimes, and of a systemic culture of animal cruelty and cover-ups. Yet, today we are meant to accept the industry's promises that this time things will be different; that this time things will change.

The industry cannot and will not comply with the law. It is an industry based on lying, cover-ups and animal abuse. Now it cannot afford to meet even basic animal welfare provisions so the begging bowl is out and the taxpayers must step in. If the greyhound racing industry cannot afford to pay for basic animal welfare measures then it should not be operating. Using public money that should be going into schools and hospitals to prop up greyhound racing, all for the sake of a bet, is obscene. What an insult. What a slap in the face to those thousands of people who stood in solidarity with this Government when the ban was announced and to those who clean up the greyhound industry's mess that their taxes will now be fuelling the industry that inevitably continues to kill dogs.

There is not a single dollar for the greyhound rehoming groups in this package—those people who will continue to rescue animals, often at significant personal, emotional and financial cost. Today's package is a textbook example of the capitulation of this Government to vested interests and in particular of the shallowness of the Berejiklian Government, which has exceeded everyone's expectations by taking former Premier Baird's backflip even further to pour in taxpayer dollars to satisfy their factional backers and the National Party. This Government is beginning to look more and more like that of the latter days of Labor's New South Wales reign when Labor stood for nothing but self-preservation—and we all know how that ended, don't we? Not very well, to say the least.

Today one can almost smell the shame in this Chamber. There are members of Parliament from the Labor Party, the Liberal Party and The Nationals who supported the ban, but I suppose thousands of dogs will have to be sacrificed on the altar of political expediency. Labor's hypocrisy on animal welfare has been well canvassed in this place. I guess the Hon. Luke Foley can add a notch to his belt that he managed to overturn what would have been the most significant animal welfare reform in New South Wales—one that could have reverberated across the nation. Labor is not about stopping coal seam gas mining, phasing out coal or transitioning from coal to 100 per cent renewable energy, but Labor will go in to bat for gambling and racing interests with gusto. That was what woke up the sleeping Labor leader.

The Christian Democratic Party also has made it clear whose side they are on. They pretend to be anti-gambling but are quite happy not only to see this being resurrected but also to pour in public money to prop it up even further. I guess I should give a shout-out to the Shooters, Fishers and Farmers Party who have held a position that is consistently indifferent to the suffering of animals for some time now. And what about the Liberals and Nationals? I do not need to make an argument for why the ban on greyhound racing needs to stay. It was all done for me 10 months ago by Government Ministers. It is all in *Hansard* for everyone to read. The Hon. Duncan Gay stated:

We have also seen clear evidence of an industry where the problems run so deep, where there is an endemic culture of animal cruelty and deception at all levels.

He went on to say:

Fundamentally all of the incentives and motivators in greyhound racing will always lead to unacceptable animal welfare outcomes.

He also said:

From either an economic or welfare perspective, it just does not add up.

Or how about the Hon. Niall Blair? He stated:

... the New South Wales greyhound racing industry has been exposed for widespread illegal and unconscionable activity including: systemic mistreatment of animals; unnecessary slaughtering; deliberate misreporting; and a culture that has lost the trust of the community.

Neither the Leader of the Government in this Chamber nor the Deputy Leader of the Government, the Hon. Niall Blair, is even here this morning. Those on the opposite side know that what they are doing today is wrong. When former Premier Baird announced his gutless backflip I accepted that it was done begrudgingly and following white-anting in his own party, but even I did not think that the Government would reward the greyhound industry and make it stronger than ever with pocketfuls of public money.

I cannot remain silent about the RSPCA's role in this. RSPCA New South Wales should be ashamed of the role it has played in giving greyhound racing in New South Wales the big tick of RSPCA approval. I for one believe RSPCA New South Wales is far too close to the New South Wales Government to maintain independence. When the ban is government policy, the RSPCA policy is a ban. When the Government said greyhound racing can continue under this system, the RSPCA New South Wales chief executive officer, Steve Coleman, said he "was pleased with the Government's announcement today". This pattern of behaviour has not gone unnoticed.

Let us now turn to the bill itself. It repeals the ban, re-establishes Greyhound Racing NSW and creates a new Greyhound Welfare and Integrity Commission—and that is where the good news ends. We were told these reforms would be based on the recommendations of the Greyhound Industry Reform Panel, which included animal welfare measures such as controls on euthanasia, litter limits for breeding females, bonds for dogs and lifetime tracking. But where are these measures in this bill? All the things we were promised are nowhere to be found. Presumably they will be included in a code of practice to be developed by the Greyhound Welfare and Integrity Commission but there is no legislative commitment to do any of this. Even if they do make it into the code of practice, the Minister for Racing may amend it at any time, solely at the Minister's discretion. The Minister can remove or weaken any animal welfare codes—codes, by the way, which we are yet to see.

Here is a system that can be circumvented by the Minister at any time. When the spotlight on greyhound racing eventually fades, we will see a gradual weakening of any standards that may be put up. This package is a marginal improvement on the current mess of greyhound cruelty but it will not stop the deaths. If there is one thing the greyhound racing industry has proven it is that it knows how to evade the law and how to pressure weak governments and opposition parties to not hold it accountable. Let us suspend reality for a moment and pretend that pigs are flying through the air and that all the commitments made by the Government are enacted. That is enough, right? That is completely wrong. The reality is this: The lack of a breeding cap means dogs will continue to be bred unsustainably because that is what the industry relies on. Financially it relies on the disposal of dogs that are not economically profitable from racing and it relies on dispatching—also known as killing—dogs that become financial burdens. Oscar's Law, one of the largest movements against puppy farms, stated:

... greyhound racing is the largest puppy factory of all. An industry which churns out thousands upon thousands of dogs each and every year. An industry that tortures, maims and kills small, defenceless animals in live baiting. An industry that breeds so many puppies deemed not suitable for racing—and simply killed often by cheap and painful practices as the special commission found and confirmed.

The decision of the Greyhound Industry Reform Panel—not to recommend a breeding cap, even though this formed part of its terms of reference as "a controlled breeding program, including the immediate restriction of 2,000 greyhounds annually for New South Wales racing purposes" and was explicitly mentioned in the guarantees given by the industry to the Government in a letter on 9 August 2016—is deeply disappointing. With unrestricted breeding, the question about what will happen to dogs who are not suitable for racing or who have become uncompetitive, especially in the context of the endemic culture of euthanasia, remains unanswered.

The special commission of inquiry heard evidence that just 30 per cent of dogs racing today have a chance of being retained as a pet by the owner or being rehomed by the industry or not-for-profit groups. The rest form part of the up to 68,448 dogs that were killed because they were considered either too slow to pay their way or unsuitable for racing. With continued breeding and low rehoming rates, it is inevitable that these dogs will continue to be disposed of in one way or another. Where does the Premier think these dogs will go? If the reforms for lifetime tracking are enacted, and I remind members that there is nothing in this legislation to suggest that they will be, the only legitimate pathway for a greyhound owner to discharge their obligations without that impacting their licence is to retain the dog as a pet or have the dog rehomed—both of which take place at a very low rate—or the dog will put down either by the owner in an emergency situation or by a veterinarian.

The secret papers released as a result of my call for papers in the upper House, and then my successful challenge to the privilege claimed on these, showed thousands of reports, including of animal neglect and cruelty, dog drugging, dodgy GRNSW officials, the involvement of organised crime and outlaw motorcycle gangs, and live baiting investigations. "The Return to Order—Greyhound Welfare—Further Order" documents tabled by the Clerk on Wednesday 12 October 2016 showed significant evidence of dogs being euthanised simply for being

unsuitable for racing, in suspicious circumstances, or dogs being reported as dying of natural causes in similarly suspicious circumstances. I cannot see any reason this will change. I will go into these disturbing cases further in a proposed amendment to try to deal with this.

There currently is no plan to track greyhounds once they have been adopted. It is conceivable that a trainer could adopt out an animal to a relative or associate, who would then be free to dispose of the animal to the local pound or have the animal euthanised, with the trainer having discharged their responsibilities. This is an ongoing concern which has been a risk for some time and which has not been addressed. Page nine of the "Chief Executive Brief PN25/106—Greyhound Euthanasia Considerations and Emergency Euthanasia Provisions" of Greyhound Racing NSW states, "There remains a risk that a greyhound owner may submit to GRNSW a Notification of Retirement form advising their greyhound has been retired as a pet to friend or family member. As the greyhound is no longer registered with GRNSW, this friend or family member could immediately take the greyhound to the local council with the intention that the greyhound be euthanized."

I think we can see the future by looking into the past. Even with the threat of closure dangling over the heads of industry participants, the deaths have continued, the drugging has continued and the cheating has continued. This is an industry that has continued to stand by while dozens of dogs are being killed on tracks or are being so seriously injured that they have to be euthanised immediately. On April Fools' Day—just one day—on just three tracks, Wentworth Park, Bulli and the Gardens, we saw two dogs killed and seven injuries. This carnage continues. From 1 January 2016 to September 2016, one greyhound was killed every three days and there was a major injury every single day. Those are just the dogs that we know about. Who knows how many have been put down and have been refused medical treatment.

There has been continued doping of dogs with things like amphetamines, ketamine, pesticides and human growth hormone. Dead dogs on tracks, unnecessary euthanasia and drugging continued unabated even when the industry was under intense public scrutiny. This is an industry that knows it will get away with anything it wants because no Government will have the backbone to ever hold the industry participants to account. When the next exposé of live baiting, mass graves or drugging occurs, we can lay the blame squarely on Labor Party members for their craven political opportunism and on members representing the Liberal and The Nationals parties for their cowardice. I am deeply disappointed, frustrated and incensed that this bill will be passed today. I know that the industry will not be able to meet even the modest animal welfare standards being enacted today. They will slip and they will collapse. The \$41 million taxpayer lifeline has to come to an end sometime. We cannot prop up this failing so-called sport for long.

The special commission of inquiry report pointed out that the industry was planning to downsize. It is facing huge financial issues and was planning to reduce the number of tracks by up to 24—a massive 70 per cent reduction in tracks. That would put hundreds of people out of work, mostly those in rural and regional New South Wales. The majority of those tracks are in places like Armidale, Broken Hill, Moree, Tamworth and Young. So instead of talking about a \$41 million transition package for workers after we have banned greyhound racing and ended dog deaths and cruelty, we are talking today about a \$41 million package to continue the suffering of animals. This is nothing but blood money from a gutless Government.

This bill is a step forward on the almost non-existent animal welfare standards in greyhound racing, which is inherently lethal and dangerous for animals. It is an inevitable reality that allowing greyhound racing to continue will result in the continued deaths and cruelty for potentially thousands of dogs. The simple reality is that as long as greyhound racing is around dogs will continue to die for no reason other than a bet. It is The Greens' strong position that the ban not be reversed and the industry be closed down as per the Greyhound Racing Prohibition Act 2016. The Greens oppose this bill.

[Business interrupted.]

Visitors

VISITORS

The PRESIDENT: I take the opportunity to welcome into the public gallery student leaders from high schools in New South Wales who are attending the Secondary Schools Leadership Program conducted by the parliamentary education unit. On behalf of all members I welcome you to the New South Wales Parliament and the Legislative Council and trust that you will enjoy your time here.

*Bills***GREYHOUND RACING BILL 2017****Second Reading**

[*Business resumed.*]

The Hon. SHAOQUETT MOSELMANE (12:14): I begin by congratulating the Government on proposing a scheme that the Opposition has been asking for since Premier Baird's ill-advised Greyhound Racing Prohibition Bill 2016. It took a former Labor Premier to tell the Liberal Government what is right and what is wrong. I thank former Premier Morris Iemma for his contribution in this debate.

As I stated during the debate on that legislation last year, we all agree that cruelty towards greyhounds and animals used as live bait is unacceptable whether in New South Wales or in any other jurisdiction in Australia. There was never any debate by members on this side of the House, the crossbench or the Government benches that much of the activities were heartless and barbaric. In fact, that kind of activity is so unacceptable that it is worth once again repeating that we condemn such behaviour in the harshest terms, and Labor will always support action to punish those engaging in those kinds of illegal practices.

The central issue for us was always the thousands of people who rely on the greyhound industry for their livelihood. And it was not, as the previous Premier the member for Manly suggested, for reasons of "politics over principle". Labor has been consistently and repeatedly calling upon the Government to better regulate the industry rather than criminalise it. This makes the proposed changes a confirmation of our position. They seem to go a long way towards a more humane, better supervised and generally well administered industry. We should all be glad about this outcome. At the same time, I am glad that the livelihoods of those honest and law-abiding people, who otherwise would have been affected by the Government's ban, have been secured instead. When the original legislation criminalising greyhound racing first came through, it was clear that the then Premier had no interest in consulting the community on the changes. He received a report with one recommendation that confirmed his existing opinion so he ploughed onwards without consulting either the junior Coalition partner or acknowledging the concerns of the electorate.

When I look through the correspondence, which those of us on this side of the House received in the aftermath, the kinds of words I see used by industry groups and constituents perfectly summarise what was wrong with this way of doing things. The words put to us by many of those affected by the decision of the former Premier included "draconian", "contemptuous", "deceit, misinformation and arrogance", and "ignoring due process". When that is the mood, is it any surprise that the Premier faced a backlash? In both his party room and in the constituencies the Coalition parties were meant to represent, there was an anger that took down one Deputy Premier and another safe seat.

When the dust settled, it was obvious to everyone that this Government had overreached, and a humiliating backflip was the only way to show that it was finally listening. If we were to accuse anyone of following politics over principle, we would only have to look towards those opposite. They are the ones who have done a backflip on their so-called deeply held convictions; they are the representatives who have forgotten to represent. Perhaps the best way to look at this is with numbers because they speak for themselves. Last year, the previous Premier actively ignored all but one of the 80 recommendations from the previous McHugh special commission of inquiry.

Seventy-nine carefully considered and comprehensive ideas were thrown out the window because the then Premier did not want to do the hard work of shaping better regulations. Once the by-election for the electorate of Orange was over, that Premier changed his mind. He asked the Iemma industry reform panel to come up with more recommendations. After it handed down 122 recommendations, the new Premier, conscious of the political damage this issue has done to her Government, immediately took up all but one of them. There were 121 suddenly good ideas to take on board! It is a remarkable turnaround. I hope this Government has learnt its lesson well and that at the 2019 State election it gets another demonstration of the response to high-handed policy from New South Wales residents.

Finally, I hope the Government is dedicated to the changes it is now pushing for—especially when it comes to the cost of the reforms beyond initial implementation. I commend the commitment of \$41 million for the first five years of this new system, including \$11 million towards the proposed Greyhound Welfare and Integrity Commission. In my own consultations with the community, I was lucky enough—along with the Deputy Leader of the Opposition in the other place, the Hon. Michael Daley—to speak with the Wagga and District Greyhound Racing Club, based in my former duty electorate of Wagga Wagga. I draw the attention of the House to the comments of the club's racing manager, Mr John Patton. In a recent *WIN News* report, he said that the sustainability of the new regulatory regime requires Government support and funding over regular periods.

Without the watchful eye of a well-maintained regulator, the same cruel excesses that first led to questions about the greyhound industry will start popping up.

I urge the newly formed commission, its supervising Minister and all interested parties to continue their communication with the community and to remain vigilant for possible breaches by rogue elements in the industry. As always, I also condemn any greyhound trainers who engage in cruel practices that hurt animals, and I encourage the full force of the law to be applied against those who might breach the offences created by this bill. The New South Wales Opposition is proud to support these changes.

The Hon. MARK PEARSON (12:22): The Animal Justice Party absolutely opposes the Greyhound Racing Bill 2017. It is nothing short of tragic that we are debating this bill in this House after multiple government inquiries and media exposés which provided detailed, thorough and incontrovertible evidence of rampant and systemic aggravated and egregious animal cruelty, illegal drug use, and criminal race fixing in the greyhound racing industry. The greyhound racing industry should be in the final stages of winding up to meet the July deadline imposed by the Greyhound Racing Industry Prohibition Bill 2016, not rising like a zombie from the grave. I do not think the New South Wales State motto "Orta recens quam pura nites" applies in this case.

If the prolonged suffering of small animals used as live bait, the bludgeoning to death of failed racers, the blatant use of steroids, cocaine and amphetamines and numerous other harmful substances given to greyhounds, or the abject failure of officials to deal with the crooks and the sadists does not trigger the permanent shutdown of this foul business, then what will it take? Every member of the Liberals, The Nationals, Labor and Shooters, Fishers and Farmers parties should hang their heads in absolute shame.

That the Labor Party conjured up an insulting class warfare argument to defend an industry based on greed, criminality and cruelty is an insult to the hardworking animal carers who save the lives of individual dogs. These are the real battlers, who consider the industry "wastage" to be an utter disgrace—a disgrace that will now continue, which is something I know many grassroots Labor members are extremely unhappy about. That the Christian Democratic Party supports a bill that entrenches gambling and animal cruelty beggars belief. How can its members look their supporters in the eye and claim to represent moral leadership? What would Jesus Christ, the good shepherd, say to the Christian Democrats?

I despair at the Government's failure to follow through with its original principled stand to ban greyhound racing. History will condemn those in this Chamber who have chosen to court the spivs and shonks that infest this industry. I include in my condemnation shock jocks Ray Hadley and Alan Jones as well as the *Daily Telegraph* for their unrelenting negative campaigning against the original prohibition legislation, despite their knowledge of the cruelty and criminality that are the foundation of this so-called sport. Democracy is not served when the media uses the bully pulpit to wantonly undermine necessary reforms, particularly where the protection of vulnerable animals is the subject matter.

The sustained attack on the findings of the Special Commission of Inquiry into the Greyhound Racing Industry in New South Wales was an appalling example of the abuse of media power. Those findings were the result of a lengthy and careful examination of evidence taken directly from industry participants. As stated in the executive summary, the commission received and reviewed over 151,000 pages of documentary material and over 115 hours of videos and other recordings from widespread sources including greyhound racing industry participants and representative organisations, welfare organisations and members of the general public. The commission examined 43 witnesses in 11 days of private hearings and 26 witnesses in 10 days of public hearings. The commission also considered the 1,143 submissions that were made to the 2013 Legislative Council Select Committee on Greyhound Racing in New South Wales and had the benefit of reading the two reports issued by the select committee in 2014.

The overwhelming conclusion was that it would take an enormous resources and regulatory oversight for there to be any hope of reform. Ultimately, however, Commissioner McHugh found that the industry's illicit culture and practices were so entrenched that it was "not deserving of a social licence". The public was rightly disturbed by the *Four Corners* program "Making a Killing" and by the sickening revelations exposed in the McHugh inquiry. A social licence must be earned; it cannot be legislated or bought. A business operation must show that it is entitled to the public's trust by showing goodwill, engaging in transparent activities and practising due diligence.

Legitimacy comes from establishing systems that work to prevent harm or mitigate the risk of harm to either the consumers, the environment or, in the case of the greyhound racing industry, the animals in their care. The greyhound racing industry manifestly has failed to earn a social licence. Internal documents revealed that senior greyhound racing administrators were actively strategising to downplay live baiting in the industry in the days before the *Four Corners* program exposing the scandal was set to air. Live baiting was at first denied and

then, when it was exposed, characterised as "isolated" or "one off" incidents. When multiple trainers and owners were found to have engaged in animal cruelty or illegal drug use, they were written off as a "few bad apples".

The industry remained completely indifferent to the carnage on the poorly designed tracks that were notorious for causing catastrophic injuries and deaths. Mass graves of unwanted dogs were common knowledge; yet the industry continues to fight against breeding caps. When internal disciplinary proceedings for alleged race-fixing activities, animal cruelty and drug use were conducted, every effort was made to delay and obfuscate so that time limits ran out for police or RSPCA investigations, or even more shockingly, in major instances, no reports to police or the RSPCA were ever made. The industry has been exposed as sociopathic in its lack of compassion or empathy for animals, with a wilful disregard of the public's absolute revulsion for live baiting, drugging, deaths and injuries and the unacceptably high rates of "wastage" of dogs that do not even make it to their first race.

Whilst the bill claims to address welfare and integrity issues, at heart this industry is corrupt and has long since lost its social licence to operate. Nothing can save this industry from itself. All the fine words in the bill are an attempt to dupe the public into believing that the industry can be reformed, but there is one glaring oversight—the setting of breeding caps. Commissioner McHugh estimated that over the past 12 years 97,783 dogs were whelped in New South Wales. In 2015 approximately 6,809 greyhounds were registered. The average life expectancy of a greyhound indicates that another 90,974 greyhounds should still be alive, minus a few thousand for premature deaths by illness and injury. Where are those 80,000 greyhounds? Where are the ghost animals? The evidence before the Commission indicated that at least 50 per cent of those whelped—and perhaps up to 70 per cent or even more of them—were deliberately killed simply because they never were, or no longer were, capable of being competitive racing greyhounds. In fact, some pups were used as live bait, another measure of the chilling savagery of this industry. As stated by McHugh:

This mass slaughter of young and older greyhounds bred for the purpose of greyhound racing, and which are subsequently destroyed either prior to being named or raced, or upon retirement from racing, is euphemistically called "wastage" or euthanasia.

Based on figures from Greyhound Racing NSW, on average, a racing greyhound has 24 starts during a career which, on average, lasts for only 363 days. Given that greyhounds generally start racing when they are 18 months of age, retire before they are 4½ years of age and have a life expectancy of some 12 years, an enormous number of healthy dogs need to be rehomed. We know that the rehoming programs cannot meet demand, and there is no credible explanation about where the remaining dogs go when they are no longer profitable for their owners.

Without a legislated breeding cap, breeders will continue to produce excess litters in the hope of breeding a champion. Tens of thousands of healthy young dogs will continue to be killed each year because they show no aptitude for racing. This is despite the fact that it is an offence under the Prevention of Cruelty to Animals Act to kill an animal unnecessarily, unjustifiably or unreasonably. Mass graves of shot or bludgeoned dogs will remain the norm. Other perfectly healthy animals will be sent to a gruesome end. They will be used for medical research or drained of blood, which will be used elsewhere. There is nothing in the bill that will prevent this from happening.

After the Baird Government first announced the industry ban, the industry panicked and bargained for time, offering a breeding cap of 2,000. If it was possible to restrict breeding then, why not now? The reality is that the industry restrictions in the bill cannot possibly be policed because so much of the activity is, was and always will be under the radar of the authorities. Breeding, educating and training often occur in remote rural areas where oversight is zero. The 70-year-old business model is based on criminal activity and animal cruelty, which has never been, or can be, policed or controlled. Rather than wasting \$41million on restructuring and propping up the greyhound industry, I suspect that the average New South Wales citizen would much prefer the New South Wales Government to spend that money on more deserving causes.

I posed that question on my Facebook page and the items on which people would rather the Government spend their hard-earned \$41 million were: \$1 million towards helping those with a serious gambling addiction at the Gambling Treatment Clinic, University of Sydney; \$3 million to purchase Byles Creek Valley in Beecroft and saving Mikey, the powerful owl's habitat from development adjacent to the Lane Cove National Park; \$5 million to open more domestic violence refuges; \$3 million to reverse funding cuts to community legal centres; \$2 million to build an underpass at the Frenchs Forest hospital entrance to restore wildlife corridors between the Manly Dam Reserve and the Garigal National Park; establishing an affordable housing fund with a \$5 million deposit; \$4 million towards reinstatement of TAFE teachings courses; an extra \$4 million for mental health early intervention programs; \$2 million for a homeless shelter; \$4 million for animal rescue services; \$1 million for Men's Sheds; \$2 million towards drug and alcohol rehabilitation centres; \$2 million towards a youth suicide prevention program; \$1 million educational program for children on how to deal with online bullying; \$1 million to help Meals on Wheels; \$1 million to the Starlight Foundation; and \$1 million to upgrade the facilities at the SoCares non-kill animal facility at Charmhaven.

Even if the bill passes, Parliament is not done with this industry. There will be more scandals and more race fixing and the ongoing suffering of bait animals and greyhounds is a certainty. The restructuring may give the industry another five years, but at some point in the near future it will finally be shut down and the egregious suffering and needless deaths of tens of thousands of innocent animals will be on the collective conscience of this House. The Animal Justice Party opposes the bill as it stands, but in acknowledging the likelihood of the bill passing, I have drafted reasonable amendments that I sincerely hope all members of this House will support.

Mr JUSTIN FIELD (12:38): I speak in opposition to the Greyhound Racing Bill 2017. This truly has been a sorry saga and one of the worst examples of how politics can trump good policy. The breeding and racing of greyhounds for our entertainment and for the profit of gambling businesses is no longer socially acceptable. The ban should remain in place and the industry should be closed. I acknowledge the work of my colleague Dr Mehreen Faruqi. She has been a constant voice recognising the immense suffering caused by this industry to the animals it relies on. I also recognise the tireless efforts over many years of the late Dr John Kaye in this area. When members of the community hear and understand the true impact this industry has on the animals, they quickly agree with the view that The Greens have formed of this industry.

I recognise that others have a different view. I recognise the economic contribution and social aspects of going to the track, particularly in regional communities—I come from a community that has a track—but those are not grounds to continue an industry that has been shown to be not trustworthy and, in fact, to be cruel in the extreme. I am not saying there are not many people who deeply love and care for their animals, or that anyone who goes to the track or places a bet has the intention to promote cruelty. The opinion of The Greens is that the nature of the greyhound racing industry, the pressures of the industry and the financial motivations set it up for failure, and those issues are structural.

Recently someone said to me, "The Stone Age didn't end because we ran out of stones". We make decisions as a society to change our behaviours not only because our values change but also because our understanding and knowledge change. Industries that were once the economic drivers of this country have been replaced by others. What is considered to be entertainment and cruel has changed over time as well. Few circuses have animals these days. We have ended whaling. We do not allow cockfighting in Australia. We have animal cruelty laws. We draw lines and change our behaviour accordingly. As a society we should be changing our view of greyhound racing.

I reiterate a number of points made by Dr Mehreen Faruqi. First, while The Greens recognise the proposed Greyhound Welfare and Integrity Commission and code of practice will mean there is potential for better animal welfare standards than before the ban was introduced, the core problem and risk is the willingness of the Government and industry to monitor and enforce those standards. The fact that elements of animal welfare are not included specifically in the bill raises questions about the strength of a future code of the re-established industry and the commitment by the Government and industry to enforce better standards. The bill states that the Minister may apply the code and that he or she has independent powers to amend or repeal it. Given that we know the past practices and governance of this industry, that provision gives us little comfort.

Reverend the Hon. Fred Nile commented on euthanasia in his second reading speech. The bill will not ensure euthanasia is a last resort or that it will be used only when animals have suffered injuries. As Reverend the Hon. Fred Nile noted, unnecessary euthanasia is part of this regime. It is required to be reported. Let us be clear what unnecessary euthanasia means in practice. If an animal is not performing, it seems that someone in the industry can euthanase an animal. They can simply kill the animal because it was not up to it or it was not good enough. Unnecessary euthanasia is still allowed under the bill. It is one of the reasons this industry came into disrepute in the first instance. Yet under this regime euthanasing animals still will be allowed; owners simply need to report it. Then what happens? What intention does the industry have to minimise unnecessary euthanasia and to eliminate it in the industry to ensure the dogs will be rehomed? The industry has failed on those issues in the past and the bill sets it up for failure again.

I think the community would be utterly disgusted to find out that this policy reversal will cost New South Wales taxpayers \$41 million. It is subsidising an industry that has a marginal social licence at best, and it is backed by the hugely profitable gambling businesses. The costs of operating within the law and within acceptable social standards should fall to the industry, not the taxpayer. I commend the original decision by the Government to ban this industry. It went through a deliberate and considered process and made a decision that the greyhound racing industry could not be reformed and needed to be shut down. It was a courageous step by Premier Baird and the then Leader of The Nationals, who was Racing Minister at the time. Obviously the political consequences have been significant for the Government and those individual members, but that does not mean for a moment that they did not make the right call. I acknowledge the contribution of the Hon. Duncan Gay. He put on record that it was a unanimous decision of Cabinet and that it was made for the right reasons. I say to him that the Government did not get it wrong; it made the right decision. For political purposes others have put pressure on the Government.

They have intentionally ignored and undermined the process that was gone through and the evidence that was gathered.

As the Racing spokesperson for The Greens in New South Wales, I see that major party politics is entwined with the gambling industry in New South Wales. Former Labor Premier Morris lemma was brought in to navigate the return of this industry. When it comes to having poker machines in our clubs and pubs, and gambling in the racing industries in this State, the revolving door between politics and racing and gaming spins very quickly indeed. To understand just how entwined major party politics is with gaming and racing we need look no further than the memorandum of understanding that this Government and clubs have signed. A disproportionate influence is exerted by gambling industries over the old political parties in this State. It is done at the expense of this Government focusing on the expenditure of public monies and delivery of services that people want and need to make our lives better. Instead, the focus turns to bread and circus issues.

The Government did not get it wrong. The Labor Party decided it had a political advantage. The media wound up the issue and big gambling industries took advantage of it. Shame on the Labor Party for its approach and for its hubris on the matter. I agree with the Hon. Duncan Gay. I said at the start that this issue is one of the worst examples of how politics can trump good policy. Over the next decade we will be facing some major decisions as a community and as a society. We are confronted with problems, which any objective assessment shows, requires an upending of the status quo. We need to rethink how we live together in this country and on this planet.

Big political changes are needed. Leadership and a willingness to find a political consensus to build trust in the community to deliver change are required, whether it is transitioning our energy systems away from coal to renewables or reforming our housing market from being something speculative to a social good, marriage equality, or genuine action on climate change. What hope do we have to work together to deliver on the big changes that society needs if we in politics cannot navigate our way through the transition of the greyhound racing industry, which is fundamentally flawed in its activities and behaviour and is fundamentally unnecessary? What hope do we have if we cannot work together on this issue when all the objective assessments indicate that the greyhound racing industry must go and our society supports that? If politics continues to trump policy, the consequences become more significant and the credibility of political institutions being able to meet the needs of the people simply falls further away. I oppose the bill.

The Hon. DANIEL MOOKHEY (12:47): In February this year I had the honour of visiting the town of Coonamble in the State's Central West. I saw firsthand the centrality of the greyhound industry to that community. Adjacent to the town square and commercial sector is the greyhound racing track. Every Friday night practically everybody from Coonamble will be there as well as many people from the surrounding regions such as Gulargambone, and people come down from Coonabarabran as well. The greyhound racing track has seen Coonamble through eons of its history. It has seen the town through thriving times and times of economic and social depression. It has been at the heart of that community for a very long time, so we can understand the devastation the community felt when last year this Parliament declared that the greyhound racing and its associated activities were illegal. We can understand all the attendant impacts that were expected to afflict that town, which is not particularly big. I was told in February that once the decision was made, rents in the commercial area of town nosedived. I was told by people who were involved in the economic planning of that town that they were planning for a population spiral.

The ASSISTANT PRESIDENT (Reverend the Hon. Fred Nile): I ask the Hon. Daniel Mookhey to speak into the microphone.

The Hon. DANIEL MOOKHEY: Sorry, my voice is weak right now. Some members might benefit from not being able to hear my wisdom at full volume. I was told that those involved in planning the future for the Coonamble economy were working on the assumption that the population would continue its downward spiral. We know that it is extremely difficult to recover from such a spiral. The people of Coonamble are not known for their political activism; they do not engage in the type of political behaviour that is common in other parts of the State. However, this decision, which had serious consequences for the livelihood of so many people, stirred them all into action. The campaign they waged, joining with many other regional and outer-suburban Sydney communities to save the industry, was something to behold. It had genuine power, genuine reach, and genuine force.

It was a source of pride for them and for the Australian Labor Party when Luke Foley visited the town to join the community in its campaign and to express our solidarity and goodwill. Coonamble is not visited by many Premiers or Leaders of the Opposition, so Luke Foley's visit was well received by locals, and it was enough to encourage them to continue their campaign. This bill will be passed today. When it is enacted it will provide the people of Coonamble and many other affected communities with the opportunity to declare victory. It also affirms for them that politicians were listening and were prepared to act on their concerns. I extend my congratulations

on their campaign, their efforts, and their ability to continue fighting when so many people said their cause was hopeless.

The Hon. ERNEST WONG (12:51): I support the Greyhound Racing Bill 2017. I recall how flabbergasted I was last year when then Premier Mike Baird announced on social media his intention to eradicate the entire greyhound racing industry in New South Wales without any justification or community consultation. That decision in no way represented the views or interests of communities across New South Wales—the communities we are elected to represent. While I support this bill, I am disappointed that we must waste time in both Houses repealing a bill that members on this side strongly opposed from the outset.

The Baird Government refused to implement the recommendations in the McHugh report by establishing a regulatory regime, which this bill does, and chose instead to ban the industry outright. Much damage has been done to individuals, to families, to businesses, and to reputations. People went broke, people lost money, people were stressed, and people started to lose hope. And for what? It happened because an arrogant and out-of-touch government decided, again, that it would not listen to the little people, it would not listen to communities and it would not hear the pleas of the good people in the industry. Arrogance and contempt are what we have come to expect from this Government. It certainly underestimated the community's reaction to this decision, and was oblivious to the far-reaching effect it would have on regional communities whose livelihood depends on the viability of this industry. It is not only dog owners, trainers, bookies and officials who rely on this industry for an income. The greyhound racing industry supports entire communities, small businesses, food vendors, car park attendants, cleaners and local clubs.

I take this opportunity to pay tribute to the Leader of the Opposition for his courageous and unwavering stance in opposing the Government's decision to axe an entire industry without any consultation or consideration of how it would affect the livelihood of so many ordinary Australians. Unlike the Government, the Leader of the Opposition listened to the voice of the community and, like any good leader, responded accordingly. Together with our Labor colleagues in both Houses and some of the crossbench members, he led a hard-fought campaign, standing front and centre with a disillusioned community whose livelihood is derived from and depends upon the viability of this industry.

The fight was not limited to the external walls of this Parliament. The Leader of the Opposition sought to introduce the Greyhound Racing (Repeal of Ban) Bill 2016, which would have halted the ban, and the Deputy Leader of the Opposition sought to introduce the Greyhound Racing Amendment (Greyhound Racing Integrity Commission) Bill 2016, which in effect would have done much of what is contemplated and contained in this bill. That legislation also would have saved taxpayers approximately \$41 million and eliminated unimaginable and unnecessary heartache as well as uncertainty within the greyhound racing industry over the past nine months.

I am particularly heartened to see 101 of the 122 recommendations of the Greyhound Industry Reform Panel embodied in this legislation, which offers the industry a new beginning while subjecting everyone in it to a high level of accountability. It will ensure that we have the highest animal welfare standards in the world. This new bill sets the foundations and governance arrangements for a sustainable greyhound racing industry with the highest animal welfare and integrity standards in the country, and in which live baiting, cruel treatment, and unnecessary killing of healthy dogs will not be tolerated. It also provides for a new governance framework that separates the commercial and regulatory functions of the industry, a comprehensive and best practice animal welfare plan, registration and accreditation requirements for industry participants, and new offences and stronger penalties for animal cruelty.

No-one in this place condones cruelty against animals—and I am glad the Government is responding to that sentiment—and it will have significant autonomy in determining how to restructure the industry to achieve commercial sustainability. It also will have a number of responsibilities under this bill, including conducting greyhound race meetings or authorising greyhound race meetings to be conducted by greyhound racing clubs, developing track safety standards, and operating the Greyhounds as Pets Adoption program. It also sets standards for the facilities, equipment and conditions at premises where greyhounds are kept, trained or raced. Breaches of the code will be dealt with through new penalties, including infringement notices, fines, suspension or disqualification, and an option to prosecute, with a potential jail term of two years for some offences. In the light of this, I join my colleagues in supporting the bill.

Mr JEREMY BUCKINGHAM (12:57): I oppose the Greyhound Racing Bill 2017. I join my colleagues Dr Mehreen Faruqi and Mr Justin Field in vehemently opposing this abysmal piece of legislation and the worst politicking in the history of New South Wales. I spent 20 years living in the Central West of New South Wales and during that time I was a councillor on the Orange City Council. I was very much aware of the malpractice in the greyhound racing industry and the people involved in it because the council was dealing with the closure of the local industry. Those issues came to light in Orange more than a decade ago. We were well aware of the nefarious, obviously criminal and irresponsible practices of some industry participants. Those people

were exploiting animals for financial gain at the expense of the animals' welfare. There were rules and regulations governing the industry, but they were ignored.

The greyhound racing industry is characterised by bending the rules and by subverting the regulations to turn a buck. No amount of regulation or oversight will prevent cruelty to animals in this industry. The Government knew that, and it knew that it had only two options in responding to the McHugh commission of inquiry—it could try to redeem and reform the industry, or it could ban it. It could have taken the progressive path of banning it, which has been taken by other jurisdictions, including recently by the State of Arizona. Australia is one of only eight countries in the world that allows greyhound racing. The McHugh special commission of inquiry report said that the industry must be shut down. It said that no amount of regulation, policing or oversight would stop bad people doing bad things and treating hundreds of thousands of animals cruelly. The report stated that 100,000 dogs were missing and that whelping rates and wastage were abysmal.

Debate adjourned.

The ASSISTANT PRESIDENT (Reverend the Hon. Fred Nile): I will now leave the chair until 2.30 p.m.

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

Questions Without Notice

GAS RESERVATION POLICY

The Hon. ADAM SEARLE (14:29): My question without notice is directed to the Minister for Resources, and Minister for Energy and Utilities. Given the Australian Energy Market Operator has found that if up to 5 per cent of supply currently earmarked for liquid natural gas [LNG] export was redirected to the domestic gas market it would remove all projected domestic gas shortfalls, will the Government now support recommendation 4 of the New South Wales Legislative Council select committee report on the supply and cost of gas and liquid fuels in New South Wales?

The Hon. Dr Peter Phelps: I dissented. It is shameful that you would go down the path of One Nation nativism—very shameful.

The PRESIDENT: I see that we will start off question time in a very nice way. I have given members enough latitude. I will now start calling members to order.

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:30): I thank the member for his question. I had the good fortune to meet the chief executive officer of the Australian Energy Market Operator yesterday afternoon. She will do a tremendous job, so I certainly welcome her to that role. She has a lot of excellent experience in the United States of America, as it happens.

Mr Jeremy Buckingham: What is her name?

The Hon. DON HARWIN: Audrey Zibelman. Thanks for that, Jeremy. She will do a tremendous job. I have had a look at that report in the past. I am aware of the recommendations that were made about the gas reservation policy. I noted also the interjection of the Hon. Dr Peter Phelps saying that he was against the gas reservation policy, and I can well understand why: It is not the policy of the New South Wales Government. A national domestic reservation policy would restrict trade, discourage investment and cause development costs in New South Wales to rise.

A gas reservation policy would not help our reserves and in any case we are unable to mandate other States to supply us with the gas they produce. It is not a policy that will assist New South Wales in the position in which it now finds itself. What we need more than anything else right now is for businesses to be given the certainty they need in terms of policy settings so that they can invest. That is what I am focused on. That, rather than going with the gas reservation policy, is something that will assist us to ensure that there is downward pressure on gas prices and that industrial users of gas have the supply of gas that they need to be able to do their work.

RENEWABLE ENERGY ACTION PLAN

The Hon. BEN FRANKLIN (14:33): My question is addressed to the Minister for Energy and Utilities. Will the Minister inform the House about this Government's progress on our Renewable Energy Action Plan?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:33): I thank the member for his question and his undoubted interest in the topic. Last month I released the Renewable Energy Action Plan's annual report. It is a fantastic read about progress, jobs and growth—action to deliver jobs, investment and growth in particular to our regions. But not just any projects—

better projects with more of the benefits staying in the regions. The plan was released to increase renewables at the least cost or with saving to energy customers. It helps deliver the renewable energy target of 23.5 per cent by 2020. The New South Wales Government is a longstanding supporter of a national target and of not having contradictory State policies. Seventy per cent of the actions have now been completed and the rest are well underway.

I am proud that over the past six years the share of renewable energy has doubled. In 2015, 14 per cent of our energy generation came from clean, reliable sources. That is 32 per cent solar, large and small; 32 per cent from Snowy Hydro; 18 per cent from wind; 11 per cent from bioenergy; and 7 per cent from small hydro. Renewables delivered under this plan were critical to meet the challenge provided by the heatwave on 10 February. Final figures for 2016 will be available soon, but I understand the preliminary data is showing even more growth. There is, of course, an alternative view—and there were some interjections about that earlier—which comes from the Opposition spokesman.

The shadow Minister's figures are way off. As recently as 9 March he claimed that it would take us 30 years to reach the national renewable energy target of 23.5 per cent. He should read the plan. New South Wales has the greatest share of new renewables under construction right now—around 900 megawatts. New South Wales has the highest proportion of direct renewable energy jobs in Australia: 3,990 jobs. Our pipeline of large-scale renewable energy projects is 8,000 megawatts, worth over \$11 billion, as of March this year.

The Hon. Penny Sharpe: Have you told the member for Wentworth and ScoMo?

The PRESIDENT: Enough!

The Hon. DON HARWIN: Some of the plan's highlights include working with NSW Farmers to realise the benefits of solar pumping in agriculture, working with the Cowra community to advance its vision for bioenergy, and supporting community solar farms in Lismore. The Government is leading by supporting new solar farms through government procurement and offsetting the Sydney Metro Northwest with renewables. It is also about better projects. It includes implementing our new wind energy planning framework. They are the toughest standards in Australia and we do not apologise for that. We learned from the mistakes of projects under Labor and we are delivering a boom in new and better projects with better benefit-sharing meaning more benefits to community and landholders.

Mr Jeremy Buckingham: No—that is the Australian Capital Territory.

The Hon. Penny Sharpe: At the rate you are going it will take us several decades.

The PRESIDENT: I call the Hon. Penny Sharpe to order for the first time. I call Mr Jeremy Buckingham to order for the first time.

The Hon. DON HARWIN: The Government will build on the successes under the plan. We are committed to a clean, reliable and affordable energy future for the people of this State.

The PRESIDENT: Before I call the Deputy Leader of the Opposition, I advise members that we are coming to the very last page of the book in which calls to order are placed—a book that commenced in 2004 and which the Clerk currently has in his hand. We are now on the very last page. I had hoped not to have to start a new book, especially today, but that may well be the case.

The Hon. Walt Secord: Is that a challenge, Mr President?

The PRESIDENT: I call the Hon. Walt Secord to order for the first time.

The Hon. Dr Peter Phelps: He is supporting the book industry.

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

PUBLIC LIBRARIES FUNDING

The Hon. WALT SECORD (14:38): My question without notice is directed to the Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts. Given his answer yesterday to the Hon. Natasha Maclaren-Jones on New South Wales public libraries funding, what is the criteria behind the allocation of those grants and will he release that criteria?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:38): I assure the Hon. Walt Secord that that information is available. If he cannot find it on the website I would be very happy to give him the website address and let him know how to access that information.

The Hon. Lynda Voltz: Where is it on the website?

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

The Hon. DON HARWIN: The information is on the website and is available for the Hon. Walt Secord to see. But just to help him out, my office will print it out for him and provide a copy to him.

The Hon. WALT SECORD (14:39): I ask a supplementary question. Will the Minister elucidate his answer with respect to the public library grants criteria on that website? Does the criteria on that website include membership of his sub-faction or being a personal supporter as the main criteria for receiving a grant?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:39): There were 31 grants issued by me for the program that we talked about in question time yesterday. I think I chose to highlight four. There are 27 other grants. What the Hon. Walt Secord is suggesting is utterly ridiculous.

The Hon. Walt Secord: There was Kiama, Coogee and the South Coast. Wheel out the white board, Don!

The PRESIDENT: I call the Hon. Walt Secord to order for the second time.

The Hon. DON HARWIN: Apart from anything else, as 25 of the libraries are in country New South Wales, most of them are in electorates of The Nationals members or—in the case, for example of the Cessnock Public Library—an electorate of a member of the Hon. Walt Secord's own party. So this is absolutely ridiculous. This particular fund that we talked about yesterday is an excellent program. It is in place to assist public libraries in three areas. It is in place to assist libraries with modifications to buildings.

The PRESIDENT: Order! I will have no hesitation in calling members to order for the third time. One member already has been called to order for a second time. I remind Government members that I will have no hesitation in calling them to order three times. We have only just started question time. This is the last warning I will give to all members.

The Hon. DON HARWIN: As I was saying, under the fund there are three areas that are supported. They include funds for modifications to buildings, support for information technology relating to library services, and funds to assist mobile library services. I think I gave the example of the Shoalhaven Library. It is true that it is in the area in which I live. I might add that it is the area in which four or five members of the House also live, including Mr Justin Field, the Hon. Rick Colless and the Hon. Paul Green. I chose to highlight the Shoalhaven Library simply because it would be a library that was of interest to a number of members in the House. [*Time expired.*]

GENDER TERMS

Reverend the Hon. FRED NILE (14:42): My question is directed to the Minister for Early Childhood Education, Minister for Aboriginal Affairs, and Assistant Minister for Education, representing the Minister for Education. Is it a fact that some groups and companies are campaigning to remove any focus on our gender as male or female? Is it a fact that the large international bank HSBC has launched a new policy replacing the use of terms such as Mr, Miss and Mrs and other gender terms with new code words such as Msr, Mre, Mis, Mx and Ind? Will the Minister ensure our education system and schools in New South Wales will retain the use of traditional terms such as Mr, Mrs and Miss and the terms "male", "female", "man", "woman", "boy" and "girl" in our education system?

Mr Jeremy Buckingham: Point of order: The question clearly contained argument. Reverend the Hon. Fred Nile used the terms "code" and "traditional". That clearly is an argument.

The PRESIDENT: I ask Reverend the Hon. Fred Nile to show me the question. The question is in order. The Minister has the call.

The Hon. SARAH MITCHELL (Minister for Early Childhood Education, Minister for Aboriginal Affairs, and Assistant Minister for Education) (14:44): I am not aware of the examples that Reverend the Hon. Fred Nile raised, but I do not doubt the genuine nature of his concern. I will take his question to the Minister for Education for a response.

RURAL WOMEN'S AWARD

The Hon. BRONNIE TAYLOR (14:45): My question is addressed to the Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry. Will the Minister provide the House with an update on how the New South Wales Government is promoting rural women and their contribution to primary industries?

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (14:45): I thank the honourable member for her question and for her attendance, along with the Hon. Mick Veitch, the Hon. Penny Sharpe and the Hon. Sarah Mitchell at an event last night. On Tuesday 4 April I had the pleasure of introducing the four finalists of the 2017 New South Wales-Australian Capital Territory Rural Industries Research and Development Corporation [RIRDC] Rural Women's Award at Parliament House. This award identifies and supports emerging women leaders who have the desire, commitment and leadership potential to make a greater contribution to primary industries and rural communities. The award supports women both financially and professionally.

At the presentation ceremony last night, Sandra Ireson of Booligal was named the winner of the 2017 New South Wales-Australian Capital Territory RIRDC Rural Women's Award. Mrs Ireson has a keen interest in developing pathways for younger generations to gain a start in primary industries, building on the success of the Hay Inc. Rural Education Program, and developing an adaptable model to be implemented in other rural communities. The program provides mentoring, knowledge, support, skills and opportunities to engage and retain young local people in primary industries. It already has delivered substantial benefits to Hay, including raising the profile of the local agricultural industry, enhancing tourism and raising a greater recognition and understanding of the importance of food and fibre production.

I congratulate each of our finalists because they all represent commitment to industry, innovative approaches to sustaining and enhancing our regional communities and ambitious thinking. To be nominated for this award applicants had to submit a project initiative that is innovative and serves to drive growth and prosperity in regional communities as well as the primary industries sector as a whole. There were three other finalists. Rebecca Barnes of Ballina wants to showcase Australia's native foods through a two-day bush food conference, providing a platform for industry leaders to promote this growing food sector while educating the broader community on nutritional benefits of bush foods. Emma Doyle of Armidale is developing a pilot mentoring network for female agricultural undergraduates in a bid to support future female agricultural industry leadership and increase retention of women working in agriculture.

Hayley Purbrick of Deniliquin wants to expand her Think Big project, which supports entrepreneurial spirit in rural communities through tools and networks to help other rural communities adopt an innovative approach to managing the changing landscape of farming. I congratulate our winner, Mrs Ireson, and the three exceptional finalists on this year's awards. They have much to contribute to the continuing growth and success of the State's primary industries and our rural communities. Mrs Ireson will receive a bursary of \$10,000 and will have the opportunity to participate in the Australian Institute of Company Directors' course. The three finalists will receive a \$1,000 New South Wales Department of Primary Industries leadership bursary for skills and leadership development.

The finalists join an esteemed alumni of more than 40 previous award winners and finalists who are committed to making a difference to regional communities and primary industries. The Rural Industries Research and Development Corporation [RIRDC] award is coordinated by the New South Wales Rural Women's Network through the Department of Primary Industries and supported by NSW Farmers, the Office of Environment and Heritage [OEH] and the Country Women's Association of New South Wales. The New South Wales-Australian Capital Territory winner will compete for the national RIRDC rural woman's award later this year at Parliament House in Canberra where the winner will be awarded a \$10,000 bursary and the runner-up a \$5,000 bursary. I congratulate Mrs Ireson and everyone involved. [*Time expired.*]

1080 POISON REGISTRATION AND USE

The Hon. MARK PEARSON (14:49): My question without notice is directed to the Minister for Primary Industries. Currently the use of 1080 poison is banned, in recognition of the suffering inflicted upon the animals that ingest this poison, in nine countries, including China, as well as severely restricted in the United States. Will the Minister advise the House whether his department has reviewed the research documenting evidence of the extreme pain and suffering caused to baited animals and whether it is now time to ban the poison in New South Wales or at least mitigate the suffering by coating the bait with an analgesic—given the requirement to not cause unnecessary, unjustifiable and unreasonable pain under section 4 (2) (d) of the Prevention of Cruelty to Animals Act [POCTA]?

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (14:50): I thank the Hon. Mark Pearson for his question. Like other chemicals used in all agricultural pursuits, 1080 is registered under the authority of the Federal agency, the Australian Pesticides and Veterinary Medicines Authority [APVMA]. If a product is registered for use in this country then obviously all users must use it for its registered use. The registration, and the data and science that sit behind it, is administered by the APVMA, which is a Federal Government agency. If the member has concerns about the

registration and use of that chemical in this country perhaps he should write to the Federal authority and take it up with that authority.

If we are talking about pain and suffering, 1080 poison is used for legitimate reasons—more often than not to take out feral animals such as foxes and dogs because of the pain and suffering they inflict upon not only the livestock of primary producers in this State but also native animals. Anyone who has travelled around the State and seen a sheep or a lamb that has been attacked by foxes or wild dogs would not come into this Chamber and ask about the suffering of the poor animal that inflicted those sorts of injuries upon other animals or suggest that we should feel sorry for those wild animals. This chemical is registered and it is licensed. That is done for a reason—not only to protect the livelihood of our hardworking farmers in this State but also to protect the native animals that suffer at the hands of wild dogs and foxes. That is why we will continue to use this chemical. If the Hon. Mark Pearson has an issue with that, he should write to the Federal Government about it.

POWERHOUSE MUSEUM

The Hon. LYNDIA VOLTZ (14:52): My question without notice is directed to the Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts. Given the answer given by the Minister on 21 February in this place, why are New South Wales Government officials now telling Western Sydney local government and business leaders that the Government soon will announce a reduced and smaller scale version of the Powerhouse Museum at Parramatta as it is too difficult and too expensive to move significant objects from the Ultimo site?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:53): I have no knowledge of the sorts of statements that are referred to by the Hon. Lyndia Voltz. I notice that in her question she did not name those officials so I cannot ask them or inquire as to the accuracy of any of the assertions she makes in her question. The reality is that the Government is absolutely committed to the Powerhouse Museum project that was announced prior to the last election. The Government has every intention of developing an iconic, world-class museum on the riverbank in Parramatta, which will be the home of the Museum of Applied Arts and Sciences—no ifs and no buts.

INDIGENOUS ACCORDS

The Hon. CATHERINE CUSACK (14:54): My question is addressed to the Minister for Early Childhood Education, Minister for Aboriginal Affairs, and Assistant Minister for Education. Will the Minister update the House on how the New South Wales Government is working with Aboriginal people to ensure their voices are heard?

The Hon. SARAH MITCHELL (Minister for Early Childhood Education, Minister for Aboriginal Affairs, and Assistant Minister for Education) (14:54): I thank the Hon. Catherine Cusack for her question. As the Minister responsible for Aboriginal Affairs, I am committed to ensuring the voices of Aboriginal people and communities across New South Wales are heard loud and clear. I have been engaging with communities right across the State.

Mr Jeremy Buckingham: Yes!

The Hon. SARAH MITCHELL: I am really pleased that Mr Jeremy Buckingham wants to mock me for travelling around the State and work with the Aboriginal community because that is my job.

Mr Jeremy Buckingham: No, it's because you recycle the same line in your speeches every day.

The Hon. SARAH MITCHELL: I am very proud to be out in the community working on both my portfolios because that is what I should be doing. As I said, I have been engaging with communities across the State as the Minister, and I will continue to do so very proudly. Our local decision-making initiative under opportunity, choice, healing, responsibility and empowerment [OCHRE] is the Government's community-focused plan for Aboriginal Affairs. It seeks to improve service delivery outcomes by building governance and capacity in Aboriginal community leadership and management.

Local decision-making sets out a pathway for communities to increase their decision-making in the delivery and prioritisation of Government services. It also helps Government understand and support local community aspirations including in the area of economic development. Through local decision-making, accords are negotiated between the New South Wales Government and regional alliances. These commit parties to jointly addressing agreed priorities including timeframes, responsibilities and measures of success. Local decision-making contributes to the State priority to improve customer satisfaction with Government services by ensuring that Aboriginal people have genuine input into decisions about the services they receive. Local decision-making responds to calls from Aboriginal people for greater recognition of their knowledge about the needs of their communities and for more say in decision-making about the services they receive.

There are now seven regional alliances working in partnership with the New South Wales Government through local decision-making. One accord has been negotiated with the Murdi Paaki Regional Assembly, which directs Government and community effort on agreed priorities including school readiness, school attainment, economic development and housing. Accord negotiations have commenced with two further regional alliances, the Illawarra Wingecarribee Alliance Aboriginal Corporation and the Three Rivers Regional Assembly. The negotiations are currently underway and accord signing is anticipated during 2017. All other sites are continuing to invest in their readiness to commence accord negotiations by confirming their structures and operating rules, and consulting their constituent communities on priority issues for negotiation.

In 2014, the New South Wales Coalition of Aboriginal Regional Alliances [NCARA], comprising nominated representatives from each regional alliance, was established to provide strategic leadership, problem solving and advocacy, and the ongoing development and implementation of local decision-making. The New South Wales Coalition of Aboriginal Regional Alliances, which is now formally acknowledged in the local decision-making policy framework, gives representatives of Aboriginal regional alliances an opportunity to engage with policy makers and influences reform design. It also fosters the exchange of ideas and deliberation on common issues.

The group meets on a bimonthly basis and invites peak bodies and senior Government officials to its meetings to build and strengthen relationships in order to deliver tangible outcomes for Aboriginal people across New South Wales. I had the privilege of attending the most recent meeting of NCARA and meeting with members. I was very excited by the enthusiasm of those community members to drive change, and in particular their interest in the education space, early childhood education, and what we can do to work together in both of my portfolio responsibility areas. Some expressed their heartfelt determination for better outcomes and the need for all levels of government to work with Aboriginal people. That is what this Government is doing. It is what I am doing, and will continue to do, as the Minister for Aboriginal Affairs.

WILCANNIA WEIR

Mr JEREMY BUCKINGHAM (14:58): My question without notice is directed to the Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry. Will the Minister update the House and the people of Wilcannia on the progress towards constructing a new downstream weir for Wilcannia?

The Hon. NIAL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (14:59): I thank the member for his question, a question that he has asked me on numerous occasions. As I have previously indicated, the matter is still being looked at. This issue was in the hands of the Department of Premier and Cabinet and I am happy to refresh my memory of where the project is up to. The New South Wales Government has engaged consultants to complete feasibility investigations for a new weir at Wilcannia. The Department of Primary Industries—Water has received the feasibility investigation reports including a scoping study and business case for the Wilcannia weir.

While there has been some criticism of the time taken to complete the study, it must be understood that the study required a number of considerations to be taken into account and a detailed analysis. No decision has been made regarding the Wilcannia weir proposal. While the independent report found that the project does not meet the minimum cost-benefit ratio for specific funding, discussions are ongoing about the options for the weir including stabilising the existing weir. Jeremy Buckingham, if he is bright enough, can take from my answer that we are still looking at this matter.

The PRESIDENT: Order! I call Mr Jeremy Buckingham to order for the second time.

The Hon. NIAL BLAIR: This project does not fit within the normal parameters we talk about. It does not meet the minimum cost-benefit ratio for specific funding—which this Government has applied to infrastructure projects—but that does not mean that we have walked away from this project. We therefore are looking at ongoing options for their weir. We know it is important for the community and we will continue to look at how we can get an outcome for that community, whether it is with the existing weir or the other options that are available. If any more information comes to hand, I will be happy to update the House. But that is where the project is up to at this stage.

Mr JEREMY BUCKINGHAM (15:01): I ask a supplementary question. Will the Minister please elucidate his answer by informing the House whether or not all water projects in New South Wales have met the minimum cost-benefit ratio analysis he outlined in his answer?

The Hon. Scott Farlow: Point of order: Mr President, the question should be ruled out of order. It was a new question and did not seek elucidation on the Minister's answer.

The PRESIDENT: I rule Mr Jeremy Buckingham's supplementary question out of order.

NARRABRI GAS PROJECT

The Hon. DANIEL MOOKHEY (15:02): My question without notice is directed to the Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts. Given Santos declared in a 1 February media statement that the Narrabri Gas Project could supply up to 50 per cent of the gas needs of New South Wales, how will he guarantee that this gas will be reserved for the New South Wales market, if this project proceeds?

The PRESIDENT: Order! I remind Mr Jeremy Buckingham that he is on two calls to order and it is still very early in the day. The Minister has the call.

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:03): Let us be quite clear about this.

The Hon. Shaoquett Moselmane: Take your time.

The Hon. DON HARWIN: I will take my time, thank you. The Narrabri Gas Project is a strategic energy project for New South Wales. It is an important project and there is no doubt about that. The project's environmental impact statement [EIS], as referred to in the question, states that the project has the ability to deliver up to 50 per cent of the annual gas needs of New South Wales. On 1 February Santos lodged its application to develop the project including an EIS. I advise that the environmental impact statement is now on public exhibition. The normal consultation period for an environmental impact statement is 42 days, but this project was originally given 62 days. Given the interest in the matter shown by stakeholders, the previous 62-day consultation period has been extended to 90 days.

The extended exhibition period will provide the community and key stakeholders with additional time to lodge submissions on the project. The Department of Planning and Environment will be consulting shortly on the project and will be holding community information sessions in Narrabri. Those sessions will provide information on the assessment process and allow the department to listen to the community's views on the project. The department also will meet with key stakeholder groups, including landowners, during the exhibition period. The department will work closely with key government agencies and independent experts in assessing the merits of the project. In particular, a panel of eminent scientific experts will be established to provide independent advice on the project.

In its assessment the Department of Planning and Environment will meet with the community, hold a number of stakeholders sessions, establish a panel of eminent scientific experts and conduct in-depth analysis of all issues raised in the public consultation. There is no set time line for the department's analysis. The department will take as long as it needs to do the assessment carefully. This follows the rigorous assessment completed by the NSW Chief Scientist and Engineer on the coal seam gas industry in 2014. I am well aware of the concerns in the community about coal seam gas, but I assure members that the department will be undertaking a rigorous assessment of the proposal using the best available science before any decision is made. I also encourage people to make a submission so that their concerns can be fully considered in the assessment process. Submissions can be made until 22 May.

The PRESIDENT: Order! I call the Hon. Shaoquett Moselmane to order for the first time.

The Hon. Walt Secord: It was the Hon. Ernest Wong who yawned.

The PRESIDENT: I call the Hon. Ernest Wong to order for the first time. I withdraw the earlier call for the Hon. Shaoquett Moselmane. The Minister has the call, but his time has expired.

WALSH BAY ARTS PRECINCT

The Hon. MATTHEW MASON-COX (15:07): My question is addressed to the Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts. Will the Minister please update the House on the Walsh Bay Arts Precinct and what is being done to safeguard the reputation of Sydney and New South Wales as Australia's capital of arts and culture?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:07): I thank the Hon. Matthew Mason-Cox for his undoubted interest in this issue. It is my honour to update the House about a fundamental upgrade to one of the State's premier arts precincts, Walsh Bay. The Walsh Bay redevelopment is an extraordinary opportunity to enhance Sydney's reputation as an innovative and globally competitive city and to create a major arts and cultural destination in the Asia-Pacific region. I advise the House that the New South Wales Government has approved the integration of Sydney Theatre Company's [STC] proposed capital upgrade, previously known as STC50, into the Walsh Bay Arts Precinct redevelopment. This will fully realise the exciting vision for the precinct. The New South Wales Government will contribute a

further \$67.88 million to the redevelopment, which includes \$30 million towards the Sydney Theatre Company's wharf renewal project. This \$30 million will be matched by STC and will be used to modify its facilities and provide more flexible performance spaces as well as additional public entry points to the wharf.

The remainder of the \$67.88 million will be spent on substructure engineering works to bring the pier up to the standard needed to support all aspects of the Wharf 4/5 redevelopment and cover escalation costs associated with the construction since the project was originally costed. All of this is being funded by this Government's election commitment of \$600 million to supercharge cultural infrastructure in this State. We are proud to do so and it is our Government's management that makes this possible. This funding is in addition to the money already pledged in the 2016 budget, which has been described as a sweeping redevelopment for the Walsh Bay precinct, to give permanent homes to some of the State's, and indeed Australia's, finest, most accessible and worthwhile arts and cultural companies. The Sydney Theatre Company [STC] is regarded as not only Australia's premier theatre company but, with performances just this year on Broadway, genuinely among the world's best.

The Hon. Walt Secord: What about Western Sydney, Don?

The Hon. DON HARWIN: Feel free to ask me. The STC presents an annual season of diverse productions at its own venues at Wharf 4/5 and the nearby Roslyn Packer Theatre, and is the resident theatre company of the Sydney Opera House. The STC's wharf renewal project involves a major upgrade of the Wharf 4/5 facilities, which will significantly benefit the precinct as a whole, and it complements the objectives, purposes and outcomes of the Walsh Bay redevelopment project. A unified build of Walsh Bay with the STC will deliver a world-class arts precinct. It will provide a range of cultural benefits to the people of New South Wales. It will attract visitors and boost the economy while preserving the iconic heritage of that area.

The Walsh Bay Arts Precinct also will deliver accommodation, rehearsal and performance spaces to match the international status of Australia's leading performing arts companies, such as the Bangarra Dance Company, the Australian Chamber Orchestra, the Sydney Dance Company and Bell Shakespeare. Of course, we can provide this level of support for the arts only because of the good economic management by successive Treasurers Berejiklian and Perrottet. We are even better equipped now to create an activated arts and cultural precinct that fully supports and nurtures home-grown talent and creativity and provides an inclusive and accessible destination for everyone to enjoy.

The PRESIDENT: I call the Hon. Lynda Voltz to order for the second time. I remind members that it is disorderly to have very loud conversations with each other. They can take those conversations outside, especially when the members are at a far distance from each other and I can hear every word of those conversations.

NORTH COAST FLOODS

Ms DAWN WALKER (15:12): My question without notice is directed to the Leader of the Government, the Hon. Don Harwin, representing the Premier. Given the enormous impacts on households and businesses in the Byron and Ballina local government areas from the recent North Coast floods, what is the New South Wales Government doing to ensure that people in Byron and Ballina are eligible for the disaster recovery payment and disaster recovery allowance, as they are in the Lismore and Tweed local government areas?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:12): It is obviously an issue of great interest to the honourable member and one, no doubt, that is of interest also to other members around the House who have an interest in North Coast issues. I will be very happy to take that matter up with the Premier and give a full answer as quickly as possible from the relevant Ministers who have an interest in that important matter.

NSW GAS PLAN

The Hon. JOHN GRAHAM (15:13): My question without notice is directed to the Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts. Given the Minister's previous answers and given that Australia now produces around three times its total domestic gas demand for households and businesses, and by 2020 it will export 73 per cent of all gas produced in this country, what steps will the Government take to ensure households and businesses in New South Wales will have reliable and affordable access to this energy source?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:13): It is a good question and I thank the member for it. There is certainly plenty we are doing, because more than 1.3 million households in New South Wales, 35,000 small businesses, and 500 large industrial users rely on gas for electricity, heating and manufacturing. Access to affordable gas obviously has been of concern to many in the community since the gas market has been linked to international prices and supply has

been diverted overseas. We need to continue to improve the availability of gas to reduce price pressures, and reform the gas market to improve transparency for market participants. Through the Council of Australian Governments [COAG], New South Wales is working with other States to reform Australia's gas markets.

The COAG reforms aim to increase gas supply, improve how the market operates, and make the gas market a fairer place to do business. Ensuring that New South Wales is not negatively impacted by market changes in Queensland is a matter I raised at COAG. The work of the new Energy Security Taskforce, chaired by Professor Mary O'Kane, also will include the gas industry. The gas industry will be a key part of the New South Wales economy for years to come. The New South Wales Government has made great progress on the NSW Gas Plan to deliver vital energy supplies for the people of New South Wales.

Contrary to some claims, New South Wales does not have a moratorium on gas exploration or coal seam gas. We have bought back licences to rid the industry of some of the cowboy operators and to remove petroleum exploration licences, which were not establishing a social and environmental licence. The NSW Gas Plan requires gas companies to demonstrate how the development of New South Wales gas reserves will benefit New South Wales communities and the economy. Earlier in question time we were talking about the Narrabri gas project, so the honourable member will have heard me inform the House that if it is approved—and it is currently subject to planning approval processes—it is expected to supply up to 50 per cent of the New South Wales gas demand. The New South Wales Government also wants to promote greater competition in the market and provide more power to consumers. We are aware of the pressure on many gas users at this time and we are working on many fronts to address the problem.

WHITE SPOT DISEASE

The Hon. DUNCAN GAY (15:17): My question without notice is addressed to the Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry. Will the Minister please update the House on the recent meeting of Australian fisheries ministers?

The Hon. NIAL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (15:17): I thank the member for his question and congratulate him on increasing his number of questions directed to me this week. Last week, Australian fisheries ministers and officials from Commonwealth, State and Northern Territory governments met to discuss a range of issues facing Australia's fisheries and aquaculture sectors. One of the key priorities to come out of this meeting was white spot disease [WSD]. All Ministers agreed that having a national and coordinated approach was the best way to tackle WSD. White spot disease is a highly contagious viral infection that affects crustaceans and has caused high rates of mortalities in prawn farms in southeast Queensland. White spot syndrome virus, which is the cause of white spot disease, recently has been detected in wild prawns in southeast Queensland. There is currently no evidence of white spot disease in New South Wales prawns and we want to keep it this way.

People do not need to worry about the seafood they are eating as there are no human health or food safety implications and no impact on local product. Cooked prawns are completely safe to eat. This Easter I really encourage everyone to buy New South Wales seafood and support our local prawn farmers and fishers. While WSD does not pose a health risk, the real risk is to the prawn industry if we do not do something about it. To help minimise this threat, the New South Wales Government placed restrictions on the importation into New South Wales of any uncooked crustaceans, such as prawns, crabs, yabbies and Moreton Bay bugs from all affected areas in south-east Queensland. Those restrictions also extend to polychaete, including beach worms.

In terms of managing and eradicating WSD, we clearly need a new national to focus to protect our valuable aquaculture and fishing industries. This new national coordinated strategy will educate stakeholders on movement restrictions and make fishers aware of the biosecurity risks of using prawns intended for human consumption as bait. The New South Wales Government already has significantly contributed to the national response through the testing of more than 17,000 prawn samples from the wild as part of the surveillance program being undertaken in south-east Queensland. It also will contribute funding to a multimedia campaign to ensure that everyone in the fishing community is aware of the risks. Everyone has a role to play in safeguarding New South Wales's biosecurity and protecting our economy, environment and community, and our reputation as a clean and safe producer of healthy food.

We particularly need our recreational and commercial fishers and our aquaculture businesses to know what white spot disease is, how to identify it, and what to do if they suspect the disease is present. Affected prawns may have loose shells with numerous white spots on the inside surface and a pink to red discoloration. Any suspicion of white spot disease should be reported to the Emergency Animal Disease Hotline on 1800 675 888. The meeting of fisheries Ministers was a great success. In addition to WSD, we discussed the progression of the National Aquaculture Strategy, reducing red tape, a national carp control plan, and proposed amendments to Commonwealth legislation designed to improve opportunities for recreational and Indigenous fishers. This

meeting, which was held in Sydney, was very valuable and productive, and enjoyed great cooperation from all jurisdictions. We were even able to include a tour of the Sydney Fish Markets for the Ministers and officials from other States. We must continue to be vigilant about biosecurity in our waterways, and this coordinated approach is a good step towards achieving that goal.

PREFABRICATED HOUSING

The Hon. ROBERT BROWN (15:21): I direct my question to the Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts, representing the Minister for Planning. Is the Minister aware that about 80 per cent of detached houses in Sweden have been built using prefabricated sustainable timber elements? Will the Government look at amending planning regulations to provide for more low cost housing options, such as prefabricated houses or owner-constructed kit homes, on smaller blocks for future land releases as an alternative or an adjunct to high-rise infill?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:22): What an interesting question. I was not aware of the specific information the honourable member provided about what is happening in Sweden. I am certainly well aware that many in the construction space are advocating that more be done in terms of the use of wood products. In fact, recently someone came to see me and suggested that it would be great if the Government were to look at the option of building a large structure, like the new museum at Parramatta, using wood.

The Hon. Rick Colless: What about the wood being used at Barangaroo?

The Hon. DON HARWIN: That is a fine example of a major building.

The Hon. Rick Colless: It is eight storeys high.

The Hon. DON HARWIN: The honourable member reminds me that it is eight storeys high. The use of wood in construction projects is certainly making a comeback; many people think it is a good idea. I will refer the honourable member's question to my colleague the Hon. Anthony Roberts, the Minister for Planning, and obtain an answer as soon as possible.

LOCAL GOVERNMENT ELECTION DONATIONS

The Hon. PETER PRIMROSE (15:23): I direct my question to the Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts. Will the Government legislate to ensure that campaign spending caps are in place for the local council elections in September?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:24): I heard the honourable member's notice of motion earlier today, so I know that he has an interest in this matter, as do I. The question of election funding and disclosures has been a matter of interest to many members for a long time. In fact, between the 2007 and 2011 elections, a select committee of this House inquired into electoral and political party funding. That committee was chaired by Reverend the Hon. Fred Nile, and I was the deputy chair. The committee was established on my motion, and it examined a range of issues. In my view, the committee made a number of fine recommendations about the way we should go. It advocated in large part going with the Canadian model of election funding, which includes low caps. The committee suggested a \$1,000 cap. Subsequently, the Joint Standing Committee on Electoral Matters conducted an inquiry chaired by Mr Robert Furolo, a former Labor member of the other place.

The Hon. Duncan Gay: The best Labor shadow Minister.

The Hon. DON HARWIN: He was a great friend.

The PRESIDENT: Order! The Minister should not respond to interjections.

The Hon. DON HARWIN: I am not planning to.

The PRESIDENT: Order! I am glad to hear that.

The Hon. DON HARWIN: While the Coalition parties advocated a low cap of only \$1,000, the then Government members on the committee, led by Robert Furolo, supported a higher cap of \$5,000. That was the legislative proposal that Premier Rees introduced in the Parliament. Subsequently, the Joint Standing Committee on Electoral Matters conducted extensive inquiries into this issue.

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

The Hon. DON HARWIN: The proposals brought to the Parliament and enacted by Premier O'Farrell were excellent. It is an extraordinary shame that they were struck down by the High Court. If those provisions were in place now, many of the problems we are facing in this area would not be an issue. I know that the Joint

Standing Committee on Electoral Matters considered this issue again late last year. Its recommendations no doubt are being considered by the relevant Minister and will be released soon for further consideration. I am happy to obtain an answer on the specific question from the Minister and report back to the Hon. Peter Primrose. [*Time expired.*]

ABORIGINAL LAND COUNCILS

The Hon. GREG PEARCE (14:28): I address my question to the Minister for Early Childhood Education, Minister for Aboriginal Affairs, and Assistant Minister for Education. Will the Minister update the House on what the Liberal-Nationals Government is doing to support greater governance capacity in Aboriginal Land Councils? This is very important work.

The Hon. SARAH MITCHELL (Minister for Early Childhood Education, Minister for Aboriginal Affairs, and Assistant Minister for Education) (15:28): I thank on the honourable member for his question and note that he is the chair of the Standing Committee on State Development. Its recent inquiry means that members are well across the fact that having a strong and effective local Aboriginal Land Council network is good for local communities and our economy. The New South Wales Aboriginal Land Rights Act 1983 is unique in Australia in that it provides Aboriginal people in this great State with the opportunity to organise, to grow and to develop their communities through a network of independent corporate bodies established specifically to improve, to protect and to foster their best interests.

There are 120 local Aboriginal land councils established across this State. I am proud that this Government is committed to building the capacity of those land councils so that they not only are thriving community organisations and hubs but also are effective corporate players in the wider economy and actively engaged in State matters. That is why the Government recently introduced critical amendments to the Aboriginal Land Rights Act—which were supported by all members in this House—in the form of the New South Wales Aboriginal Land Council performance improvement framework, which refines the Act's regulatory regime to better support local Aboriginal land councils to maintain good governance, build capacity and comply with the Aboriginal Land Rights Act and other laws. Those amendments were developed jointly by this Government and the New South Wales Aboriginal Land Council.

Good governments engage in genuine collaboration like that. This is testament to the Government's respect for the knowledge held by Aboriginal people and organisations about what will work to better their capacity and confidence within their communities. Consultations were conducted on the performance improvement framework in seven locations across New South Wales, engaging with chief executive officers and board members of the great majority of the 120 local Aboriginal land councils. The performance improvement framework brings a more contemporary and flexible compliance framework to regulation under the Act. It provides for early intervention when Aboriginal land councils are not performing as expected and are in need of assistance to meet their administrative and statutory obligations. The performance improvement framework will increase the capacity of elected boards of Aboriginal land councils where they need extra support and reduce the financial and operational risks.

Building great governance means strengthening the skills, competencies and abilities of people, organisations and communities so that they can best achieve their long-term goals. Sustained good governance in local Aboriginal land councils will strengthen their ability to negotiate Aboriginal land agreements, manage their resources and support their communities' aspirations. Increasing the governance capacity of the Aboriginal land council network will enhance their ability to identify and pursue private and public economic development opportunities. Improving the efficiency of the Aboriginal Land Rights Act is one important way that this Government is facilitating more effective use of land assets held by land councils, because these assets provide significant potential to build wealth and strengthen the economic independence of Aboriginal communities.

NORTH COAST FLOODS

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:31): Regarding the question from Ms Dawn Walker earlier, I inform the House that considerable work is being done by the Parliamentary Secretary for Northern New South Wales. He advises me that the mayors of Ballina and Byron have been in contact with him today and have committed to providing all relevant information that will assist in this matter but that ultimately the outcome that the member is seeking is a matter for the Federal Government. Nevertheless, the Parliamentary Secretary will be doing everything he possibly can to ensure that the communities in Ballina and Byron are helped through their difficulties at this time.

If members have further questions, I invite them to place them on notice.

*Members***PARLIAMENTARY SECRETARIES**

The Hon. DON HARWIN: I inform the House that on 24 March 2017 the Premier made the following changes to the persons holding offices as Parliamentary Secretaries:

Mr Scot MacDonald, MLC, ceased to be Parliamentary Secretary for Planning and the Central Coast, and was appointed as Parliamentary Secretary for Planning, the Central Coast and the Hunter.

Mr Gareth Ward, MP, ceased to be Parliamentary Secretary for the Illawarra and South Coast, and was appointed as Parliamentary Secretary for Education and the Illawarra and South Coast.

*Bills***GREYHOUND RACING BILL 2017****Second Reading****Debate resumed from an earlier hour.**

Mr JEREMY BUCKINGHAM (15:34): I have to agree with my colleague Mr Justin Field that the greyhound industry must face the inexorable fact that it has no future in New South Wales. The industry's social licence has been withdrawn. The failure of the Government to stick to its guns with the recommendations of the McHugh report is only false hope for that industry. As night follows day, community expectation and the inability of the industry to deal with the inherent cruelty and fatalities in that industry mean that Parliament will revisit this matter. The Greens make a commitment to join progressive parties in moving to end the cruelty in the industry. The only way to do that is to make sure that the industry stops.

The failure of the Government to stick to its guns and the way it has been cowed by vested interests, big gambling interests, the *Daily Telegraph* and the opportunism of the Labor Party are a sad indictment of the Government. Real courage was on display when former Premier Mike Baird said the industry had to stop because the industry had been warned for a long time that it must reform and it ignored those warnings. The industry had to adhere to codes of practice and to community expectation and it was unable to do that. It was with courage that the then Premier said, "We must change. We must move on." Again and again we see this Government failing to deal with managing change and transition in the energy sector, agriculture, land clearing and greyhound racing. It was a complete and abysmal policy failure when being stared down and cowed by a concerted campaign by a minority group.

I am incredibly disappointed, and The Greens lament the Government's decision, because it was Dr John Kaye who for a decade led the campaign on this issue. He was a lone voice who said that the industry is inherently cruel, its practices are barbaric, that behind the scenes there is live baiting, mass euthanasia of dogs, despicable cruelty is being inflicted on animals, and fatalities abound; but he was ignored. He was ignored by Parliament for far too long but he was not ignored by the community. The community understood. It was in reference to Dr Kaye that former Premier Mike Baird announced the reforms to the greyhound racing industry, but now the Government is backflipping.

The Government has initiated its Greyhound Industry Reform Panel, notably headed by a former Labor politician and former Premier, to come up with a political fix. A political fix will not last. Community expectation will only mount. The scrutiny will be there, the activists will be there and the cruelty will be on display. The animals will be hurt. The industry and its practitioners will do the wrong thing and we will have to revisit this issue. I mention the inquiry because it was the work of Dr Kaye that initiated the Legislative Council Select Committee on Greyhound Racing in New South Wales. That committee came up with a lot of recommendations, which also were principally ignored by the Government, but within them Dr Kaye clearly outlined that the cruelty was inherent, irredeemable and could not be managed. In coming years we will see those barbaric practices occur. There is no doubt it will go underground. In far-flung reaches of the State live baiting and back paddock training tracks will exist. We will see dogs getting hurt and we will see live baiting. We will have to revisit this issue.

The Hon. Daniel Mookhey said during the debate that the greyhound industry was essential to the economy of Coonamble. That is just not true. Even if it were true, we cannot set aside the moral and ethical arguments about cruelty to animals because someone is making a buck. Slavery was big in New Orleans, but it did not hold with community expectations that we should continue to maltreat and subject other human beings to such abysmal treatment because it was worth a few bucks. The same ethics apply in this case. We cannot subject other living things—humans or dogs—to unacceptable cruelty just to make a buck.

The Hon. Daniel Mookhey did not use the words "animal cruelty" in his contribution even though it is absolutely fundamental to this argument. It was purely a question of politics. The Labor Party decided, "This is good for our base. Damn the dogs. In cahoots with the *Daily Telegraph*, we can stare the Government down." The

Hon. Luke Foley and the Hon. Daniel Mookhey were right: they were able to get the Government to blink. As a result, the losers will be the dogs and the greyhound racing industry because, as night follows day, the cruelty will continue and we will have to revisit this issue. Then greyhound racing in New South Wales and in Australia will come to an end.

I join my colleagues in opposing the bill. Dr Mehreen Faruqi has a considerable number of amendments to the bill. The Government will look back at this as being one of the key things that showed they put politics before principles and failed to manage a transition properly. We have seen that again and again in other sectors of the economy. It is a dark day in New South Wales political history when a government which had shown political courage was then cowed. The Government backflipped. It will affect the reputation of New South Wales and the losers will be those in the greyhound industry—and, most importantly, the poor dogs that suffer in this cruel and unnecessary industry.

The Hon. ROBERT BROWN (15:42): On behalf of the Shooters, Fishers and Farmers Party, I wish to contribute to this second reading debate on the Greyhound Racing Bill 2017. From the outset I indicate my party's support for the bill. I also foreshadow that my party will be moving a number of amendments which, I hope, will improve the bill. Since 2013 my colleague the Hon. Robert Borsak and I have been championing the interests of the greyhound industry. Quite frankly, we are amazed that we have come to a day when we will be reading into law a bill that is required to repeal an Act legislated by a government that tried to shut down an entire industry. We have consistently presented the critical issues facing the industry and our party always has stood shoulder to shoulder with members of the greyhound industry. We particularly supported the wish of the greyhound industry to properly regulate itself so that it could get rid of the problems that led to the Premier making his precipitous decision.

The greyhound industry in New South Wales, particularly the New South Wales Greyhound Breeders, Owners and Trainers Association, and individual participants—with whom we have had wide and long-ranging consultations—always have come to the table with maturity and professionalism. They have shown maturity and professionalism even under the horrendous and problematic circumstances of having their industry shut down. The Hon. Mark Pearson read onto the record some comments that had been left on his Facebook page from people who support the Animal Justice view on this. During the period immediately following the Government's shutdown of the industry, I also received comments via the phone. On one occasion I spent over an hour on the telephone with a young family man. I will not identify him by saying where he lives, other than it is in western New South Wales. He thought that he was about to lose everything. He had relocated to the region after selling his house in Sydney. He had invested all his money in developing a state-of-the-art breeding and training facility, which was about to be shut down without any opportunity for recourse for him and his family.

As I said, the conversation went for about an hour and I became alarmed, at times, about the direction in which the conversation was going. I was reminded of the fact that in the press release that announced the cessation of the greyhound industry in New South Wales there was a note at the bottom referring anyone who felt the need for it to Lifeline. I made arrangements to visit the family, if the caller felt it necessary, and made myself available to him. I also suggested that, irrespective of the thoughtlessness of a Premier putting something like that at the bottom of a press release, it was probably a good suggestion were this young chap to become any more distressed. I am not a qualified counsellor so I had to be very careful about what I said and how I said it.

During the debate I heard some challenges put out by the crossbenchers to members of the Christian Democratic Party asking how its members could support an industry that was based on gambling. I will not verbalise the Hon. Paul Green, who is yet to speak, but in all the conversations that I had with the members of the Christian Democratic Party and the damaged, injured, worried families, the question was not about gambling; the question was about ruining families. Is that what we are about? My party welcomes the strong framework in the bill, under which greyhound racing will operate in the future. I foreshadowed earlier that we will move some amendments because we are deeply disappointed that the Government has had complete disregard for the appropriate funding that is required to achieve those standards and to ensure the sustainability of the industry.

In Mr Iemma's excellent report, we recognised that recommendation 118 was the key recommendation. The recommendation suggests a way to support the industry in a self-sustaining manner, but it was ignored. I will not detail the arguments that we put to the Government incessantly about revisiting the Inter-Code Agreement or reforming the tax-sharing agreements. Members of the Shooters, Fishers and Farmers Party put their hands up with respect to the Inter-Code Agreement. We surrender. We understand that neither side of politics has the moxie to take this on, risking possible legal actions, so we will move on.

Shooters, Fishers and Farmers Party members also are mindful of the fact that any attempt to introduce any tax reform amendments into the bill are well outside the leave of the bill and we have been advised that they would be regarded as appropriations—making it a money bill—and therefore well outside the ambit of what this

House is capable of doing. We put forward some amendments that we hope the Government will support because they are eminently sensible. They have been crafted in order to elicit some cooperation from the Government.

My lower House colleague Mr Philip Donato noted yesterday in his contribution on the bill that no less than four inquiries and commissions, including an upper House inquiry chaired by the Hon. Robert Borsak, my colleague, all concluded that the Inter-Code Agreement and tax harmonisation should be revisited to align the greyhound industry's funding to its market performance. I put this on record because I am tired of hearing commentators saying, "Oh, this industry is going to be bludging off the taxpayer's back pocket". If the industry was not put into that position by the mandates of successive governments on things like the Inter-Code Agreement and tax sharing then the industry would be able to look after itself. A tremendous amount of money will be required to ensure that the compliance framework, which will be put in place under the bill, can work. It is going to need money. Continuing with the theme that the Government ignored Mr Iemma's recommendation No. 118—when the Minister in the other place talked about support for continuing the structures that have been put in place, he contributed only about five lines out of a three-page second reading speech. He said:

... a contribution of \$11 million will be provided towards the costs of regulation.

And then a further \$30 million would be provided over five years. I put on record that the Shooters, Fishers and Farmers Party believes that those funds are vastly inadequate. In order to properly staff the commission we are talking about 60-plus people approximately, and then there are costs for rent and all the other things that will be required to be met to ensure that a compliance regime can operate. It will require field staff, investigators and those sorts of things. There is \$30 million for what we call other things—capital works to upgrade the tracks and to install surveillance and so on. So when we start adding up the cost of all of that in our heads, \$41 million is a tiny amount of money.

To that end, we believe the Government has not properly thought this through; nor did Mr Iemma's committee get that far down the track. Once the bill has been passed in this House, and according to the numbers it will go through, we recommend—and we have proposed this as an amendment—that a select committee be set up to inquire into the costs associated with delivering what the bill requires to be delivered. It could be done very quickly. It will give the Government some guidance as to how much money it will need to spend. We have thrown a figure out there as a guideline but it is up to the Government.

The Shooters, Fishers and Farmers Party has had a number of dealings on this issue with this Government and previous governments from both sides of politics over many years. The Government made a political error when it banned this industry and that was borne out in the Orange by-election results. A bit of fun was had with the fact that the Hon. Duncan Gay stood up here and said mea culpa. He took it like a man. He said, "This is what the Government did wrong. We agree on that, and now we are going to fix it". It is a shame that when governments get it wrong they cannot—and excuse this sexist phrase—man up and admit that they got it wrong. People get angry when governments roll over them with legislation and grit their teeth, dig in their heels and in a dogged fashion say, "We're right and we're not going to budge". I have always said that the Hon. Duncan Gay is a man of substance, and he proved it today.

We do not know what the financial implications of this will be, and that is why we have crafted our amendments in the way that we have. I hope we get some support from crossbench members on our amendments, although I am not sure what those parties that oppose the bill will do. Anything we can do to improve the ability of the Government to make the compliance set-up work has to be better for animal welfare, irrespective of whether somebody wants the industry to survive. When it comes time, I will present my arguments on those amendments. The Government has made a pretty good fist of trying to right a wrong. As I said, we support the bill.

The Hon. PAUL GREEN (15:55): I speak on the Greyhound Racing Bill 2017. I know that my colleague Reverend the Hon. Fred Nile already has spoken on the bill but I want to put some things on record in the light of contributions made by other members earlier. The bill seeks to repeal the Greyhound Racing Prohibition Act 2016. I heard someone say earlier that the bill is about the Government giving in to big business. For the Christian Democratic Party, this was about the little person—the mums, dads and grandparents who enjoy this industry, maybe as a hobby. For us, the bill is not about big business or big gambling; it was always about the welfare of people across New South Wales and jobs across New South Wales.

For six years in this Chamber the Christian Democratic Party has fought hard and done everything it can to ensure that regional New South Wales, in particular, prospers. There is not as much opportunity for our kids to get jobs in regional areas as there is in the city so we always have been keen to ensure that we take care of the welfare of those in this industry. The Hon. Robert Brown made some comments about the mental health of people in this industry. I remember talking to Mr John Brogden about the original bill that was put through. I asked him to send some people out to the greyhound race tracks to talk to those men because I knew many of them would

be struggling with mental health issues given the fact that this activity was being taken away from them. I will come back to the issue of gambling in a moment.

Many do not realise that a lot of men get their identity from their work. I have nursed enough men in my lifetime to realise that the most important thing somebody can ask a man is, "What do you do? What have you done and how do you contribute?" They will stand for hours telling you. They are not telling you because they want you to know everything that they have ever done in their life but rather because they are sharing who they are. Sadly, that is how a lot of men identify. We know that people should be valued for who they are and not what they do, necessarily.

For many men their identity is tied up with the racing side of things. They live and breathe it. We have seen the growth of the Men's Shed movement. It has been a phenomenal movement to help men meet up with others to talk about and share health issues, psychological issues, relationship breakdowns or family issues. Men's sheds have been incredibly helpful. Before men's sheds there were greyhound races. A lot of men went to the races, and a lot of men still go to the races, whether it is the horses, the trotters or the greyhounds. It is what is known as their "cave moment" when men come together to process life. They process their relationships, how their sons and daughters are reacting to them and how they interact with their spouses and partners and the part they play in their world. They process how they are going in life and how importantly they factor in things. That is their "cave" moment.

They take their dogs for a walk every day. They think about things and they process things. That means that for many of them, when they come back home, they see the world more clearly because of the time they have taken to exercise their dogs and their minds at the same time. We did not jump into investigating this industry lightly. The former Premier showed amazing boldness when he sought to prohibit greyhound racing in this State—it was a gutsy act—but at the end of the day we were not convinced that, if the prohibition were to go through, the welfare of people involved in the industry had been truly taken into account.

We have formed an unholy and unlikely alliance with The Greens on gambling reform because we know the price of problem gambling. Some years ago we were party to making one of the most impactful reforms of gambling in this State when we formed an alliance with The Greens to vote against the passage of the Casino Control Amendment (Barangaroo Restricted Gaming Facility) Bill 2013 without amendment. To the credit of members of this House, they passed a Christian Democratic Party amendment that made it illegal to put poker machines in that joint. We know that poker machines are responsible for 80 per cent of problem gambling and are often the start of a sad fall. I know that one of the passions of Mr Justin Field is the proliferation of pokies. We both want to see a huge dent in the gambling industry because of the great impact gambling has on not just the problem gambler but also on their families and the community.

Is animal welfare a deep concern for us? Yes, of course it is, but we do not shut down every department in New South Wales just because we disagree on some issues. We have to govern for everyone, all 7.5 million people. I believe the Christian Democratic Party has shown that it is not opposed to governing for everyone. We take the same approach to the greyhound racing industry. I appreciate the fact that the Greyhound Racing Bill 2017 is before the House. As I have said, there had been no time to examine the Greyhound Racing Prohibition Bill and fully consider the implications of the Government's proposed ban on greyhound racing. One of the reasons for this was that The Greens, who had fought for what they termed "grassroots community transparency and integrity", were rushing the Greyhound Racing Prohibition Bill through the Parliament. The bill was not given the normal five-day period before it was rushed into the House, so we did not have time to have comprehensive talks with the Premier about its contents. We did discuss the legislation, but The Greens raced that legislation through.

Mr Justin Field: We control the business of the House?

The Hon. PAUL GREEN: You controlled the business of the House on that occasion.

The DEPUTY PRESIDENT (The Hon. Trevor Khan): Order! The Hon. Paul Green will address his comments through the Chair. The Greens will cease interjecting. The debate has gone well up until this point, and it will continue in that way.

The Hon. PAUL GREEN: I am annoyed to this day that the process was hijacked by The Greens, who talk all the time about transparency and the need for grassroots opportunities for stakeholders to express their views. They ripped the previous legislation through the House and that is why we are debating this bill today. We have had to look at the greyhound industry again because people were not given the opportunity to look at the legislation for five days before it was introduced and debated. We could have cooled off and looked properly at the legislation before we decided on whether there was a better way to deal with the industry. It is unfortunate that The Greens took this route, given the fact that the legislation has a great impact on people's lives.

The DEPUTY PRESIDENT (The Hon. Trevor Khan): I call Dr Mehreen Faruqi to order for the first time. I call Mr Justin Field to order for the first time. I warn them not to interject.

The Hon. PAUL GREEN: The object of this bill is to remove the prohibition of greyhound racing in New South Wales that was due to commence on 1 July 2017. It is also to constitute the Greyhound Welfare and Integrity Commission as an independent regulator to oversee the greyhound racing industry, to promote and protect the welfare of , and to ensure compliance with, the requirements under the proposed Act. It is also to reconstitute Greyhound Racing NSW, which currently has both regulatory and commercial functions, as a commercial entity exercising functions, such as conducting greyhound race meetings and registering greyhound racing clubs, subject to and in accordance with an operating licence granted by the Minister.

The bill is also to provide for the making of an enforceable code of practice for the welfare of greyhounds that contains standards relating to the care and treatment of greyhounds. It is also to require any greyhound owned, bred or kept by a greyhound racing industry participant to be registered under the proposed Act and to require greyhound racing industry participants, including persons who own, breed, keep and handle greyhounds at greyhound races or trials or provide health services to greyhounds, to be registered under the proposed Act. It also will require greyhound trial tracks where greyhounds are trialled or trained for racing to be registered under the proposed Act. It also will impose a lifetime ban on any involvement in the greyhound racing industry on any person who is found guilty of a live baiting offence.

We say we should chuck the book at those people who are doing wrong, as everyone says. We must not penalise those who are doing the right thing, but we should chuck the book at those who are doing the wrong thing, or we will not have a functioning community. Further objects of the bill are to create an offence of keeping any animal that is reasonably capable of being used as a lure in connection with the trialling, training or racing of greyhounds, or the carcass or skin of such an animal, on premises where greyhounds are kept, trialled, trained or raced and to make it clear that live baiting is a serious act of cruelty for the purposes of an offence under section 530 of the Crimes Act 1900. The final object is to confer on inspectors under the proposed Act investigative and enforcement powers, including powers to make video recordings or take photographs while conducting a search.

The bill gives effect generally to the recommendations of the Greyhound Industry Reform Panel, which I thought released a very thorough report with extensive recommendations. We welcome the Government's response following the report from the NSW Greyhound Industry Reform Panel, particularly the part focused on separating the commercial and regulatory functions of the greyhound racing industry. I put on the record once again that one of the reasons the industry failed was that the commercial and regulatory functions were not separated. At the end of the day, the buck stops with the Government because the Government is responsible for greyhound racing legislation. The legislation should have done what it was meant to do, and that is enforce compliance with regulations. The legislation set people up to fail by allowing the commercial and regulatory functions to be overseen by one authority.

Under the new governance framework a new integrity commission will be established. It will operate as an independent regulator to oversee the industry, promote and protect the welfare of greyhounds and ensure compliance with the requirements under the proposed Act. The Government started this industry and it should have policed its compliance, regulated it, and watched over it. The body responsible for the regulation of the greyhound racing industry is the Government so its regulatory failures lie at its feet. The Greyhound Racing Act 2009 effectively gave Greyhound Racing NSW the responsibility for the regulation and commercial activities of the industry. As I have reflected previously in this House, if Dracula were in charge of the blood bank, he would never jeopardise the blood supply he needed for his survival.

I am pleased to be debating this bill in the House today as a member of the Christian Democratic Party, along with my colleague Reverend the Hon. Fred Nile. We always have upheld that this industry should have been given the second chance that it is now receiving. The Christian Democratic Party values the welfare of animals greatly. As I have said, William Wilberforce himself was a co-founder of animal rights and justice. Animal welfare is deeply embedded in our thinking and it informs the way we react to this legislation. One of the outcomes of our thinking is that there is no doubt that this bill will go a long way in protecting these animals. When this topic was last debated I reflected:

The Government must, above all things, give the highest consideration to the impact that this closure will have on the lives and livelihoods of individuals across New South Wales. The Christian Democratic Party puts people first. I further noted the impacts that the prohibition would have on regional communities, particularly communities such as Shoalhaven, their families and their livelihoods. On my way to church I drive past the track in Shoalhaven and it is wonderful to see people going about their normal activities. They love their dogs, and they love walking and racing their dogs. As I said, a few people are doing the wrong thing and that is what this bill will iron out. Specifically, the Shoalhaven City Council wrote to the former Deputy Premier and Minister for Racing, the Hon. Troy Grant, stating:

Council acknowledges the finding of the inquiry and in no way condone any practices involving cruelty to animals, greyhounds or otherwise, however, in considering its position on the issue, Council is concerned with the impact on individuals and families who rely on this industry for income and support and employment.

As I have said many times in this place, in New South Wales it is much easier to keep a job than to have to create a new one. The introduction of this bill does that. It works to keep regional jobs in New South Wales. Families throughout regional New South Wales have invested heavily in and leveraged properties, then built infrastructure to make a living from greyhound racing. I am pleased today to see that this bill will go some way to ease the challenges they were facing. The kennels, fences and infrastructure they have built to ensure their longevity in the industry will not go to waste, and retirement funds and superannuation contributions that have been invested will be conserved.

To make it absolutely clear, my concern is for the welfare of families, above all things. I am concerned for the men, women and children and the ongoing impacts of these decisions. It does not excuse where we are and the way that animals were treated. We need to treat them with respect. No one wants the animals to be mistreated; and for those who do the wrong thing, we chuck the book at them. At the end of the day, it is easy for The Greens to stand here and be a protest party, but that will not help people pay their mortgages, their utilities and their bills. We commend the bill to the House.

[Business interrupted.]

Visitors

VISITORS

The DEPUTY PRESIDENT (The Hon. Trevor Khan): Before I call upon the Hon. Lynda Voltz, I welcome into the public gallery Mr Brenton Scott, chief executive of the Greyhound Breeders Owners and Trainers Association, and also a member of the New South Wales greyhound industry reform panel. It is good to see him again.

Bills

GREYHOUND RACING BILL 2017

Second Reading

[Business resumed.]

The Hon. LYNDIA VOLTZ (16:11): I support the Greyhound Racing Bill 2017. I opposed the 2016 bill that the Government introduced, and for good reason. As my colleague the Hon. Paul Green noted, the Government primarily is responsible for animal welfare. The point I made at the time was that the arguments did not marry up with the evidence that was presented before the parliamentary inquiry into the greyhound racing industry. The Government has two different sets of information—one that was presented to us by the RSPCA inspector and one that was presented in a report by the Premier. The truth was probably somewhere in the middle, but the reality is that it is a reflection on the Government and how it implements its animal welfare scheme. The Government has a responsibility not just to the greyhound industry but to every industry to make sure it gets its animal welfare legislation correct.

Unlike many members in this House, I grew up around greyhounds and the greyhound industry; I am well versed in the care of greyhounds and how they should be looked after. When I spoke in the second reading debate in 2016 I made the point that a serious trainer would not involve his greyhounds in live baiting because doing so poses a great risk of damage and danger to greyhounds. All the trainers I know would not be involved in that kind of behaviour; nor had I ever seen it done. That is not to say that some people did not do it, but those who did should be prosecuted and it is the Government's responsibility to do that.

It was inappropriate for the Government to decide that it would ban the greyhound industry without any consideration for the many people who have been involved in that industry—people such as my dad, who, nearing 80, still got up every morning to walk his greyhound because that is what keeps him going. He likes to do it and he has done it all his life. He has never mistreated the greyhounds. In fact, they are a bit spoilt, and that is reflected in the way they run. People in the greyhound racing industry are good, honest people who have worked hard all their life. They are hardly the rich end of town and hardly big business. They are more likely to be your battlers than the people who you do not want involved in that industry.

I understand that Mike Baird had a problem with greyhound racing and made a decision to ban it. He followed through on that decision. But what really affronted some people was not just his decision to ban it but the way the Government treated the industry as part of that ban. I will refer to the supplementary inquiry and the evidence of Mr Brodie, who was called back to answer further questions. I asked him whether he could confirm

the statements in the advertising campaign that greyhound racing is legal in only eight countries—whether that statement in the advertising campaign was correct. He said:

All of the material that was in the campaign was drawn directly from the special commission of inquiry report.

I said:

But is greyhound racing only legal in eight countries?

Mr Brodie said:

There are only eight countries that have a regulatory scheme for greyhound racing.

I said:

But that is different to it only being legal. There are actually 21 countries where greyhound racing happens, isn't there?

Mr Brodie acknowledged that there were a number of countries in which greyhound racing occurs. I said:

So there are 21 countries where it is legally occurring. There are only eight countries where it is regulated. Isn't that the correct statement?

Mr Brodie said:

The way you put it is correct.

I said:

The ad actually says that greyhound racing is legal in only eight countries. That is an incorrect statement, isn't it?

Mr Brodie said:

No. I think you will find that there is a direct statement in the special commission of inquiry report that says that greyhound racing is legal in only eight countries.

I pointed out that the report goes on to say:

The Commission is also aware that greyhound racing takes place in several countries not listed above ... For example, Argentina and Chile, Finland, Germany and Sweden.

Mr Brodie said:

I have no reason to doubt that you are quoting correctly.

I said:

So the statement in the advertisement that says that it is legal in only eight countries would be incorrect, wouldn't it?

Mr Brodie said the advertising reports what is in the inquiry's report; it is what it says there. "But it does not", is what I said to him, and he said:

With respect, I think that the ad was built with evidence from the special commission of inquiry report and uses that only and in a very disciplined way.

I said:

Here is what the report says:

"So far as the Commission is aware, only the following countries host a commercial greyhound racing industry ..."

But that is not what the ad says. The ad says that it is legal in only eight countries. This is an advertisement on which the Government spent a lot of money and released into the community, and it was just not true. In fact, it was completely untrue. When you press the Government, when you quote the Government on its source—the special commission report—it does not say that at all. The special commission report actually outlines greyhound racing occurs in 21 countries. Yet this Government spent a lot of money telling people what is essentially an outright lie, and that is what really upset the greyhound racing industry. It was not simply the banning of the industry, but the way in which the industry was represented, which was untrue. The Government spent a lot of money misrepresenting people in the greyhound racing industry. Indeed, at one point I asked a question on notice as to whether the department had undertaken or paid for any market research or perception research on the ban on greyhound racing and whether that was an opinion poll or a focus group. The answer Mr Brodie gave me:

No, it was a random sample with an intent to understand the kinds of questions that needed to be dealt with in terms of communicating to the community about the transition program that needed to be developed by government.

We know what that is in politics—it is called a focus group. What we do with a focus group is get the questions we need to ask so that we know the information we put out accords with what people want to hear. That is what we do with a focus group. That is what the intent was with this spend in market research and perception research. I asked to be provided with the cost of that research and the response I received was:

Following the government's decision to give the greyhound racing industry one more chance in NSW, please refer further questions to the former Premier Morris Iemma's Greyhound Industry Reform Panel. The Government will not tell us how much it spent on advertising or market research. Perhaps the Minister will take that question on notice and get an answer from the department. I would be interested to know why the Government cannot tell the House how much it spent on those focus groups. If the Government were serious about educating the electorate and changing people's minds—particularly those in the greyhound racing industry—if it wanted to convey the message that it would implement a transition program and that the industry was on notice, which radio station would be the logical choice to broadcast that message? My money would be on Sky Racing, which is the radio station that punters and industry participants listen to. However, the Government advertised on Hill FM, Star FM, Zoo FM, 2ZZZ, New FM, 2GB, 2CH, 2DAY FM, 2MMM, 2UE, 2WS FM, KIIS FM, Nova 96.9 and SBS. Sky Racing does not get a mention even though it is the station that serves punters and greyhound industry participants.

Reverend the Hon. Fred Nile: How much did that cost?

The Hon. LYNDIA VOLTZ: I note that interjection. The Government will not tell us. I have asked those questions, but I still have not received an answer. As I said, perhaps the Minister will take that question on notice. If the Government argues that it made a moral decision in good faith and that it was banning greyhound racing based on a moral position—as Mike Baird obviously did—it would stand its ground and not reverse its decision. It should not hide information, lie about the figures and try to manipulate public opinion to get what it wants when the politics go bad. That is what has happened.

We are talking about good people. My dad had to get rid of his dogs because the industry was banned. He was getting old and he was worried. The industry was being shut down and his dogs had to go. Many people have sold their dogs, their stock, their walking machines, their pens, and so on because they no longer need them. They are gone from the industry. The industry is still going, but whether it can recover is the big question. Will the tracks always be open and maintained? Some tracks still do not have certainty. That is a great tragedy for the industry. It is a shame that we are now debating legislation to overturn a very poor decision made by this Government. The greyhound industry will never recover from the decision 12 months ago to ban it. We have finally arrived at the sensible place where we should be. Animal welfare problems should be dealt with in a holistic way. We should not take it out on one industry. The Government's decision to do so was poor and the public responded appropriately.

The Hon. RICK COLLESS (16:22): On behalf of the Hon. Don Harwin: In reply: I thank the Hon. Peter Primrose, the Hon. Duncan Gay, Reverend the Hon. Fred Nile, the Hon. Walt Secord, Dr Mehreen Faruqi, the Hon. Shaoquett Moselmane, the Hon. Mark Pearson, Mr Justin Field, the Hon. Daniel Mookhey, the Hon. Ernest Wong, Mr Jeremy Buckingham, the Hon. Robert Brown, the Hon. Paul Green and the Hon. Lynda Voltz for their contributions to this debate. It has been interesting to listen to the contributions made by Opposition members on this bill. They have been milking the politics of this issue as hard as they can, but that is understandable given their position. That is now behind us and it is hoped that we can move on for the sake of the industry.

The Government is introducing reforms that will provide a new start and a new structure for the greyhound racing industry. This bill provides a comprehensive regulatory regime for greyhounds and industry participants. It is the result of the Government listening to the community and responding accordingly. These reforms provide the industry with a framework that will ensure it has a strong future. We want an industry that recognises and operates according to high animal welfare standards. The Government has worked hard to achieve the right outcome, and this bill is a reflection of the extensive consultation that has occurred on greyhound racing issues in recent times.

Like others, I recognise the work of the Greyhound Industry Reform Panel. As the member for Bathurst and Minister for Racing stated when introducing the bill in the other place, having a panel comprising representatives from both the RSPCA and the NSW Greyhound Racing Industry Alliance reach consensus on all but two of 122 recommendations was a substantial achievement. There is satisfaction in hearing so many members from across the Chamber indicating they support the bill. As many have pointed out, this is a measured and carefully thought out bill. It will put in place the right measures to ensure a sustainable future for greyhound racing in New South Wales.

One of the themes emerging from today's debate is a concern about the financial viability of the industry. Members should make no mistake: The Government wants the industry to do well, to stand on its own feet, to make its own decisions about its future, and not to rely on taxpayers' money. This is not to deny that the new requirements will have impacts on the integrity and welfare-related costs that industry will need to support. As members are aware, and as they have mentioned on numerous occasions, \$11 million has been identified to support the commission. This will facilitate the initial start-up costs and support its costs during its first four years of operation. That money will help meet the gap between what industry is already spending on integrity and welfare functions and what the Government expects will be required under the new arrangements. That figure was not simply plucked out of the air; it reflects an assessment of the staffing needs and associated costs of the commission.

The amount identified recognises that there will be start-up costs, such as new IT systems to support the lifecycle tracking of greyhounds, and the costs of recruiting and on-boarding new staff, including the chief commissioner and commissioners. It also recognises that intensive resources will need to be directed to the urgent work of the commission, such as development of a code of practice for greyhound welfare and new rules of racing. It is also recognised that raising the bar for greyhound racing tracks does not come cheaply and cannot be done overnight. That is why the Government has committed to providing \$30 million in capital grants over five years to improve track safety and to reduce greyhound injuries. This is an appropriate response to a difficult situation. I look forward to a greyhound industry that is viable and safe, and that meets the animal welfare concerns that precipitated the 2016 bill. A number of amendments have been proposed, and I look forward to discussing them in the Committee stage. I commend the bill to the House.

The PRESIDENT: The question is that this bill be now read a second time.

The House divided.

Ayes32
Noes5
Majority.....27

AYES

Amato, Mr L	Blair, Mr N	Brown, Mr R
Clarke, Mr D	Colless, Mr R	Cusack, Ms C
Donnelly, Mr G	Farlow, Mr S	Franklin, Mr B (teller)
Gallacher, Mr M	Gay, Mr D	Graham, Mr J
Green, Mr P	Harwin, Mr D	Khan, Mr T
MacDonald, Mr S	Maclaren-Jones, Ms N (teller)	Mallard, Mr S
Mason-Cox, Mr M	Mitchell, Ms S	Mookhey, Mr D
Moselmane, Mr S	Nile, Reverend F	Pearce, Mr G
Phelps, Dr P	Primrose, Mr P	Searle, Mr A
Secord, Mr W	Sharpe, Ms P	Taylor, Ms B
Veitch, Mr M	Voltz, Ms L	

NOES

Buckingham, Mr J	Faruqi, Dr M (teller)	Field, Mr J (teller)
Pearson, Mr M	Walker, Ms D	

Motion agreed to.

In Committee

The CHAIR: There being no objection, the Committee will deal with the bill as a whole. I have five sets of amendments. I have Shooters, Fishers and Farmers Party amendments on sheet C2017-017A; I have Shooters, Fishers and Farmers Party amendments on sheet C2017-019; I have The Greens amendments on sheet C2017-018; I have Animal Justice Party amendments on sheet C2017-022A; and, finally, I have a Christian Democratic Party amendment on sheet C2017-023. We will start with The Greens amendment No. 1 appearing on sheet C2017-018.

Dr MEHREEN FARUQI (16:38): By leave: I move The Greens amendments Nos 1, 4 and 5 on sheet C2017-018 in globo:

No. 1 **Greyhound welfare code of practice**

Page 5, clause 8. Insert after line 11:

(b) amending the code of practice prepared by the Commission in a manner that would have an adverse effect on animal welfare,

No. 4 **Greyhound welfare code of practice**

Page 14, clause 36, line 7. Omit "may". Insert instead "must".

No. 5 **Greyhound welfare code of practice**

Page 14, clause 36, line 13. Insert "Any such amendment may only be made if the amendment is likely to improve animal welfare." after "practice." These amendments relate to the greyhound welfare code of practice which, of course,

is yet to be developed or seen by this Chamber or by the community. Amendment No. 1 would alter the proposed ability of the Minister to give the commission a written direction with respect to the functions of the commission. The amendment specifically states that a written direction cannot be given if it would have an adverse effect on animal welfare. Amendment No. 4 would remove the discretionary power of the Minister to apply the code of practice unilaterally. The legislation currently states that the Minister "may" apply the code. This amendment would mean that the Minister must apply the code. Amendment No. 5 ensures that the Minister's power to alter the code of conduct in clause 36 can only be used if the amendment is likely to improve animal welfare. These amendments, taken together, strike at the core problem with this bill. Even if—as I have made clear before, it is a big "if"—the strongest animal welfare protections are included in the code of practice, the Minister for Racing will have veto power over them. Clause 36 (3) states:

- (3) The Minister may, by order published on the NSW legislation website, amend or repeal the code of practice.

In practice, this means that the Minister can pick and choose which parts of the code of practice to proclaim, or even choose not to proclaim one at all. Who is going to hold them to account? It will not be the Liberals, The Nationals or the Labor Party. All would prefer to see animal welfare swept under the carpet.

I recently had my attention drawn to a petition which is doing the rounds at the moment. It has drawn considerable support from greyhound racers. The petition argues against the Greyhound Racing NSW water supply rule. What is this rule that has the greyhound racers so upset? This rule is a requirement to provide water in kennels to greyhounds at race meetings. That is right—greyhound racing participants are arguing against the requirement to provide water to their dogs. If they are against a requirement to provide water to their greyhounds, what do members think will happen if the code of practice contains significant animal welfare requirements? I have no doubt that the industry will continuously lobby the Minister to remove them one by one.

Do members really expect the current Minister for Racing to stand up to the industry after the industry did over this Government? Do members really expect any future racing Minister from either side of politics to side with animal welfare over gambling and racing interests? I think not. My concerns were further compounded at the crossbench briefing when I asked the Minister's advisers at the meeting why this power existed to allow the Minister to unilaterally change the code. They did not even know that the Minister had this power in legislation. I think this highlights what a shamble this bill is. I commend the amendments to the House.

The Hon. RICK COLLESS (16:41): The Government opposes these amendments. In terms of amendment No. 1, we believe this amendment is not necessary as the welfare of greyhounds is at the centre of the framework set up by this bill. The Minister can issue a direction to the commission that is in the public interest only. The standards established in the code of practice are required to promote the welfare of greyhounds. It is simply not necessary to include the limitation on ministerial directions proposed by this amendment in order to protect animal welfare.

The Government also believes that amendment No. 4 is not necessary, as the integrity commission will prepare a code of practice and will seek the advice of the greyhound industry animal welfare committees in preparing the code. The Minister is required to seek the concurrence of the Minister for Primary Industries before making the code. This provides the Minister with responsibility for the Prevention of Cruelty to Animals Act a say in the making of the code. The proposed amendment fails to recognise the importance of the concurrence of the Minister for Primary Industries, and should be opposed on this basis. Amendment No. 5 is not necessary. I believe there is another amendment with better wording which will address that particular issue.

The Hon. PETER PRIMROSE (16:43): I request that these amendments be put seriatim. The Opposition supports The Greens amendment No. 1 but opposes the other two amendments.

The CHAIR: Dr Mehreen Faruqi has moved The Greens amendments Nos 1, 4 and 5 on sheet C2017-018. I intend to put them seriatim. The question is that The Greens amendment No. 1 be agreed to.

The Committee divided.

Ayes15
Noes20
Majority.....5

AYES

Buckingham, Mr J
Field, Mr J (teller)
Moselmane, Mr S
Searle, Mr A
Veitch, Mr M

Donnelly, Mr G
Graham, Mr J
Pearson, Mr M
Secord, Mr W
Voltz, Ms L

Faruqi, Dr M (teller)
Mookhey, Mr D
Primrose, Mr P
Sharpe, Ms P
Walker, Ms D

NOES

Ajaka, Mr J
 Clarke, Mr D
 Franklin, Mr B (teller)
 Green, Mr P
 Maclaren-Jones, Ms N
 (teller)
 Mitchell, Ms S
 Phelps, Dr P

Amato, Mr L
 Colless, Mr R
 Gallacher, Mr M
 Harwin, Mr D
 Mallard, Mr S

 Nile, Reverend F
 Taylor, Ms B

Brown, Mr R
 Cusack, Ms C
 Gay, Mr D
 MacDonald, Mr S
 Mason-Cox, Mr M

 Pearce, Mr G

PAIRS

Houssos, Ms C
 Wong, Mr E

Blair, Mr N
 Farlow, Mr S

Amendment negatived.

Mr JUSTIN FIELD (16:54): On behalf of The Greens I support The Greens amendments Nos 4 and 5 moved by Dr Mehreen Faruqi on sheet C2017-018. I think supporting these amendments would go a long way to demonstrating the intent claimed by the Government and the Opposition. It would seem a reasonable thing to ensure that the Minister adopts these codes and cannot take any action that would reduce animal welfare outcomes after this industry is reintroduced. If these amendments are not adopted by the Government, Labor and the other parties in this Chamber, I think it raises serious questions about the long-term intention of meeting animal welfare standards, which it has been claimed is the intention of this bill. It would raise serious concerns about how that will be developed and supported over time, in particular given that the animal welfare elements are not specifically included in this bill. All of that will be in the code. If there is no action taken in the legislation to ensure the code cannot be watered down after the event, the community rightfully will be concerned that we will end up back here in this place talking about poor outcomes with regards to animal welfare in the greyhound racing industry in the future.

The CHAIR: Dr Mehreen Faruqi has moved The Greens amendment No. 4 on sheet C2017-018. The question is that the amendment be agreed to.

The Committee divided.

Ayes5
 Noes31
 Majority.....26

AYES

Buckingham, Mr J
 (teller)
 Pearson, Mr M

Faruqi, Dr M

 Walker, Ms D (teller)

Field, Mr J

NOES

Ajaka, Mr J
 Clarke, Mr D
 Donnelly, Mr G
 Gallacher, Mr M
 Green, Mr P
 Maclaren-Jones, Ms N
 (teller)
 Mitchell, Ms S
 Nile, Reverend F
 Primrose, Mr P
 Sharpe, Ms P
 Voltz, Ms L

Amato, Mr L
 Colless, Mr R
 Farlow, Mr S
 Gay, Mr D
 Harwin, Mr D
 Mallard, Mr S

 Mookhey, Mr D
 Pearce, Mr G
 Searle, Mr A
 Taylor, Ms B

Brown, Mr R
 Cusack, Ms C
 Franklin, Mr B (teller)
 Graham, Mr J
 MacDonald, Mr S
 Mason-Cox, Mr M

 Moselmane, Mr S
 Phelps, Dr P
 Secord, Mr W
 Veitch, Mr M

Amendment negatived.

The CHAIR: Dr Mehreen Faruqi has moved The Greens amendment No. 5 on sheet C2017-018. The question is that the amendment be agreed to. Is leave granted to ring the bells for one minute?

Leave granted.**The Committee divided.**

Ayes5
 Noes31
 Majority.....26

AYES

Buckingham, Mr J
 Pearson, Mr M

Faruqi, Dr M (teller)
 Walker, Ms D

Field, Mr J (teller)

NOES

Ajaka, Mr J
 Clarke, Mr D
 Donnelly, Mr G
 Gallacher, Mr M
 Green, Mr P
 Maclaren-Jones, Ms N
 (teller)
 Mitchell, Ms S
 Nile, Reverend F
 Primrose, Mr P
 Sharpe, Ms P
 Voltz, Ms L

Amato, Mr L
 Colless, Mr R
 Farlow, Mr S
 Gay, Mr D
 Harwin, Mr D
 Mallard, Mr S

 Mookhey, Mr D
 Pearce, Mr G
 Searle, Mr A
 Taylor, Ms B

Brown, Mr R
 Cusack, Ms C
 Franklin, Mr B (teller)
 Graham, Mr J
 MacDonald, Mr S
 Mason-Cox, Mr M

 Moselmane, Mr S
 Phelps, Dr P
 Secord, Mr W
 Veitch, Mr M

Amendment negatived.

The CHAIR: Because The Greens amendment No. 5 dealt with clause 36 of the bill, we will now move to Christian Democratic Party amendment No. 1, which also deals with this clause in the same location as the last amendment. I invite Reverend the Hon. Fred Nile to move his amendment No. 1 on sheet C2017-023. The debate to this stage has proceeded well. I remind Mr Jeremy Buckingham that interjections are disorderly at all times and that he is on two calls to order.

Reverend the Hon. FRED NILE (17:08): I move Christian Democratic Party amendment No. 1 on sheet C2017-023:

No. 1 Code of practice

Page 14, clause 36 (3), line 13. Insert "An amendment to the code may only be made if it has been submitted by the Commission." after "practice."

This amendment would give assurance that the code cannot be watered down by anybody other than the Greyhound Welfare and Integrity Commission, which will be the authority. I am sure the commission would not change the code unless there was a very good reason for doing so.

The Hon. RICK COLLESS (17:09): The Government will support this amendment because the amendment clarifies that the changes to the code would be put forward only by the commission. This is appropriate as the commission has been tasked with preparing that code. It aligns provisions for amending the code with the provisions for making the code and the commission will have sought the advice of the greyhound industry animal welfare committees and any other persons or bodies that it considers appropriate. The Minister also will need to seek the concurrence of the Minister for Primary Industries before amending that code.

The CHAIR: Members wishing to have conversations will do so outside the Chamber.

The Hon. PETER PRIMROSE (17:09): The Opposition supports the amendment.

Dr MEHREEN FARUQI (17:10): The Greens support this amendment. It is crucial that the Minister not be able to unilaterally change the code of conduct. This amendment does not go far enough to ensure that all

amendments to the code of practice are improving animal welfare, but it is another level of checking that there is some level to which the Minister must go before he can put up an amendment. The Greens will support this amendment.

The Hon. ROBERT BROWN (17:10): The Shooters, Fishers and Farmers Party also support the Christian Democratic Party amendment.

The Hon. MARK PEARSON (17:10): The Animal Justice Party will support this amendment. My understanding of codes of practice is that it does not take much for a code of practice to in fact become a code of cruelty. Provisions can be changed within a code of practice which can make the situation for animals far worse than it was before. It is not possible to see any changes to the code of practice because it is not published or made transparent to the community and to animal welfare protection groups. It is far better to have the commission—which is a number of minds looking at these issues—make the decision about any change to the code of practice, so the Animal Justice Party will support it.

The CHAIR: Reverend the Hon. Fred Nile has moved Christian Democratic Party No. 1 on sheet C2017- 023. The question is that the amendment be agreed to.

Amendment agreed to.

The Hon. MARK PEARSON (17:12): By leave: I move Animal Justice Party amendments Nos 1 and 9 on sheet C2017-022A in globo:

No. 1 **Management of greyhound adoption programs**

Page 6, clause 12. Insert after line 6:

(d) to manage greyhound adoption programs,

No. 9 **Management of greyhound adoption programs**

Page 9, clause 24 (1) (g), line 20. Omit all words on that line.

The issue of the management of greyhound adoption programs currently sits with Greyhound Racing NSW. I want to remove this position from them and give it to the independent commission that is more answerable to Parliament. It makes sense because Greyhound Racing NSW is responsible only for the commercial functions and not animal welfare. The commission also is responsible for collecting and monitoring all dog registrations and numbers. This will streamline the adoption process and ensure consistency across the registration process.

The Hon. RICK COLLESS (17:13): The Government opposes both amendments, given their similarity. We consider that they are not appropriate. The Greyhound Industry Reform Panel recommended that the commercial body be responsible for managing the rehoming programs and those programs will be required to meet best practice to assess the compatibility of the greyhound to be rehomed. The integrity commission will oversee the administration of rehoming programs and report on this as part of its normal reporting requirements. The extent to which the dogs are rehomed will be a reflection of the industry's commitment to their greyhounds and this responsibility should be not abrogated to a different body. The Government opposes the amendments.

The Hon. PETER PRIMROSE (17:14): The Opposition also opposes the amendments.

Dr MEHREEN FARUQI (17:14): These amendments would move the responsibility for the greyhound adoption program from the proposed entity, Greyhound Racing NSW, which is a commercial entity, to the Greyhound Welfare and Integrity Commission. The report of the Greyhound Industry Reform Panel specifically recommended:

The commercial entity should also be responsible for improving industry rehoming initiatives. This could include providing education, training and support to new owners.

As with most things in its report, there is no background or explanation as to how the commission came to this conclusion. We already know that the Greyhound Racing NSW adoption program has been a spectacular failure with 324 adoptions across the whole State in 2015-16. The Greens will support this amendment because rehoming is essentially an animal welfare initiative and should be managed by the body that has the animal welfare interest, not the commercial racing body.

The CHAIR: The Hon. Mark Pearson has moved Animal Justice Party amendments Nos 1 and 9 on sheet C2017-022A. The question is that the amendments be agreed to.

The Committee divided.

Ayes5
Noes31
Majority.....26

AYES

Buckingham, Mr J
Pearson, Mr M (teller)

Faruqi, Dr M
Walker, Ms D (teller)

Field, Mr J

NOES

Ajaka, Mr J
Clarke, Mr D
Donnelly, Mr G
Gallacher, Mr M
Green, Mr P
Maclaren-Jones, Ms N
(teller)
Mitchell, Ms S

Amato, Mr L
Colless, Mr R
Farlow, Mr S
Gay, Mr D
Harwin, Mr D
Mallard, Mr S

Mookhey, Mr D

Nile, Reverend F
Primrose, Mr P
Sharpe, Ms P
Voltz, Ms L

Pearce, Mr G
Searle, Mr A
Taylor, Ms B

Brown, Mr R
Cusack, Ms C
Franklin, Mr B
Graham, Mr J
MacDonald, Mr S
Mason-Cox, Mr M

Moselmane, Mr S
(teller)
Phelps, Dr P
Secord, Mr W
Veitch, Mr M

Amendments negatived.

The Hon. ROBERT BROWN (17:24): I have a sense that the Government and The Greens do not support my amendments. Under those circumstances, and to suit the convenience of the Committee, I will move them in globo. By leave, I move amendments Nos 1 and 2 appearing on sheet C2017-017A and amendment No. 1 appearing on sheet C2017-019:

C2017-017A**No. 1 Funding**

Page 6. Insert after line 17:

13 Provision of financial assistance

- (1) It is the intention of Parliament that the Government of New South Wales provides the Commission, out of money that is lawfully available to the Government of New South Wales, with an amount of \$150 million to be provided in annual instalments of \$30 million over the 5-year period commencing on the date of assent to this Act.
- (2) It is also the intention of Parliament that the Commission is to apply that funding, subject to any direction of the Minister, for the following purposes:
 - (a) to meet the operating costs of the Commission and GRNSW,
 - (b) to provide financial assistance to or in respect of the greyhound racing industry as a result of the enactment of this Act (including assistance to enable greyhound racing industry participants and greyhound racing clubs to meet their requirements under this Act).

No. 2 Funding

Page 9, clause 24 (1) (f), line 19. Omit all words on that line.

C2017-019**No. 1 Funding**

Page 41. Insert after line 46:

102 Parliamentary committee

Within 3 months of the date of assent to this Act, a committee of the Legislative Council is to be established to inquire into, and report on, the following:

- (a) the funding requirements of the Commission and GRNSW,
- (b) the anticipated costs to be incurred, as a result of the enactment of this Act, by greyhound racing industry participants and greyhound racing clubs.

I will speak first to amendment No. 1 on sheet C2017-017A. I said in the second reading debate, the Shooters, Fishers and Farmers Party had the impression that the bill could be improved if the Government were prepared to

make a genuine effort to demonstrate that this body of work would be properly funded. Strange language has been used in this amendment because it could not provide for an appropriation. It does not force the Government to do anything; rather, it expresses the intention of Parliament that the Government provide the commission with up to \$30 million a year for up to five years and not a lump sum of \$41 million. More importantly, these funds, subject to any direction of the Minister, should meet the operating costs of the commission and Greyhound Racing NSW, provide for assistance in respect of the greyhound racing industry as a result of the enactment of this legislation—which contains significant compliance requirements—and assist greyhound clubs to comply with the legislation.

The \$30 million a year figure was arrived at after many discussions the Shooters, Fishers and Farmers Party had with Government, the Labor Party, the Christian Democratic Party and the industry about what financial assistance might be needed to set up and run the commission. As I said, we believe it could require more than 60 personnel. Amendment No. 2 on sheet C2017-017A removes clause 2 (24) (f), entitled "Functions of GRNSW". The Shooters, Fishers and Farmers Party believes that Greyhound Racing NSW should not be required to fund the commission; rather, the onus should be on the Government to ensure that animal welfare and integrity are safeguarded. In other words, Greyhound Racing NSW and the Greyhound Welfare and Integrity Commission should be at arm's length from one another in all respects, including with regard to funding. That is the rationale behind amendment No. 2.

Because we are guessing as to what that amount should be, we have crafted the amendment to be a maximum. I do not believe the Government has done sufficient work to back up its estimate of \$41 million, so we call up an amendment to insert on page 41 after line 46. Again, three months will at least give people the opportunity to see what sort of requirements they might be required to fund and to get a rough idea of what those capital costs would be. Taken as they are, we think our three amendments improve the bill. We also think the Government would be better advised to support these amendments, if only so it has some legislative wherewithal preset by this place to give itself a bit more room to move in trying to ensure that the commission is properly funded. If the industry fails because of a lack of resources then this Government will not be able to step aside from that. However, if the Government adopts these amendments it at least gives itself some time and some legislative room to make sure that the work is done. I commend the amendments to the Committee.

Reverend the Hon. FRED NILE (17:31): I speak on behalf of the Christian Democratic Party. We support these three amendments. I believe the key wording in amendment No. 1 in 13 (2) is:

It is also the intention of Parliament that the Commission is to apply that funding, subject to any direction of the Minister ...

This puts the way this operates and functions back into the Minister's hands, which I believe is the correct line of authority for this. The funds are there but they will be subject to any direction of the Minister. I believe implementing these amendments provides some security or authority in the hands of the Minister.

The Hon. MARK PEARSON (17:32): The Animal Justice Party opposes these amendments. This industry is not a necessary industry. It is not health. It is not education. It is not about the provision of sustenance for the people of New South Wales. It is a gambling industry, a betting industry and an entertainment industry. For taxpayers' well-earned money to go into propping up an industry which is crippled and is going to collapse is totally outrageous. Even while Justice McHugh was undertaking the inquiry into the industry we were giving money to Greyhound Racing NSW and the racing industry broadly. If an industry like this is relying on taxpayers' money to exist, it has no social licence.

The Hon. PETER PRIMROSE (17:33): The Opposition also supports these three amendments. In my speech in the second reading debate I raised a number of concerns in relation to finance. I also indicated, but did not make the accusation, that there were some concerns that, without having adequate financing, this whole structure was being set up to fail. I asked for assurances from the Government in reply. We have not received those. I believe it would be in the Government's best interest and certainly the industry's best interest—and thereby in the best interest of those who are employed directly by the industry—to ensure that the financing is given certainty. Accordingly, the Opposition supports these three amendments.

The Hon. RICK COLLESS (17:34): The Government opposes these three amendments. The Government considers amendment No. 1 on sheet C2017-017A is not appropriate, as an appropriation bill is the appropriate mechanism for considering funding needs of the commission. The Government has agreed to provide that \$41 million transition assistance to the greyhound racing industry. This will help it adjust to the new regulatory environment. The level of assistance identified by the Government reflects the expected additional costs of the Greyhound Welfare and Integrity Commission above that currently dedicated to such functions within the existing Greyhound Racing NSW.

The amendment goes well beyond that. The basis for the amendment's proposed \$150 million in assistance is not clear. This amendment would see the industry's participants' costs like the bond for each greyhound being paid for by the New South Wales taxpayer. Cost-recovery principles are a key tenet of the

contemporary legislation to ensure the industry that benefits from the activity, not the taxpayer, meets the costs of administration and oversight. The industry has said it can stand on its own two feet and should be given the opportunity to do so. The bill requires a review to occur in three years from assent, and that is the appropriate time to examine regulatory efficiency and industry sustainability.

Amendment No. 2 on sheet C2017-017A is not appropriate, as the thoroughbred racing industry pays its own way in respect of the integrity and animal welfare functions of its controlling body, and the greyhound industry as it operates today pays its own way in respect of the integrity and animal welfare functions of its controlling body. As a self-sustaining industry, the industry has always accepted that these costs are its responsibility.

The Government opposes amendment No. 1 on sheet C2017-019 as it considers it is not appropriate for the bill to set up a committee of the Legislative Council. It is not usual practice to do this in legislation and may set an unfavourable precedent for the Legislative Council. The possible financial impacts on industry participants and greyhound racing clubs cannot be determined until the reforms are fully implemented and key decisions are made by the integrity commission. The statutory review of the new legislation will take place as soon as possible after three years to determine whether the proposed funding for the commission is adequate. The Government opposes these three amendments.

Dr MEHREEN FARUQI (17:37): It seems those in the Shooters, Fishers and Farmers Party are not satisfied with the greyhound industry getting \$41 million of taxpayers' money. They are so keen to continue this so-called "sport" of gambling and animal killing in all its glory—

The CHAIR: I invite the member to address the amendments as opposed to making a speech appropriate to the second reading debate.

Dr MEHREEN FARUQI: They want it propped up to give it a whopping \$150 million. The simple fact is an industry that is not able to clean up its own act should not be operating. If the Shooters, Fishers and Farmers Party wants good animal welfare outcomes there is actually a good way of doing it: It is actually to end greyhound racing and save all the money.

The CHAIR: Order! The member is not speaking to the amendments. The member is giving a speech appropriate to the second reading debate. I invite the member to address the amendments that the Hon. Robert Brown has moved.

Dr MEHREEN FARUQI: I do not think I will surprise anyone by saying that The Greens oppose this amendment.

The CHAIR: That is a good start.

Dr MEHREEN FARUQI: The Greens oppose any public funding into this blood sport—full stop. However much it pains me to work with the Government on this today, it is the right thing to do in this case. The Greens also do not support the second amendment, which would set up a parliamentary committee. Whilst we are not averse to inquiries, there have been a number of parliamentary inquiries, two reports and the special commission of inquiry into this industry. This further inquiry seems to be a way to advocate for more money for greyhound racing to keep betting on the lives of animals. The Greens cannot support it.

Mr JUSTIN FIELD (17:38:4): I speak in opposition to the Shooters, Fishers and Farmers Party amendment No. 1 in particular and, of course, amendment No. 2. I echo the concerns raised by my colleague Dr Mehreen Faruqi. It is extraordinary that there has been a suggestion that we provide an additional \$150 million to the industry. I call out the comments made by the honourable member in proposing this. He has suggested that this private industry, backed by the gambling industry, may fail because of a lack of resources. We should be concerned about our hospital system and our school system failing because of a lack of resources, but Labor Party members will support \$150 million going to back up the greyhound industry after all of the concerns we have been shown about this industry and the way it operates. It is extraordinary that Labor members support this. I echo the concerns of my colleague that we find ourselves having to support the Government in opposition to these amendments. It is shocking that Labor would support an extra \$150 million being given to this industry.

The Hon. ROBERT BROWN (17:40): I do not want to take up too much of the Committee's time but there are a couple of points that need to be addressed. The Hon. Rick Colless, in his contribution to this discussion, tried unsuccessfully to imply to the Committee that this amendment would be more properly placed in an appropriations bill. The Shooters, Fishers and Farmers Party sought the specific advice of the Parliamentary Counsel and of the Clerks. We are assured—and I can reassure the House—that this is not anywhere near an appropriations measure. It is a valid amendment to be made to this bill.

With regard to the comments of The Greens members, the Government is proposing to put in \$41 million of taxpayers' money because this industry has been destroyed by the financial arrangements that were set up in 1998, and by the way that this industry has been cross-subsidising other industries. The Parliamentary Secretary pointed out that the other codes fund their own compliance issues, et cetera. Of course they do. They can do it because they get \$35 from the greyhound racers to do it. That is why we propose that if the Government wants to set up a compliance structure and is not prepared to look at any of the other measures that I mentioned in my speech in the second reading debate, this will give an indication that the Government is genuine in its statement that it wishes this industry to be sustainable. That is why I put it in the amendments.

The CHAIR: The Hon. Robert Brown has moved the Shooters, Fishers and Farmers Party amendments Nos 1 and 2 on sheet C2017-017A and amendment No. 1 on sheet C2017-019. The question is that the amendments be agreed to

The Committee divided.

Ayes13
Noes22
Majority.....9

AYES

Brown, Mr R (teller)
Green, Mr P

Donnelly, Mr G
Mookhey, Mr D

Graham, Mr J
Moselmane, Mr S
(teller)

Nile, Reverend F
Secord, Mr W
Voltz, Ms L

Primrose, Mr P
Sharpe, Ms P

Searle, Mr A
Veitch, Mr M

NOES

Ajaka, Mr J
Clarke, Mr D
Farlow, Mr S
Franklin, Mr B (teller)
Harwin, Mr D

Amato, Mr L
Colless, Mr R
Faruqi, Dr M
Gallacher, Mr M
MacDonald, Mr S

Buckingham, Mr J
Cusack, Ms C
Field, Mr J
Gay, Mr D
Maclaren-Jones, Ms N
(teller)

Mason-Cox, Mr M
Pearson, Mr M
Walker, Ms D

Mitchell, Ms S
Phelps, Dr P

Pearce, Mr G
Taylor, Ms B

PAIRS

Houssos, Ms C
Wong, Mr E

Blair, Mr N
Mallard, Mr S

Amendments negatived.

The Hon. MARK PEARSON (17:49): I move Animal Justice Party amendment No. 2 on sheet C2017-022A:

No. 2 **Strategic plans for Commission**

Page 6, clause 14 (5), line 36. Insert "as soon as practicable after the plan is made" after "cost".

This particular amendment ensures that the strategic plan is released to the public in a timely manner as it is of great public interest. By ensuring this, it prevents the Minister from sitting on the strategic plan for political or similar reasons.

The Hon. RICK COLLESS (17:50): This amendment is unnecessary. Obviously the commission will make that plan publicly available as soon as practicable.

The Hon. PETER PRIMROSE (17:50): This is a positive amendment and I can see no genuine arguments that can be made against it. The Opposition supports this amendment.

Dr MEHREEN FARUQI (17:51): This amendment from the Animal Justice Party would require the Greyhound Welfare and Integrity Commission to ensure that its strategic plan is available publicly as soon as practicable after the plan is made. This is a very straightforward and sensible amendment and The Greens support it.

The CHAIR: The Hon. Mark Pearson has moved Animal Justice Party amendment No. 2 on sheet C2017-022A. The question is that the amendment be agreed to.

Amendment negatived.

Dr MEHREEN FARUQI (17:52): I move The Greens amendment No. 2 on sheet C2017-018.

No. 2 **Greyhound deaths to be included in annual report of Commission**

Page 6, clause 15. Insert after line 41:

(b) a list of all greyhound deaths (including cause of death) notified to the Commission over that period, and

The Greens amendment No. 2 adds an additional requirement in the annual report of the commission to include a list of all greyhound deaths, including the cause of death notified to the commission. A key part of what the special commission of inquiry found was the outright cover-ups and lack of information about what was going on in the industry. There was no consistent information on the fate of those tens of thousands of dogs that were chewed up and spat out by the greyhound racing industry. We need publicly available data on dog deaths, and that is what this amendment is about.

We know what happens when the industry is not transparent because we have been there before. Greyhound Racing NSW repeatedly said it was committed to greater transparency and reforms to improve animal welfare. Yet it consistently failed to deliver that transparency and public information. The industry has continued to deceive the public for more than a decade regarding the number of dogs being killed. The greyhound racing industry has spent years trying to cover up animal welfare abuses rather than fix them. It is not really a second chance that we are looking at here because this industry has had so many chances. The very least that the public needs to know is how many dogs have been killed each year and why.

While we are on the subject of transparency, getting information about anything to do with greyhound racing is worse than pulling teeth. Members will remember that my dear friend the late Dr John Kaye moved a motion which this House passed on 9 September 2015—that this House order the production of documents relating to greyhound welfare in the possession, custody or control of Greyhound Racing NSW. Several days later Greyhound Racing NSW refused to comply with this order. It took another order in June 2016 for this order to be complied with. Even then Greyhound Racing NSW—

The CHAIR: Order! Dr Mehreen Faruqi is straying from the amendment.

Dr MEHREEN FARUQI: The amendment is about transparency.

The CHAIR: No, the amendment deals with a list of all greyhound deaths. That is where the member should be addressing her remarks.

Dr MEHREEN FARUQI: The secret papers that were released revealed that a number of deaths were not being reported, and that is what the public needs to know. That is why transparency is so important. Blocking the public out of what is happening in the greyhound racing industry will serve only to entrench the culture of cruelty and death. We must prevent this by having a transparent, open conversation about greyhound racing deaths. I commend the amendment to the Committee.

The Hon. RICK COLLESS (17:54): The Government will oppose this amendment. The annual report of the Greyhound Welfare and Integrity Commission must include a report on the implementation of the strategic plan of the commission. This will outline activities for meeting the commission's objectives. The promotion and protection of animal welfare is first and foremost among those objectives. The commission will decide on how best to report on animal welfare matters. In any event, clause 15 of the bill contains a broad regulation-making power to prescribe particulars to be included in the commission's annual report, which could include greyhound deaths.

The CHAIR: Dr Mehreen Faruqi has moved The Greens amendment No. 2 on sheet C2017-018. The question is that the amendment be agreed to.

The Committee divided.

Ayes5
Noes31
Majority.....26

AYES

Buckingham, Mr J
Pearson, Mr M

Faruqi, Dr M (teller)
Walker, Ms D

Field, Mr J (teller)

NOES

Ajaka, Mr J
Clarke, Mr D
Donnelly, Mr G
Gallacher, Mr M
Green, Mr P
Maclaren-Jones, Ms N
(teller)
Mitchell, Ms S

Amato, Mr L
Colless, Mr R
Farlow, Mr S
Gay, Mr D
Harwin, Mr D
Mallard, Mr S

Mookhey, Mr D

Nile, Reverend F
Primrose, Mr P
Sharpe, Ms P
Voltz, Ms L

Pearce, Mr G
Searle, Mr A
Taylor, Ms B

Brown, Mr R
Cusack, Ms C
Franklin, Mr B
Graham, Mr J
MacDonald, Mr S
Mason-Cox, Mr M

Moselmane, Mr S
(teller)
Phelps, Dr P
Secord, Mr W
Veitch, Mr M

Amendment negatived.

The Hon. MARK PEARSON (18:03): By leave: I move Animal Justice Party amendments Nos 3 to 8 and 11 on sheet C2017-022A in globo:

No. 3 **Board of directors of GRNSW—former racing club officials**

Page 7, clause 17 (3), line 15. Insert ", or has ever been," after "the person is".

No. 4 **Board of directors of GRNSW—former greyhound racing industry participants**

Page 7, clause 17 (4), line 18. Insert "or persons who have ever been greyhound racing industry participants" after "participants".

No. 5 **Board of directors of GRNSW—former greyhound racing industry participants**

Page 7, clause 17 (5), line 20. Insert "or persons who have ever been greyhound racing industry participants" after "participants".

No. 6 **Board of directors of GRNSW—independent directors**

Page 7, clause 17 (6), line 22. Omit "(or was not in the previous 7 years)". Insert instead "or who has never been".

No. 7 **Board of directors of GRNSW—independent directors**

Page 7, clause 17 (6), line 23. Insert "or a direct relative of a greyhound racing industry participant" after "participant".

No. 8 **Board of directors of GRNSW—independent directors**

Page 7, clause 17. Insert after line 25:

(7) For the purposes of subsection (6) (a):

direct relative of a person who is a greyhound racing industry participant means:

(a) a parent, child, brother or sister of the person, or

(b) a spouse or de facto partner of the person or of a parent, child, brother or sister of the person.

No. 11 **Membership of Welfare Committee**

Page 13, clause 33 (2), line 8. Insert ", or who has never been," after "is not".

I believe that these amendments are necessary and, because they are all similar in their nature and intent, they can be moved as a group. These amendments are designed to ensure the absolute independence of Greyhound Racing NSW and that former industry participants or players do not gain access to the new board of Greyhound Racing NSW, as was evident in the documents provided by Greyhound Racing NSW showing that spouses and relatives of participants commonly held positions within Greyhound Racing NSW. This is critical to ensure community expectations of due diligence and integrity are upheld and conflicts of interest are avoided. Parliamentary Counsel has defined the term "relative" for the purpose of this amendment.

The Hon. RICK COLLESS (18:05): The Government opposes this suite of amendments. The effect of amendment No. 3 would be that a person is not eligible to be on the board of directors of Greyhound Racing NSW if they have ever been a racing club official. The board should include some members with industry experience who can offer operational expertise. The bill already requires a majority of the directors to be independent. Section 17 (6) will ensure that the majority of the board will be composed of persons who have never been involved in the industry or have not been involved for the last seven years. Similar comments could be made in relation to all of the other proposed amendments, but I will leave my comments here. If there is any dispute on these amendments, I will expand on the Government's opposition to these amendments later. For those reasons the Government opposes this suite of amendments.

The Hon. PETER PRIMROSE (18:06): For reasons outlined by the Government, the Opposition also opposes these amendments.

Dr MEHREEN FARUQI (18:07): This suite of amendments relates to the board of directors of Greyhound Racing NSW and it essentially creates a complete separation from the board of people who have ever been greyhound racing participants. The Government has gone partly down this road with the requirement that the majority of directors be independent and not greyhound racing participants for the last seven years. I have to say the choice of seven years seems to me to be quite arbitrary. It makes sense to go the whole hog and ensure that there is complete separation between the board of directors and greyhound racing participants. We know from the special commission of inquiry that greyhound racing participants being board members has led to terrible outcomes and cover-ups. For this reason, The Greens support this suite of amendments.

The Hon. WALT SECORD (18:07): I speak in support of the position on this suite of amendments expressed by the Hon. Rick Colless and the Hon. Peter Primrose. These amendments go too far and are too far-reaching. They are simply ridiculous.

The CHAIR: The Hon. Mark Pearson has moved Animal Justice Party amendments Nos 3 to 8 and 11 on sheet C2017-022A in globo. The question is that the amendments be agreed to.

Amendments negatived.

The Hon. MARK PEARSON (18:08): I move Animal Justice Party amendment No. 10 on sheet C2017-022A:

No. 10 **Annual report of GRNSW**

Page 11, clause 28. Insert after line 11:

- (3) The report must also include the total number of each of the following for the 12-month period to which the report relates:
 - (a) greyhound deaths,
 - (b) on-track greyhound deaths,
 - (c) off-track greyhound deaths,
 - (d) unnecessary greyhound deaths involving the destruction of greyhounds that are not injured or sick.

The purpose of this is similar to what Dr Mehreen Faruqi from The Greens referred to in another amendment, but this is much tighter and specific. The purpose is to ensure that Greyhound Racing NSW publicly itemises the specific death numbers in a detailed, as opposed to general, fashion such as "On-track incidents". This will ensure accurate death numbers and causes of death that are easily identifiable. It strikes at one of the very important issues which brought this industry into disrepute—that is, the accountability, knowledge and awareness of exactly what happens to all of those animals from birth until injury and death. The community is demanding that there be strict and very clear accountability. I commend this amendment to honourable members.

The Hon. RICK COLLESS (18:10): The Government opposes this amendment as we consider it not appropriate. The annual reports required to be prepared by the commission will report on the implementation of its strategic plan to meet its objectives, including the promotion and protection of the welfare of greyhounds. This may include data from the whole-of-life-cycle register maintained by the commission regarding registered greyhounds. These kinds of statistics will be monitored by the commission in ensuring Greyhound Racing NSW is meeting the requirements of its operating licence.

Dr MEHREEN FARUQI (18:10): This amendment is quite similar to The Greens amendment No. 2. It requires the dog deaths to be not just monitored but actually reported publicly because transparency is important, especially on the number of dog deaths which will continue to happen in greyhound racing. The Greens support this amendment.

The CHAIR: The Hon. Mark Pearson has moved Animal Justice Party amendment No. 10 on sheet C2017-022A. The question is that the amendment be agreed to.

Amendment negatived.

Dr MEHREEN FARUQI (18:11): I move The Greens amendment No. 3 on sheet C2017-018:

No. 3 **Greyhound welfare code of practice**

Page 13, clause 35, line 41. Insert "The standards must also include the animal welfare measures recommended by the Greyhound Industry Reform Panel in its report to the Government of February 2017." after "1979".

This amendment is about making sure that the standards include all animal welfare measures recommended by the Greyhound Industry Reform Panel within legislation. When the Greyhound Industry Reform Panel released its report on 16 February 2017, it included a wide range of animal welfare measures that undeniably will go some way to removing the worst practices of the greyhound racing industry. At the time I noted that many of the recommendations of the report, however, were quite full of wishy-washy words like "encouraging" the industry to change this or that, but I thought, "Let's wait to see the legislation".

Here we are with a bill that delivers almost none of even those wishy-washy words. Let me repeat: there is no legislative commitment in this bill from the Government to deliver any of the reform promised. After all that we have seen on this issue the Government has just said, "Trust us". What this amendment would do is to ensure that the code of practice is actually consistent with the report of the Greyhound Industry Reform Panel. This seems like a very clear-cut issue. You cannot accept the findings of the report as a basis of overturning a ban and then not deliver its recommendations in legislation that comes out of it. Let me go through some of the recommendations of the report which I want included within the bill:

Recommendation 56. The Code of Practice should ban the use of barking muzzles.

Nowhere in the bill is there any requirement for the code of practice to address this:

Recommendation 57. The Code of Practice should ban the use of aversive substances on greyhounds or the use of regulated products other than for their intended purpose, except where prescribed by a registered veterinarian.

There is no mention of this in the bill:

Recommendation 58. Age and litter limits should be set for breeding females in the Code of Practice.

Again, there is no mention of this in the bill:

Recommendation 69. A condition on the breeder licence will be that a breeder is responsible for reporting every pup whelped and for the welfare of every pup whelped until ownership is transferred.

Again, it is missing in action and it goes on with the requirement for a bond, the annual payments, the so-called protections around euthanasia, including the requirement of evidence of attempts to rehome greyhounds, and so on. This amendment merely ensures that the recommendations of the Greyhound Industry Reform Panel are considered in the code of practice. The report also talks about some very key animal welfare principles, such as the five domains of animal welfare. These five domains are nutrition, environment, health, behaviour and mental or affective state. It is important that the code is required to incorporate this within legislation. I commend the amendment to the House.

The Hon. RICK COLLESS (18:14): The Government will oppose this amendment as we do not consider it to be necessary. The commission is required to consider animal welfare standards and is not limited to what animal welfare measures it can consider. The commission is to seek the advice of the greyhound industry animal welfare committee in making the code of practice and can consult with such bodies or persons it considers appropriate. While it is accepted that these animal welfare measures recommended by the reform panel are drawn on when developing animal welfare policy, the primary piece of legislation in New South Wales relating to animal welfare is the Prevention of Cruelty to Animals Act 1979.

The objects of that Act are to prevent cruelty to animals and promote the welfare of animals by requiring a person in charge of an animal to provide care for the animal, treat the animal in a humane manner and ensure the welfare of the animal. Setting the five domains of animal welfare into this bill would create a piecemeal approach to animal welfare in New South Wales. It would have significant policy implications when considered in the broader context of animal welfare policy and legislation across New South Wales. If there is a need to codify specific elements of animal welfare that should be considered in New South Wales, then this should occur through a full and proper review of current animal welfare legislation, policy and practice, including with extensive stakeholder consultation.

The Hon. PETER PRIMROSE (18:15): The Opposition believes that this is a reasonable proposal and will support it. Contrary to what has been suggested by the Government, this does not preclude the consideration of other measures. It simply indicates that:

The standards must also include the animal welfare measures recommended by the Greyhound Industry Reform Panel in its report to the Government of February 2017.

It does not say other things cannot be included; it simply indicates clearly that those animal welfare measures that were considered important enough to be included in that report should be included in this matter. It is not precluding other matters being considered; it simply says that these items are reasonable, and the Opposition agrees.

The Hon. MARK PEARSON (18:16): The Animal Justice Party supports this amendment. The Prevention of Cruelty to Animals Act has been in place since 1979 and this industry has just utterly disregarded it. It has paid no attention to the principles that the Hon. Rick Colless raised and quoted from the Act. Over and over again, the greyhound racing industry basically ignored the fundamental principles of the Act. How on Earth one would think that the industry is going to change its particular approach to such a fundamental piece of legislation beggars belief. To strengthen this bill by making the industry even slightly more accountable to committees, or for the relevant authorities to have more power to oversee the industry, is very welcome and we support the amendment.

The CHAIR: Dr Mehreen Faruqi has moved The Greens amendment No. 3 on sheet C2017-018. The question is that the amendment be agreed to.

The Committee divided.

Ayes15
Noes20
Majority.....5

AYES

Buckingham, Mr J (teller)	Donnelly, Mr G	Faruqi, Dr M (teller)
Field, Mr J	Graham, Mr J	Mookhey, Mr D
Moselmane, Mr S	Pearson, Mr M	Primrose, Mr P
Searle, Mr A	Secord, Mr W	Sharpe, Ms P
Veitch, Mr M	Voltz, Ms L	Walker, Ms D

NOES

Amato, Mr L	Brown, Mr R	Clarke, Mr D
Colless, Mr R	Cusack, Ms C	Farlow, Mr S
Franklin, Mr B (teller)	Gallacher, Mr M	Gay, Mr D
Green, Mr P	Harwin, Mr D	MacDonald, Mr S
Maclaren-Jones, Ms N (teller)	Mallard, Mr S	Mason-Cox, Mr M
Mitchell, Ms S	Nile, Reverend F	Pearce, Mr G
Phelps, Dr P	Taylor, Ms B	

PAIRS

Houssos, Ms C	Ajaka, Mr J
Wong, Mr E	Blair, Mr N

Amendment negatived.

The CHAIR: I will now leave the chair. The House will resume at 8.00 p.m.

The CHAIR: I suggest that we deal with two amendments separately before we proceed with any other amendment because they are similar in nature. They are The Greens amendment No. 6 on sheet C2017-018 regarding the greyhound breeding cap and the Animal Justice Party amendment No. 16 on sheet C2017, which deals with the same issue. It seems appropriate that we deal with one and then the other so that matters are not

complicated if one of the members were to move some amendments in globo. I first call on Dr Mehreen Faruqi to move her amendment and then I will invite the Hon. Mark Pearson to move his amendment. I will then put one amendment and then the other. That will resolve any potential conflict that might occur.

Dr MEHREEN FARUQI (20:02): I move The Greens amendment No. 6 on sheet C2017-018:

No. 6 **Greyhound breeding cap**

Page 14. Insert after line 29:

40 Annual cap on breeding greyhounds

The maximum number of greyhounds that may be bred in any calendar year is set at 2,000.

Note. The breeding cap may be enforced by the imposition by the Commission of conditions on the registration of greyhound breeders.

On 9 August 2016, just before the bill to ban greyhound racing was passed, the NSW Greyhound Racing Industry Alliance wrote to the Government and stated:

We guarantee a controlled breeding programme, including the immediate restriction of 2000 greyhounds annually for NSW racing purposes.

This formed part of their commitment in their letter, which stated:

No greyhound will be unnecessarily euthanised. We will deliver the guarantee that there will be no wastage of greyhounds in the future.

After the spectacular backflip by former Premier Mike Baird, these conditions formed part of the terms of reference for the Greyhound Industry Reform Panel. And how many days did it take for the greyhound industry to back out of that commitment? It was only three days from the panel being established with the terms of reference that included a breeding cap to the industry saying it had no intention of honouring that commitment. That is what happens when we give in to bullies. They know when they have you over a barrel and that you will not hold them to account.

Without a breeding cap we will see no change in the so-called wastage rates and there will be no way to control the number of pups that are born and slaughtered. Unrestricted breeding will continue to mean thousands of excess dogs will be bred. Where are they to go? We know that the industry cannot possibly rehome them all. As mentioned previously, the industry simply will find more and more creative ways to kill these animals—a spider bite, a broken leg, or even worse. This amendment merely seeks to hold the industry to account for its promises and gives the commission the power to enact a cap of 2,000 greyhounds per annum. I commend the amendment to the House.

The Hon. MARK PEARSON (20:04): By leave: I move Animal Justice Party amendments Nos 16 and 17 on sheet C2017-022A in globo:

No. 16 **Greyhound racing rules—annual breeding cap**

Page 21, clause 55 (2). Insert after line 15:

(f) setting a cap at 2,000 on the number of greyhounds that may be bred in any calendar year,

No. 17 **Greyhound racing rules—annual breeding cap**

Page 21, clause 55. Insert after line 28:

(3) The annual breeding cap referred to in subsection (2) (f) is to be set no later than 1 July 2019.

The amendments allow for legislation to mandate an approach to a breeding cap rather than give a definitive number. Industry always has argued that it is unable to collect the required data to obtain a defined number. The two-year timeline enables the commission to collect and correlate the data as well as draft a strategic plan for imposing and enforcing the breeding cap. Dr Mehreen Faruqi referred to the 2,000 number, which was the number the industry promised to the Government and the public when campaigning to overturn the ban.

The Hon. RICK COLLESS (20:05): As these amendments all relate to the same issue, I will speak to them in globo. The Government opposes the amendments. The Greyhound Industry Reform Panel considered this option and found that due to poor data and the potential shift of dogs to other jurisdictions, an appropriate and achievable breeding cap cannot be set at this time. This does not mean that a breeding cap will not be considered. The Government has committed to revisiting the breeding cap in two years when more reliable data is available. The framework set up through the bill, the regulations and the code of practice also will establish a range of measures to put downward pressure on overbreeding.

The CHAIR: I will put the questions separately. Dr Mehreen Faruqi has moved The Greens amendment No. 6 on sheet C2017-018. The question is that the amendment be agreed to.

The Committee divided.

Ayes5
 Noes31
 Majority.....26

AYES

Buckingham, Mr J
 Pearson, Mr M

Faruqi, Dr M
 Walker, Ms D (teller)

Field, Mr J (teller)

NOES

Ajaka, Mr J
 Brown, Mr R
 Cusack, Ms C
 Franklin, Mr B (teller)
 Green, Mr P
 Maclaren-Jones, Ms N
 (teller)
 Mitchell, Ms S
 Nile, Reverend F
 Primrose, Mr P
 Sharpe, Ms P
 Voltz, Ms L

Amato, Mr L
 Clarke, Mr D
 Donnelly, Mr G
 Gallacher, Mr M
 Harwin, Mr D
 Mallard, Mr S

 Mookhey, Mr D
 Pearce, Mr G
 Searle, Mr A
 Taylor, Ms B

Blair, Mr N
 Colless, Mr R
 Farlow, Mr S
 Graham, Mr J
 MacDonald, Mr S
 Mason-Cox, Mr M

 Moselmane, Mr S
 Phelps, Dr P
 Secord, Mr W
 Veitch, Mr M

Amendment negatived.

The CHAIR: The Hon. Mark Pearson has moved Animal Justice Party amendments Nos 16 and 17 on sheet C2017-022A. The question is that the amendments be agreed to.

Amendments negatived.

The Hon. MARK PEARSON (20:15): I move Animal Justice Party amendment No. 12 on sheet C2017-022A:

No. 12 **Making of first code of practice**

Page 14, clause 36. Insert after line 15:

(5) The first code of practice that is made under this section must be made no later than 3 months after the date of assent to this Act.

This amendment ensures that business cannot continue as usual due to the code of practice not being finalised. It puts the onus on the commission to finalise the code of practice in a timely manner. Considering that it has already been stated by the department that this particular code of practice already is progressed very well, I see it as not unreasonable to have this code of practice in place and published within three months.

The Hon. RICK COLLESS (20:16): The Government opposes this amendment. The bill provides that the code of practice will be made once prepared by the commission and agreed to by the Minister for Primary Industries. Time will need to be allowed to appoint the commissioners and for the commissioners to seek the advice of the welfare committee before submitting the code. Additionally, the commissioner will need to consult adequately with the industry in the development of the code. This should not be a rushed process, but should be developed with effective leadership and sufficient consultation to ensure all aspects of greyhound care and wellbeing are catered for in the code of practice. There is no reason to suggest that the code will not be made promptly, and imposing an arbitrary three-month deadline after the date of assent to this Act is unreasonable and unnecessary. The Government opposes the amendment.

The Hon. PETER PRIMROSE (20:17): The Opposition believes that this is a reasonable proposal and supports the amendment.

Dr MEHREEN FARUQI (20:17): This amendment of the Animal Justice Party would ensure that the code of practice must be made within three months. I was a little disturbed during the crossbench briefing when

the Government advisers had no idea when the code will be developed or finalised. This is a huge loophole. The Greens support the code of practice being created as soon as possible; in fact, it should have been brought together with this legislation. The Greens support this amendment.

The CHAIR: The Hon. Mark Pearson has moved Animal Justice Party amendment No. 12 on sheet C2017-022A. The question is that the amendment be agreed to.

Amendment negatived.

The Hon. MARK PEARSON (20:18): I will not move Animal Justice Party amendment No. 19 on sheet C2017-022A. I move Animal Justice Party amendment No. 13 on sheet C2017-022A:

No. 13 **Report to NSW Police about live baiting offences**

Page 14. Insert after line 41:

41 Suspicion of live baiting to be reported to police

The Commission or GRNSW must, as soon as practicable after forming a reasonable suspicion that a live baiting offence within the meaning of section 40 has been committed, ensure that the suspicion is reported to a police officer of or above the rank of sergeant. This amendment closes the loophole of live baiting prosecutions not being tried in court. It ensures the seriousness of live baiting is recognised in the Act and that the status quo of industry regulators covering up reports of live baiting in conjunction with the RSPCA is addressed. This was evident in the produced non-privileged produced documents. Both sides of the House have declared that live baiting and this brutality upon dogs is totally unacceptable. Given that both sides of the House have declared that, and recognised the egregious cruelty involved in these practices, I call upon honourable members to support this amendment. It lifts the seriousness of these crimes against animals to the level of investigation that they deserve.

The Hon. RICK COLLESS (20:19): The Government opposes this amendment as it considers it inappropriate. Under the bill the Greyhound Welfare and Integrity Commission is an investigative agency with extensive investigative and evidence-gathering powers. It is open to the commission also to commence and conduct a prosecution for a live baiting offence. Imposing an obligation on the commission to report suspected live baiting to the police is misconceived and misconceived.

The Hon. PETER PRIMROSE (20:20): The Opposition supports this amendment.

Dr MEHREEN FARUQI (20:20): The Animal Justice Party amendments Nos 13 and 14 are related to live baiting. Amendment No. 13 requires the commission and Greyhound Racing NSW to notify police when it has a suspicion that live baiting has occurred. This seems to be a really common sense way forward. Amendment No. 14 means that an exemption on the keeping of certain animals that can be used for live baiting cannot be given for rabbits, piglets, cats, foxes or guinea fowl. We know that live baiting is a vicious and brutal practice and many animals have been used for this. The Greens support this amendment.

The CHAIR: The Hon. Mark Pearson has moved Animal Justice Party amendment No. 13 on sheet C2017-022A. The question is that the amendment be agreed to.

Amendment negatived.

The Hon. MARK PEARSON (20:21): I move Animal Justice Party amendment No. 14 on sheet C2017-022A:

No. 14 **Exemption from prohibition on keeping certain animals where greyhounds are kept**

Page 15, clause 41 (3), line 9. Omit "or rabbits". Insert instead ", rabbits, piglets, cats, foxes or guinea fowl".

This is a very important amendment in relation to live baiting. It ensures that other animals historically kept and used for live baiting purposes cannot be exempted by the regulations. As it stands, the bill mentions only that no exemption can be provided in the regulations for rabbits and possums. But, as we know, regulations are at the discretion of the Minister, and one could easily accept a greyhound trainer so as he or she could keep pigs or guinea fowl on the same property. This amendment ensures that those animals that have been historically used for live baiting, as evidenced in the documents that have been brought before this House from Greyhound Racing NSW, are protected without exemption.

The Hon. RICK COLLESS (20:22): The Government opposes this amendment. The bill bans the keeping of all animals that might reasonably be capable of being used as a lure in connection with the training or racing of greyhounds. While the commission may grant an exemption, there is no reason to believe that this would be exercised where it is inappropriate to do so. It is unnecessary to include further restrictions on the types of animals that may not be exempted.

The CHAIR: The Hon. Mark Pearson has moved Animal Justice Party amendment No. 14 on sheet C2017-022A. The question is that the amendment be agreed to.

Amendment negatived.

Dr MEHREEN FARUQI (20:23): I move The Greens amendment No. 7 on sheet C2017-018:

No. 7 **Register of greyhounds**

Page 17, clause 48. Insert after line 26:

- (4) The Commission must, in accordance with the regulations, prepare and maintain a register of greyhounds. The register is to be made publicly available on the Commission's website.

This amendment is about ensuring that the public has access to any greyhound racing register that is produced by the integrity commission. Under this legislation, all greyhounds over 12 weeks of age are to be registered, although I note that there is no other requirement to establish a register as per recommendation No. 73 of the greyhound industry reform panel that:

A new greyhound racing register should be established and managed by the integrity commission to capture the identity and whereabouts of all greyhounds throughout their lifecycle. One can only assume that the commission will set this up at some point. Recommendation 74 then states that this should be accessible by the RSPCA NSW, the Animal Welfare League, local councils and NSW Police. My question is: Why should the public not have access to this? There are literally thousands of people who have an interest in ensuring that participants follow the law. The integrity commission cannot be everywhere all at once. I remind members that inspectors and investigators are not new. Greyhound Racing NSW had them the whole time, but the overwhelming number of crimes meant they could not be everywhere at all times. Public involvement is a good thing.

The call for papers that I referred to earlier uncovered literally thousands of pages of tip-offs that Greyhound Racing NSW had received from the public and was investigating. Many of them are not just from animal welfare investigators and advocates but neighbours and everyday people in the community who are sick of animal abusers getting away with it time and time again with no-one knowing about it. Some incidents particularly stood out to me—repeated reports of extreme animal cruelty and neglect, including an extremely emaciated dog, with graphic pictures, brought dead to Quakers Hill vet in June 2016. The vet noted that the dog was very emaciated and very malodorous, with necrotic wounds in the dorsal spine, among other injuries. The owner said the animal was energetic yesterday and claimed it was a pet and not raced, despite being a greyhound registered for racing.

I give another incident of a tip-off by the public and through a property being visited. One dog was euthanised immediately due to being in a critical condition, extremely thin, with flea infestation and skin ulcerations. Another was seized for similar injuries but given veterinary assistance. A third dog was euthanised due to extreme pain and discomfort stemming from a long-term dental condition as far back as 2012. The dog owner refused to admit there was any problem with the dogs and said, "I am not going to pay vet costs, a whole load of tests for nothing." A public register will enable people to see whether someone is correctly registering their dogs or if they witness something they believe to be contrary to this Act. They can see if it is in that register or if the greyhound is registered. The more transparency the better. The commission cannot possibly audit the status of all dogs on the greyhound racing register so why not allow the public to be involved? I commend the amendment to the Committee.

The Hon. RICK COLLESS (20:26): The Government opposes this amendment. The register will have details of greyhounds and industry participants and will contain personal information. It is not appropriate for this personal information to be made available to the public. The bill provides for the sharing of information among regulatory and enforcement authorities, including exchange of information on the greyhound register and the companion animals register. This establishes a robust framework for whole-of-life-cycle tracking of greyhounds and enforcement action in appropriate cases. The bill already provides a regulation-making power for the keeping by the commission of a register containing information relating to greyhounds registered by the commission.

The CHAIR: Dr Mehreen Faruqi has moved The Greens amendment No. 7 on sheet C2017-018. The question is that the amendment be agreed to.

The Committee divided.

Ayes5
Noes31
Majority.....26

AYES

Buckingham, Mr J
(teller)

Faruqi, Dr M

Field, Mr J (teller)

AYES

Pearson, Mr M

Walker, Ms D

NOES

Ajaka, Mr J
 Brown, Mr R
 Cusack, Ms C
 Franklin, Mr B (teller)
 Green, Mr P
 Maclaren-Jones, Ms N
 (teller)
 Mitchell, Ms S
 Nile, Reverend F
 Primrose, Mr P
 Sharpe, Ms P
 Voltz, Ms L

Amato, Mr L
 Clarke, Mr D
 Donnelly, Mr G
 Gallacher, Mr M
 Harwin, Mr D
 Mallard, Mr S

 Mookhey, Mr D
 Pearce, Mr G
 Searle, Mr A
 Taylor, Ms B

Blair, Mr N
 Colless, Mr R
 Farlow, Mr S
 Graham, Mr J
 MacDonald, Mr S
 Mason-Cox, Mr M

 Moselmane, Mr S
 Phelps, Dr P
 Secord, Mr W
 Veitch, Mr M

Amendment negatived.

The Hon. MARK PEARSON (20:36): I move Animal Justice Party amendment No. 15 on sheet C2017-022A:

No. 15 **Cancellation of registration of greyhound racing industry participant**

Page 17, clause 49. Insert after line 37:

- (5) Without limiting subsection (4), the registration of a person as a greyhound racing industry participant is subject to the condition that the person must not participate in the exporting of greyhounds (including breeding, selling, promoting or transporting greyhounds for export) to another State or Territory or to another country.

This is an important amendment. I urge the Government and Opposition to support it. The amendment will stop the live export of dogs to places such as Macau and interstate where animal welfare is compromised. Treatment of dogs by importing countries can be appalling. Animal export is a Federal jurisdiction, but a State or Territory can introduce legislation to stop a person from being involved in any way in exporting a dog from the farm gate. This is an ideal section to insert as it means that a participant will cease to be registered and be liable for an offence under this Act if they export a greyhound for those purposes. The racing rules, as dictated by the commission, are the day-to-day rules of the industry. By enshrining this rule in the Act it states in no uncertain terms that the consequences for exporting dogs will attract severe penalties.

The Hon. RICK COLLESS (20:37): The Government opposes this amendment. Export controls are the responsibility of the Federal Government. The panel did not make any recommendation about the movement of the greyhounds to other Australian jurisdictions. As to conditions placed on registration of industry participants, they will be determined by the commission. The Government is opposed to the amendment.

Dr MEHREEN FARUQI (20:38): The export of greyhounds perpetuates the breeding and killing of dogs and allows the cruelty to continue in other jurisdictions. It is for this reason that The Greens support the amendments by the Animal Justice Party.

The CHAIR: The Hon. Mark Pearson has moved Animal Justice Party amendment No. 15 on sheet C2017-022A. The question is that the amendment be agreed to.

Amendment negatived.

The Hon. MARK PEARSON (20:38): I move Animal Justice Party amendment No. 18 on sheet C2017-022A:

No. 18 **Report of inquiry**

Page 34, clause 89. Insert after line 21:

- (3) The report is to be made publicly available on the website of the Commission.

The amendment is straightforward. It ensures that any inquiries held by the commission are made publicly available and transparent within the confines of existing privacy laws. I invite support for this very good amendment.

The Hon. RICK COLLESS (20:39): The Government opposes this amendment because it is not necessary. There is nothing in the bill that would prevent the commission making a report publicly available if appropriate, but it should not be mandated in the legislation. For example, the commission might properly determine that a report not be published so as not to prejudice any criminal proceedings that may be afoot.

The Hon. PETER PRIMROSE (20:39): The Opposition has no problem supporting an amendment that simply says the report is to be made publicly available on the commission's website.

Dr MEHREEN FARUQI (20:40): The Greens support this amendment.

The CHAIR: The Hon. Mark Pearson has moved Animal Justice Party amendment No. 18 on sheet C2017-022A. The question is that the amendment be agreed to.

Amendment negatived.

Dr MEHREEN FARUQI (20:40): I move The Greens amendment No. 8 on sheet C2017-018:

No. 8 **Review of Act**

Page 42, clause 102. Insert after line 9:

(b) whether greyhound racing should be banned on animal welfare grounds,

This amendment allows for the examination and consideration of the closure of the greyhound racing industry in the review of the Act. It gets to the core of the rhetoric that we are giving the industry one more chance. We are not; we are giving it the green light. The review after three years will consider many things, but not whether the industry should be shut down. Surely that was the point of this legislation. Was it not about giving the industry a second chance? If this is all an expensive and tragic failure that continues to result in drugging, cheating, live baiting and the deaths of thousands of dogs, where are the consequences? The industry will be able to behave as badly as it wants and there will be no consequences. In fact, based on the Premier's yardstick, the worse the industry behaves, the more money it will get. I ask members at least to let the review consider whether there should be any future for greyhound racing after three years of this experiment. I commend the amendment to the Committee.

The Hon. RICK COLLESS (20:41): The Government opposes this amendment. The bill repeals the ban on greyhound racing that otherwise would have come into effect in July. This amendment would introduce a backdoor mechanism to reintroduce that ban. Clause 102 provides for a review of the Act to determine whether its policy objectives remain valid and whether the terms of the Act remain appropriate for securing those objectives. This is consistent with similar provisions in other legislation. The clause goes further by specifying particular matters that will be considered as part of the review. The reviewer will, of course, look at whether the framework set by the legislation adequately protects the welfare of greyhounds in the racing industry and whether any changes to that framework are required.

The CHAIR: Dr Mehreen Faruqi has moved The Greens amendment No. 8 on sheet C2017-018. The question is that the amendment be agreed to.

The Committee divided.

Ayes5
Noes31
Majority.....26

AYES

Buckingham, Mr J
Pearson, Mr M

Faruqi, Dr M (teller)
Walker, Ms D (teller)

Field, Mr J

NOES

Ajaka, Mr J
Brown, Mr R
Cusack, Ms C
Franklin, Mr B (teller)
Green, Mr P
Maclaren-Jones, Ms N
(teller)
Mitchell, Ms S

Amato, Mr L
Clarke, Mr D
Donnelly, Mr G
Gallacher, Mr M
Harwin, Mr D
Mallard, Mr S
Mookhey, Mr D

Blair, Mr N
Colless, Mr R
Farlow, Mr S
Graham, Mr J
MacDonald, Mr S
Mason-Cox, Mr M
Moselmane, Mr S

NOES

Nile, Reverend F
Primrose, Mr P
Sharpe, Ms P
Voltz, Ms L

Pearce, Mr G
Searle, Mr A
Taylor, Ms B

Phelps, Dr P
Secord, Mr W
Veitch, Mr M

Amendment negatived.

Dr MEHREEN FARUQI (20:50): I move The Greens amendment No. 9 on sheet C20017-018:

No. 9 **Offences under Prevention of Cruelty to Animals Act**

Page 58, Schedule 6.2. Insert after line 14:

[7] **Section 26AB**

Insert after section 26AA:

26AB Unnecessary destruction of greyhounds

- (1) A greyhound racing industry participant is guilty of an offence if the participant causes or induces, whether by threats or otherwise, a veterinary practitioner to destroy a greyhound that is not injured or sick.

Maximum penalty: 1,000 penalty units in the case of a corporation and 200 penalty units or imprisonment for 2 years, or both, in the case of an individual.

- (2) A veterinary practitioner is guilty of an offence if:

- (a) the veterinary practitioner destroys a greyhound that is not injured or sick, and

- (b) the veterinary practitioner does so with the intention of enabling a greyhound racing industry participant to avoid requirements under the *Greyhound Racing Act 2017* relating to the greyhound.

Maximum penalty: 1,000 penalty units in the case of a corporation and 200 penalty units or imprisonment for 2 years, or both, in the case of an individual.

- (3) In this section:

greyhound racing industry participant has the same meaning as in the *Greyhound Racing Act 2017*.

In the order for papers I referred to, I uncovered some disturbing things: vets were putting down otherwise healthy dogs for the convenience of greyhound racing participants who no longer wanted them or vets were being pressured by the industry to put them down. This is backed up by anecdotal evidence my office receives almost weekly either about a dodgy vet or about a vet putting down an animal because the owner said they will kill the dog themselves if the vet does not. I urge the Government to support this amendment. Last month I wrote to the Premier about a glaring loophole in the proposed legislation. Vets colluding with greyhound racing participants or being intimidated or coerced to give erroneous causes of death is a way for participants to discharge their responsibility. This amendment will make it a crime for a greyhound racing participant to cause or induce a veterinary practitioner to destroy a greyhound that is not injured or sick. It also will protect vets who could be under significant pressure to euthanase dogs whose owners no longer want them.

This is not fantastical: It is happening now. We need to break this culture of deception. An internal email from the secret papers dated 3 June 2016 talks about flags for identifying false euthanasia. Those flags include "owners who report a significant number of fatalities as a result of 'snake bites' or similar". It goes on to state, "... certain vets are also on a watchlist and we have a database of all euthanasia carried out by them". We know that a watchlist of vets with high euthanasia rates exists. There are countless other examples. In February 2016 a greyhound racing participant was banned from greyhound racing. A few days later his five greyhounds were euthanased by a vet at Young and certified as being not suitable for racing. What a coincidence. In April 2016 a retirement form indicating the death of a greyhound by spider bite was submitted, but the participant later admitted to having the animal euthanased six days after the greyhound dislocated its toe at the Gosford track.

The participant took the dog to a vet at Colyton to dispose of the body. It was only during investigation that the euthanasia was admitted to, with the vets merely noting that the dog may have been bitten. In May 2016 the officiating steward at the Muswellbrook track claimed that the club vet was about to euthanase a dog with swelling because the owner stated that "he needed to have dog euthanised because it would never race again". The dog survived only due to the intervention of the steward, who requested that a closer check be kept on dogs that

are euthanased on track at Muswellbrook. The unnecessary euthanasia having been stopped, the dog was able to race by September.

In June 2016 a greyhound racing participant approached a Greyhound Racing NSW vet at the Bathurst track and requested that his dog be euthanased on track due to a perceived lack of performance. When refused, the racer took the animal to a vet claiming it could hardly walk and had it euthanased anyway. In August 2016 a Gunnedah vet put down six greyhounds in the space of three weeks even though the legal owner of the dogs had not given permission. I am sure members agree that this kind of behaviour must be stamped out. Vets merely notifying the commission is not enough to stop it. We need penalties to stop people from destroying dogs that are not injured or sick. I commend the amendment to the Committee.

The Hon. RICK COLLESS (20:54): The Government opposes this amendment. The welfare of greyhounds is at the heart of the framework set up by this bill. The code of practice can contain measures to address euthanasia and to tackle wastage. Offences can be created in the code that attract maximum penalties of up to \$110,000 for corporations and \$22,000 for individuals and/or two years imprisonment. There is no need to create an unnecessary destruction of greyhounds offence in this bill. The Veterinary Practice Act 2003 already contains an offence for any person who employs a veterinary practitioner to direct or incite a practitioner to engage in unsatisfactory or professional misconduct. That offence attracts a maximum penalty of 50 penalty units for an individual or 100 penalty units for a corporation. It is inappropriate to create an offence directed at veterinarians in the Prevention of Cruelty to Animals Act. Veterinarians have professional obligations under the Veterinary Practice Act 2003. Unsatisfactory professional conduct by a veterinarian can be regulated by the Veterinary Practitioners Board, which can investigate complaints and take disciplinary action when warranted. The Government opposes the amendment.

The CHAIR: Dr Mehreen Faruqi has moved The Greens amendment No. 9 on sheet C2017-018. The question is that the amendment be agreed to. Is leave granted to ring the bells for one minute?

Leave granted.

The Committee divided.

Ayes5
Noes31
Majority.....26

AYES

Buckingham, Mr J
Pearson, Mr M

Faruqi, Dr M (teller)
Walker, Ms D

Field, Mr J (teller)

NOES

Ajaka, Mr J
Brown, Mr R
Cusack, Ms C
Franklin, Mr B (teller)
Green, Mr P
Maclaren-Jones, Ms N
(teller)
Mitchell, Ms S
Nile, Reverend F
Primrose, Mr P
Sharpe, Ms P
Voltz, Ms L

Amato, Mr L
Clarke, Mr D
Donnelly, Mr G
Gallacher, Mr M
Harwin, Mr D
Mallard, Mr S

Mookhey, Mr D
Pearce, Mr G
Searle, Mr A
Taylor, Ms B

Blair, Mr N
Colless, Mr R
Farlow, Mr S
Graham, Mr J
MacDonald, Mr S
Mason-Cox, Mr M

Moselmane, Mr S
Phelps, Dr P
Secord, Mr W
Veitch, Mr M

Amendment negatived.

The CHAIR: The question is that the bill as amended be agreed to.

Motion agreed to.

The Hon. RICK COLLESS: I move:

That the Chair do now leave the chair and report the bill to the House with an amendment.

Motion agreed to.

Adoption of Report

The Hon. RICK COLLESS: On behalf of the Hon. Niall Blair: I move:

That the report be adopted.

Motion agreed to.

Third Reading

The Hon. RICK COLLESS: On behalf of the Hon. Niall Blair: I move:

That this bill be now read a third time.

The House divided.

Ayes30
Noes5
Majority.....25

AYES

Amato, Mr L
Clarke, Mr D
Donnelly, Mr G
Gallacher, Mr M
Harwin, Mr D
Maclaren-Jones, Ms N
(teller)
Mookhey, Mr D
Pearce, Mr G
Searle, Mr A
Taylor, Ms B

Blair, Mr N
Colless, Mr R
Farlow, Mr S
Graham, Mr J
Khan, Mr T
Mallard, Mr S

Moselmane, Mr S
Phelps, Dr P
Secord, Mr W
Veitch, Mr M

Brown, Mr R
Cusack, Ms C
Franklin, Mr B (teller)
Green, Mr P
MacDonald, Mr S
Mitchell, Ms S

Nile, Reverend F
Primrose, Mr P
Sharpe, Ms P
Voltz, Ms L

NOES

Buckingham, Mr J
(teller)
Pearson, Mr M

Faruqi, Dr M (teller)

Walker, Ms D

Field, Mr J

Motion agreed to.

TRANSPORT ADMINISTRATION AMENDMENT (TRANSPORT ENTITIES) BILL 2017

TATTOO PARLOURS AMENDMENT BILL 2017

First Reading

Bills received from the Legislative Assembly.

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

The Hon. DON HARWIN: I move:

That the bills be read a first time and printed, standing orders be suspended according to sessional order 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.

Business of the House

NOTICES OF MOTIONS

The Hon. DON HARWIN: By leave: Pursuant to Standing Order 71, I give notice of a motion relating to membership of the Committee on the Ombudsman, the Law Enforcement Conduct Commission and the Crime Commission.

*Documents***TABLING OF PAPERS**

The Hon. BEN FRANKLIN: In accordance with the Animal Research Act 1985, I table an erratum to the report of the Animal Research Review Panel for the year ended 30 June 2016. I move:

That the report be printed.

Motion agreed to.

*Bills***TRANSPORT ADMINISTRATION AMENDMENT (TRANSPORT ENTITIES) BILL 2017****Second Reading**

Mr SCOT MacDONALD (21:08): On behalf of the Hon. Don Harwin: I move:

That this bill be now read a second time.

I seek leave to incorporate the second reading speech into *Hansard*.

Leave granted.

Introduction

The Berejiklian-Barilaro Government is currently delivering more than \$40 billion of transport projects for the people of this great State.

This investment ensures an efficient, safe and technologically advanced transport future for our great State.

In the 2015-16 budget, the Government committed to the introduction of a Transport Asset Holding Entity [TAHE] to manage the State's portfolio of transport assets better and more commercially.

This bill delivers on that previous commitment through the introduction of amendments to the Transport Administration Act.

Proposal

We are committed to delivering the best infrastructure in the country for the people of New South Wales. The creation of a TAHE as a dedicated transport asset manager under the bill is another important step in that commitment.

To be able to deliver this record infrastructure program, we need to have our back office working as efficiently as possible.

The bill will establish new arrangements for transport asset management in New South Wales that reflect both modern governance and financial practices.

It achieves this mainly by amending the Transport Administration Act to support the consolidation of transport asset ownership and development of TAHE by:

- optimising the existing transport asset base, to enable a more effective, efficient and commercial approach to the management of transport assets, particularly property;
- allowing transport operating entities to focus on their core functions of operating transport services and delivering improved customer service; and
- delivering on capital and recurrent budget targets.

The bill before the House is another vital step towards realising the vision for a truly coherent transport service through a more robust and modern asset management framework.

The assets that TAHE will manage will include rail tracks, trains, stations and land. Its responsibilities will span the full range of financial management of those assets.

The creation of a dedicated asset holding entity, operating on commercial principles set out by the State Owned Corporation Act, will provide an efficient base from which we can optimise transport service outcomes for the NSW community.

Background

This bill is the continuation of the Government's ongoing work to manage the State's transport asset as efficiently as possible, in accordance with best practice financial management.

By way of background—as part of the November 2011 public transport reforms, a new operating model was established for the provision of government transport services within New South Wales.

These reforms established Transport for NSW [TfNSW] to be responsible for delivery of transport services.

In addition, in 2012 RailCorp was reformed and Sydney Trains and NSW Trains were established as government-owned operators to deliver services under contract to TfNSW and drive customer service improvements.

The Australian Bureau of Statistics [ABS] undertook a preliminary review of the rail sector following the establishment of the new operating model which separated RailCorp's operations and asset ownership in 2012.

An interim ruling was obtained to maintain the current classification until 31 December 2014.

However, the ABS indicated that the current classification was unlikely to continue beyond 1 July 2015 because it would be unlikely to meet the classification criteria for a public non-financial company under the updated General Finance Statistics [GFS] manual.

Under the GFS manual the ABS sets the criteria, definition and guidance for how all entities should be classified for all government agencies nationally.

Entities can be classified as General Government, Public Non-Financial Entities and Public Financial Entities.

These classification rules define how we produce our public financial reporting.

NSW Treasury, in consultation with the ABS and Transport, then developed the Transport Asset Holding Entity [TAHE] operating model.

In accordance with the General Finance Statistics classification, the ABS has classified TAHE as a commercial Public Non-Financial corporation.

The GFS framework applies to all State governments, and the ABS independently determines which sector a government entity belongs to.

The Government first flagged its intention to create a TAHE in the 2013-14 Half-Yearly Review, and announced the initiative more formally as part of the 2015-16 budget.

In addition to benefits from the consolidation of transport asset ownership and development in TAHE, the model maintains the previous sectoral classification of RailCorp as a public non-financial corporation, ensuring consistency of treatment with Victoria and Queensland.

Introduction of the Bill

I will now speak to the key features of this legislation.

The bill adopts a staged approach to amending Transport Administration Act to establish TAHE.

The first stage of the reforms, contained in schedule 1 to the bill, formally constitutes Sydney Trains, NSW Trains and a new Residual Transport Corporation as standalone entities under the Act.

Transport assets that will eventually be owned by TAHE will be held by or transferred to RailCorp, and amendments in schedule 1 will give RailCorp additional functions in relation to these assets.

It is in schedule 2 of the bill that we find the major structural reform being proposed by the Government.

Schedule 2 will change the name and constitution of RailCorp so that it converts to a statutory state-owned corporation [SOC] by the name of the Transport Asset Holding Entity.

Benefits of Transition/Staged Approach

Before the new SOC can be established, however, it will be necessary to commence a staged process of transitioning to the future state.

Members will be aware that RailCorp is currently a statutory corporation, established under the Transport Administration Act.

It is charged not only with the delivery of passenger train services to the people of New South Wales, under section 6 of that Act, but also with holding, managing and maintaining rail assets vested in it.

During the transition to the new SOC arrangements set out in this bill, the Government has determined that RailCorp should have the capacity to manage and maintain all transport assets for the State on an interim basis.

The process of consolidating assets in RailCorp will take some time.

For that reason, the bill also inserts section 6A of the Transport Administration Act to expand the asset-related functions of RailCorp.

Clause 12 of the bill will allow RailCorp to develop those transport assets in the interim, while it holds them.

The proposed asset management focus of RailCorp before it is converted into a SOC is consistent with the present division of asset management and passenger service delivery functions in NSW.

Passenger rail services are no longer provided directly by RailCorp, but rather by Sydney Trains and NSW Trains.

These two service providers were created by regulation as subsidiary corporations of RailCorp in 2012.

Previously these services were delivered directly by RailCorp under the CityRail and CountryLink brands.

RailCorp's chief focus is already on being an infrastructure and asset-holder.

The vesting of additional transport assets in RailCorp as phase one of its transition to being a SOC is a sensible and cost-effective way to manage the conversion process.

During this transition, the Government will identify independent board members for the new SOC and draft and consult on the TAHE's proposed operating licence. The Secretary of Transport will be a member of the independent board.

The operating licence mechanism—which is a common and effective regulatory approach for SOC's—is established in schedule 2 of the bill.

New sections 13 to 18 of the Transport Administration Act will be inserted to provide for a process for granting and regulating the TAHE's operating licence.

Schedule 1—Phase 1

The bill will consolidate ownership within one entity—in two distinct phases as already highlighted—rather than simply relying on the fragmentation of asset management and development across multiple entities, as exists today.

In schedule 1, Sydney Trains and NSW Trains will be formally constituted under the Transport Administration Act 1988 as new standalone entities.

Item 68 of schedule 1 of the bill will also insert a new schedule 9 to the Transport Administration Act to establish a Residual Transport Corporation, which will oversee the orderly wind-up of any residual activities of transport agencies.

Under clause 6 of schedule 9, this organisation will be managed and controlled by the Transport Secretary or such other person appointed by the Minister.

It will provide a streamlined way for the State to manage any assets and liabilities that are no longer required for the delivery of transport services in New South Wales, rather than the piecemeal approach that has existed to date.

Schedule 1 will also broaden RailCorp's current functions to transport services, rather than just passenger rail, and transport assets.

There will be no change to the provision of passenger rail services by the operators. It is these services that keep our people, and therefore our economy, moving.

Schedule 2—Phase 2

In schedule 2, the conversion of RailCorp into a SOC is a logical next step towards a more robust framework for transport in New South Wales and better financial outcomes for New South Wales taxpayers.

There are many benefits of separating service delivery functions from asset owner functions. Across the world, governments are expected to operate in a way that reflects best industry practice.

This is often described as governments being more "commercial".

While many people welcome that description, it can raise queries about how unprofitable but important services can continue to be delivered to our community.

It is worth reflecting, therefore, what "being more commercial" means when it comes to the management and development of transport assets.

At its core, being commercial in the management of public transport assets means being more transparent about the way the State funds and accounts for these activities. It means having greater clarity—for taxpayers and for the State—over what is being paid for, and what the cost is.

Commerciality means having a structure in place that properly accounts for the costs of recurrent services and capital expenditure and provides an identifiable return to the taxpayers on their massive investment in infrastructure.

To do this in the transport context, this Government believes that we need to have a clear delineation between a publicly owned asset holder and the State as a direct service provider.

This means the State's financial arrangements will be structured in a way that promotes the Government's long-term capacity to deliver critical services such as public transport, hospitals and schools.

We need a structure that allows a State government to budget for investment in infrastructure in a way that is properly and reasonably adapted for modern financial practices.

The Government has been working hard, in consultation with the Australian Bureau of Statistics, to bring forward a proposal that will meet those standards and provide stability in the State's budgeting processes.

We are confident that the bill before the House will achieve that stability by creating a framework in which the State's transport assets can be managed and developed in the public interest, but consistently with modern commercial expectations.

The proposed SOC status of TAHE will provide the necessary distance from day-to-day central government control to demonstrate its assets are being managed commercially.

Clause 11 of schedule 2 to the bill sets out in detail the functions that are required to complement the central asset-holding function of TAHE. These include constructing and developing the transport assets vested in it.

Issue 1: Staff and Fares

Nothing in this bill will change staff employment arrangements in Sydney Trains or NSW Trains.

Nothing in this bill will change the framework for setting public transport fares as this will remain to be determined by Transport for NSW.

The bill before the House will simply continue the separation between service and asset-owning entities that was commenced in 2012 with the creation of Sydney Trains and NSW Trains as subsidiary corporations.

Issue 2: Safety

Sydney Trains and NSW Trains will continue to take responsibility for safety relating to the core operational assets.

Sydney Trains and NSW Trains are authorised under the bill to maintain rail infrastructure, carriages, engines, plant machinery or equipment.

This makes it clear that even when assets are owned by TAHE, Sydney Trains and NSW Trains as asset custodians and operators assume responsibility for safely maintaining assets.

The proposed model therefore delivers the safety benefits of vertical integration in relation to core operational assets.

It will also ensure that Sydney Trains and NSW Trains meet their principal objective, under proposed new section 36A and 37A respectively, of delivering "safe, reliable railway passenger services in an efficient, effective and financially responsible manner".

There are numerous other ways in which passenger safety is protected under the proposed new framework.

The first of those is that the Transport Secretary not only retains his direction powers over Sydney Trains and NSW Trains, but that he also takes a seat on the board of the TAHE.

This ensures a co-ordinated approach to safety discussions across the sector.

The second significant safety protection is that the TAHE will need to comply with the terms of an operating licence issued by the Minister for Transport and Infrastructure.

The operating licence will set out terms dealing with, among other things, safety integrity, compliance with integration of transport modes, and compliance with network and asset standard requirements issued by Transport for NSW.

An operating licence is an effective tool as it allows Government to respond to new circumstances when necessary, such as when new safety issues emerge.

The third significant safety protection is that, like all SOCs, the portfolio Minister—being the Minister for Transport and Infrastructure in this case—will be able to issue a binding direction to the board to take certain identified actions in the public interest.

This is a significant power for use in exceptional circumstances only. It is also important to note that there is now a national rail safety regulator and a new national rail safety law.

Closing Statement

New South Wales has been and will continue to be a strong supporter of those national reforms.

This is a time of unprecedented expansion, improvement and renewal for our public transport infrastructure.

The New South Wales Government is growing a future transport system that is the envy of others and a source of great pride for us all. But to do that, we need to have a strong back office structure based on industry best practice.

This bill is a sensible way of unlocking the vast potential of transport assets owned by a multitude of State agencies and a vital step towards delivering on the Government's Future Transport Plan for the whole NSW community.

I commend the bill to the House.

The Hon. ADAM SEARLE (21:09): The Labor Party opposes the Transport Administration Amendment (Transport Entities) Bill 2017 for three principal reasons. Firstly, the legislation aids and abets this Government in erroneously removing billions of dollars from the budget bottom line using an accounting trick to falsify the budget and make it look better than it really is over the forward estimates, thereby seeking to con the wider public. Secondly, under the model proposed by this bill the safety of train services in this State will be at risk, placing at risk the train-travelling public and winding back previous reforms directed at promoting public safety with respect to rail transport. Finally, the legislation will allow for the privatisation of rail assets in this State by a ministerial directive without further deliberation or decision by this Parliament. I do not think members in this place or the other place are fully aware of that. Certainly the public is unaware of it.

The bill proposes a staged process whereby Sydney Trains for metropolitan services and NSW Trains in regional New South Wales deliver railway passenger services. RailCorp will be the asset manager and will be assigned further asset management functions. There will be a Residual Transport Corporation to assist in the wind-up of activities that transport agencies no longer need to undertake. Finally, RailCorp will be turned into the Transport Asset Holding Entity [TAHE], and converted into a state-owned corporation. The term "administration" in the name of the bill is misleading and does not reflect the enormous scope of the legislation.

Due to the TAHE accounting changes the budget result has been improved, according to the 2015-16 State budget, by the following amounts: In 2015-16 the budget surplus is artificially inflated from \$713 million to \$2.5 billion, increasing the surplus by \$1.8 billion. In 2016-17 the budget surplus is artificially inflated from \$756 million to \$3.1 billion surplus, an increase of \$2.4 billion. In 2017-18 the surplus is increased from \$811 million to \$2.6 billion surplus, a further \$1.8 billion increase, and from 2018-19 the surplus is artificially inflated from \$895 million to \$2.3 billion, a further \$1.4 billion inflation.

Over the forward estimates the budget bottom line is improved by \$7.4 billion without actually changing the money in or money out. It is just an accounting trick to try to con the public and money markets that this Government is a reasonable economic manager. When we peel back that veneer we see that that is just not so. In June last year, the Rail, Tram and Bus Union NSW Secretary Alex Claassens indicated that the inclusion of the Transport Asset Holding Entity in the budget should be a major concern for commuters and workers because it is another step towards the privatisation of the transport services. In 24 June 2015, a columnist with the *Australian* newspaper, Adam Creighton said:

The NSW budget reminded us governments, with their vast array of on and off-balance sheet entities, can. Were it not for the creation of an independent agency to oversee transport infrastructure, the much-flaunted surplus would have crashed from \$2.1 billion this financial year to \$700 million next year.

Instead, the surplus is rising to \$2.5bn then \$3.2bn. Almost 70 per cent of the \$10.6bn of surpluses projected over the next four years depends on a new Transport Asset Holding Entity, a public trading enterprise similar to Landcom or Sydney Water, outside the general government accounts, that will manage the state's public transport assets on a consolidated basis. So we can see that billions of dollars have been wrongly, we think, removed from the budget bottom line. The Government created the TAHE asset from 1 July 2015 as a public non-financial corporation responsible for managing the rail assets separately from providing railway passenger services. This was done to move it, effectively, off budget. The Government and the Treasurer at the time, now the Premier, stated that this was consistent with the Australian Bureau of Statistics [ABS] classifications. In the 2016-17 Budget Paper No. 1 at page 1-2 there is quite a good illustration box at Table 1.1, which states that in accordance with Government Finance Statistics classification, the Australian Bureau of Statistics classified TAHE as a commercial public non-financial corporation. If the Australian Bureau of Statistics in fact had done that, why the need for the legislation? The Government has already moved to bank the savings.

For TAHE to be taken off budget it needs to make a commercial return of at least 7 per cent, and that is very difficult because rail assets are not profitable in a straight profit-loss sense. There are tens of billions of dollars worth of rail assets that are depreciating assets and, as all members will be aware, rail journeys are publicly subsidised to the tune of about 73 per cent. Fares cover less than 30 per cent of the cost. How then can this new entity make a commercial return of at least 7 per cent? I will return to this, but it is clearly not only smoke and mirrors; it is having to sell off assets reposed into this new body.

The budget has been improved artificially by this accounting trick and the Government has already banked the savings, as can be seen from that page from the budget papers. The \$7.4 billion is already banked in last year's budget even though there was no legislation. The ABS apparently reclassified the holding entity, the Government banked the savings in the budget, so why the legislation now? Could it be that the ABS is not satisfied with the Government's work to date; or maybe the classification, if it has taken place, is conditional upon legislation? Certainly, the Government has been lacking in transparency around the process, but proper process would have seen legislation occur before the Government cooked the books. The Government should have sought and obtained parliamentary approval before engaging in this grand deception.

Our understanding is that the ABS has informed the Government that the current arrangements regarding the TAHE are not sufficient to enable it to be taken off budget. We therefore believe that the Government has erroneously banked the savings and has now been sent back to the drawing board to obtain parliamentary approval and to lock the assets into a state-owned corporation ostensibly governed by an independent board. Clearly, the ABS is not content with the Government, in the current arrangements, having ministerial control and direction. The ABS wants it in the hands of a State-owned corporation, which allows it to claim it is more independent of the Government.

The Government now wishes to convert the TAHE into a state-owned corporation with the main objective being to have it become a successful business. If the bill does not go through, the TAHE will need to be added back to the budget, which will significantly deteriorate the budget position and possibly lead to a budget deficit in future years. But if this bill does go through, there is a strong possibility that the ABS will be unsatisfied with the state-owned corporation arrangement being able to make a commercial return of 7 per cent, and the TAHE would still need to be added back on budget. We therefore oppose the legislation.

Under this model, we believe that the safety of train services will be at risk. The separation of asset ownership by TAHE from rail service delivery, Sydney Trains and NSW Trains is what the New South Wales Labor Government introduced in response to national competition reforms in 1996-98. In 2000-01, the New South Wales Government witnessed the risks with that approach; for example, the asset holder—Rail Access Corporation at the time—dropped the ball on ensuring that its assets were maintained properly because of the need to operate commercially and return dividends to Treasury. One way to achieve this was to reduce costs by extending the maintenance cycles as part of its asset management strategy. The risk is even higher with the objectives and functions of TAHE—the new Rail Access Corporation—which is now 100 per cent focused on being commercially successful and maximising its net worth to New South Wales. It is a classic asset manager with no safety responsibility.

This is appropriate for a property fund but not for managing assets to run rail services. The objectives and functions of Sydney Trains and NSW Trains do not compensate for this. The primary objective of both is to provide safe services in an efficient, effective and financially responsible manner. While the bill says that this objective is the one that supersedes all others, the other objectives require it to be commercially successful and to maximise net worth. So in its objectives, I think in clauses 10 and 11 of the bill, we have this tension set up that undermines the objective of public safety. There is a risk that the combination of these commercial objectives and the need within the primary objective to operate efficiently and financially responsibly will inevitably mean that safety is not the primary focus of management, and of course there will be consequential risks to the public.

This risk is even higher as Sydney Trains and NSW Trains have other functions that have more to do with running a diverse transport business than running passenger rail services. Lessons in government show that, in the aftermath of rail accidents, the more competing objectives and functions that these agencies have the less

focus there is on safe rail services. It will be inevitable that management of Sydney Trains and NSW Trains will become seduced by the opportunity offered by their objectives and functions to build a successful and diverse transport business.

The three protections referred to in the Minister's second reading speech to ensure the primacy of safety have all failed and led to the merging of previous agencies into one entity. The first of these safeguards is that the transport secretary can direct Sydney Trains and NSW Trains and sits on the Transport Asset Holding Entity board. Other statutory state-owned corporations [SOCs] within New South Wales have caused problems for governments because they operate within their commercial mandate and directors, despite being appointed by the Government, take seriously their director's obligations to act in the best interests of the company, not the Government. The secretary of course will be only one voice on a board of up to seven people and will be able to direct only Sydney Trains and NSW Trains to effectively prioritise safety above all their other functions if he is fully informed by those organisations of all risks in a timely way. Relying on this assumes that information asymmetry does not exist.

Secondly, TAHE will need to comply with an operating licence issued by the Minister. But previous experiences in Government show that the board rarely refers to operating licences when making investment decisions. Relying on contracts to ensure asset managers focus on passenger safety is a recipe for failure. It is a disaster for public confidence in the rail system if the Minister has to enforce the operating licence to improve a focus on safety. Thirdly, the State Owned Corporations Act gives the Minister for Transport the capacity to direct TAHE to act in the public interest. However, this is not foolproof. Firstly, the board can resist this if it feels the direction undermines the commercial objectives and, secondly, the Treasurer, as TAHE shareholder, must agree to it. If the Minister for Transport has to use this power to make TAHE focus on asset safety, this shows the model is fundamentally flawed and has failed.

It took the death of numerous railway workers and the tragic Glenbrook rail accident in 1999 for it to be understood that public rail/passenger rail operations should not be split up—they should be integrated. The New South Wales Labor Government combined the rail infrastructure owner and rail infrastructure maintainer in 2001 and then combined them both with the passenger railway service operator for the metropolitan area. This Government is now splitting up rail operations once again. Labor opposes the bill because of the huge safety issues and ramifications that will arise out of this new arrangement.

As I indicated, this legislation will allow for the privatisation of rail assets. TAHE is expected to run out of money by year four. Therefore the Government in 2020 and beyond will be running an entity that is required to make a 7 per cent return but draining significant amounts of public expenditure. It is quite clear that privatisation will be the tool used to cover up losses to be made in year four and onwards. By setting up TAHE as a state-owned corporation whose main objective is to run a successful business, the Government is preparing for TAHE to be privatised. Under clause 10 (1) (B) TAHE is to be a "successful business". It is to "operate at least as efficiently as any comparable businesses" and to "maximise the net worth of the State's investment in TAHE". The public has had a gutful of privatisation, and we will not stand for this. We will oppose the legislation for this reason, among others.

Schedule 1 to the bill changes the way Sydney Trains and NSW Trains are established. Currently they are subsidiaries of RailCorp under the Transport Administration (General) Regulation 2013. They were created as subsidiary corporations to RailCorp in 2013 because the New South Wales Government could do that by making a regulation under section 55C of the Transport Administration Act. The Government preferred to do that because it wanted to avoid putting legislation to the Parliament where, of course, it would have had to run the gamut of the upper House. From 1 July 2013 RailCorp remained in existence as a statutory corporation, effectively as owner of all public transport rail assets. Sydney Trains and NSW Trains had a right to control and manage rail infrastructure on which they run passenger and bus services on the RailCorp-owned network under the terms of contracts and licences between RailCorp and the subsidiary corporations.

Both Sydney Trains and NSW Trains will be rail authorities under schedule 6A of the Transport Administration Act and item [56] of schedule 1 to the bill spells that out. Each of them will be a rail infrastructure owner as defined in section 3 of the Transport Administration Act in respect of the rail infrastructure facilities they manage or control. The land on which rail infrastructure facilities are situated will continue to be owned by RailCorp until it becomes TAHE when schedule 2 to the bill commences. Presumably the current contractual arrangements under which Sydney Trains and NSW Trains control and manage the rail infrastructure on which they run services will continue.

Once schedule 2 to the bill commences and RailCorp is converted to TAHE this can change, and I will come to that later. Under item [23] of schedule 1 to the bill government funding of Sydney Trains and NSW Trains will be sums advanced directly by the Treasurer, appropriated by Parliament for Transport for NSW purposes and allocated by Transport for NSW or as otherwise appropriated by Parliament for each agent specifically. They will

still be able to collect revenue from commercial activities, authorised investments, fines and penalties. Item [27] of schedule 1 to the bill permits each of Sydney Trains and NSW Trains to make orders setting charges, including fares, similar to existing powers in existing legislation.

Employment of staff will be under the same provisions that exist now; that will not be changed. However, there is a significant change to the power of the Minister for Transport to transfer assets, rights and liabilities out of transport authorities. Currently, section 94 (1) of the Transport Administration Act empowers the Minister to transfer assets, rights and liabilities from rail authorities to "another rail authority, a subsidiary of a rail authority, a state-owned corporation, the Crown or any other person or body acting on behalf of the Crown or a local council". The current definition of "rail authority" includes RailCorp, Transport for NSW or any other person or body prescribed by the regulations and SRA Residual Holding Corporation, the Transport Secretary and any other person or body prescribed by the regulations.

Items [34] and [35] of schedule 1 to the bill change the power so that the assets, rights and liabilities of a transport authority may be transferred by ministerial order. The definition of a transport authority will include a rail authority such as RailCorp, Transport for NSW or any other person or body prescribed by the regulations, SRA Residual Holding Corporation, State Transit Authority, Roads and Maritime Services [RMS], Sydney Ferries, the Transport Secretary and any other personal body prescribed by the regulations. This is a significant change that will allow the assets, rights and liabilities of all operating agencies in the Transport portfolio to be transferred out by ministerial order, particularly item [36].

Assets, rights and liabilities include real property, personal property—plant, equipment, structures severed from ownership of the land, contracts, licences and legal liabilities. Because the definition is so broad and includes any other person or body prescribed by the regulations, the Government will be able to make a simple regulation prescribing any person or organisation as a transport authority. For example, a private sector bus operator could be so prescribed and assets of the State Transit Authority could be transferred to it; or, for example, Sydney Motorway Corporation, a government-owned but essentially a private company, could be prescribed in regulation and RMS assets could be transferred to it, and Sydney Motorway Corporation subsequently could be sold by the Government to the private sector without further authorisation by the Parliament.

One can see the mechanisms whereby assets can be reorganised simply by ministerial directive to bodies prescribed in regulations as being a transport authority—not necessarily a public transport authority but any transport authority—and therefore effectively alienated, privatised, sold or potentially leased and this Parliament would have no further superintendence of those transactions. One can see that this is not a scare campaign. This legislation will set up the architecture that will enable the privatisation of rail assets, forced as it were by the requirement to make a 7 per cent return. How can a 7 per cent return be made when rail fares are 73 per cent subsidised by the Government and everyone knows that the tens of billions of dollars worth of rail assets are a depreciating asset, not an increasing asset?

Item [53] of the bill contains further potentially significant changes. It contains a number of amendments to the current schedule 4 of the Transport Administration Act. The major changes include new clause 13 to permit the Minister for Transport to make an order that severs fixtures from the land, including buildings, and may also include rail infrastructure facilities. New clause 13 (2) says that once severed the asset may be dealt with as personal property, which means it can be sold, leased or licensed to anyone as long as there is a power to deal with personal property. New clause 14 (2) says that such an order transferring assets, rights and liabilities to RailCorp—which of course will become TAHE—Residual Transport Corporation, Transport for NSW or any of their subsidiaries will not constitute a closure of a railway line within the meaning of section 99A of the Transport Administration Act. That means they would not need further authorisation of the Parliament. This is significant because once the TAHE provisions commence and it becomes a state-owned corporation [SOC], it will own RailCorp's rail infrastructure facilities because RailCorp will be replaced by TAHE.

Under section 20W of the State Owned Corporations Act 1989 [SOC Act] statutory SOC's can, with the prior written approval of the voting shareholders, form or participate in the formation of private corporations, acquire interests in private corporations and sell or otherwise dispose of interests in private corporations, whether or not the activities or proposed activities of any such corporations are related to the functions of the SOC. Section 20W contemplates that the investment in the private corporation could be in a subsidiary of the SOC, so a severance order could be made and rail infrastructure facilities owned by Transport for NSW could be transferred to a subsidiary of TAHE, a subsidiary SOC. New clause 14 (2) would mean that if a ministerial order were made severing the rail infrastructure from the land, TAHE could then privatise the operation of those rail infrastructure facilities—for example, by licence or operating agreement with the private sector operator—because they are severed from the land. This is a British-style "franchising" of rail operations, which in plain language means privatisation.

TAHE will not be able to sell or transfer those rail infrastructure facilities directly to a private sector operator because once schedule 2 of the bill commences item [38] says that new clause 14 (2) protection applies only to a transfer by TAHE if it is to a public transport agency which, under the Transport Administration Act, means Transport for NSW, RailCorp, Roads and Maritime Services [RMS], the State Transit Authority, Sydney Ferries and the public or private subsidiary corporations. However, if a TAHE subsidiary was formed under the SOC Act, the voting shareholders could approve the sale of fixed assets and investments of a statutory SOC, under section 20X, or of the main undertaking of a SOC, under section 20Y. After a ministerial severance order the rail infrastructure facilities will not be fixed assets and arguably the subsidiary SOC could then privatise those rail infrastructure facilities because the amendments to the Transport Administration Act say they can be dealt with as "personal property".

Under new clause 14 (2) those assets would not be affected by section 99A of the Transport Administration Act, which prohibits the closure of a rail line by a rail infrastructure owner. The shares in the subsidiary SOC could be sold with voting shareholder approval and all assets of the subsidiary SOC would go to the purchaser of the shares. The Transport Asset Holding Entity will be created by schedule 2 of the bill as the successor to RailCorp, essentially changing RailCorp's name to TAHE. TAHE is to be a statutory SOC under the SOC Act and will be governed by a board of directors, including a chief executive officer [CEO] who may be appointed as a director. The CEO will be able to be removed by the Governor or the Minister on the Minister for Transport's recommendation at any time or for no reason.

The objectives and functions of TAHE, which are in clauses 10 and 11 of the bill, include being safe and reliable. Importantly, it must be a successful business, including maximising the net worth of the State's investment in TAHE. It must hold, manage, operate and maintain transport assets owned or vested in it or to be owned or vested in it. While all the objectives are meant to be of equal value, it is a downgrading of directive for its operations to be safe and reliable above all else. We think that downgrading is dangerous. There is a range of the provisions that I could go into and there are significant objections to the current arrangement, not the least of which is that it is unwinding reforms that have proven to be necessary. When this Government came to office in 2011, a major policy reform that it shouted from the rooftops was the creation of an independent transport authority and the abolition of a number of transport agencies to allow better coordination and direction of public transport in this State, as outlined by the now Premier, then the Minister for Transport, in her speech in the other place on 6 September 2011. I will not go through that.

This legislation is a step backwards and contrary to lived experience in terms of rail safety. The Transport Asset Holding Entity will become a commercial independent statutory state-owned corporation with a mandate to operate independently and above all commercially. It is the requirement to act commercially, to make a 7 per cent return to shareholders, which is the issue at the heart of the legislation. Following the tragic rail accident at Glenbrook in 1999 the special commission of inquiry was critical of reforms to the public rail sector.

The Integrated Railway Authority was split into four separate entities: a freight operator, later sold; a railway passenger service operator; a rail infrastructure owner; and a rail infrastructure maintainer. Each of those became statutory state-owned corporations and they operated commercially. The rail infrastructure maintainer started operating outside the State. It took the death of numerous railway workers and the tragic Glenbrook rail accident for it to be understood that public rail/passenger rail operations should not be split up but should be integrated. The Labor Government then combined the rail infrastructure owner and other entities into a combined operator.

The Government is once again splitting them up and that is placing the public at risk. The requirement of the SOC to make a commercial 7 per cent return on depreciating assets and heavily publicly subsidised services sets a time bomb at the heart of the organisation which will, because it is mandated to act commercially, force it to sell off everything of value it owns—you can call it leasing for 99 years, privatising or outright sale. There will be no other way this body could conceivably make a 7 per cent return. Those are the facts of the case. Missing from the bill is that the Transport Asset Holding Entity is not prescribed as a public authority under the Roads Act. If the body compulsorily acquires a public road from a council for a public transport project it will have to compensate councils under the full valuation of the land whereas other SOC's are exempted.

It is clear that this very carefully thought out architecture is designed to bolster the Government's fraudulent cooking of the books in order to make the budget nearly \$10 billion better off. The requirement to have a high commercial return on the asset is unaffordable without selling everything of value. History shows the splitting up of these functions and the mandate to operate commercially ensures corners will be cut and maintenance will be cut. There is already a maintenance backlog in rail services. This will compound the problem and place the public at risk once more. For any one of those reasons the legislation should be rejected. The architecture of the bill suffers from all three flaws and this House should join with the Opposition and say no.

Dr MEHREEN FARUQI (21:37): I speak on behalf of The Greens to the Transport Administration Amendment (Transport Entities) Bill 2017. The bill will establish NSW Trains and Sydney Trains as standalone entities and no longer subsidiaries of Rail Corporation NSW. It will create the Transport Asset Holding Entity [TAHE] and provision for a new state-owned corporation called the Residual Transport Corporation. The process will start with the constitution of NSW Trains and Sydney Trains as standalone entities and the formation of the Residual Transport Corporation.

Stage two of the process will be for RailCorp to take on the TAHE responsibilities, and at a date to be proclaimed RailCorp will convert from a statutory corporation constituted under the Transport Administration Act to TAHE, a statutory state-owned corporation, which will own all the commercial assets while the Residual Transport Corporation will hold the non-financial assets, such as a contaminated site. The Residual Transport Corporation effectively will hold all the liabilities. I have been assured by Government advisors that all of these organisations will be subject to compliance of Government Information (Public Access) Act requests and the Standing Order 52 call for papers that the upper House makes. I have been further advised that section 99A of the Transport Administration Act, which requires an Act of Parliament to close or to dispose of railway lines, will remain unchanged and will apply in its current form. I would appreciate it if the Parliamentary Secretary would confirm that in his speech in reply.

The Government's justification for this bill is that the Transport Asset Holding Entity will manage the State's Transport portfolio assets more commercially to create a single dedicated asset manager for the State's public transport sector and will be responsible for procuring and selling assets. Members can call me sceptical, but given the Government's track record on privatising public assets and services, that sounds like fattening the calf for slaughter. It puts all of the entity's valuable assets in one place to make it attractive for a commercial buyer. One can only conclude that moves to do this are all about furthering the Government's privatisation and sell-off agenda. The Treasurer's second reading speech stated:

... amending the Transport Administration Act to support the consolidation of transport asset ownership and development of a TAHE by optimising the existing transport asset base to enable a more effective, efficient and commercial approach to the management of transport assets, particularly property ...

We know that this Government is addicted to privatisation. I do not think the Treasurer has met an asset that he did not want to sell. The current trend is to try to trick the people by leasing public assets to private corporations for an undisclosed amount for a long time. That will mean not one person in this Parliament will live long enough to see if any of them revert to public hands. I note that public transport, which is an essential service, is at the top of the Government's privatisation agenda. I was interested to read an article in the *Australian Financial Review* a few weeks ago that included an interview with our long-suffering Minister for Transport and Infrastructure, the Hon. Andrew Constance. He stated in regard to public transport:

They will be all private. In 10 to 15 years' time government will not be in the provision of transport services, it will be all on demand, private sector driven, underpinned by innovation in technology.

He went on to say:

Already every new train that we are bringing online now, whether it is the Metro train or light rail, are all private sector partnerships.

I acknowledge one point the Minister made. I had the opportunity to catch the live stream of the Minister's speech to the Salesforce World Tour keynote with Mark Hawkins and special guests. To be frank, it looked more like a cult meeting than a conference, but it is not up to me to judge how the Minister spends his time. I hope he is enjoying the soft toy that Salesforce gifted him, and I will be looking out for it on his gift register. What interested me most was the following statement by the Minister:

I want to make sure that the investments we are making today are able to cater for the needs of tomorrow. So we don't necessarily go and build a six lane freeway given the changes we are going to see in terms of intelligent transport networks.

The Hon. Dr Peter Phelps: That should make you happy.

Dr MEHREEN FARUQI: I acknowledge that interjection. It did make me happy. On that note, I agree with the Minister that WestConnex and NorthConnex are terrible projects and not in the least wise. There is no doubt that advances in technology offer many opportunities to improve public transport. However, for the Government to use that as an excuse to wash its hands completely of providing public transport is preposterous because it is incapable of delivering well-planned, integrated public transport infrastructure on budget. It simply wants to abrogate its responsibility altogether rather than face up to that fact and improve its performance.

It is the Government's responsibility to guarantee the basic provision of efficient, affordable and reliable public transport to its people. That includes those living in the most deprived and disadvantaged areas. Once those services are handed to private contractors and corporations there is no guarantee that will happen. People who need public transport most will be left behind. In essence, the privatisation of public transport means shifting responsibility for its provision to the private sector. I ask members to imagine an Uber-like system where a surge

in demand leads to a surge in price. People living in areas where there is not much demand will have no public transport.

We are now even at a point where the privatisation agenda dictates transport outcomes. Take the Sydney Metro for instance. The East Hills and western lines have more serious capacity issues than the Bankstown line, and there has been no explanation of how Sydney Metro will address this. We know that the Bankstown line was chosen simply because it was the easiest to break off and privatise. Unfortunately, with the privatisation agenda at the forefront of these decisions, simpler, cheaper and more effective solutions to increase the capacity across the whole transport network are being neglected. The other issue about this ongoing and never-ending fragmentation of government departments is the difficulties this causes for people and organisations who work together to provide integrated outcomes.

The Hon. Trevor Khan: The Greens talking about fragmentation?

Dr MEHREEN FARUQI: Yes, keep breaking up the public sector and people no longer will be able to cooperate, collaborate and give the best outcomes for the community. It makes it much harder for the left hand to talk to the right hand when planning and delivering services. What we will eventually get are expensive, undemocratic services not open to public scrutiny and not with the aim of providing good transport outcomes for our citizens. Contracts are being signed which will lock us into inflexible terms and conditions that will be unable to respond to changes in needs and priorities. Private transport companies are notoriously secretive in reporting on service quality and reliability, and this Government wants to put them in charge across all our transport modes. This bill is about separating out the profitable and non-profitable parts of public transport. Over time, the private sector will be given the profitable bits and taxpayers will be left with the liabilities, the contaminated land and the so called non-commercial assets. The Greens oppose the privatisation of public assets and services. The Greens oppose this bill.

Reverend the Hon. FRED NILE (21:46): On behalf of the Christian Democratic Party, I endorse and support the Transport Administration Amendment (Transport Entities) Bill 2017. This bill will adopt a staged approach to amending the Transport Administration Act to establish the Transport Asset Holding Entity [TAHE]. The first stage of the reforms contained in schedule 1 to the bill will commence on a date to be proclaimed. It is expected that it will be 1 July 2017. In this very first stage Sydney Trains, NSW Trains and a new Residual Transport Corporation will be formally constituted under the Transport Administration Act as standalone entities. Transport assets eventually will be owned by the Transport Asset Holding Entity and will be transferred to RailCorp, and amendments in schedule 1 to the bill will give RailCorp additional functions in relation to those assets. Consistent with the future functions of the Transport Asset Holding Entity, RailCorp will be able to hold, manage, operate and maintain transport assets vested in or owned by it and establish, finance, acquire, construct, and develop transport assets to be vested in or owned by it.

The second stage of the reforms contained in schedule 2 to the bill will commence on a date to be proclaimed. It is anticipated that this will be 1 July 2019. In this stage RailCorp will become the Transport Asset Holding Entity of New South Wales. TAHE will be a statutory state-owned corporation on the day that schedule 2 commences. Transport Asset Holding Entity will be able to finance, acquire, construct, develop, hold, manage, maintain and operate transport assets, and provide access to or lease those assets to transport operators. The Christian Democratic Party supports this bill. The Government is not doing anything behind the scenes and has explained quite clearly its aims and objectives with this legislation, which may not suit the socialist members of the House but it suits the desires of the freedom-loving people of this State.

The Hon. ERNEST WONG (21:49): I join my colleagues in strongly opposing the Transport Administration Amendment (Transport Entities) Bill 2017. I thank Mr Ryan Park for his leadership on this bill in the other place. He gave an excellent and forensic examination of its specific flaws. My colleague the Hon. Adam Searle covered that ground in this House. While I fully support their remarks, I will not canvass them in detail. Instead, I will speak briefly to what the New South Wales community will think about this bill. I will speak for those of us who may not be rail experts but who can see the real agenda in this bill. It is obvious; it is the elephant in the room. This bill is a starting point for privatisation of rail in New South Wales. Members opposite can talk about separation and specialisation. They can say that these moves are administrative. But we know from numerous jurisdictions that this is how wholesale rail privatisation commences. We need only look at an iconic example generated from the economic theory that members opposite still defer to—that of Thatcher's Britain.

The privatisation of British Rail was not achieved in a single hit. It was death by a thousand cuts. Although not completed until 1997, it began from the minute Margaret Thatcher was elected in 1979. Importantly, it began innocuously. At first, state-owned businesses were sold off on the basis that they were only ancillary to British Rail. The Sealink ferries went first, then the British Transport Hotels group and then British Rail Engineering, which managed train building. It was a slow build to the master plan. In time, the operations of the British Rail Board were broken up and sold off. Ownership of the infrastructure, including the larger stations,

passed to Railtrack. Track maintenance and renewal assets were sold to 13 companies. Ownership of passenger trains passed to three rolling stock operating companies with the stock leased out to passenger train operating companies. When the British Rail Board folded new bureaucracies emerged to oversee the complex network of corporations and franchising, and to somehow tie that to a new regulatory framework. And so it went.

It did not happen overnight. It did not happen in a single sale or by a single Act. It took them from 1984 to 1997, but they got there. The British Rail system—a model replicated through imitation and colonisation around the world—is no more. It was a highly controversial process at the time, and its success remains highly contested. New South Wales has an advantage over the United Kingdom on this issue—some 20 or 30 years of hindsight to see that privatisations of the kind the Government seeks through this bill are seldom the easy wins they appear to be. We can see that, while assets can be outsourced, public accountability for rail systems cannot. We can see that, while the private sector will happily line up to take on government assets when times are good, it is less reliable when times are not. We can see also that private entities that are set up to alleviate a government of the risk of rail assets can fail, and when they do the government foots the bill.

Members opposite would do well to observe how the United Kingdom Railtrack corporation—that sounds familiar, does it not—collapsed by 2001. Its assets were passed back to State ownership, with track maintenance also brought back to State control under Network Rail in 2004. Leaving ownership aside, we can observe from the British experience how the fragmenting of related rail infrastructure and services also has come to be questioned. In fact, it has come to be questioned by the Conservative Party that implemented it, with transport spokesman Chris Grayling famously admitting in 2006:

We think, with hindsight, that the complete separation of track and train into separate businesses has helped push up the cost of running the railways—and hence fares—and is now slowing decisions about capacity improvements.

Too many people and organisations are now involved in getting things done—so nothing happens. As a result, the industry lacks clarity about who is in charge and accountable for decisions. This is from the party that pioneered rail privatisation. One would have thought those opposite would have looked at the questions raised by the United Kingdom experience, and that it might give them pause. But not so. Stuck in the 1980s, still looking for their shoulder pads and they are charging ahead with the finest economic and management theory that 1979 had to offer. But the communities of New South Wales can see through that.

The Hon. Penny Sharpe: Point of order: I know that members are tired and excited but I cannot hear my colleague the Hon. Ernest Wong because members opposite are yelling about shoulder pads. I ask that they be called to order.

The DEPUTY PRESIDENT (The Hon. Paul Green): Order! Government members, particularly the Deputy President, who should lead by example, will come to order. The Hon. Ernest Wong will be heard in silence.

The Hon. ERNEST WONG: The communities of New South Wales can see through the budget chicanery of erroneously removing \$7 billion from the State budget, based on untested assumptions about the corporatisation of the Transport Asset Holding Entity. They understand that train safety is at risk when government allows the asset manager of rail lines to be divorced from service safety responsibilities as proposed in this bill, and they deserve a better debate than one that is hidden behind so-called administrative bills. That is not to say there may not be a debate to be had with our communities about privatising New South Wales rail services. Those opposite may be able to make a good case to the communities of New South Wales, but they should make it, and make it openly. They should not hide behind major shifts of infrastructure control and ownership, masquerading as administrative amendments. I oppose the bill and thank members for their attention.

The Hon. Dr Peter Phelps: When did the Australian Bureau of Statistics first raise this? It was first raised in 2012. In other words, you left us with a budget structure that had to be fixed.

The DEPUTY PRESIDENT (The Hon. Paul Green): Order! The Hon. Dr Peter Phelps will come to order. The Hon. Penny Sharpe will be heard in silence.

The Hon. PENNY SHARPE (21:57): I make a short contribution to debate on the Transport Administration Amendment (Transport Entities) Bill 2017. I could not let the opportunity pass to call this bill for what it is and to explain why it should be rejected. The bill is a bad idea for three reasons. Firstly, the Government is trying to pull a pea-and-thimble trick to bump up its bottom line and pretend it has a surplus. The Government already has banked \$7.4 billion in the forward estimates on the prediction of the bill's passing. It is about the new Treasurer getting hairy chested as he is about to bring down his first budget, and members should be wise enough to see it for what it is.

Secondly, the bill is about making it easier to privatise our rail network. Let us talk about the Government's love of privatising public transport or anything else—whether it is ferries, buses, the loss of Epping to Chatswood, the impending loss of the Bankstown line and the increasing privatisation of our public system. In particular, the bill is about the Government setting its sights on a variety of lines that it will try to break up in the

future. The bill establishes an entity to make money; it does not look after the rail system and deliver effective public transport for the people across this State. Thirdly, if we fail to learn from history—and I know that many in this Chamber study history—then we are condemned to make the same mistakes. This year marks the fiftieth anniversary of the Granville train disaster in which many people died. We also have had the Waterfall and Glenbrook rail accidents.

Labor went down the path of trying to break up rail operations, and it did not work. Indeed, following the Waterfall and Glenbrook rail disasters the safety regulators came back and said that it was not the best way to manage safety on our public transport system. If those opposite do not care about privatisation, fine; if those opposite are happy that their Government is rorting the bottom line in terms of its budget so the new wunderkind Treasurer can look better, fine; but if those opposite actually care about safety—if for no other reason—then they need to listen to the experts. We in Labor went down this path. We were wrong. We came back from it and we learnt from it. Those opposite are setting us up for the very same mistakes in the future. That is why this bill should be opposed.

Mr JUSTIN FIELD (21:59): I speak for The Greens to oppose the Transport Administration Amendment (Transport Entities) Bill 2017.

The DEPUTY PRESIDENT (The Hon. Paul Green): Order! It being 10.00 p.m. proceedings are now interrupted to permit the Minister to move the adjournment motion if desired.

The House continued to sit.

Mr JUSTIN FIELD: I indicate that The Greens oppose this legislation. My colleague Dr Mehreen Faruqi outlined all the reasons.

The Hon. Dr Peter Phelps: The right hand did not speak to the left, apparently.

Mr JUSTIN FIELD: We are talking and becoming a very effective team in this place.

The Hon. Dr Peter Phelps: Misleading the House.

Mr JUSTIN FIELD: We are challenging this Government's privatisation agenda. We have seen it all before. This bill is clear in its intention.

The Hon. Dr Peter Phelps: Just make Jeremy the leader while David is away. He will never—

The DEPUTY PRESIDENT (The Hon. Paul Green): I call the Hon. Dr Peter Phelps to order for the second time.

Mr JUSTIN FIELD: You get an early mark if you try hard. The bill proposes to convert Sydney Trains and NSW Trains, which are current subsidiaries of RailCorp, to standalone statutory bodies. Under the bill RailCorp would then be converted into a state-owned corporation. We know all the details. I do not intend to go into all of that, but what a mess! This is not about making the transport system more streamlined and efficient; this is about creating new corporate structures so that the Government can sell off the profit-making assets in our rail network. I acknowledge the contributions of the Hon. Adam Searle and his outlining of the creative accounting that is behind large elements of this legislation.

At the end of the day this is about privatisation. I note a recent article in the *Sydney Morning Herald* titled "Commuters will have months of pain, but Gladys Berejiklian never asked if it was worth it". It outlines the story of how the Epping to Chatswood rail line will be closed for an extensive period to facilitate the transition of that line to suit a new rail stock run by a private operator. All sorts of changes have had to be made to the network to allow that to happen. It will impact on commuters for a long time. It will impact on services outside that part of the network. Anyone reading that article and going through the history, and certainly the commuters in the north-west of the city, will see the consequences of taking this fragmented approach. The Government does not put at the core of this approach the delivery of the services people need; instead, it is a restructuring of government services to suit corporate interests and entities.

The creation of the Transport Asset Holding Entity [TAHE] allows for a structure that will enable the privatisation of TAHE or aspects of the rail network in which TAHE might deliver supporting assets. That is the case here. The Greens oppose the bill on the grounds mentioned by other speakers but particularly on the issue of privatisation. I would have thought the Government recognised that the time is over for privatisation of our structures from the experience of other States and their transport networks. In the past 12 months the chairman of the Australian Competition and Consumer Commission has recognised that it is not delivering for the public. Surely we should be learning those lessons. I stand with my colleagues and Labor in opposing this bill.

Mr SCOT MacDONALD (22:03:0): On behalf of the Hon. Don Harwin: In reply: I thank the Opposition leader, the Hon. Adam Searle, Reverend the Hon. Fred Nile, Dr Mehreen Faruqi, the Hon. Ernest Wong, the Hon. Penny Sharpe and Mr Justin Field for their contributions to the debate. The establishment of the Transport Asset Holding Entity as the dedicated transport asset manager is an important step in the Government's commitment to delivering the best transport infrastructure for the people of New South Wales. In the 2015-16 budget the Government committed to the introduction of TAHE to better manage the State's portfolio of transport assets more commercially and to help deliver the record \$40 billion of transport infrastructure projects currently underway. To be able to deliver this record infrastructure program we need to have our back office working as efficiently as possible.

The bill will establish new arrangements for transport asset management in New South Wales that reflect modern governance and financial practices. The bill adopts the staged approach to amending the Transport Administration Act to establish TAHE. The first stage of the reforms contained in schedule 1 to the bill formally constitute Sydney Trains, NSW Trains and a new Residual Transport Corporation as standalone entities under the Act. Transport assets that will eventually be owned by TAHE will be transferred to RailCorp and amendments in schedule 1 will give RailCorp additional functions relating to those assets.

In schedule 2 of the bill we find the major structural reform being proposed by the Government. Schedule 2 will change the name and constitution of RailCorp so that it converts to a statutory state-owned corporation by the name of the Transport Assets Holding Entity. The bill will introduce new amendments for transport asset management that will benefit New South Wales by establishing the right structure to optimise the existing transport asset base. That will result in a more effective, efficient and commercial approach to the management of transport assets. TAHE also will allow transport operating entities to focus on their core functions of operating transport services and delivering improved customer service whilst delivering on capital and recurrent targets.

As I said previously, the bill will not change staff employment arrangements in Sydney Trains or NSW Trains, and the bill will not change the framework for setting public transport fares as this will remain to be determined by Transport for NSW. The bill before the House will complete the separation between service and asset-owning entities that commenced in 2012 with the creation of Sydney Trains and NSW Trains as subsidiary corporations. Sydney Trains and NSW Trains will continue to take responsibility for safety relating to the core operational assets. Sydney Trains and NSW Trains are authorised under the bill to maintain rail infrastructure, carriages, engines, plant machinery, or equipment. This makes it clear that even when assets are owned by TAHE, Sydney Trains and NSW Trains, as asset custodians and operators, will assume responsibility for safely maintaining those assets.

The proposed model therefore delivers the safety benefits of vertical integration relating to core operational assets. It also will ensure that Sydney Trains and NSW Trains meet their principal objective under the proposed new sections 36A and 37A respectively of delivering "safe, reliable passenger services in an efficient, effective and financially responsible manner." There are numerous other ways in which passenger safety is protected under the proposed framework. The first of those is that the Transport Secretary not only retains his direction and powers over Sydney Trains and NSW Trains but also takes a seat on the board of TAHE. This ensures a coordinated approach to safety discussions across the sector. The second significant safety protection is that TAHE will need to comply with the terms of an operating licence issued by the Minister for Transport and Infrastructure. The operating licence will set out the terms dealing with, among other things, safety integrity, compliance with integration of transport modes, and compliance with network and asset standard requirements issued by Transport for NSW. An operating licence is an effective tool as it allows government to respond to new circumstances when necessary, such as when new safety issues emerge.

The third significant safety protection is that, like all state-owned corporations, the portfolio Minister—being the Minister for Transport and Infrastructure—will be able to issue a binding direction to the board to take certain identified actions in the public interest. This is a significant power for use in exceptional circumstances only. It is also important to note that there is now a national rail safety regulator and a new national rail safety law. New South Wales has been and will continue to be a strong supporter of those national reforms. The Leader of the Opposition implied that this is just an accounting exercise but this Government is protecting this State's strong financial management and record investment.

To be able to deliver this record infrastructure program we need to have our back office working as efficiently as possible. Since 2012 this Government has been working with the Australian Bureau of Statistics [ABS] to ensure that we comply with the ABS reporting requirements. We have a number of reporting requirements and accounting standards to comply with. We have complied with the ABS, and will continue to comply with and work with the ABS on an ongoing basis. I thank members for their contributions to the debate on the bill. This bill is a sensible way of unlocking the vast potential of transport assets owned by a multitude of

State agencies and is a vital step towards delivering the Government's future transport plan for the people of this State as it leads the nation. I commend the bill to the House.

The PRESIDENT: The question is that this bill be now read a second time.

The House divided.

Ayes20
Noes15
Majority.....5

AYES

Amato, Mr L
Clarke, Mr D
Farlow, Mr S
Green, Mr P
Maclaren-Jones, Ms N
(teller)
Mitchell, Ms S
Phelps, Dr P

Blair, Mr N
Colless, Mr R
Franklin, Mr B (teller)
Harwin, Mr D
Mallard, Mr S

Nile, Reverend F
Taylor, Ms B

Brown, Mr R
Cusack, Ms C
Gallacher, Mr M
MacDonald, Mr S
Mason-Cox, Mr M

Pearce, Mr G

NOES

Buckingham, Mr J
Field, Mr J
Moselmane, Mr S
(teller)
Searle, Mr A
Veitch, Mr M

Donnelly, Mr G (teller)
Graham, Mr J
Pearson, Mr M

Secord, Mr W
Voltz, Ms L

Faruqi, Dr M
Mookhey, Mr D
Primrose, Mr P

Sharpe, Ms P
Walker, Ms D

PAIRS

Gay, Mr D
Khan, Mr T

Houssos, Ms C
Wong, Mr E

Motion agreed to.

Third Reading

Mr SCOT MacDONALD: On behalf of Mr Don Harwin: I move:

That this bill be now read a third time.

Motion agreed to.

Adjournment Debate

ADJOURNMENT

The Hon. DON HARWIN: I move:

That this House do now adjourn.

EUTHANASIA

The Hon. GREG DONNELLY (22:19): Honourable members may be aware that euthanasia—assisted suicide—legislation has entered the statute books in some countries and jurisdictions through a clever but deceptive strategy executed by its advocates. In short, the strategy involves advancing the following argument. Euthanasia, assisted suicide, should be drawn into and be made part of medical, nursing, caring, political and general public discourse with respect to palliative care. Wrapping them up in such a holistic way with the language of palliative care is a way of insulating them from criticism and attack: It attempts to construct a firewall around them. This strategy is currently being executed in Australia in the debate we are having regarding euthanasia, assisted suicide.

The appearance of an article in the *Medical Journal of Australia's* electronic publication *InSight* on 6 February 2017 by Emeritus Professor Ian Maddocks, entitled "Palliative care and voluntary-assisted dying: the common ground" outlines the standard set of arguments used to advance the case. Such a strategy is in my view deceptive and fundamentally flawed. Tonight I draw to the attention of the House the response by Professor Douglas Bridge, co-signed by 32 eminent palliative care specialists and academics. It comprehensively rebuts the arguments put forward by Professor Maddocks. It appeared in the same publication on 20 March 2017. Time does not permit me to cover everything raised in Professor Bridge's article. I encourage those interested to go to the *Medical Journal of Australia* website and read the whole piece. However, I will quote some of the key points made in his article:

In his opinion piece (MJA 6-2-17 Palliative care and voluntary-assisted dying: the common ground) Emeritus Professor Ian Maddocks proposes an integration of palliative care, euthanasia, and physician-assisted suicide (EPAS). As palliative care practitioners, we know this supposed common ground is both a contradiction in terms and contrary to sound medical practice.

From our experience of caring for people who are ill and vulnerable, legalising EPAS is unnecessary and unsafe.

Despite its inevitability, dying is not a popular topic for discussion in Australia today. In the words of American surgeon Dr Atul Gawande, we have "forgotten that we are mortal".

...

Good palliative care helps patients and families avoid both overtreatment and neglect of treatment. It enhances patient autonomy and decision-making capacity by improving symptom control and empowering patients to participate in their care. We affirm the patient's right to choose their therapy; decline futile therapy; choose the place of dying; choose who should be present; receive the best possible relief of symptoms, even, on rare occasions, deliberate palliative sedation (not terminal sedation); and refuse to prolong the dying process.

...

Supporting people when they are dying is utterly different to intentionally causing them to die. What Professor Maddocks calls "a single effective intervention" is in fact an act of killing.

The term "voluntary assisted dying" conceals the true nature of what is proposed in the bill before the Victorian Parliament. The patient's dying is not assisted; rather, a doctor is required to kill the patient or to help the patient commit suicide. ...

In an attempt to make EPAS publicly acceptable, its proponents sanitise the language, using euphemisms such as "voluntary-assisted dying" and "go gentle". However, the inconvenient truth remains that at the heart of EPAS the action of the doctor is to end a patient's life or assist patients to kill themselves. This has profound ramifications for all health professionals. "Do not kill" has been a core ethical principle of every civilization and the practice of medicine; we violate it at society's peril.

...

In the Netherlands, often quoted as a euthanasia success story, so many doctors have refused to kill their patients that the government has established mobile euthanasia teams to perform EPAS across the country. Doctors in Canada are increasingly requesting to be removed from "assisted dying" lists. The legalisation of EPAS results in great harm to vulnerable individuals, families, the community, and health professionals.

...

We write as an informal network of Australian and New Zealand practitioners in palliative care. We do not represent any particular organisation, institution or philosophy. Some of us have practised palliative medicine for more than 30 years. We acknowledge that death, like birth, can be distressing and messy. We are deeply concerned at the increasingly determined attempts to legalise the practice of EPAS.

The debate about whether or not we should legislate for euthanasia-assisted suicide in Australia will continue. As arguments are put forward to support such proposals, they must be critically examined and scrutinised. It is my view that any attempt to subsume euthanasia, assisted suicide, into the idea or practice of palliative care should be rejected completely. Whether advanced genuinely or as part of the political strategy to get legislation over the line, it must be called out for what it is—bad thinking, bad policy and what would be bad law.

TAFE NSW

Ms DAWN WALKER (22:23): The TAFE system has been a central pillar of vocational skills-based training across New South Wales for more than a century. TAFE has been vital to creating a strong and prosperous New South Wales, both economically and culturally, and has equipped many workers with skilled trades that have been vital to building and servicing our State. TAFE is a system that does not discriminate. It is a system that has been accessible to a diverse range of people—whether migrants, disadvantaged youth, or low-income or middle-class Australians.

Early in my career with the Department of Employment, Education and Training I witnessed the value of our TAFE system firsthand. As I toured both metropolitan and rural TAFEs I saw the quality training that was being provided to young people and jobseekers, skilling them up into quality employment. As a TAFE graduate, I know that a well funded and accessible public TAFE system is vital to the future of New South Wales. It is a system that we must invest in. Yet TAFE and vocational education is being attacked and undermined by a

Liberal-Nationals Government that is driven by an ideology of privatisation, and it is very clear that the Government's intention is to progressively withdraw government funding for TAFE and vocational education.

Instead of investing in the proven TAFE success story, the New South Wales Government has cut funding to our public TAFE system and taken it blindly down a free market approach. The drive for innovation and flexible delivery are certainly fine considerations, but they must not be thinly veiled attempts to privatise, deregulate, raise student fees and outsource face-to-face teaching positions. Since the introduction of the Smart and Skilled program in 2015 the Government has slashed funds to education and training by \$1.7 billion, redirecting its efforts into subsidising courses offered by private vocational colleges, many with track records of robbing, poor teaching and abysmal low graduation rates.

In February this year it was revealed that 10 private colleges under the Smart and Skilled program had their funding stripped from them with a further 17 suspended on grounds of breaching minimum standards, putting 8,000 students at risk. These breaches included failing to properly train and assess students, non-compliance with record keeping, and failure to provide records and evidence upon request. Only last week the NSW Business Chamber called for urgent attention to be given to a projected skills shortage in the State's tourism industry by 2020. The chamber found that in just three short years New South Wales will face a labour deficit of 10,000 workers if the Government does not act now to boost workforce participation. Investing in skills is a part of this.

In our cities, and especially in regional areas, New South Wales TAFE plays a fundamental role in providing the skills-based training that allows our communities to prosper. It is appalling that The Nationals seem to have forgotten this and are content to work alongside their Liberal colleagues to dismantle TAFE in regional communities such as mine where Murwillumbah TAFE is threatened with sale. The Greens are proud defenders of a strong public TAFE system and are committed to seeing the reversal of privatisation and competitive tendering policies in TAFE as well as the rest of the vocational education and training system. It is high time the New South Wales Government recognised that its agenda to privatise vocational education is failing and it restored funding to the public TAFE system.

CORPORATE SOCIAL RESPONSIBILITY

The Hon. TREVOR KHAN (22:27): When there is an absence of leadership by the political class others will step forward to fill the void. It is not just politicians who set the agenda; others can and will engage, and lead, if need be. I note last week that a senior Coalition senator said that he was fed up with political correctness creeping into the sphere of commerce. He said:

It is disappointing that certain CEOs are trying to establish their personal political correctness credentials rather than being fully focused on the interests of their shareholders.

He said this in reference to a new marriage equality campaign that was launched on Monday of last week with the tag line "Until we all belong", backed by companies such as Qantas, ANZ, Google, eBay and Airbnb. Business has stepped up to show leadership. This is because our Federal politicians have not. Whether some in the Coalition like it or not, marriage equality will remain an issue until it is addressed. Some senior Coalition members see this as a distraction. To my friends in Canberra I say: Settle on a bill, make it consistent with the recommendations of the recent Senate inquiry, give all members of the Coalition a free vote, bring the bill before the Parliament and vote on it. Those senior Coalition members are wrong in their response to the campaign by corporate Australia. Business leadership on this issue and indeed on other issues is good for business. If one looks at any large listed company and their corporate social responsibility agenda one will see that successes feature prominently in their annual reports. Why? Because it is a hard-edged business decision.

It exists not merely because being nice is a nice thing to do, or because they are forced to do it; it exists because it is good for customers, it is good for staff and it is good for a business's bottom line. In this day and age, there is nothing better for staff than to know they are accepted and that their employers value who they are as people. Customers want to see a common thread between what they stand for and what the companies they buy from stand for. There is a market for corporate conscience. The new and different levels on which businesses can provide value to clients and customers make sound economic sense. It is right that coffee roasters and cafés are concerned about poverty and slavery in coffee bean-producing countries. It is right that coffee drinkers should want to drink only Fair Trade Certified coffee.

It is right that companies are concerned that their suppliers in low-wage countries have at least minimum standards of occupational health and safety. Not everything depends upon the price of the product supplied. Would members prefer these companies to "stick to their knitting", in the words of one Federal Minister? Let me be plain: If a brewery wants to support the Bible Society then it is welcome to do that—indeed, I encourage it. If an agricultural machinery company in the north-west of this State wants to support a campaign against coal seam gas then it is welcome to do so. These businesses are running successful profit-making enterprises and performing a

role in their communities. They are, in short, doing their job—if only our Federal representatives could do the same.

WAGGA WAGGA SCHOOLS CENTRAL COAST COUNCIL

The Hon. DANIEL MOOKHEY (22:31): The northern suburbs of the City of Wagga Wagga are the second-fastest growing community in regional New South Wales. The suburb of Estella alone is forecast to grow from 3,000 to 9,000 people in just a few decades. Unfortunately, whilst the size of the Wagga population surges, the scale of vital public services is not keeping up. Take Wagga's schools. The latest data from the Department of Education confirms the city's suspicions: Wagga's schools are bursting at the seams. Eight local schools are currently at, or over, capacity. Enrolments at North Wagga Public School are at 110 per cent of the school's maximum capacity. Three schools, including Wagga Wagga High School, are at 90 per cent capacity.

All of those schools also have an enormous school maintenance backlog. A child who started kindergarten this year at the North Wagga Public School will be halfway through high school by the time the existing maintenance backlog at their primary school is cleared. These students, their families and their hardworking teachers deserve better. They demand better. Parents in Estella are asking why Wagga has not had a new school built since the 1970s when the population of Wagga has trebled since then. The Minister for Education should answer their questions, and he should answer them today.

The Tamworth High School has the fourth highest maintenance backlog of any school in New South Wales. By the time the school's existing maintenance backlog is cleared, today's year 7 Tamworth High School students will be well into their early 30s. The repairs this school needs, and other New England's schools need, are not luxury items. They are for broken heaters and fans. They are for leaking taps and toilets. They are for peeling paint and carpet. They could all be fixed if the Government was willing to inject an additional \$28 million into the maintenance budgets of New England's schools.

Unfortunately, while Premier Gladys Berejiklian is happy to boast about the rivers of gold flowing into the State coffers from the State's property boom, while she raised billions to cover budget blowouts for projects like the WestConnex and the CBD and South East Light Rail, her Government says there is no money to make basic repairs at schools like Tamworth High School. This Government has its priorities backwards. Budget blowouts on Sydney-centric vanity projects should never have precedence over the quality of the learning environments at this State's schools.

One hundred Central Coast waste workers fought and won a David versus Goliath battle against the hand-picked unelected administrator of the forcibly amalgamated Central Coast Council. The Liberal Government's administrator was threatening to cut the pay of these workers by \$1,600 each month. In a tender he issued to collect the rubbish of 250,000 households, the bargain he offered was simple: If you want to keep your job, you have to give up your pay.

For most people, \$1,600 is a lot of money; for these workers, it was the difference between making a mortgage repayment, paying for a child's school excursions or being able to afford everything from child care to the grocery bill. When so many households are clamouring for a pay rise, those workers were told to take a pay cut. They refused. Through the Transport Workers Union, they fought back. They stood at railway stations. They petitioned their neighbours. They put stickers on people's bins. They told their story to everyone from Ray Hadley to Luke Foley and Liesl Tesch. And, after being told their cause was hopeless, two weeks ago their message got through.

The Government realised that when so many Australian households are clamouring for a pay rise, telling these workers to take a pay cut was never going to pass the pub test. The Minister for Local Government finally stepped in and directed the unelected administrator to back down. I am pleased to report to the House that an agreement has been reached, and the workers will keep their jobs and their pay. To the Central Coast families who stood up for decency, I offer you my congratulations. And to other workers who wonder if collective action is effective, I say look at what these workers achieved by sticking together and sticking up for each other.

DISABILITY SERVICES FUNDING

The Hon. ROBERT BROWN (22:35): Tonight I inform the Chamber of the inadequate funding of disability services. I know this is a matter close to the heart of the current President. Our party name may outline our core values but behind that banner we stand for common sense policies that ensure people get a fair go and, in particular, that rural areas are not disadvantaged. I have sat in this Chamber and watched governments of both persuasion use the same tactic—that is, bluntly cut back services after an electoral windfall only to reinstate part of them later when the memory of the cuts has subsided. It is called clever accounting.

The agenda is to appear as though election spending is increasing for certain areas when in fact there is a net loss overall. Those who consistently lose out are people living in rural communities. Basic Government services or basic services, such as access to a registered nurse in aged care, being able to see a doctor when you are sick or having the opportunity for your child to excel at a local school, are a right for all citizens of this State irrespective of their location. I am saddened to report that time and time again rural areas have these basic rights classed as luxuries. One area requiring Government focus is the funding for disability services. I am advised that an additional \$50 million per year is required to bring disability services up to scratch with service delivery, but I am yet to see any action from the New South Wales Government.

Of that, \$23 million covers statewide access to specialised intellectual disability services, the most basic benchmark for the State to achieve. There are heartbreaking stories from families visiting my office who have a member of the family with disability. One constituent whose story was reported to my office said, "I was told by four different GPs, when my daughter was not eating enough to grow and survive, that this was 'nature's way of taking care of things'." That is an abhorrent thing to say to a parent. Rural people fare less well, especially when expense and distance is a factor in access to health care. We take access to health care for granted.

I know of one constituent in Tenterfield who has to travel to Newcastle for health appointments when a trip to Lismore would be closer—especially given they are now in the Lismore electorate. People with an intellectual disability experience 2.5 times the number of health problems and twice the rate of emergency department presentations than those who do not have a disability. The average life expectancy for these people is 54 years of age, which is 27 years earlier than the general population. I understand and realise this is a sobering thought for members, but it is an issue that should not be ignored. The Shooters, Fishers and Farmers Party will continue to fight wherever it can for groups who are ignored, particularly those in rural areas.

WOMEN ENTREPRENEURS

The Hon. NATASHA MACLAREN-JONES (22:39): I draw the attention of the House to the significant role that women play in driving innovation in our State through their involvement in start-ups. Thousands of women across our State are launching all manner of ventures every day. Recently I had the opportunity to represent Premier Gladys Berejiklian at an event celebrating women entrepreneurs. It was an opportunity to acknowledge the dynamic women who are driving innovation in our State. They are the idea creators, strategic thinkers, entrepreneurs, and business founders. These are the powerful networks empowering women more than ever before.

The latest global Startup Genome Ecosystem rankings were released last month. Sydney was ranked the seventeenth best ecosystem for start-up businesses out of 50 cities globally. This Government is committed to bringing Sydney even further up the rankings as it develops a world-class environment for innovation and global talent in New South Wales. Sydney has an estimated 2,000-plus active tech start-ups, with an ecosystem valued at \$8.5 billion. It also has one of the highest number of female start-up founders of any city in the world at 22 per cent. That exceeds the global average of 16 per cent. One in every four start-ups in this State is founded by a woman. While this does not level the playing field, we are making moves to achieve that in New South Wales.

I acknowledge the work of a Sydney university student and founder of start-up Cuberider. At the age of 23, Solange Cunin launched a start-up to engage school students in creating a piece of hardware to send to space to conduct a series of experiments. The experiments are written in code and loaded into a piece of equipment to be tested by NASA scientists before being sent into Earth's orbit. It is an extraordinary achievement for an Australian start-up to get approval from the Government to be involved in a space mission.

It is not only in Sydney that female entrepreneurs are punching above their weight. Nearly one-quarter of all start-ups nationwide are founded in regional areas. Last year, Silicon Paddock, an initiative to drive support for regional start-ups was launched in Wagga Wagga. It is a fantastic platform to drive regional innovation. One of Wagga Wagga's entrepreneurial success stories is Naomi Stuart, the founder of FarmPay. A business professional in regional New South Wales, Naomi is helping farmers to reduce risks and to increase cash flow through innovative technology. FarmPay is a secure platform that enables real-time payment for on-farm grain sales. This is an amazing asset for New South Wales's rural communities and an innovative way of thinking.

Last month, the New South Wales Government was pleased to announce that it will send a group of New South Wales start-up entrepreneurs to the Austrade start-up landing pad in Tel Aviv later this year. Tel Aviv is home to one of five start-up landing pads located in key cities around the world. This follows a very successful launch of the program in Tel Aviv last year. The Government is committed to helping women succeed in business. In fact, it is vital to our State's economic future. After all, 57 per cent of women participate in the State's workforce and they generate 32 per cent of our total gross domestic product. Despite this, representation of women in entrepreneurship traditionally has lagged behind that of our male counterparts. This must change, and it will with the talent and the drive we have across this State.

Department of Industry figures reveal that in the past 20 years the increase in business operators in New South Wales by gender has been 27 per cent for men and 46 per cent for women. We are heading in the right direction and the Government is committed to ensuring that women entrepreneurs continue to advance into the future. Last year, the Government launched the Women Online Network [WON]. WON has been co-created by government and industry to collate relevant information in a one-stop-shop for women in business in New South Wales. The New South Wales Women Entrepreneurs Network is a community of women entrepreneurs supporting women across this State. The group seeks to build community, to extend networks and to share information. It is providing the resources and support provided by government and industry to help women across the State start and grow businesses. As I said, it is a one-stop-shop for women in business in New South Wales, regardless of the size or stage of development of their business. Having more women entrepreneurs, business leaders and political leaders in our society is not about fairness; it is about driving innovation, creativity in decision-making and economic growth for the wider community.

FAIR TRADE

The Hon. Dr PETER PHELPS (22:44): Earlier one of our colleagues referred to fair trade. I refer honourable members to the Fair Trade Employment and Poverty Reduction in Ethiopia and Uganda project which was undertaken by the University of London in the four years leading up to 2014. Christopher Cramer, a lead author on that report, said:

The findings of our research may be disturbing for Fairtrade officials and for ordinary people who hope to make a difference to the plight of poor rural people in developing countries through informed choices about the products they buy.

...

Our research took four years and involved a great deal of fieldwork in Africa.

...

We also knew that Fairtrade standards for tea and coffee have always been far more concerned with the incomes of producers than with wage workers' earnings. What did surprise us is how wages are typically lower, and on the whole conditions worse, for workers in areas with Fairtrade organisations than for those in other areas.

Careful statistical analysis allowed us to separate out the possible effects of other factors, such as the scale of production. Still, the differences were in most cases, and especially for wages, statistically significant. Explaining why it should be that workers in areas dominated by Fairtrade organisations are so often worse off than workers in other areas is a complex and challenging task ...

It was also surprising to learn that many people do not benefit from the "community" projects supported with funds generated by the "social premium" consumers pay for Fairtrade products. Researchers at Soas, University of London ... found that many of the poorest are unable to use these facilities. In one Fairtrade tea co-operative the modern toilets funded with the premium were exclusively for the use of senior co-op managers.

While people may decide that the best thing that they can do to help poor workers in Third World countries is to use what are labelled "Fairtrade products", it is worth considering where that additional premium goes. The researchers at the School of Oriental and African Studies [SOAS] in the University of London conclusively showed that it is not going to the workers. Where does it go to? There is a whole layer of white middle-management in Western countries that has the responsibility for administering and organising those so-called fair trade programs. And they are not paid at Third World wage rates; they are paid at white Western middle-class rates.

For all those people who think they are doing well for the poor workers on the ground in the Third World by buying fair trade coffee or tea, all they are doing is essentially subsidising a particular parasitic class of white Western bourgeois liberals who happen to think that the best thing they can do for people is to create thematic campaigns which will make other bourgeois white middle-class educated people in the West feel better about themselves for buying a particular product with a particular label.

Mr President and I both know, as does anyone who has a decent appreciation of economics, that what makes people come out of poverty is free trade. Globalisation and internationalisation of the world trade markets, the move away from command economies to capitalist economies and the desire for people to move out of their class rather than with their class has brought the highest standards of living to the majority of people on this earth. In the past 50 years capitalism has brought about great and profound changes for the workers of the world, especially the lowest-paid workers of the world. Let me say that the only fair trade is laissez-faire trade.

The PRESIDENT: The question is that this House do now adjourn.

Motion agreed to.

The House adjourned at 22:48 until Thursday 6 April 2017 at 10:00.