



New South Wales

Legislative Council

PARLIAMENTARY DEBATES (HANSARD)

**Fifty-Sixth Parliament
First Session**

Wednesday, 15 November 2017

Authorised by the Parliament of New South Wales

TABLE OF CONTENTS

Bills	1
Electoral Bill 2017	1
State Revenue Legislation Amendment (Surcharge) Bill 2017	1
First Reading.....	1
Documents	1
NSW Ombudsman	1
Reports	1
Bills	1
Education Amendment (School Safety) Bill 2017.....	1
Third Reading	1
Motions	1
Las Vegas Attack	1
Tribute to Mervyn Ambrose Leslie Flanagan	2
NSW Federation of Community Language Schools.....	2
Cumberland Business Chamber Thirtieth Anniversary	2
Ballina Prawn Festival	3
Armenian National Committee of Australia Gala Banquet	3
Macarthur Legal Centre Awards Night.....	4
Club Palm Beach Sixtieth Anniversary	4
Islamic Charity Projects Association	5
Kfarsaroun Charity Association.....	5
Suffo Skatepark Day	5
India Club Inc Women Breaking Barriers Seminar	6
Mangalorean Catholic Association of Sydney Luncheon.....	6
Wardell Public School 150th Anniversary	7
Seventieth Commissioned Police Officers Annual Dinner.....	7
Vietnamese International Youth Movement Conference	8
Taiwanese Chamber of Commerce in Australia Gala Dinner	9
Assyria Day Conference	9
Diwali in the Hills Celebration	10
Sydney Taiwan Festival.....	10
Indian Polo Team Luncheon Reception.....	11
Ballina Country Music Festival	12
Documents	12
Unproclaimed Legislation.....	12
Business of the House	12
Postponement of Business	12
Valedictory Speech	12
Sitting Days 2018.....	12
Bills	13

TABLE OF CONTENTS—*continuing*

Rural Crime Legislation Amendment Bill 2017	13
Second Reading Debate	13
In Committee	19
Adoption of Report	22
Third Reading	22
Road Transport and Related Legislation Amendment Bill 2017	22
Second Reading Debate	22
Third Reading	26
Environmental Planning and Assessment Amendment Bill 2017	26
Returned	26
Visitors	26
Visitors	26
Questions Without Notice	26
Ausgold Mining Group	26
Hunter Water 125th Anniversary	27
Ausgold Mining Group	27
Hemp Industry	28
Powerhouse Museum Ultimo	29
Ausgold Mining Group	29
Coal Industry	30
Sydney International Art Series	31
Biodiversity Offsets Scheme	31
Water Compliance and Enforcement	32
Broken Hill Water Pipeline	33
Water Compliance and Enforcement	33
Water Compliance and Enforcement	34
Minerals Industry	35
Deferred Answers	35
Nepean Hospital	35
Spring Gully Resort Development	36
Bills	36
Electricity Supply Amendment (Emergency Management) Bill 2017	36
Returned	36
Statute Law (Miscellaneous Provisions) Bill (No 2) 2017	36
Second Reading Debate	36
In Committee	37
Adoption of Report	38
Third Reading	38
Natural Resources Access Regulator Bill 2017	38
Second Reading Debate	38
Committees	49
Portfolio Committee No. 5 – Industry and Transport	49

TABLE OF CONTENTS—*continuing*

Membership	49
Bills	50
State Revenue Legislation Amendment (Surcharge) Bill 2017	50
Second Reading Speech	50
Second Reading Debate	51
Local Government Amendment (Regional Joint Organisations) Bill 2017	52
First Reading	52
Second Reading Speech	52
Visitors	56
Visitors	56
Bills	56
Electoral Bill 2017	56
Second Reading Speech	56
Members	58
Valedictory Speech	58
Bills	60
Education Amendment (School Safety) Bill 2017	60
Returned	60
Adjournment Debate	61
Adjournment	61
Canada Study Tour	61
Automotive Repair Industry	61
Electricity Prices	62
Planning and Development	63
Marriage Equality Survey	64

LEGISLATIVE COUNCIL

Wednesday, 15 November 2017

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

The PRESIDENT read the prayers.

Bills

ELECTORAL BILL 2017

STATE REVENUE LEGISLATION AMENDMENT (SURCHARGE) BILL 2017

First Reading

Bills received from the Legislative Assembly.

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

The Hon. DON HARWIN: I move:

That the bills be read a first time and printed.

According to sessional order, I declare the bills to be urgent bills.

The PRESIDENT: The question is that the bills be considered urgent bills.

Declaration of urgency agreed to.

The Hon. DON HARWIN: I move:

That the second reading of the bills stand as orders of the day for a later hour.

Motion agreed to.

Documents

NSW OMBUDSMAN

Reports

The PRESIDENT: According to the Ombudsman Act 1974, I table receipt of the following reports of the Acting Ombudsman:

- (1) Special report entitled "Investigation into water compliance and enforcement 2007-17", dated November 2017, received out of session and authorised to be made public this day.
- (2) Special report entitled "Childhood injury prevention: Strategic directions for coordination in New South Wales", dated November 2017, received out of session and authorised to be made public this day.

The Hon. DON HARWIN: I move:

That the reports be printed.

Motion agreed to.

Bills

EDUCATION AMENDMENT (SCHOOL SAFETY) BILL 2017

Third Reading

The Hon. DON HARWIN: On behalf of the Hon. Sarah Mitchell: I move:

That this bill be now read a third time.

Motion agreed to.

Motions

LAS VEGAS ATTACK

The Hon. NATASHA MACLAREN-JONES (11:05): I move:

That this House:

- (1) Offers its sincere condolences to the families of the victims and all who have been affected by the 1 October 2017 attack at the Route 91 Harvest Music Festival in Las Vegas, Nevada, and extends its deepest sympathies.
- (2) Commends the conduct and professionalism displayed by police and volunteers in responding to this.

Motion agreed to.

TRIBUTE TO MERVYN AMBROSE LESLIE FLANAGAN

The Hon. JOHN GRAHAM (11:05): I move:

That this House places on record its deepest sympathy to the widow, orphans and relatives of the late Mervyn Ambrose Leslie Flanagan, killed at Bridge Road, Camperdown, on Thursday 30 August 1917.

Motion agreed to.

NSW FEDERATION OF COMMUNITY LANGUAGE SCHOOLS

The Hon. DAVID CLARKE (11:06): I move:

- (1) That this House notes that:
 - (a) on Saturday 7 October 2017, the New South Wales Federation of Community Language Schools Inc. held its 2017 State Conference at the University of Sydney with more than 600 attendees; and
 - (b) those who attended included:
 - (i) the Hon. Ray Williams, MP, Minister for Multiculturalism and Minister for Disability Services;
 - (ii) Ms Sophie Cotsis, MP, shadow Minister for Women, Disability Services and Multiculturalism and Ageing;
 - (iii) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice;
 - (iv) Mr Mark Coure, MP, Parliamentary Secretary for Transport and Infrastructure;
 - (v) Ms Jodi McKay, MP, shadow Minister for Transport, Roads, Maritime and Freight;
 - (vi) the Hon. Ernest Wong, MLC;
 - (vii) Professor John Hayek, University of Melbourne, and first keynote speaker;
 - (viii) Professor Ken Cruickshank, University of Sydney, and second keynote speaker;
 - (ix) Ms Martha Mavrommatis, High Commissioner of Cyprus;
 - (x) Mr Keizo Takewaka, Consul-General of Japan in Sydney;
 - (xi) Mr Melih Karalar, Consul-General of Turkey in Sydney;
 - (xii) Mr Paulo Domingues, Consul-General of Portugal in Sydney;
 - (xiii) Mr Klaus Steitz, Deputy Consul-General of Germany in Sydney;
 - (xiv) Mr S. K. Verma, Consul of India in Sydney;
 - (xv) Mr Stepan Kerkyasharian, AO, Chairperson of the New South Wales Cemeteries and Crematoria Board; and
 - (xvi) representatives of numerous community language schools, religious faith traditions, ethnic organisations and the media.
- (2) That this House:
 - (a) congratulates Mr Albert Vella, OAM, President of the New South Wales Federation of Community Language Schools, together with his Executive and staff for the holding of a successful State Community Language Schools Conference 2017; and
 - (b) commends all those who give their time to organise, teach or assist with the State's network of community language schools.

Motion agreed to.

CUMBERLAND BUSINESS CHAMBER THIRTIETH ANNIVERSARY

The Hon. NATASHA MACLAREN-JONES (11:06): I move:

- (1) That this House congratulates the Cumberland Business Chamber, which was founded in 1987 as the Smithfield-Wetherill Park Chamber of Commerce, on its thirtieth anniversary, with celebrations held on 31 October 2017 at the Smithfield RSL Club.
- (2) That this House notes:
 - (a) the Cumberland Business Chamber represents Australian operated and owned businesses, industry and supporting organisations across Greater Western Sydney by advocating for employees and helping businesses to grow; and

- (b) this year the Cumberland Business Chamber launched the Cumberland Womens Network to support women in business and the community.

Motion agreed to.

BALLINA PRAWN FESTIVAL

The Hon. BEN FRANKLIN (11:07): I move:

- (1) That this House notes that:
- (a) the Ballina Prawn Festival was held on Saturday 11 November 2017 on the banks of the Richmond River in Missingham Park;
 - (b) the festival is a celebration of the rich character and unique features of Ballina, home of the Big Prawn;
 - (c) the festival included prawn shelling competitions, a prawn dish cooking competition, the Fair Go Skate Comp and a range of other entertainment, activities and games; and
 - (d) the Ballina Fisherman's Co-Op generously donated the prawns for the shelling competition.
- (2) That this House congratulates Russell Coombs who was crowned the prawn shelling champion for the third year running.
- (3) That this House congratulates Claire Batchelor and the large number of community volunteers for organising this year's successful festival, which was the biggest festival to date.
- (4) That this House acknowledges and thanks the sponsors of the event, including Ballina Shire Council, Ballina Chamber of Commerce, Macadamia Castle and Truckstop SK8, Ballina.

Motion agreed to.

ARMENIAN NATIONAL COMMITTEE OF AUSTRALIA GALA BANQUET

The Hon. DAVID CLARKE (11:07): I move:

- (1) That this House notes that:
- (a) on Friday 20 October 2017, the Armenian National Committee of Australia held its annual banquet at the Miramare Gardens, Terrey Hills, attended by several hundred members and friends of the Armenian-Australian community; and
 - (b) those who attended as guests included:
 - (i) Ms Elizabeth Chouldjian, Communications Director of the Armenian National Committee of America;
 - (ii) Mr Jonathan O'Dea, MP, Parliamentary Secretary to the Premier and Treasurer, representing the Hon. Gladys Berejiklian, MP, Premier;
 - (iii) the Hon. Walt Secord, MLC, shadow Minister for Health, the Arts, the North Coast and Deputy Leader of the Opposition in the Legislative Council, also representing Mr Luke Foley, MP, Leader of the Opposition;
 - (iv) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice, representing the Hon. Ray Williams, MP, Minister for Multiculturalism and Minister for Disability Services, and Mrs Marisa Clarke;
 - (v) Mr Trent Zimmerman, MP, Federal member for North Sydney;
 - (vi) Mr Jason Falinski, MP, Federal member for MacKellar;
 - (vii) Mr Julian Leeser, MP, Federal member for Berowra;
 - (viii) Reverend the Hon. Fred Nile, MLC, Assistant President of the Legislative Council and Mrs Silvana Nero-Nile;
 - (ix) the Hon. Amanda Fazio, former member and President of the Legislative Council;
 - (x) Mr George Donikian, former Australian newsman; and
 - (xi) representatives of numerous Armenian community religious and sporting organisations.
- (2) That this House:
- (a) congratulates the Armenian National Committee of Australia on the occasion of its successful annual banquet, including its board of directors comprising:
 - (i) Mr Greg Soghomonian, honorary chair;
 - (ii) Mr Vache Kahramanian, managing director;
 - (iii) Mr Stephen Abolakian, director;
 - (iv) Ms Talen Shamlan, director;
 - (v) Mr Roupen Manjikian, director;

- (vi) Mr Hratch Loussikian, director;
 - (vii) Ms Garineh Torossian, director; and
 - (viii) Mr Khajaque Kortian, director.
- (b) extends best wishes to the Armenian-Australian community and commends it for its ongoing contribution to the State of New South Wales and to Australia.

Motion agreed to.

MACARTHUR LEGAL CENTRE AWARDS NIGHT

The Hon. DAVID CLARKE (11:08): I move:

- (1) That this House notes that:
- (a) on Friday 3 November 2017, the thirtieth anniversary awards night of the Macarthur Legal Centre was held at the Wests Leagues Club, Leumeah;
 - (b) those who attended as guests included:
 - (i) the Hon. Thomas Bathurst, CJ, Chief Justice of the Supreme Court;
 - (ii) the Hon. Justice Anthony Payne, Justice of the Supreme Court;
 - (iii) His Honour Magistrate Graham Blewitt, AM, Campbelltown Children's Court Magistrate;
 - (iv) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice, representing the Premier, the Hon. Gladys Berejiklian, MP;
 - (v) Mr Paul Lynch, MP, member for Liverpool and shadow Attorney General;
 - (vi) Ms Anne Stanley, MP, Federal member for Werriwa;
 - (vii) Mr Gregory Warren, MP, member for Campbelltown;
 - (viii) Professor Simon Rice, university law professor;
 - (ix) Mr Bernie Shipp, senior member, New South Wales Civil and Administrative Tribunal;
 - (x) Ms Peta Anderson, chair of the Macarthur Legal Centre;
 - (xi) Ms Julia Hall, principal consultant and founding committee member of Macarthur Legal Centre;
 - (xii) Ms Prue Gregory, principal solicitor at Knowmore;
 - (xiii) Kim McCausland, founding committee member of Macarthur Legal Centre;
 - (xiv) Bruce McCausland, founding committee member of Macarthur Legal Centre; and
 - (xv) several hundred representatives of the legal community and other community organisations.
 - (c) the Macarthur Legal Centre, which was established in 1987, is a not-for-profit organisation providing free legal advice, referrals and assistance on a wide range of matters to people living in the Macarthur region of New South Wales.
- (2) That this House:
- (a) congratulates the Executive Officer Mr Robert Pelletier, together with other members and staff of the Macarthur Legal Centre, on the occasion of its thirtieth anniversary awards night held on 3 November 2017; and
 - (b) commends the Macarthur Legal Centre for its 30 years of dedicated and illustrious service to the people of the Macarthur region.

Motion agreed to.

CLUB PALM BEACH SIXTIETH ANNIVERSARY

The Hon. NATASHA MACLAREN-JONES (11:09): I move:

- (1) That this House acknowledges the sixtieth anniversary of the Club Palm Beach, formerly known as the Palm Beach RSL, which opened on 14 December 1957.
- (2) That this House notes that:
- (a) the Palm Beach RSL started off as a weatherboard shed, originally built in Lucinda Park, Nabilla Road, Palm Beach, before moving to its current location on Barrenjoey Road;
 - (b) the land purchase in Barrenjoey Road was instigated by Carl Gow;
 - (c) Club Palm Beach, as it is today, was built by R. Martin and Sons;
 - (d) the first club president was Alf Curtis and the first secretary was Ron Vance; and
 - (e) over the years, the club has continued to support and provide assistance to the veteran community.

Motion agreed to.**ISLAMIC CHARITY PROJECTS ASSOCIATION****The Hon. SHAOQUETT MOSELMANE (11:09):** I move:

- (1) That this House notes that:
 - (a) on 3 December 2017, Darulfatwa Australia in cooperation with Majelis Ulama Jakarta will celebrate the annual multicultural mawlid conference and concert;
 - (b) Darulfatwa Australia is part of the Islamic Charity Projects Association, Australia [ICPA];
 - (c) the ICPA is an umbrella organisation that also includes Muslim Community Radio 2MFM, Al-Amanah Colleges, Salamah College, the ICPA 5th Scout Group, the Liverpool Scout Group, the Spear's Sports Club, the Muslim Women's Welfare of Australia, the Australian Muslim Youth League, Glenroy College, Abu Bakr Assidiq Mosque, As-Salam Mosque, An-Nur Mosque, As-Sunnah Mosque, the Sydney Multicultural Eid Carnival, and many other associated initiatives; and
 - (d) the ICPA is recognised by many in the community not just as a peak body representing all Australian Muslims, but also, uniquely, as an institution that provides Australian Muslims with a platform that is locally focused and community driven.
- (2) That this House notes the work of ICPA and acknowledges its commitment to peace and harmony.

Motion agreed to.**KFARSAROUN CHARITY ASSOCIATION****The Hon. SHAOQUETT MOSELMANE (11:09):** I move:

- (1) That this House notes that:
 - (a) the Kfarsaroun Charity Association was established in 1975 by a small group of Lebanese expatriates to serve those in need;
 - (b) the Kfarsaroun Charity Association has undertaken charitable events too numerous to recount for Lebanon as well as raising significant funds for various causes including:
 - (i) the Victorian Bush Fire Appeal in 2009;
 - (ii) the Westmead Children's Hospital in 2010;
 - (iii) the Motor Neuron Disease Foundation in 2013;
 - (iv) the Sydney Cancer Research Foundation in 2014;
 - (v) the Westmead Millennium Institute, Dynamic Brain Centre in 2015;
 - (vi) the University of Sydney Brain Centre Isaac's Syndrome in 2016; and
 - (vii) Westmead Children's Hospital cancer research which will be the recipient of this year's annual event fund raising.
 - (c) the success of the Kfarsaroun Charity Association is due to the commitment of past and present members including; the late Naim Nassif, Mr Adib Elias, Mr Elias Elias, the late Elias Ashak, Mr Victor Ishak, Mr Kheir Kheir, Mr Iskandar Kheir, the late Basil Kouzma, the late Nichola Nassif, Mr Izzat El-Halabi, Mr Michael Btaich, Mr Elie Hajj, Mr Chehadi Issa, Mr Ibrahim Ibrahim, Mr Elias Nassif, Mr John Ashak, Mr George Jabbour, Mr Tony Asaad, Mr George Elias, Mr Jason Jabbour, Mr Leon Elias, Mrs Samia Elias, Mrs Fadia Elias, Mrs Asmahan Jabbour, Mrs Freida Elias and Mr John Georges.
- (2) That this House notes the work of the Kfarsaroun Charity Association and acknowledges its outstanding service to the community.

Motion agreed to.**SUFFO SKATEPARK DAY****The Hon. BEN FRANKLIN (11:10):** I move:

- (1) That this House:
 - (a) notes that the annual Suffo Skatepark Day was held on Sunday 8 October 2017 at Suffolk Park showcasing the community's passion for skating.
 - (b) recognises Byron Youth Service and Byron Skateboard School for organising this wonderful competition.
 - (c) congratulates the following award recipients:
 - (i) men's open winner: Bailey Ryan;
 - (ii) women's open winner: Molly Fergusons;
 - (iii) under 16s winner: Zane Hetherington;

- (iv) under 12s winner: Josh Godward; and
- (v) under 8s winner: Oscar Southerden.
- (d) congratulates all the competitors for taking part in the competition.

Motion agreed to.

INDIA CLUB INC WOMEN BREAKING BARRIERS SEMINAR

The Hon. DAVID CLARKE (11:10): I move:

- (1) That this House notes that:
 - (a) on Wednesday 5 July 2017, the India Club Inc in partnership with the Community Migrant Resource Centre, held the inaugural seminar of what is to be a series of seminars on the subject "Women Breaking Barriers", dealing with the issue of women's empowerment and the importance of their role in society; and
 - (b) the seminar, which was attended by representatives of a diverse range of community and ethnic organisations, was addressed by a number of speakers, including:
 - (i) Mrs Shubha Kumar, President of the India Club Inc;
 - (ii) Superintendent Rob Critchlow, NSW Police;
 - (iii) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice;
 - (iv) Councillor Dr Michelle Byrne, Mayor of The Hills Shire Council;
 - (v) Councillor Reena Jethi, The Hills Shire Council;
 - (vi) Councillor Ryan Tracey, The Hills Shire Council;
 - (vii) Nalika Padmasena, prominent community lawyer;
 - (viii) Sachin Sharma, prominent business entrepreneur;
 - (ix) Abhishek Guru, health consultant;
 - (x) Uma Menon, Coordinator of the Community Migrant Resource Centre; and
 - (xi) Mrs Anju Kalra, dementia consultant.
- (2) That this House commends the India Club Inc, including its President Mrs Shubha Kumar and Chairman Dr Aksheya Kumar, on the initiative taken to highlight the empowerment of women and the importance of their role in society.

Motion agreed to.

MANGALOREAN CATHOLIC ASSOCIATION OF SYDNEY LUNCHEON

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

- (1) That this House notes that:
 - (a) on Sunday 10 September 2017, the Mangalorean Catholic Association of Sydney Inc. held a mass and celebratory luncheon at the Thornleigh Community Centre to mark the Feast of the Nativity of Our Lady Monti Fest, a religious festival specifically identified with the Catholic Community of Mangalore, India;
 - (b) the celebrant of the Mass was Reverend Father Prakash Coutinha, parish priest of Northcote Catholic Parish, Melbourne; and
 - (c) those who attended as guests included:
 - (i) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice representing the Premier, the Hon. Gladys Berejiklian, MP, together with Mrs Marisa Clarke;
 - (ii) Mr Kevin Conolly, MP, member for Riverstone, representing the Hon. Ray Williams, MP, Minister for Multiculturalism and Minister for Disability Services;
 - (iii) Mr S. K. Verima, Consul of the Consulate-General of India in Sydney; representing the Consul-General of India in Sydney Mr Vanlalvawna Bawitlung;
 - (iv) Reverend Sister Dr Olivia, AC, Leader of Women's Education in Mangalore India;
 - (v) Reverend Father Prakash Coutinha, parish priest of Northcote Catholic Parish Melbourne;
 - (vi) Mr Mohit Kumar, President of the Council of Indian Australians;
 - (vii) Mr John Kennedy, President of the United India Association;
 - (viii) Mr Max French, Chairman of the Anglo-Indian Association of NSW;
 - (ix) Mrs Glynnis Soans, President of the Anglo-Indian Association of NSW; and
 - (x) representatives of various Indian-Australian community organisations.
- (2) That this House:

- (a) extends best wishes to members of the Mangalorean Catholic Association of Sydney Inc. on the occasion of the Feast of the Nativity of Our Lady Monti Fest 2017; and
- (b) congratulates the Association's Executive Committee including its President Hubert Castelino and Trustee and Founding President Mr Stanley D'Cruz for their organisation of the event.

Motion agreed to.

WARDELL PUBLIC SCHOOL 150TH ANNIVERSARY

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

- (1) That this House notes that:
 - (a) this year marks the 150th anniversary of the Wardell Public School; and
 - (b) on Saturday 21 October 2017 past and present staff and students gathered to celebrate this milestone with a school festival and plaque unveiling.
- (2) That this House acknowledges and congratulates David Owen, Wardell Public School Principal, and all Wardell Public School staff on their commitment in providing high quality education for the students of Wardell.

Motion agreed to.

SEVENTIETH COMMISSIONED POLICE OFFICERS ANNUAL DINNER

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

- (1) That this House notes that:
 - (a) on Friday 25 August 2017, the seventieth Commissioned Police Officers Annual Dinner of the Police Association of New South Wales was held at Parliament House Sydney; and
 - (b) those who attended as guests included:
 - (i) the Hon. Troy Grant, MP, Minister for Police and Emergency Services representing the Premier, the Hon. Gladys Berejiklian, MP;
 - (ii) Mr Luke Foley, MP, Leader of the Opposition;
 - (iii) the Hon. Scott Morrison, MP, Federal Treasurer;
 - (iv) New South Wales Police Commissioner Michael Fuller, APM;
 - (v) New South Wales Police Deputy Commissioner David Hudson, APM;
 - (vi) New South Wales Police Assistant Commissioner Carlene York;
 - (vii) New South Wales Police Assistant Commissioner Mark Murdoch;
 - (viii) New South Wales Police Assistant Commissioner Peter Cotter;
 - (ix) New South Wales Police Assistant Commissioner Mark Walton;
 - (x) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice, and Mrs Marisa Clarke;
 - (xi) Mr Guy Zangari, MP, shadow Minister for Justice and Police, Corrections and Emergency Services;
 - (xii) Reverend the Hon. Fred Nile, MLC, Assistant President of the Legislative Council, representing the Christian Democratic Party, and Mrs Silvana Nero-Nile;
 - (xiii) the Hon. Robert Brown, MLC, representing the Shooters, Fishers and Farmers Party;
 - (xiv) Mr Chris Hayes, MP, Federal member for Fowler and Chief Opposition Whip in the House of Representatives;
 - (xv) the Hon. Michael Gallacher, Chief Executive Officer of Ports Australia; and
 - (xvi) Mrs Kerry Chikarovski, guest speaker and former Leader of the State Liberal Parliamentary Party and Opposition Leader.
- (2) That this House:
 - (a) congratulates the Police Association of New South Wales on organising and hosting the seventieth Commissioned Police Officers annual dinner, particularly:
 - (i) Tony Bear, Organiser—Commissioned Officers Branch;
 - (ii) Cathy Prosser, Event Coordinator;
 - (iii) Superintendent Gary Merryweather, Dining President;
 - (iv) Chief Inspector Jeff Budd [Dining Vice President]; and
 - (v) Sergeant Brook Russell, New South Wales Police Force Protocol Unit.

- (b) commends the Police Association of New South Wales for its long and laudable service in representing the interests of New South Wales police officers and their families; and
- (c) honours those serving and retired members of the New South Wales Police Force who were recognised at the seventieth annual dinner for their outstanding service in helping to build the reputation of our State's Police Force as one of the finest in the world.

Motion agreed to.

VIETNAMESE INTERNATIONAL YOUTH MOVEMENT CONFERENCE

The Hon. DAVID CLARKE (11:12): I move:

- (1) That this House notes that:
 - (a) on Thursday 7 September 2017, at the Wesley Centre Sydney, the Vietnamese International Youth Movement held an opening ceremony, followed by a three-day conference dealing with the issue of human rights in Vietnam, held from 8 to 10 September 2017 in the Blue Mountains;
 - (b) those who attended as guests during the opening ceremony or conference included:
 - (i) the Hon. Michael Kirby, AC, CMG, former justice of the High Court of Australia;
 - (ii) Bishop Vincent Long Van Nguyen, Catholic Bishop of Parramatta;
 - (iii) Ms Alison Gibbins, Deputy Director of Amnesty International Australia;
 - (iv) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice;
 - (v) Mr Milton Dick, MP, Federal member for Oxley;
 - (vi) Mr Thang Ha, President of the Vietnam Community of Australia New South Wales Chapter;
 - (vii) Mr Vo Dai Ton, prominent human rights activist;
 - (viii) Reverend Father Peter Khai Van Nguyen, Redemptorist Catholic priest;
 - (ix) Mr Dieu Ngoc Hoang, member of the Human Rights Relief Foundation;
 - (x) Mr Quang Tung Luu, former SBS Radio presenter;
 - (xi) Mr Than Van Nguyen, Secretary of the Human Rights Relief Foundation;
 - (xii) Reverend Father Paul Chi Van Chi, Catholic priest and composer of Vietnamese liturgical music and organiser of the Le Bao Tinh Choir;
 - (xiii) Reverend Father Thadeus Ly Van Nguyen, Catholic priest and human rights activist who joined the conference via Skype from Vietnam;
 - (xiv) Ms Nancy Nguyen, member of Board of Directors of the Democratic Front from the United States;
 - (xv) Mr Ninh Huu Nguyen, Chairman of the Central Executive Committee of the Alliance for Democracy in Vietnam, who joined the conference via Skype from Canada;
 - (xvi) Mr Ca Dao, guest speaker from France;
 - (xvii) Mr Paul Huy Nguyen, adviser to the Vietnamese community in Australia;
 - (xviii) Mr Hoi Trinh, co-founder of VOICE [Vietnamese Overseas Initiative for Conscience Empowerment];
 - (xix) Mr Mark Hemingway, President of Southeast Asia Healthcare Partners Inc and guest speaker from the United States; and
 - (xx) Mrs Catrine Van Dinklage, Events Coordinator, Universal Peace Federation.
 - (c) those who assisted in the organisation of the opening ceremony and three-day conference that followed comprised:
 - (i) Ms Teresa Kieu Ngoc Tran;
 - (ii) Dr Hoang Van Nguyen;
 - (iii) Phung Ho;
 - (iv) Khai Do;
 - (v) Vincent Do;
 - (vi) Dr Hieu Dinh;
 - (vii) Lien Nguyen;
 - (viii) Hien Tran;
 - (ix) My Van Tran;
 - (x) Cong Dang;

- (xi) Duc Pham;
 - (xii) Hang Nguyen; and
 - (xiii) Dr Trang Hoang.
- (2) That this House:
- (a) commends all of those who assisted in the organisation and presentation of the opening ceremony and three-day conference dealing with the issue of human rights in Vietnam held in Sydney and the Blue Mountains; and
 - (b) extends its best wishes to the Vietnamese-Australian community and commends it for its ongoing contribution to our nation.

Motion agreed to.

TAIWANESE CHAMBER OF COMMERCE IN AUSTRALIA GALA DINNER

The Hon. DAVID CLARKE (11:12): I move:

- (1) That this House notes that:
- (a) on Saturday 1 July 2017, the Taiwanese Chamber of Commerce in Australia held a gala dinner at the Shangri-La Hotel Sydney to celebrate the induction of its newly elected sixteenth President Ms Jassie Tsai and Executive Committee; and
 - (b) those who attended as invited guests included:
 - (i) Mr Elliott Yii-Lih Charng, representative of the Taipei Economic and Cultural Office in Australia, and Mrs Nancy Charng;
 - (ii) Ms Constance Wang, Director General of the Taipei Economic and Cultural Office in Sydney;
 - (iii) Mr Jonathan Huang, President of the World Taiwanese Chambers of Commerce;
 - (iv) Mr Johnson Hsiung, President of Taiwanese Chambers of Commerce in Oceania;
 - (v) Mr Larry Chen, 15th President of the Taiwanese Chamber of Commerce in Australia;
 - (vi) the Hon. Scott Farlow, MLC, Parliamentary Secretary to the Premier (Leader of the House) in the Legislative Council;
 - (vii) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice, and Mrs Marisa Clarke;
 - (viii) Mr Mark Coure, MP, Parliamentary Secretary for Transport and Infrastructure; and
 - (ix) several hundred members and friends of the Taiwanese-Australian community.
- (2) That this House:
- (a) extends greetings to the Taiwanese Chamber of Commerce in Australia on the occasion of its gala dinner held on 1 July 2017 and commends it for its ongoing efforts to build greater economic relations between Taiwan and Australia; and
 - (b) congratulates its new President Ms Jassie Tsai and her new Executive Committee on their recent election.

Motion agreed to.

ASSYRIA DAY CONFERENCE

The Hon. DAVID CLARKE (11:12): I move:

- (1) That this House notes that:
- (a) on Sunday 2 July 2017, the Assyrian Universal Alliance, in conjunction with its youth branch "The Young Assyrians", hosted the Assyria Day Conference 2017 at the Ur Ashur Reception Centre Horsley Park, which was attended by members and friends of the Assyrian-Australian community; and
 - (b) guests who attended the conference included:
 - (i) Reverend the Hon. Fred Nile, MLC, Assistant President of the Legislative Council;
 - (ii) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice;
 - (iii) Mr Chris Hayes, MP, Federal member for Fowler, Chief Opposition Whip in the House of Representatives;
 - (iv) Dr Nicholas Al-Jeloo;
 - (v) Mr Albert Shlimon, President of the Assyrian Cultural and Social Youth Association;
 - (vi) Mr Ibrahim Jammu, Assyrian Democratic Party;
 - (vii) Mr David David, President of the Assyrian Australian National Federation;
 - (viii) Mr Hermiz Shahen, Deputy Secretary General of the Assyrian Universal Alliance;

- (ix) Ms Vivian Joseph representing Young Assyrians of the Assyrian Universal Alliance, Australian Chapter;
 - (x) Mr Simon Essavian, President of the Assyrian Charity and Educational Association; and
 - (xi) representatives of various Assyrian cultural and religious community organisations.
- (2) That this House:
- (a) congratulates the Assyrian Universal Alliance and its youth branch "The Young Assyrians" on their successful Assyria Day Conference 2017;
 - (b) extends its solidarity and sympathy to the Assyrian-Australian community at this time when Assyrians and other minorities in Syria and Iraq face continuing persecution; and
 - (c) calls for increased measures to assist those who are facing persecution and hardship in the region.

Motion agreed to.

DIWALI IN THE HILLS CELEBRATION

The Hon. DAVID CLARKE (11:13): I move:

- (1) That this House notes that:
- (a) on Saturday 7 October 2017, the India Club Inc. held its annual Diwali in The Hills Celebration at the Castle Grand Pioneer Hall Castle Hill, attended by several hundred members and friends of the Indian Australian community;
 - (b) those who attended as guests included:
 - (i) the Hon. Ray Williams, MP, Minister for Multiculturalism and Minister for Disability Services, representing the Hon. Gladys Berejiklian, MP, Premier, and Mrs Wendy Williams;
 - (ii) the Hon. David Elliott, MP, Minister for Counter Terrorism, Minister for Corrections and Minister for Veteran Affairs, and Mrs Nicole Elliott;
 - (iii) Mr B. Vanlalvawna, Consul-General of India in Sydney and Dr Rosy Khuma;
 - (iv) Dr Geoff Lee, MP, Parliamentary Secretary to the Premier, Western Sydney and Multiculturalism;
 - (v) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice, and Mrs Marisa Clarke;
 - (vi) Mr Julian Leeser, MP, Federal member for Berowra, and Mrs Joanna Leeser;
 - (vii) Mr Damien Tudehope, MP, member for Epping, and Mrs Diane Tudehope;
 - (viii) Mr Mark Taylor, MP, member for Seven Hills;
 - (ix) Councillor Philip Ruddock, Mayor of Hornsby Shire Council, and Mrs Heather Ruddock;
 - (x) Councillor Dr Michelle Byrne, Mayor of the Hills Shire Council;
 - (xi) Councillor Robyn Preston, Deputy Mayor of the Hills Shire Council;
 - (xii) numerous councillors representing various local councils; and
 - (xiii) representatives of various Indian-Australian community organisations.
 - (c) the India Club's Star Award for a person making a positive difference to society went to Bindi Shah and Susan Day by a decision of the club's judging panel comprising Mrs Marisa Clarke, Mrs Abha Gargya, Mrs Mona Grover and Mr Ram Ramamurthy.
- (2) That this House:
- (a) congratulates the India Club Inc on organising the Annual Diwali in the Hills Celebration 2017, particularly its President Mrs Shubha Kumar and Chairman and Chief Coordinator Dr Aksheya Kumar; and
 - (b) commends the India Club Inc for its ongoing community work not only within the Indian-Australian community but in the wider community as well.

Motion agreed to.

SYDNEY TAIWAN FESTIVAL

The Hon. DAVID CLARKE (11:13): I move:

- (1) That this House notes that:
- (a) on 16 and 17 September 2017 the annual Sydney Taiwan Festival was held at the Victoria Avenue Mall, Chatswood, attended by over 60,000 visitors;
 - (b) the festival is organised by Sydney's Taiwanese-Australian community for the purpose of showcasing the community's heritage and culture and is now a significant event in Sydney's cultural life;
 - (c) those who attended as invited guests at the official opening ceremony of the festival included:

- (i) the Hon. Gladys Berejiklian, MP, Premier;
 - (ii) the Hon. Paul Fletcher, MP, Federal Minister for Urban Infrastructure;
 - (iii) the Hon. Anthony Roberts, MP, Minister for Planning and Housing and Special Minister of State;
 - (iv) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice, representing the Hon. Ray Williams, MP, Minister for Multiculturalism and Minister for Disability Services;
 - (v) Mr Mark Coure, MP, Parliamentary Secretary for Transport and Infrastructure;
 - (vi) Councillor Gail Giles-Gidney, Mayor of Willoughby City Council;
 - (vii) Mr Trent Zimmerman, MP, Federal member for North Sydney;
 - (viii) Mr Damien Tudehope, MP, member for Epping;
 - (ix) Councillor Christine Tuon, Willoughby City Council;
 - (x) Mr Elliott Charng, representing the Taipei Economic and Cultural Office in Australia;
 - (xi) Ms Constance Wang, Director-General, Taipei Economic and Cultural Office in Sydney;
 - (xii) Mr Morgan Jiang, Deputy Director-General, Taipei Economic and Cultural Office in Sydney;
 - (xiii) Mr Kent Huang, Director, Culture Centre of the Overseas Community Affairs Council of Taiwan;
 - (xiv) Ms Amy Tsai, Director, Taiwan Trade Centre Sydney;
 - (xv) Mr Keizo Takewaka, Consul-General for Japan in Sydney;
 - (xvi) Mr Abdul Majid Yousfani, Consul-General for Pakistan in Sydney;
 - (xvii) Mr Paul Lin, President of the Sydney Taiwan Festival Committee;
 - (xviii) Mr James Kuo, Chairman of the Sydney Taiwan Festival Committee;
 - (xix) Mr Alex Wu, Honorary Chairman of the Sydney Taiwan Festival Committee;
 - (xx) Mr Frank Wang, Executive Officer of the Sydney Taiwan Festival Committee; and
 - (xxi) representatives of numerous Taiwanese-Australian community organisations.
- (d) other members of the Annual Sydney Taiwan Festival Committee comprise:
- (i) Mr Jason Lien, Vice President;
 - (ii) Mr Peter Huang, Vice President;
 - (iii) Councillor Christine Tuon, Deputy Executive Officer;
 - (iv) Ms Mandy Huang, Chief Financial Officer;
 - (v) Ms Sharon Lin, volunteer coordinator;
 - (vi) Ms Marie Chiang, stage director;
 - (vii) Dr Roger Lee Huang, public relations;
 - (viii) Mr Jeffery Wang, public relations;
 - (ix) Dr Minna Hsu, public relations; and
 - (x) Mr Kevin Dong, master of ceremonies.
- (2) That this House:
- (a) congratulates the Executive Committee of the Sydney Taiwan Festival on the holding of the highly successful Sydney Taiwan Festival 2017; and
 - (b) commends the Taiwan-Australian community for its ongoing contribution to the cultural and economic life of the State.

Motion agreed to.

INDIAN POLO TEAM LUNCHEON RECEPTION

The Hon. DAVID CLARKE (11:14): I move:

- (1) That this House notes that:
- (a) on Monday 23 October 2017 the Consul-General of India in Sydney, Mr B. Vanlalvawna, hosted a luncheon reception at the Indian Consulate General Sydney to welcome the Indian Polo Team which was competing in the World Polo Championship held in Richmond, Sydney;
 - (b) the Indian Polo Team comprised:
 - (i) Colonel Ravi Rathore, captain;

- (ii) Dhruvpal Godara;
 - (iii) HH Sawai Padmanabh Singh Jaipur;
 - (iv) Angad Kalaan;
 - (v) Siddhant Sharma;
 - (vi) Pranav Kapur; and
 - (vii) Uday Kalaan, coach.
- (c) those who attended the luncheon as guests included:
- (i) the Hon. David Clarke, MLC, Parliamentary Secretary for Justice;
 - (ii) Dr G. K. Harinath, OAM, Advisory Board member of Multicultural NSW and Chairman of Parramasala;
 - (iii) Ms Sheba Nandkeolyar, Chair of Australia India Business Council; and
 - (iv) Mrs Mala Mehta, President and Honorary Founder-Teacher of the Indo-Aust Bal Bharathi Vidyalaya Hindi School Inc.
- (2) That this House welcomes to Sydney India's Polo Team competing in the World Polo Championship held in Richmond, Sydney.

Motion agreed to.

BALLINA COUNTRY MUSIC FESTIVAL

The Hon. BEN FRANKLIN (11:14): I move:

- (1) That this House notes that:
- (a) the Ballina Country Music Festival was held from Friday 3 November to Sunday 5 November 2017;
 - (b) the festival included performances from Australian artists including local performers Kathryn Jones, Thor Phillips and Key Suspects; and
 - (c) this was the sixth Ballina Country Music Festival and it was regarded as the most successful to date.
- (2) That this House recognises Carol Stacey, founder of the Ballina Country Music Festival, for establishing this iconic Ballina event.
- (3) That this House congratulates Garry Lavercombe on organising this year's popular and successful festival.

Motion agreed to.

Documents

UNPROCLAIMED LEGISLATION

The Hon. SCOTT FARLOW: According to Standing Order 117, I table a list detailing all legislation unproclaimed 90 calendar days after assent as at 14 November 2017.

Business of the House

POSTPONEMENT OF BUSINESS

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

That Government Business Notice of Motion No. 1 be postponed until a later hour of the sitting.

Motion agreed to.

The Hon. DON HARWIN: I move:

That Government Business Orders of the Day Nos 1 and 3 be postponed until a later hour of the sitting.

Motion agreed to.

VALEDICTORY SPEECH

The Hon. DON HARWIN: I move:

That on Wednesday 15 November 2017 proceedings be interrupted at approximately 6.00 p.m., but not so as to interrupt a member speaking, to enable the Hon. Greg Pearce to give his valedictory speech without any question before the Chair.

Motion agreed to.

SITTING DAYS 2018

The Hon. DON HARWIN: I seek leave to amend Business of the House Notice of Motion No. 2 by omitting "June 5, 6, 7, 26, 27, 28" and inserting instead "June 5, 6, 7, 19, 20, 21".

Leave granted.

Accordingly, I move:

- (1) That, unless otherwise ordered, the days of meeting of the House in 2018 be as follows:

Budget sittings:

February 13, 14, 15
 March 6, 7, 8, 13, 14, 15
 April 10, 11, 12
 May 1, 2, 3, 15, 16, 17, 22, 23, 24
 June 5, 6, 7, 19, 20, 21

Spring sittings:

August 14, 15, 16
 September 18, 19, 20, 25, 26, 27
 October 16, 17, 18, 23, 24, 25
 November 13, 14, 15, 20, 21, 22 (reserve days 27, 28, 29).

- (2) That, unless otherwise ordered, the initial hearings by Portfolio Committees in the inquiry into the Budget Estimates and Related Papers for 2018-2019 take place on 30 and 31 August and 3, 4, 5, 6 and 7 September 2018.

Motion agreed to.*Bills***RURAL CRIME LEGISLATION AMENDMENT BILL 2017****Second Reading Debate****Debate resumed from 18 October 2017.**

The Hon. MICK VEITCH (11:34): On behalf of NSW Labor I speak in debate on the Rural Crime Legislation Amendment Bill 2017. The object of the bill is to amend certain legislation in response to a review of laws relating to stock theft and trespass, known as the Bradshaw review, as follows:

- (a) by including any vulnerability of the victim of a crime that arises from the victim's geographical isolation as an aggravating factor in sentencing for all crimes;
- (b) by creating an offence of aggravated trespass on inclosed land where a biosecurity risk is introduced or increased by the trespass, where the offender intends to engage in stock theft or where the offender is in possession of hunting equipment or accompanied by hunting dogs;
- (c) by giving owners of stock, and police officers, the power to apply to the Local Court for a stock mustering order authorising entry onto property owned by another person to muster and recover stock;
- (d) by increasing the maximum penalty for the offence of hunting on private land without the consent of the owner or occupier of the land;
- (e) by extending existing powers of inspectors and police officers to stop, search and detain vehicles and vessels, so that powers that currently apply only in relation to certain hunting offences will apply in the same way to the offence of hunting on private land without consent;
- (f) by empowering both inspectors and police officers to issue a notice to produce, which requires a vehicle or vessel stopped in connection with any hunting offence to be taken to a police station or other place for searching if it is not practicable to search it where it was stopped.

The Rural Crime Legislation Amendment Bill 2017 will make a number of amendments to existing legislation to address growing crime trends in rural and regional communities across New South Wales, particularly focusing on issues surrounding rural trespass, illegal hunting and stock theft. The bill before us today is a result of recommendations set out in the New South Wales Stock Theft and Trespass Review, which was delivered in June 2016 by former NSW Police Force Assistant Commissioner Steve Bradshaw. The Bradshaw review was handed down in June 2016 following several months of ongoing consultation and engagement with affected communities and key stakeholders. During the review numerous submissions were received from all across New South Wales and the chair of the review spoke with stakeholders in Orange, Peak Hill, Broken Hill, Cobar, Ivanhoe, Wilcannia, Nyngan, Bourke, Brewarrina, Coonamble, Pilliga, Narrabri and Oberon.

Many submissions were received from families who expressed fear and a sense of vulnerability and intimidation as a result of their isolation and inability to control who is able to enter onto their lands. Families are often powerless to stop illegal hunting and stock theft on their lands and assistance from the police can often be many hours away due to their isolation. Mothers and their young children often have to suffer through stress, fear and uncertainty as a result of unwelcome, intimidating and destructive individuals who are trespassing and illegally hunting on rural properties. Everyone has the right to feel safe. However, existing provisions to protect

families in regional New South Wales are inadequate. Affected communities have welcomed these changes with open arms.

Recent research indicates that rural crime has been increasing over the years and is largely underreported to authorities. Residents are well aware of the problems affecting their communities but existing provisions are too arduous to navigate to resolve those problems. From 2013 the prevalence of livestock theft has been increasing and primary producers lose millions of dollars each year as a result. Further losses have been felt by the New South Wales goat industry whose stakeholders have both maturing feral and managed goats. Australia is the world's largest exporter of goat meat and supplies, which helps to explain why stock is enormously valuable to producers, and it fetches a reasonable return upon resale.

The prevalence of goat theft is increasing in rural and regional New South Wales with affected parties left frustrated by ineffective options available to retrieve their stock. Section 10A of the Animals Act 1977 will be amended to include protections for feral goats, which is in line with existing protections presently set out for deer. This will provide greater certainty for industry stakeholders and make it easier for them to prove ownership of their feral goats. Further to this, in order to enhance protections for stolen livestock, amendments will be made to the Law Enforcement (Powers and Responsibilities) Act 2002 to enable affected parties to apply to the Local Court for a stock mustering order.

The successful acquisition of a stock mustering order will authorise individuals to enter the land specified in the order under the direction and supervision of a police officer to conduct a muster of their stolen stock and to search for and remove the indicated stock from the premises. Should an individual attempt intentionally to prevent, hinder or obstruct the enforcement of a stock mustering order he or she may be liable to a penalty of 50 penalty units, \$5,500, or six months imprisonment. It is worth noting that doubling the penalties is based on the existing provisions of the Queensland Police Powers and Responsibilities Act 2000 and follows the recommendations set out in the Bradshaw review. Stock theft and illegal hunting results in enormous losses and hardship in rural and regional New South Wales. The impact on the community has intensified in recent years.

The bill will make amendments to the Game and Feral Animal Control Act 2002 to provide additional powers and greater flexibility to police officers in rural and regional communities to detain and search vehicles or vessels which are believed to be connected with a game hunting offence. Police officers also will be conferred with the powers given to inspectors under that Act. Additional powers will be provided to both inspectors and police officers to seize anything that is found in an authorised search that is believed to be connected with a game hunting offence. Furthermore, the existing powers of inspectors will be extended to enable them to detain and seize vehicles in connection with the investigation and collection of evidence for the offence of hunting on private land. Illegal hunting has a tremendous impact not only on industry but also on families and communities in those areas where hunters have trespassed.

The Inclosed Lands Protection Act 1901 will be amended to expand the definition of "aggravated unlawful entry on inclosed lands" to further protect rural and regional communities. The amendments take into consideration a number of variables which reflect the impact of rural trespass and illegal hunting and include: the increased risk of a biosecurity impact within the meaning of the Biosecurity Act 2015 for inclosed lands; whether the individual intends to commit an offence under sections 126, 503, 505 or 506 of the Crimes Act 1900, section 16 of the Game and Feral Animal Control Act 2002 or section 28J of the Summary Offences Act 1988; or, without reasonable excuse, the individual possesses, places or uses any net, trap, snare, poison, explosive, ammunition, knife, hunting device, hunting equipment or possesses or discharges a firearm within the meaning of the Firearms Act 1996 or a prohibited weapon within the meaning of the Weapons Prohibition Act 1998; and whether the person is accompanied by a dog of a breed ordinarily used for hunting.

The Crimes (Sentencing Procedure) Act 1999 will be amended to ensure geographical isolation of the victim can be taken into consideration when it comes to the sentencing of individuals who have committed an offence in rural and regional New South Wales. This change is in line with community expectations as the existing provisions are failing to deter or justly penalise individuals for unlawful entry, trespass, theft, harassment, damage to property or illegal hunting on private property. Sections 28J, 29B and 29B (1) of the Summary Offences Act 1988 also will be amended to double the penalty for hunting on private land and will make two inconsequential amendments. Widespread concern was raised over the ineffective deterrence of illegal hunters and rural trespassers who are not deterred by existing insignificant provisions. The community expects the punishment to fit the crime. Feedback received throughout the Bradshaw review is consistent with the legislation before the House today as the bill makes a number of sensible amendments to address a range of problems in affected rural and regional communities. The Opposition believes that the bill takes a number of appropriate steps towards resolving longstanding issues in rural and regional New South Wales. I commend the bill to the House.

Reverend the Hon. FRED NILE (11:42): On behalf of the Christian Democratic Party I support the Rural Crime Legislation Amendment Bill 2017. The bill amends various existing Acts as a response to a review

of laws concerning stock theft and trespass in New South Wales. The review undertaken by the Assistant Commissioner of Police raised a number of concerns that the bill seeks to address. The concerns arose after a lengthy process of stakeholder engagement. The general contents of the bill include the key areas of reform such as creating the offence of aggravated trespass on inclosed land where the trespass gives rise to a biosecurity risk. The offence is contingent on the trespasser's intention to engage in stock theft and where the offender possesses hunting equipment such as a rifle or hunting dog. A factor that will inform the court that a situation was aggravated will be the vulnerability of the victim. In other words, if the victim was geographically isolated, a crime against him or her would be considered to be more serious.

Stock owners and police officers will have the power to apply to a Local Court for a stock mustering order. This means that if stock makes its way onto another person's land, the owner of the stock or a police officer can apply for powers to enter that land and recover the stock. A financial penalty for hunting on another person's land without permission is increased by 100 per cent from \$1,100 to \$2,200. The powers of police and inspectors to stop and search vehicles and vessels will be extended so they can be used when unauthorised hunting on private land has occurred. The bill also makes provisions for establishing ownership of a feral goat. This issue has caused some controversy because feral goats do not have any ownership markings which proves to whom they belong. We believe the bill is important. The need to protect private property and respect an owner's rights is inherent in our society. Concerns over property disputes have reached the point where a law of this nature is deemed necessary. We support the bill.

Mr DAVID SHOEBRIDGE (11:45): On behalf of The Greens I speak in debate on the Rural Crime Legislation Amendment Bill. The bill amends the Animals Act, the Crimes (Sentencing Procedure) Act, the Game and Feral Animal Control Act, the Inclosed Lands Protection Act, and the Law Enforcement (Powers and Responsibilities) Act. The Ministers responsible are the Attorney General and the Minister for Primary Industries. I have read and note the review by the Assistant Commissioner of Police about rural crime. The Greens have a number of concerns about the bill, particularly the amendments to the Inclosed Lands Protection Act and the Crimes (Sentencing Procedure) Act. I will deal with the elements of the bill in detail and turn, first, to the amendments to the Animals Act 1977. The bill proposes to extend the current provisions that prove the ownership of feral deer to apply also to feral goats. The Greens do not oppose those amendments, although we will be speaking with stakeholders and reviewing how they operate in practice. Some longstanding criticisms exist as to how those arrangements work with introduced wild deer. The concern is that some of those difficulties may now start applying to introduced wild goats. Those arrangements have some benefits so, on balance, we do not oppose that amendment.

The second change is to the Crimes (Sentencing Procedure) Act 1999. The bill proposes to expand the definition of a victim's vulnerability to include a victim's rural geographical location as an aggravating factor when an offender is being sentenced. Currently, vulnerability of a victim is an aggravating factor in sentencing. Once the crime is proven, the objective seriousness of the offence is considered. One factor that the court takes into account as an aggravating factor in providing an increased penalty is whether the victim was vulnerable—for example, the victim was very young or old—has a disability, or, because of the victim's occupation, was a taxidriver, bus driver or other public transport worker, bank teller, or service station attendant. The proposal is to include geographical isolation as a further aggravating factor.

Victims of crime who are geographically isolated will seek to have their experience understood and validated by Parliament and the judge at the time of sentencing. However, The Greens have been consistent in their opinion and do not support the notion that one class of victim is more important than another based on his or her geographical location or occupation. We do not believe that a crime is worse because a victim lives in Tamworth or on a farm 20 kilometres outside of Orange compared to a victim living in a suburban house in Parramatta or a Housing Commission premises in Campbelltown. If we were to say to members of the public, "Should the law treat victims equally?", as a general rule their answer would be yes. That is not to minimise the distress that victims of crime have, regardless of whether they live in public housing in Campbelltown or on a property outside Orange or Tamworth. Our fundamental principle is that all victims are equal and should be treated equally before the law. The changes to the Game and Feral Animal Control Act broaden the definition of an inspector to include police officers. To be frank, after reviewing the Act we were surprised that was not already the case. We support the expansion of the definition of inspector.

The bill proposes to insert a number of new offences for the offence of aggravated unlawful entry on inclosed land. We support the bulk of these offences which relate to entering on inclosed land for the purposes of hunting or carrying hunting paraphernalia. Many landowners have spoken to The Greens and have expressed anxiety about gates being run down by four-wheel drive vehicles, fences being cut, being woken at night by repeated shooting across their property, and lost stock being shot. They are genuinely fearful because of illegal hunting on their property or in adjoining State forests.

They are anxious about bullets traversing their properties. Landholders in rural and regional New South Wales who live near State forests that are open for hunting repeatedly contact my office, the Minister's office and the offices of other members of Parliament and say that a core of illegal hunters is cutting their fences, destroying their properties, entering illegally and often leaving waste and refuse behind, which causes them significant anxiety. Crime statistics show that this kind of unlawful trespassing for the purpose of hunting is a significant issue in rural and regional New South Wales. We understand why there are aggravating factors. Having an unarmed person trespass on one's property is not as bad as having a person armed with a series of lethal weaponry trespass on one's property. The Greens are concerned about new section 4B (1) (c) which states:

- (c) introduces or increases a risk of biosecurity impact (within the meaning of the Biosecurity Act 2015) for those inclosed lands ...

The Greens raised this issue in the biosecurity debate after discovering that a number of biosecurity provisions did not focus on biosecurity but on trying to stop animal activists from trespassing on properties; and after discovering evidence of animal cruelty in particular in the intensive animal husbandry industry. This is yet another attack by this Government which is trying to criminalise the behaviour of people who are doing nothing other than drawing to the attention of the public systemic industrial animal cruelty. The Greens will not support that provision and will move an amendment to seek to delete it. It is important to realise that increasing penalties in the manner proposed is supported by The Greens because it effectively produces parity for this offence and similar offences under the Crimes Act and other hunting legislation.

The Greens believe that we should aim to have parity in offences. Similar levels of criminality should result in similar levels of penalties across the criminal justice system. We do not believe that increased penalties work as a deterrent. I could cite NSW Bureau of Crime Statistics and Research [BOCSAR] studies that reveal that increased penalties by themselves do not act as a deterrent. There is a marginal deterrent effect—almost statistically insignificant—if there is an increased likelihood of somebody doing jail time. However, this is just a financial penalty so it will have no impact. There is a marginal deterrent effect for slightly longer sentences, but that is almost statistically insignificant. There is a consistent but small decrease in criminality if there is an increased likelihood of going to jail. This legislation does not address that because only a financial penalty is being proposed.

We know from study after study that this will not deter crime. The Government wants to be seen to be doing something but it is doing nothing to deter this kind of crime. If the Government was serious about deterring this kind of crime where heavily armed illegal hunters trespass onto somebody's property and cause genuine fear in rural and regional New South Wales—and this is happening—it has two solutions. The first is to wind back recreational hunting in State forests. Putting that to one side, if we are in the criminal justice sphere and we are trying to work out what would deter this kind of crime, one other factor from the BOCSAR studies deters crime—that is, the likelihood of being caught and the likelihood of being prosecuted. If we increase the likelihood of offenders being caught we know that will have a deterrent effect on crime. Why are none of the illegal hunters being caught? The simple answer is that when rural property owners phone the police and say, "Bloody hell, all these shots are being fired on my property. Someone has smashed down my fence. There is a four-wheel drive with four people who are heavily armed and who have a slab of Victoria Bitter [VB] at the back of their four-wheel drive. I am very anxious. Can you come out and help me?"

The Hon. Catherine Cusack: Armed with VB?

Mr DAVID SHOEBRIDGE: Normally the people are carrying firearms and have a slab of VB in the back of the four-wheel drive for recreational purposes. When the property owners call the police for help and say, "These people are illegally trespassing on my property", the police invariably say, "It is night. We have only one officer on duty and a single officer is prohibited from attending when firearms are involved." I note that crossbench members are attempting to interject—

The Hon. Robert Borsak: Say it.

Mr DAVID SHOEBRIDGE: I state for the record that this does not involve only hunters—

The Hon. Robert Borsak: This is the normal abuse we expect from The Greens.

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

Mr DAVID SHOEBRIDGE: A core group of illegal hunters is engaging in criminal activity in rural areas and it cannot be ignored. The report of the assistant commissioner makes it clear that there are serious problems in rural and regional New South Wales. The Hon. Robert Borsak can ignore it and try to pretend it will go away but it will not. When people call the police they are told that only one police officer is on duty and that he or she cannot be sent as a single police officer is prohibited under work, health and safety regulations from

attending when firearms are involved. I understand that; it is obviously dangerous for one officer to deal with potentially lethal situations when firearms are involved.

If the Government is serious about reducing crime levels it would study the statistics, read the reports and find out where the illegal hunting hotspots are. We know this is occurring in parts of the Hunter Valley and around the Jenolan State Forest. Police commands could be adequately resourced to ensure that at least two police officers are on duty when illegal hunting activities occur. Illegal hunting activity can be predicted in advance—long weekends, Saturday evenings and early Sunday mornings. If we are serious about reducing this kind of crime from a criminal justice angle that is when additional police resources should be provided. These penalties are supportable because they give parity in sentencing; but, let me be clear, they will not reduce crime.

Other changes to the Law Enforcement (Powers and Responsibilities) Act will give landholders and police the power to apply to the Local Court for a stock mustering order to provide for stolen stock to be located and removed. The Greens do not oppose that provision which seems to respond to a need in rural and regional New South Wales. The changes to the Summary Offences Act double the maximum financial penalty for illegal hunting from \$1,100 to \$2,200. Again we note that increased penalties do not reduce crime. This is not the approach that The Greens would take as a rule to criminal justice matters, particularly in regional areas where more Aboriginal people are likely to be involved in additional criminality. The Greens understand the damaging impact that illegal hunting has on our native wildlife and on our natural environment and how it adversely affects the wellbeing and safety of our residents.

The Greens continue to receive reports about firearms laws being flouted and we hear stories about native animals such as wombats and kangaroos being shot and abandoned where they fell. That kind of illegal hunting must stop. We also note the concerns of rural landholders about hunters illegally trespassing on their land. We do not oppose this change to the Summary Offences Act—not because we think it will deter the crime but because it creates a parity with comparable offences across the criminal justice system. But it will not fix the problem.

Many people in the community report being powerless in the face of constant illegal hunting that is brutally killing our native wildlife, destroying property and causing a genuine sense of fear in rural and regional New South Wales. Again we say that if the Government is genuinely concerned about the dangers of irresponsible and illegal hunting, it should implement two measures. The first is to end unsupervised amateur hunting on public land, particularly in State forests. The second is to adequately resource police commands so that officers can respond in real time to catch these criminals and put them in jail.

The Hon. ROBERT BORSAK (11:59): The Shooters, Fishers and Farmers Party supports the Rural Crime Legislation Amendment Bill 2017, but, as has become customary with this Government, it is a case of a glass half full. I had planned to move several amendments that would significantly improve the bill and reflect what people in rural New South Wales would expect from their Government. Regrettably, we were blindsided by the pace and secrecy with which the Government has brought bills into this place with little notice given to the crossbench. We were informed only this morning that the bill would be debated today. While Parliamentary Counsel does a wonderful job under the most pressing of circumstances, it cannot perform miracles. Nevertheless, I will have more to say a little later about the amendments I hope to move.

This bill is the result of the Bradshaw review, which was finalised in June 2016. Regrettably, the police Minister sat on the report for about 14 months. It was only released to the public on 21 August 2017 after my office made a request on 28 June 2017 under the Government Information (Public Access) Act. We can only imagine the financial impost this has had on victims of rural crime in New South Wales. Most landholders have strict requirements for access to their properties. Others experience persistent problems, some of which are dealt with in this bill. However, the activities of animal rights groups cause particular stress for intensive livestock producers. Why has that not been dealt with in the bill?

While we support the bill, we are dumbfounded that it does not go further. For example, why has fuel and machinery theft not been dealt with? I am reminded of the story of the petrol station at Come By Chance, 100 kilometres north of Coonabarabran in the Walgett shire. Honourable members may be surprised to hear that until several years ago the petrol station ran on the honour system. People could take what petrol they needed and leave money for what they used. Often nobody was there to staff the bowser. Unfortunately, due to some nefarious characters taking more than they paid for, the service was closed.

Now people living on nearby rural properties must travel either 65 kilometres east to Pilliga or 48 kilometres north-west to Walgett for petrol. That can be problematic because the roads are mostly unsealed; Walgett shire appears to have neglected its responsibility to seal major roads near its eastern border with the Narrabri shire. It takes only a small amount of rain on the black soil roads to make them virtually impassable. Sadly, I hear that farmers in the region have hardly had rain all year. In this case, rural crime has ruined a vital service for local farmers and the culprit has not been found. Dumping of rubbish or waste, theft of timber, theft

of farm chemicals, theft of water, theft of wool, seed or grain and even theft of fencing have caused some producers to sell up or trade out of stock.

Why would The Nationals and this Government not address all of those issues comprehensively in this bill? Instead, The Nationals are full of bluff and bluster—talking tough on rural crime without doing anything of substance. On another matter, why will this Government not deal with firearm theft once and for all and impose a mandatory prison sentence on anyone caught stealing a firearm or using a firearm in the commission of an offence? I will tell members why: It is easier to use law-abiding firearms owners as scapegoats for this Government's failures than to go after real criminals.

As I foreshadowed, I intend to move a number of amendments that would prevent illegal interference in the lawful operation of animal enterprises on rural properties. Unfortunately, since the Government has brought on this important bill at the last minute, Parliamentary Counsel may not have sufficient time to complete our amendments. If they cannot be presented today, I will move a private member's bill to enact them. A person would commit an offence if they engage in conduct that destroys or damages property used in carrying on an animal enterprise or belonging to a person who carries on, or is associated with, a person who carries on an animal enterprise.

We are also seeking a new offence of causing fear of death or serious bodily injury if a person engages in conduct involving threats, vandalism, property damage, criminal trespass, including aerial surveillance by drones or hidden cameras, or harassment or intimidation of a person or persons connected with a lawful animal enterprise. The offences would be punishable by imprisonment. The theft of firearms from rural premises would also be punishable by imprisonment. The Shooters, Fishers and Farmers Party supports the general thrust of this bill although, as I said, we wish to move a few amendments. Should we have them to hand, we will do so.

The Hon. NIAL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (12:04): In reply: I thank the Hon. Mick Veitch, Reverend the Hon. Fred Nile, Mr David Shoebridge and the Hon. Robert Borsak for their contributions to this debate. Mr Shoebridge spoke about adequate resourcing of the NSW Police Force. I remind the member that the re-engineering of the NSW Police Force will allow for a more tailored focus on the allocation of policing resources and techniques to individual commands rather than implementing a one-size-fits-all approach. The regions now have a strong voice at the deputy commissioner level with the appointment of Deputy Commissioner Regional Field Operations Gary Worboys, who is a strong advocate for enhancing and protecting police resourcing in New South Wales.

The Commissioner of Police and his deputy commissioners, including Mr Worboys, are leading the reform process to ensure that the force moves with shifting demographics and changing crime trends, including new local and global threats. The Government understands and wants to ensure that there is a greater focus on crime in rural, regional and remote communities. The Commissioner of Police will consider relocating police positions to areas where populations have grown or crime problems have shifted. Details of the changes to the specific commands will be announced in due course as part of the process. In addition, Deputy Commissioner Worboys recently announced additional resources with the formation of rural crime prevention teams that will support investigators and operational police, and provide education and analytical support to coordinate such activities. We understand that rural, regional and remote areas face different issues. A re-engineering of the Police Force will address some of the issues Mr Shoebridge has raised.

The Hon. Robert Borsak said that he has not had enough time to have his amendments produced. I cannot comment on what happens with Parliamentary Counsel, but the second reading speech for this bill was delivered in this House on 18 October. The Government did not bring this bill on with a declaration of urgency; it was introduced before the cut-off. I am not sure what has occurred, but it has been nearly a month since this bill was introduced. I note that Mr Shoebridge has circulated an amendment that he spoke to briefly. I will address that in more detail during the Committee stage.

The Rural Crime Legislation Amendment Bill 2017 will help to provide a more comprehensive and effective response to crime for residents of rural and remote New South Wales. It responds to calls from landowners for greater legislative recognition of the impact of trespass onto rural properties, which is often accompanied by other crimes such as property theft and may trigger a biosecurity risk. It recognises that rural crime has distinct features that sometimes require different solutions than other types of crime and that victims of crime living in isolated communities deserve particular recognition. The bill clearly demonstrates that this Government is listening to rural and regional New South Wales.

As the Minister for Primary Industries, farmers in various parts of the State have begun raising this issue with me more often, particularly since stock prices have climbed to record levels over recent years. When they can put a value on some of the crimes and impacts that some of these stock thefts have had on their enterprises the general feeling of the landholders is, "If this had occurred in a metropolitan area where a jeweller or another

type of retailer had hundreds of thousands of dollars of stock stolen, it would probably receive greater attention." That general feeling has been backed up by some of the work in the review by Steve Bradshaw. The Government appreciates Mr Steve Bradshaw's work in bringing together the voices of many in our towns, villages and farms across the State who are deeply interested in the issues. I thank all members for their contributions. This bill definitely has the support of the House. There are issues that need to be addressed and I am sure we will talk about one or two of them in the Committee stage. I commend the bill to the House.

The ASSISTANT PRESIDENT (Reverend the Hon. Fred Nile): The question is that this bill now be read a second time.

Motion agreed to.

In Committee

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

Mr DAVID SHOEBRIDGE (12:11): I move The Greens amendment No. 1 on sheet C2017-103:

No. 1 **Aggravated unlawful entry on inclosed lands**

Page 4, Schedule 1.4 [1], proposed section 4B (1) (c), lines 5 and 6. Omit all words on those lines.

I dealt with the substance of The Greens concerns in my contribution to the second reading debate. Our concern is the same as when similar provisions were put into the biosecurity legislation: The kinds of aggravated offences where somebody enters inclosed lands and is alleged to have either introduced or increased the risk of a biosecurity impact will then attract a more serious legal penalty. In this case, it is a penalty in the thousands of dollars. We see these offences as being aimed squarely at people that most of the community view as brave animal activists, people who are getting in to try to expose the cruelty of intensive animal husbandry.

Given the contributions of some members, it is clear that is the focus of the legislation. It attempts to stop people from getting into particularly cruel intensive chicken sheds to show the lifetime of cruelty that battery hens face. Other brave activists get into intensive piggeries. I do not know how many members have been in an intensive piggery, but I have been in a number of them. They are genuinely distressing places. I saw a bunch of animals that are very bright, clearly have a sense of themselves and a sense of the lifetime of misery that they are in, often with permanent wounds and often in such cramped conditions that the sows are in danger of squashing their young or they are confined in such a brutal and inhumane way that they cannot roll over and have any kind of natural connection with their young.

We are talking about feedlots where, in intensive cattle production, not only is there an appalling environmental outcome where grain is fed to cattle, with the enormous energy loss implications of converting grain into meat through the inefficient vehicle of a cow's digestive tract, but in those feedlots we also see cattle literally walking in their own shit day in and day out. Some of those feedlots can be smelled from kilometres away. I was once in a helicopter, having a look at n the Liverpool Plains, where there is a very large feedlot. I could smell the stink of it from three, four, five kilometres upwind.

The Hon. Robert Borsak: Downwind.

Mr DAVID SHOEBRIDGE: The Hon. Robert Borsak is right—downwind. I am glad we have a hunter in the Committee to make that clear. I could smell it. When animal activists get in, witness this intense cruelty that most of us ignore or never experience, film it and tell the rest of the world about it, The Greens believe they should be commended. We should celebrate their work. It is only by exposing that level of systemic industrial cruelty in some but not all parts of animal husbandry—where literally millions and millions of sentient beings are treated with gross abuse and disrespect—that we are able to change it.

There are elements in agricultural industry that do not want that change because they make money out of systemic cruelty. They make more profits if fewer people observe the kind of injury and damage that happens to those animals. Rather than trying to change the industry, to make it more humane and to accept the validity of the concerns of animal activists who get onto those properties, witness cruelty and tell us about it, this Government is proposing to throw the book at them, increase criminal offences, bankrupt them through fines and put them in jail through other legislation. The Greens cannot and will not support those changes to the law, which is why we move this amendment.

The Hon. NIAL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (12:16): The Government opposes The Greens amendment because it is based upon the incorrect assumption that this amendment is targeted at activists. This is a perfect example of The Greens thinking that legislation is all about them or some of the people that they speak for, but this could not be

further from the truth. This amendment is for landowners and for those who have the potential of their enterprises being wiped out because of biosecurity incursions that were brought onto their property by people trespassing, doing the wrong thing and in this case entering for illegal purposes. If The Greens wish to talk about animal cruelty, we should talk about the impact on some of these operations. Potentially thousands upon thousands of livestock may have to be destroyed when someone has brought in a biosecurity incursion illegally. In this case, we are talking about trespass, illegal hunting and theft.

The Government introduced legislation on biosecurity because we understand that biosecurity is everyone's responsibility. It does not matter whether you are a neighbour, someone who is coming onto a property for professional purposes, or in this case someone who is making a conscious decision to go illegally onto someone's property. We all have a biosecurity obligation. This legislation is about supporting those landowners that the honourable member in his contribution rightly said are ringing up and saying, "People are cutting my fences and coming onto my property illegally. The Government should be able to ensure agencies do something about it, and the penalties associated with that crime should be applicable to it."

But then it goes one step further because this is not just about the trespass. It is about the potential for parthenium weed on the tyres of that vehicle that was on the property illegally to become a responsibility that the landholder will have to deal with for years and years. It is the diseases carried by the pig dogs on the back of that vehicle that maybe transmitted to other parts of the livestock. The landowner will have to deal with the consequences of that for years to come. In some cases, these landowners have worked with generations of livestock to improve their genetics and breeding practices and to this point the impact on that business owner has been undervalued in this State.

Biosecurity is serious business—for the landowner, the community and the environment. Indeed, biosecurity poses some of the biggest risks to the environment of this State. This bill is consistent with the changes to the Biosecurity Act that was passed by this House. It is argued that this legislation is designed to target activists by shining a light on those who are doing the wrong thing in animal welfare; nothing could be further from the truth. The animal welfare system in this State includes separate legislation under the Prevention of Cruelty to Animals Act. This is not about targeting activists; it is about being consistent with the Bradshaw review. This is about understanding the concerns of landowners who have provided feedback to Steve Bradshaw, in particular about biosecurity, and showing them that the Government, and members on both sides of this House, are serious about biosecurity. We have another chance to underpin the consistency of what we have said about biosecurity and its importance. That is why the Government opposes The Greens amendment.

The Hon. MICK VEITCH (12:21): The Opposition only had an opportunity to look at this amendment during the second reading debate. I have consulted with some of my shadow ministerial colleagues as to their position. As the Minister was speaking I was trying to find the relevant section in the Bradshaw report, which refers to section 4B of the Inclosed Lands Protection Act 1901, unlawful entry on inclosed lands. The Greens seek to delete new section 4B (1) (c):

- (c) introduces or increases a risk of a biosecurity impact (within the meaning of the Biosecurity Act 2015) for those inclosed lands

In the short time available to me I have been unable to find that in the Bradshaw report. I am not saying that it is not there; I just have not been able to find it. There is a section about rural trespass and illegal hunting, and other issues arising from theft by people who trespass. I was present during the lengthy debate on the biosecurity legislation that was passed. The Opposition endeavoured to take a balanced position on that bill. I am trying to weigh up, as the Minister says, whether this adds to the existing framework and I am not satisfied that it does. On that basis, and in the short time we have had to make this analysis, the Opposition will support The Greens amendment.

Mr DAVID SHOEBRIDGE (12:23): I note and appreciate the Opposition's contribution. The Bradshaw report refers to biosecurity, but it does not demonstrate a thorough understanding on the part of the assistant commissioner of the biosecurity laws. That is not a real criticism of the assistant commissioner because they were washing through the Parliament at the same time. He had no analysis of the biosecurity laws that now have an entirely parallel regime to deal with biosecurity risk. One would have thought that the Government, having received the Bradshaw report, realising that the biosecurity laws had substantially moved on in the interim and provided for a series of criminal and civil penalties in relation to biosecurity risk, would have said, "Since the Bradshaw report was delivered we have had all these changes to the biosecurity laws, there is no point in having an additional and misplaced criminal penalty on the Inclosed Lands Protection Act because it is already covered in the biosecurity laws."

This Government says that it is all about getting rid of red tape and not having unnecessary regulation, yet within six months it wants to introduce parallel legal provisions in relation to biosecurity. The Greens are

concerned because the Government seems to be saying, "If we do not catch the animal activists under biosecurity, we will catch them under the Inclosed Lands Protection Act. We will get them one way or the other." That is poor government. As I said, it is no criticism of the assistant commissioner because the biosecurity laws were not before him when he was making his report. One would have thought that a competent government would have realised that it was double regulating in an area in which this Parliament passed laws about less than 12 months ago.

It is poor practice from the Government to uncritically accept a report and fail to understand that the legislative base has moved on substantially since then. Despite the Minister's statements, if the Government was genuine in saying this is not aimed at activists, then a public interest defence provision would have been included. No public defence provision is proposed. If someone is in a chicken shed witnessing and recording systemic and brutal animal cruelty, and there is an argument that in entering that shed they may have allowed some biosecurity risk to enter, notwithstanding the fact they may be witnessing and recording systemic and brutal animal cruelty, under this bill they will potentially face a \$5,500 fine. The Greens do not think that is a good law. That is why we oppose it.

The Hon. NIAL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (12:25): For the information of the Hon. Mick Veitch, recommendation No. 2 in the Bradshaw report states:

... The factors of aggravation are to be either the creation of an enhanced biosecurity risk for a particular property, or the presence of hunting equipment, including hunting dogs.

That is consistent with the drafting of this bill.

The TEMPORARY CHAIR (The Hon. Shayne Mallard): Mr David Shoebridge has moved The Greens amendment No. 1 on sheet C2017-103. The question is that the amendment be agreed to.

The Committee divided.

Ayes 16

Noes 22

Majority..... 6

AYES

Buckingham, Mr J
Field, Mr J
Mookhey, Mr D

Donnelly, Mr G (teller)
Graham, Mr J
Moselmane, Mr S
(teller)

Faruqi, Dr M
Houssos, Ms C
Primrose, Mr P

Searle, Mr A
Shoebridge, Mr D
Wong, Mr E

Secord, Mr W
Veitch, Mr M

Sharpe, Ms P
Walker, Ms D

NOES

Ajaka, Mr J
Borsak, Mr R
Colless, Mr R
Farlow, Mr S
Harwin, Mr D
Maclaren-Jones, Ms N
(teller)
Nile, Reverend F
Taylor, Ms B

Amato, Mr L
Brown, Mr R
Cusack, Ms C
Franklin, Mr B (teller)
Khan, Mr T
Martin, Mr T

Blair, Mr N
Clarke, Mr D
Fang, Mr W
Green, Mr P
MacDonald, Mr S
Mason-Cox, Mr M

Pearce, Mr G

Phelps, Dr P

PAIRS

Voltz, Ms L

Mitchell, Ms S

Amendment negatived.

The TEMPORARY CHAIR (The Hon. Shayne Mallard):

The question is that the bill as read be agreed to.

Motion agreed to.

The Hon. NIALL BLAIR: I move:

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

Motion agreed to.**Adoption of Report**

The Hon. NIALL BLAIR: I move:

That the report be adopted.

Motion agreed to.**Third Reading**

The Hon. NIALL BLAIR: I move:

That this bill be now read a third time.

Motion agreed to.**ROAD TRANSPORT AND RELATED LEGISLATION AMENDMENT BILL 2017****Second Reading Debate****Debate resumed from 18 October 2017.**

The Hon. PENNY SHARPE (12:35): I lead for the Opposition in this House in debate on the Road Transport and Related Legislation Amendment Bill 2017. I note that my colleague the shadow Minister for Roads, Maritime and Freight in the other place will speak about Labor's position on this legislation in greater detail. I note from the outset that Labor does not oppose this legislation. The bill seeks to amend three Acts: the Road Transport Act 2013, the Driving Instructors Act 1992, and the Point to Point Transport (Taxis and Hire Vehicles) Act 2016. A range of matters addressed by the bill are necessary updates and administrative changes, so I will keep my contribution brief and address the more significant amendments.

The bill will amend the Roads Transport Act 2013 to establish a New South Wales written-off heavy vehicles register, which will apply to vehicles over 4.5 tonnes, to ensure that heavy vehicles deemed structurally unsafe after crash incidents cannot be re-registered and driven on public roads, thereby creating serious potential safety hazards for other road users. New South Wales already has such a scheme for written-off light vehicles. It is, of course, crucial that heavy vehicles also are subject to the same safety checks, especially given the significantly higher proportion of time that heavy vehicles are on our roads.

This reform follows a decision by the national Transport and Infrastructure Council to develop a national written-off heavy vehicles register. It is a proper safeguard in the management of potentially dangerous or unroadworthy heavy vehicles in this State. I note the Parliamentary Secretary's comments regarding a project to develop a national framework for the assessment and classification of written-off heavy vehicles. That is clearly important, given that the regularity of heavy vehicles crossing State jurisdictions creates the need for information sharing about potentially unsafe heavy vehicles which travel across Australia. This measure should be proceeded with as quickly as possible.

I draw the attention of the House to a very serious problem that is occurring in New South Wales, which is the transfer of waste across borders, particularly to Queensland. As a result of the impact of the waste levy and the fact that people can dump for free in Queensland, we know that New South Wales is losing potentially \$100 million a year in revenue. Importantly, a completely new industry has arisen which, essentially, is built on trucks, unmarked and difficult to track, driving up the highway in the middle of the night. I will not pre-empt the work that is being done by the parliamentary inquiry in this regard but I reinforce that this is a serious issue in New South Wales that needs to be addressed. The legislation before the House at least will help, but a lot more work must be done if we are to get dangerous trucks off our roads and stop the unnecessary movement of goods across borders.

The changes to be made by this legislation will permit camera and other technologies, such as lasers, to detect and enforce vehicles that disobey dimension limits. Not only is traffic chaos created when an over-height vehicle crashes at the entrance to a tunnel or other tight space, but it can cost the people of New South Wales a significant sum of money to repair the damage caused by these crashes. It does not matter which side of politics one is on, the roads Minister of the day inevitably will have to stand in front of cameras and apologise to the people of New South Wales for trucks that get stuck in our tunnels and cause havoc across the State.

The Parliamentary Secretary referred to the more than a \$1 million cost to repair the M5 East tunnel after an incident in May 2010. I think most people in this State would be very keen for us to do everything we can to stop this from occurring. The same goes for issues created when vehicles are oversized in length. For example, I know there have been some serious issues at Galston Gorge relating to long vehicles becoming stuck on tight bends. Different types of traffic enforcement devices are needed to be able to adequately measure vehicles in order to prosecute operators who commit such offences, and Labor supports the adoption of those technologies. I note that the Government has committed to installing such technologies at Galston Gorge. I am advised that the program could be further expanded in the future, and we will watch this with interest.

The bill will amend the Roads Transport Act 2013 to increase the maximum fine a court can impose for breaches of this Act. Under the existing legislation the fines imposed by penalty notices cannot exceed the maximum fine a court may impose for the same offence. However, penalty notice fine amounts are subject to annual increases commensurate with the consumer price index, while court fines are not. This creates a problem where fine amounts for certain speeding offences can potentially increase above the maximum fine a court may impose. This bill will set a new cap at 50 penalty units or \$5,500 so that penalty notice fine amounts under the regulations can increase and not exceed those which a court may impose under the Act.

I turn now to the Driving Instructors Act 1992. The proposed amendments aim to modernise and clarify the regulation of instructors, particularly for assessors within the heavy vehicle competency-based assessment scheme or motorcycle rider training scheme. Following recommendations of the Ombudsman, the bill mandates a Working With Children Check clearance or a current application to be a prerequisite for a driving instructor's licence, as currently the self-employed status of many instructors makes this area difficult to enforce under current laws. As I have just lived through the experience of a teenager obtaining a driver licence, I thoroughly support this measure. We entrust our young people to instructors. They are in a very vulnerable position and we want to ensure that those teaching our young people to drive do the right thing and that the checks and balances are in place.

The bill also grants powers to suspend or cancel a driving instructor's licence if the holder has no clearance or current application. The Ombudsman recommended also an amendment allowing the Roads and Maritime Services authority to be assured that, in addition to good character, a person is considered to be of good repute as a prerequisite for issuing a driver instructor's licence. I note the Minister's advice that the reference in the current law to good character may result in confusion for courts in their consideration of suspension or cancellation proceedings against instructors due to the lack of guidance over what constitutes good character. As the concept of good repute concerns a person's good name in the community, it is more readily assessable than the intrinsic nature of good character and it is an existing condition for the issuing of a bus driver authority in New South Wales. This is a sensible clarifying amendment.

The bill also enables the authority to sanction driving instructors if they no longer display the competence or suitability to be a driving instructor, having regard to the objects of the Act, which will be amended to emphasise performance. Labor is very pleased that there is strong industry support for these amendments. Finally, the bill amends the Point to Point Transport (Taxis and Hire Vehicles) Act 2016 to strengthen the Point to Point Transport Commissioner's investigative powers and aims to reduce red tape for taxi licence holders and other service providers where appropriate, especially around reporting requirements. To empower the commissioner to better enforce compliance with the legislation, the bill will permit persons assisting authorised officers of the Point to Point Transport Commission to lawfully enter premises and provide the authority to compel a person to provide information, produce documents or appear and give evidence, given reasonable grounds and accountabilities, as is the case in similar legislation.

A further amendment changes the time frame for the commencement of proceedings for offences under the Act or regulation, changing the allowable period from two years from the date on which the offence was committed to two years from the date when the offence first comes to the notice of the commissioner. The Parliamentary Secretary outlined that it was the Government's intention to allow a matter to be thoroughly investigated so that a sound case can be brought against the offender. I note that concerns have been raised by industry about the obstacles this may pose to the speedy resolution of some matters, but Labor believes this is a sensible amendment. We do not want people who are doing the wrong thing to be able to slip through the cracks because it took too long to investigate the matter properly. Further minor amendments enable more efficient administrative requirements for the taxi industry, and the Opposition supports those amendments. In conclusion, the bill makes a number of straightforward and sensible changes to road transport compliance and administration in New South Wales. Labor supports the bill.

The Hon. PAUL GREEN (12:43): On behalf of the Christian Democratic Party, I speak briefly to the Road Transport and Related Legislation Amendment Bill 2017. Road safety is primarily about the protection and security of all those who travel on our roads. Roads and Maritime Services [RMS] manages more than

460,000 heavy vehicles that operate on New South Wales roads each day and screens 3.2 million heavy vehicles annually. The RMS manages the devices—cameras, height and weight measurement systems and other road sensors—and processes the data captured to extend the analysis of vehicle movements and incidents more broadly. In New South Wales any heavy vehicle that is higher than 4.3 metres must comply with restricted travel conditions and use an approved road network. New South Wales has more bridges and tunnels with low clearances of less than 4.6 metres than any other State in Australia. Vehicles higher than 4.3 metres must not travel under or through these structures.

The bill will establish a New South Wales written-off heavy vehicles register which allows for camera technology to enforce vehicle dimensional offences and for increased penalties for road transport offences. The heavy vehicle register also will ensure that vehicles that are structurally unsafe are not re-registered and driven on public roads. The register will protect prospective buyers purchasing written-off vehicles. We all know the importance of spending less time on the road and more time with our families. No-one wants to be caught in traffic congestion brought about by heavy vehicles failing to comply with the law. The legislation aims to reduce over-dimension vehicles causing damage to essential infrastructure, thereby preventing traffic delays. Fines and penalties will be increased to deter offenders. People must undertake lessons before they undergo their driver licence test so that they learn the road rules, how to operate their vehicle, the meaning of signs and how to manoeuvre in various circumstances.

My wife and I have six children, which equates to about 720 driving hours. We are improving every time we take our children driving; we are becoming very good drivers. One child will do the test in March, leaving only one more needing driving lessons. All my children have passed the test on their first go. I have to declare that my wife did most of the instructing while I have been here. It has been a great blessing from the Lord that I have escaped all those lessons. The bill aims to strengthen the importance of instructors' competence to emphasise performance. It also will legislate that taxi and booking service providers ensure their services are safe. The bill is primarily about road safety measures and ensuring that we all get home to our loved ones. We encourage all drivers to slow down, to stay alert and to be safe on the road, particularly over the coming Christmas season. That is our clear message for people across New South Wales. I commend the bill to the House.

Dr MEHREEN FARUQI (12:47): On behalf of The Greens, I speak briefly on the Road Transport and Related Legislation Amendment Bill 2017. The Greens do not oppose this bill but I raise a couple of concerns and would appreciate a response from the Parliamentary Secretary. The stated purpose of the bill is to provide several road safety measures and administrative amendments. The bill seeks to amend several Acts and regulations, some of which aim to bring New South Wales in line with other States and Territories. Schedule 1 amends the Road Transport Act 2013 to increase the maximum penalties for offences against the statutory rules to allow for the use of traffic enforcement devices that detect vehicle dimension and establish the New South Wales written-off heavy vehicles register.

The proposed registration of written-off heavy vehicles will be similar to the one already in use for light vehicles. The amendment allows for provisions in the register both for recording details of completely written-off heavy vehicles as well as recording details of repairable written-off heavy vehicles. This register is a welcome improvement and brings New South Wales in line with other States and Territories that already maintain these records of written-off heavy vehicles. The move to establish this record should help ensure that crashed heavy vehicles that are consequently structurally unsafe are not re-registered and driven on public roads. The bill specifies a framework to establish the first such register for New South Wales.

The bill also provides for the use of new traffic enforcement devices that will allow for detection of heavy vehicles in contravention of dimension requirements. While Roads and Maritime Services currently uses cameras for a range of offences, this bill allows for a supplementary device that measures the dimensions of a vehicle and for it to be used in conjunction with the cameras for enforcement purposes. I understand that this is targeted at instances such as the truck that crashed into the M5 East tunnel in 2010 because it was too high for the tunnel, causing about \$1 million in damage. The bill also creates a separate class of offence for dimension offences under the list of detectable traffic offences in the Road Transport Act 2013.

New South Wales will be the first State in Australia to use devices for dimension requirements. I certainly hope this will lead to improved safety outcomes and compliance for heavy vehicles. We must take seriously the concerns raised by truck drivers relating to shift schedule expectations, overwork and fatigue. It is not a matter to be taken lightly or one that should be further delayed. This bill also makes several amendments to the Driving Instructors Act 1992, including expanding the definition of "driving instructors". The expanded definition includes instructors in testing and assessment roles, who will also have to have Working With Children Checks. That is a welcome amendment.

Schedule 3 to the bill amends the Point to Point Transport (Taxis and Hire Vehicles) Act 2016. I am concerned about section 10 in this schedule, which expands powers granted to the Point to Point Transport

Commissioner by including powers to compel people to provide information or to appear before the commissioner to give evidence. The Point to Point Transport Regulation came into effect just a couple of weeks ago, on 1 November 2017, along with the powers of the new industry regulator, the Point to Point Transport Commissioner. Although the commissioner has been in the role since October 2016, the regulatory powers have just come into effect.

The powers, such as being able to compel people to appear to give evidence, are far-reaching and could potentially be misused. The concern is amplified by the fact that the commissioner is currently not required to report to Parliament. In the crossbench briefing on this bill, I asked for a justification for the expansion of the commissioner's powers but did not get a satisfactory response. I ask the Parliamentary Secretary in his speech in reply to respond to these concerns, address the justification for these expanded powers, and clarify exactly what safeguards are in place to keep these powers in check.

The Hon. DANIEL MOOKHEY (12:51): I lend my support to the comments made by the Hon. Penny Sharpe in this place. In the second reading speech, the Parliamentary Secretary made an allusion to a variety of statistics which cumulatively demonstrate the disproportionate representation of heavy vehicles in both the fine system and the enforcement system. Although he did not mention crash statistics, he could have done so. This is not a revelation and it should not be a revelation to the House or to the community at large. It has been known for a very long time that driving heavy vehicles is Australia's most dangerous profession. The number of people killed, maimed or who have their lives irreversibly altered as a result of driving a heavy vehicle or being crashed into by a heavy vehicle is beyond comprehension.

I invite the Parliamentary Secretary to move beyond the statistics and nominate a theory as to why he and the Government think it has been happening for such a long time. Over many years no-one from the Government has said why heavy vehicles are disproportionately represented. The Labor Party is clear as to the reasons and references the prevailing industry structure—the fact that big clients have big powers. In this country Coles and Woolworths, the two biggest buyers of freight services, are responsible for 80 per cent of road freight movements in this country. They have a huge say in the schedules, the contracts and the pricing. As economists would say, they are essentially a monopsony, a monopoly of buyers. They are able to use market powers to set the prevailing conditions for those who work for them. A primary producer will understand, as they are equally subject to the awesome power of these two corporations and their variety of businesses.

Over a long period, multiple points of evidence have suggested that that power is resulting in lower returns for those who work for them. As a result, people reduce costs by delaying the replacement of tyres, delaying oil and lubricant changes and using vehicles well past their use-by date as that is the only way to earn an economic return. They are subject to huge pressures to meet tough schedules that require them to drive 12 to 14 hours to meet a 15-minute time slot. They are some of the reasons driving heavy vehicles remains Australia's most dangerous profession. I do not dispute the intent of the bill. I acknowledge that it is a technical bill in nature. I say to the Government, it can pass as many bills as it likes and make as many adjustments as possible, but until this country reintroduces the safe freight system, which previously operated for one or two years, this Parliament will return to pass these bills time and again. These bills treat the symptoms and not the cause.

The Hon. BEN FRANKLIN (12:55): On behalf of the Hon. Niall Blair: In reply: I thank the honourable members for their contributions to the debate on the Road Transport and Related Legislation Amendment Bill 2017: the Hon. Penny Sharpe, the Hon. Paul Green, Dr Mehreen Faruqi and the Hon. Daniel Mookhey. I will address the particular matter raised in debate by Dr Mehreen Faruqi regarding the expansion of the commissioner's powers. It is true that this bill will provide the commissioner with the authority to compel a person to provide written information, produce documents or appear before the regulator to give evidence as per section 155 of the Work Place Health and Safety Act.

This change will strengthen the commissioner's ability to monitor and enforce compliance with the laws with a focus on safety by providing robust powers of inquiry and questioning, subject to appropriate checks and balances. Before using this power, the commissioner must take all reasonable steps to obtain the relevant information by other means available and must have reasonable grounds to believe that a person is capable of giving information, providing documents or giving evidence in relation to a possible contravention of the legislation or that will assist the regulator to monitor or enforce compliance. Written notices are to be provided setting out the recipient's rights—for example, entitlement to legal professional privilege and the option to use immunity if they so wish. The time and place specified in the notice must be reasonable in the circumstance, taking into account the circumstances of the person required to appear.

In full, these amendments will amend the Road Transport Act 2013 to allow for the creation of the New South Wales written-off heavy vehicles register, allow camera technology to be used for the enforcement of vehicle dimension offences and increase the maximum penalty that a court may impose for road transport offences under the statutory rules. It will modernise the Driving Instructors Act 1992 by mandating Working With Children

Check clearances and introducing good repute requirements for driving instructors. Roads and Maritime Services will be given broader powers to caution, to suspend or to cancel a driving instructor's licence if the instructor no longer displays competence or suitability for the licence. It will amend the Point to Point Transport (Taxis and Hire Vehicles) Act 2016 to align certain provisions with those of work health and safety legislation, including enhancing the powers of the Point to Point Transport Commissioner, as previously discussed. I commend the bill to the House.

The ASSISTANT PRESIDENT (Reverend the Hon. Fred Nile): The question is that this bill be now read a second time.

Motion agreed to.

Third Reading

The Hon. BEN FRANKLIN: On behalf of the Hon. Niall Blair: I move:

That this bill be now read a third time.

Motion agreed to.

ENVIRONMENTAL PLANNING AND ASSESSMENT AMENDMENT BILL 2017

Returned

The ASSISTANT PRESIDENT (Reverend the Hon. Fred Nile): I report receipt of a message from the Legislative Assembly returning the abovementioned bill without amendment.

I shall now leave the chair. The House will resume at 2.30 p.m.

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

Visitors

VISITORS

The PRESIDENT: I welcome to the public gallery Professor Hong Chen of the East China Normal University in Shanghai. He is here on a short study visit and is a guest of the Hon. Shaoquett Moselmane. We welcome you and hope that you enjoy your time in Parliament and in Sydney. I also take the opportunity, on behalf of all members, to acknowledge the ladies in the public gallery from the New Lambton Bowling Club, guests of the Hon. Taylor Martin and the Hon. Natasha Maclaren-Jones. I hope you are enjoying your time in Parliament during question time.

Questions Without Notice

AUSGOLD MINING GROUP

The Hon. ADAM SEARLE (14:30): My question without notice is directed to the Minister for Resources. Given the recent collapse of the AusGold mining project in Tibooburra, is the Government investigating its activities and, if so, will the Minister update the House on the status of any investigation?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:31): Ms Sally Zou owns a small goldmine of 17 hectares in Tibooburra in the far north-west of New South Wales. Development consent for the Good Friday Mine was approved in August 2016. The Tibooburra goldmine, which is yet to begin production, is anticipated to provide direct employment for 16 people, inject more than \$40 million into the local economy over the life of the mine and generate a total of \$7.8 million in royalties for New South Wales. Recent media coverage has raised questions about Ms Zou's AusGold operations.

The Government takes the capability and responsibility of resource title holders very seriously. I encourage anyone who becomes aware of any breaches of conditions of title or the law or of other offences to report them to the relevant authorities. The resources regulator has confirmed that it has completed its investigation into AusGold Mining Group for alleged breaches of the Mining Act and into documentation supplied as part of an application. The investigation found no breaches of the Act. However, the resources regulator also confirmed that it has received another complaint on an unrelated issue. That matter is now being assessed. As that assessment is ongoing, further details will not be released at this time and I therefore will not make any further comment on AusGold. I repeat, I encourage anyone who becomes aware of any breaches of conditions of title or the law or of other offences to report them to the relevant authorities.

HUNTER WATER 125TH ANNIVERSARY

The Hon. TAYLOR MARTIN (14:33): My question is addressed to the Minister for Energy and Utilities. Will the Minister update the House on how Hunter Water is marking its 125th anniversary this year?

The Hon. Greg Donnelly: With a big cake and a candle.

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:33): I will not be having any cake, I can promise you that. Many of us take safe access to reliable water and sewerage services for granted. While we have rightly come to expect these services, it is important to remember what water truly means to our community and consider how we may all play a part in creating a more sustainable, liveable future. In 1892 the colonial government established the Hunter District Water Supply and Sewerage Board to take control of the fledgling Walka Water Supply System. Prior to the Walka scheme, residents of the Greater Newcastle area had a death rate of 42 per 1,000 people—three times what was considered natural—due to their reliance on contaminated creek and well water for drinking.

The original crest for the water board read "For the Public Health", a sentiment that rings true 125 years on. Hunter Water has been at the heart of shaping the local region over its 125-year history. Building Chichester Dam in 1926 was a key moment, giving the Hunter the water security it needed to attract investment, preserved by what is now a World Heritage listed catchment. Indeed, without Chichester Dam, BHP never would have expanded its operations in Newcastle and the region would not have been a key industrial centre of New South Wales throughout the twentieth century.

The Hunter Water Burwood Beach Wastewater Treatment Works upgrade of 1989 transformed Newcastle forever, allowing local tourism to flourish. Its beaches are consistently rated among the cleanest in the State and are the main drawcard for the 3½ million people who visit the city every year. Hunter Water has made a number of bold and innovative decisions over its 125-year history. Perhaps the most significant was establishing Australia's first user-pays pricing system in 1982. It has helped keep water demand down and supplies up over the years, and the Hunter's average water bill is now the second cheapest of all similar utilities in Australia. Of course, Sydney Water is the cheapest.

Earlier this year, with Mr Scot MacDonald, I had the pleasure of witnessing one of the ways Hunter Water is sharing this important history with the community at its special "Celebrating 125 Years" exhibition at Newcastle Museum. The exhibition ran through September and October and attracted more than 20,000 visitors. The exhibition gave a unique insight into how water has changed the region from a small mining settlement into the diverse, liveable region of today. This included artefacts such as a piece of the original wooden pipeline that delivered water from Chichester Dam to Newcastle and a virtual reality experience taking visitors on the journey of how water travels from the sky to the tap. The exhibition is now on a road show to other local regional museums, which I am thrilled about.

While Hunter Water has a long and proud history, its focus is very much on the future. Part of the exhibition encourages visitors to consider how technology will make for a more sustainable water future. By celebrating its past and sharing its rich history with the community, Hunter Water is engaging locals with water and sparking their interest in the future. That engagement is essential if Hunter Water is to be successful in its desire to drive down water demand. I commend Hunter Water for 125 years of service to the community and applaud its ambition for a smarter water future.

AUSGOLD MINING GROUP

The Hon. WALT SECORD (14:37): My question without notice is directed to the Minister for Resources. In light of revelations that workers at the AusGold Mining Group failed mining project at Tibooburra were paid in cash out of a backpack, will the Minister guarantee that all State and Federal taxes and workers entitlements including superannuation and workers compensation were paid?

The Hon. Greg Pearce: Point of order: My point of order goes to relevance insofar as it now applies to me.

The Hon. Walt Secord: Mr President, you would have kicked me out for that.

The PRESIDENT: I promise you that on your last day I will let you do that. There is no point of order. The Minister has the call.

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:38): That is a new one all right. I do not think I have seen that done before. As I said, I encourage anyone who becomes aware of any breaches of the law or of other offences to report them to the relevant authorities. As to whether I can give those sorts of guarantees, I am clearly not in any position to do that in relation

to Federal taxes. Regarding any obligations that I might have in relation to my portfolio, I am happy to take that question on notice.

The Hon. WALT SECORD (14:39): I ask a supplementary question. Will the Minister elucidate his answer in regard to guarantees? Will the Minister guarantee that he, his chief of staff, and his ministerial office have not intervened or provided any guidance to the New South Wales resources regulator in relation to their investigation into his friend Sally Zou and AusGold?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:39): First of all, the assumption in Mr Secord's question that Ms Zou is my friend is simply wrong. I met her on two occasions, entirely in relation to portfolio dealings. She asked me to attend a launch of the mine, which I did, and I have had no further contact with her since then. He is quite wrong to suggest in his question that she is my friend. I assure the House that on no occasion have I intervened on her behalf. I have not done that and I will check with my office, but I would be very surprised if any of them have done that either.

The Hon. WALT SECORD: I seek leave to table a photograph of the Hon. Don Harwin and Ms Sally Zou.

The Hon. Catherine Cusack: To the point of order: The member is using a prop, which is disorderly at all times.

The PRESIDENT: It was not a point of order. The member was seeking leave, and so I will put that question. Is leave granted?

Leave not granted.

The PRESIDENT: It is open to a member and in order for a member to seek leave to table a document and to hold the document. It is another matter entirely for the member to wave the document around the Chamber as a form of prop. When members are seeking to tender a document, I ask that they do so in an appropriate manner and not utilise the document as a prop.

HEMP INDUSTRY

The Hon. CATHERINE CUSACK (14:41): My question is addressed to the Minister for Primary Industries, Minister for Regional Water and Minister for Trade and Industry. Will the Minister update the House on the sale of low tetrahydrocannabinol [THC] hemp as food that began in New South Wales this week?

The Hon. NIAL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (14:42): I thank the honourable member for her question about the welcome progress towards growing a productive, low tetrahydrocannabinol [THC] hemp industry in New South Wales. As of Sunday 12 November, New South Wales consumers can now find hemp food products on shelves following the April decision by the Australia and New Zealand Ministerial Forum on Food Regulation to approve low THC hemp for sale as food. In making its decision to change the food standards code to permit its sale, forum members acknowledged that Food Standards Australia New Zealand had not identified any food safety or public health risks associated with low THC hemp food products.

This is good news for the growth potential of the State's existing hemp industry. This is good news for customers who will now be able to purchase a healthy food that is produced sustainably. This is also good news for New South Wales, particularly regional and rural areas, which will experience economic, trade and employment benefits. It is the critical next step in expanding the low THC hemp industry in New South Wales and growing it into a thriving agricultural sector. In a 2012 report prepared by the Australian Bureau of Agricultural and Resource Economics and Sciences [ABARES], it was estimated that approval of low THC hemp as food could increase the total Australian hemp seed yield from 93 tonnes in 2011—of which most was grown in New South Wales—to between 250 and 380 tonnes per annum.

Low THC hemp is already grown legally in New South Wales under strict licensing conditions. It is a hardy and sustainable crop that has enormous potential for both domestic and export trade markets. Low THC hemp foods are sold legally in more than 21 developed countries including the United States of America, Canada and the United Kingdom. There are proven health benefits of hemp because it contains a near-perfect ratio of omega-3 and omega-6, and higher levels of protein. There is increased consumer interest in health and lifestyle, which is now playing a big role in growing markets like low THC hemp foods. In the United States, the Hemp Industries Association estimates the value of hemp-based foods, supplements and body care sales to be between US\$150 and US\$170 million per annum.

Australian hemp growers are developing drought-resistant varieties for the domestic and international markets to further improve its viability as a crop. I note the considerable work undertaken to address earlier

concerns surrounding low THC hemp as food, and I am thrilled to have this product on our shelves in New South Wales. I am advised that it makes a great addition to cereals, shakes and pastas. I encourage everyone to get behind this new crop that is now able to be grown legally throughout Australia. Once again, this is a fantastic demonstration of not only the producers in New South Wales being well and truly in touch with what consumers want, but also a Government that understands that it must work with industry to reflect not only the desires of consumers but also to do so in a way that goes through the appropriate processes. That is what I am pleased about. We had a number of agencies working at a State level and we worked in cooperation with our Federal and other State counterparts to now allow this product to be consumed legally as food in New South Wales. It is a win for consumers, for the health of consumers, and more importantly for our farmers.

POWERHOUSE MUSEUM ULTIMO

The Hon. ROBERT BORSAK (14:46): My question without notice is directed to the Hon. Don Harwin, Minister for the Arts. I refer to the front page story in the *Sydney Morning Herald* on November 14 announcing a Government plan to allow the University of Technology Sydney to take over the Ultimo Powerhouse Museum site. When will the Minister and the Premier outline the details of this Government plan and when will they table the supporting business case to Portfolio Committee No.4 Inquiry into Museums and Galleries?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:47): I thank the Hon. Robert Borsak for his question. I appreciate that he is in some difficulty at the moment due to an injury he has suffered, and was not able to be present in question time yesterday when I was asked a similar question by the Hon. John Graham, during which, at some length, I went through the extended business case process and associated assurance processes that must be followed in terms of guidelines that have been set down by Treasury and by Infrastructure NSW around how business cases are handled.

I am sure the House would be relieved to know that I do not plan to go through again that extensive response and all of the requirements of the business case process in excruciating detail, as I did yesterday. I did note at the conclusion of the answer that once the extended final business case gateway review, which is the important assurance process I have just referred to by Infrastructure NSW, has been completed successfully, the project is ready for consideration by the Cabinet infrastructure committee and the Expenditure Review Committee of Cabinet. I am pleased that the business case the department is preparing is expected to be received very soon so those assurance processes can commence. As I recollect, I told the House yesterday that I hoped it would be concluded before the end of the year but, if not, it would be very early in the new year.

AUSGOLD MINING GROUP

The Hon. GREG DONNELLY (14:49): My question without notice is directed to the Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts. Given the collapse of the AusGold mining project in Tibbooburra, does the Minister stand by his glowing parliamentary endorsement of prominent Liberal donor Sally Zou when he has said in this House:

She is investing money in far western New South Wales, she is creating jobs and she is putting money into the economy.

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:50): I have addressed this in the two answers I have already given on this issue. Obviously the reports that have received some prominence give me great cause for concern, and I am disappointed to hear of them. I repeat what I said earlier in response to two questions asked of me on this issue—namely, I encourage anyone who becomes aware of any breaches of conditions to title, law or offence to report them to the relevant authorities. I am sure they will be given close consideration and the required appropriate action will be taken.

With the indulgence of the House, I would like to add to my response to the last Opposition question concerning any intervention by myself, my chief of staff or any of my ministerial staff. In the intervening period I have had all my staff members canvassed and I can advise the House that no-one in my office has met with or spoken to Sally Zou since the opening of the Good Friday mine earlier in the year. As I said in answer to a previous question, I have spoken to Sally Zou on only two occasions—in the meeting when she invited me to attend the opening and at the opening. The photograph the Hon. Walt Secord was brandishing earlier was of me at a hotel in Sussex Street—I cannot remember the name of that hotel—where the opening was held. Several hundred other people were also present. It should come as no surprise that at the opening of a mine one has a photograph taken with the owner of the mine. In any case, this matter has been canvassed in a previous question time.

The Hon. GREG DONNELLY (14:53): I ask a supplementary question. In light of the Minister's answer in which he expressed concern about Sally Zou, and this issue having reached the media, is the Minister now revising his endorsement of Sally Zou when he said in this House:

She is investing money in far western New South Wales, she is creating jobs and she is putting money into the economy.

Is the Minister revising his position?

The Hon. Scott Farlow: Point of order: The member's question does not seek an elucidation of the Minister's answer. Perhaps it can be asked as another question, but it is clearly not a supplementary question.

The Hon. GREG DONNELLY: To the point of order: I do not see how the nexus could be any clearer. My supplementary question hooks directly back into the original question.

The PRESIDENT: Order! Can the member explain what part of the question hooks into the Minister's original answer?

The Hon. GREG DONNELLY: The Minister said that he had concerns about what has now emerged in the public domain—they are my words. In light of those comments, is the Minister now revising the statement he made in this House that:

She is investing money in far western New South Wales, she is creating jobs and she is putting money into the economy.

The Hon. Scott Farlow: Further to the point of order: The member is seeking to ask his original question again based on the answer given by the Minister. That does not seek an elucidation of the Minister's answer and should be ruled out of order.

The PRESIDENT: Order! I uphold the supplementary question. The Minister has the call.

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:55): I thank the member for his question. I refer the Hon. Greg Donnelly to my earlier answer.

The PRESIDENT: Order! When Opposition and Government members sought the call earlier, the call was due to go to the crossbench. The crossbench missed the call. The Hon. Robert Brown will now have the call. He will be followed by the Government and then the crossbench.

COAL INDUSTRY

The Hon. ROBERT BROWN (14:56): My question without notice is directed to the Minister for Energy and Utilities. Previous statements by the Minister suggest that he wishes to transition New South Wales to a coal-free economy in both mining and electricity generation. Given that during the life of this Government, coalmining royalties have amounted to at least \$6 billion, and the coal industry contributes \$15 billion in economic activity every year in New South Wales, will the Minister advise the House how the Government proposes to replace the jobs and revenue lost by making this State a coal-free zone?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (14:57): I fear the Hon. Robert Brown is misinformed about comments I have made about the role of the coal industry. He has obviously gone through a number of statistics. The statistics in his question, from the best of my recollection of what he said, are accurate. The coal industry plays a crucial role in the amount of royalties accrued in consolidated revenue in this State. It also plays a crucial role in employment, particularly in regional communities. I understand the importance of the coal industry and, moreover, I have said so publically. Each month I have an editorial in *The Coalface*. In the October edition of that publication I wrote:

Coal is the most relied upon fuel source for producing constantly available power to businesses and homes across New South Wales—a hugely important part of our energy mix.

The best of it is found in the Hunter and while our society transitions to a cleaner energy future, thermal coal will continue to play a vital role in keeping the lights on and energy prices down. But we have to remember that the majority of the coal we mine is exported to key trading partners and this will continue if there is international demand and we remain competitive. The NSW Government wants the market to make decisions around energy—both domestically and for export—and we want to give the market confidence to invest how it sees fit.

Further down in the article I state:

We know in NSW what Labor and the Greens stand for—shutting your industry down. Our Government won't let that happen. We view mining as a critical export sector for the jobs and investment it brings our regions. In October, this Government's commitment to securing the future of local jobs and placing downward pressure on power prices in NSW was made crystal clear.

We acted swiftly to secure the future of Springvale Mine and the continued supply of coal to Mount Piper Power Station.

At the conclusion of the editorial I add:

As the warmer months approach we are acutely aware of the challenges our hot Australian summers bring. Reliable and affordable energy supply is a priority for our government. It's pleasing to know we will have you—

that is addressed largely to miners in the Hunter Valley and their colleagues in Lithgow—

at the coalface working hard to provide the people of NSW with reliable energy supply to their homes—That's a win-win for us.

That reflects my views on the coal industry and the importance it has to the people of New South Wales. I am very happy to have the opportunity to clear that up. But it goes without saying that metallurgical coal is a critical ingredient in a number of manufacturing processes, and there will always be a need for metallurgical coal. Thermal coal and thermal coal-powered power stations will still be supplying power to New South Wales during most of my lifetime. [Time expired.]

SYDNEY INTERNATIONAL ART SERIES

The Hon. BEN FRANKLIN (15:01): My question is addressed to the Minister for the Arts. Will the Minister update the House on the Sydney International Art Series and what impact it will have on the New South Wales summer?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:01): I thank the Hon. Ben Franklin for his question. I note his particular interest in the Arts portfolio, especially regional arts. Over the last fortnight it has been my honour to open exhibitions that form part of the summer of 2018 Sydney International Art Series. The Sydney International Art Series brings artworks by the world's most outstanding artists exclusively to Sydney through two blockbuster exhibitions: *Rembrandt and the Dutch golden age: masterpieces from the Rijksmuseum* at the Art Gallery of New South Wales, and *Pipilotti Rist: Sip my Ocean* at the Museum of Contemporary Art Australia [MCA].

The Sydney International Art Series is an initiative of the New South Wales Government via its tourism and major events agency Destination NSW, which brings acclaimed art to Sydney and is a major driver of visitation. Since its inception in 2010, the Sydney International Art Series has generated more than \$134 million in overnight visitor expenditure for the State and attracted more than 1.8 million attendees. Of those attendees, more than 180,000 were visitors from overseas, interstate and regional New South Wales who travelled to Sydney specifically to view these exhibitions.

This year, *Rembrandt and the Dutch golden age: masterpieces from the Rijksmuseum* is on display at the Art Gallery of New South Wales. This is the first art exhibition in Sydney devoted to the Dutch golden age, when the art of painting flourished like never before. Drawn from the Rijksmuseum, the renowned national collection of The Netherlands, this exhibition includes a rare painting by Johannes Vermeer and a room dedicated to one of the greatest minds in the history of art, Rembrandt van Rijn. This magnificent exhibition comprises 78 exceptional works of art from the Rijksmuseum and presents a richly unfolding panorama of Dutch society during an era of unparalleled wealth, power and cultural confidence.

The Art Gallery of New South Wales and the Rijksmuseum are to be congratulated on their outstanding collaboration to present this exhibition. At the Museum of Contemporary Art Australia, a major retrospective exhibition from pioneering video artist Pipilotti Rist is sure to capture the imagination of its audiences. *Pipilotti Rist: Sip my Ocean* presents the artist's early single-channel videos of the 1980s to her more recent large-scale audiovisual installations. Securing these remarkable collections, to be shown exclusively in New South Wales, reaffirms the reputation of Sydney as a creative global city that attracts the world's most outstanding art to this State.

Importantly, these exhibitions deliver on the New South Wales Government's ambition for New South Wales to be known for its bold and exciting arts and culture which engage our community and reflect our rich diversity, and that can only grow when the Sydney Modern extension to the Art Gallery of New South Wales is completed. As ever, these exhibitions can only be done with generous philanthropic support, and special kudos for them should go to David Gonski and, in particular, Simon Mordant, the chair of the MCA board, who, along with Catriona Mordant, were the foundation sponsors for their exhibition. The Sydney International Art Series is a signature event on the New South Wales events calendar and this year promises to be one of the most exciting series to date. [Time expired.]

BIODIVERSITY OFFSETS SCHEME

Dr MEHREEN FARUQI (15:06): My question without notice is directed to the Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts, representing the Minister for the Environment. Given the cost-benefit analysis conducted by the Centre for International Economics has found that big mining companies are the major beneficiaries of the New South Wales Government's biodiversity offsets policy, will the Government now admit that this policy has nothing to do with protecting threatened species and everything to do with helping out its mates in big mining companies and big development?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:06): I thank Dr Mehreen Faruqi for her question directed to me representing the Minister for the Environment, although I note she could equally have asked my colleague the Deputy Leader of the

Government to comment on this matter as he has extensive responsibilities in this area along with the Minister for the Environment. Dr Faruqi's suggestions are absolute nonsense.

The Hon. Niall Blair: They contain argument.

The Hon. DON HARWIN: The Deputy Leader of the Government may well be right, but I did not take a point of order so I will not canvass that any further. The Government carefully considered the impacts of the Biodiversity Offsets Scheme and had wide consultation and advice from the Independent Biodiversity Legislation Review Panel in coming to the position that it did. I do not believe the member's concerns are valid.

WATER COMPLIANCE AND ENFORCEMENT

The Hon. MICK VEITCH (15:08): My question without notice is directed to the Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry. Why did the Government ignore the Ombudsman's recommendation from the 2013 investigation into water compliance and enforcement, which identified "the potential conflict in combining industry promotion, licensing and regulation in one agency", and compounded the situation by transferring Department of Primary Industries—Water staff to WaterNSW through the Water NSW Amendment (Staff Transfers) Act 2016?

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (15:08): I thank the member for his question in relation to the Ombudsman's report—

Mr Jeremy Buckingham: You can't even say it, let alone release it.

The PRESIDENT: Order! I call the Hon. Jeremy Buckingham to order for the first time. The Minister has the call.

The Hon. NIALL BLAIR: The Ombudsman's report was tabled in this Parliament today yet the honourable member suggests that the Government has not released it. It is a report of the Ombudsman today which talks about earlier reports from the Ombudsman. The honourable member asked me a reasonable question about the Government's response to some of the recommendations made in 2013 in a report that the Ombudsman provided to the Government. The incoming Government brief provided to me in April 2015 stated:

... further work will be undertaken in 2015 to enable the Government to consider ways to clarify functional responsibilities of the bulk water operator (WaterNSW) and the water regulator (NSW Office of Water). These matters will be considered by an inter-agency steering group prior to formal Government consideration.

The Government's broader policy was to continually improve regulation in a number of ways, including by the water market transformation process. That process has led to a number of bills being presented to this House, and we will be debating more in relation to this a little later this evening. The Ombudsman has said, particularly in this latest report, that there is an acknowledgement of the work that has been done by WaterNSW. The fact that the compliance went to WaterNSW, coming off the back of the information I was supplied in 2015 when becoming Minister, clearly is reflected on page 25 of the report of the Ombudsman, who notes:

WaterNSW advised that it has engaged a number of experienced investigators since 1 July 2017 leading to a significant increase in enforcement outcomes in the four months to 3 November 2017. The adjusted number of enforcement outcomes for the period 1 July 2016 to 3 November 2017 as provided by WaterNSW is:

- 115 formal warnings
- 192 advisory letters
- 274 no action
- 105 penalty infringement notices
- 12 prosecutions
- 65 statutory directions
- 187 others.

For the record WaterNSW advises me that it has not yet been formally engaged by the New South Wales Ombudsman for its input into this investigation and looks forward to doing so. By way of example, it advises that it has reduced the number of compliance matters open on 1 July 2016 from 364 to 43 and is working towards properly finalising those legacy matters still outstanding. The report highlights that there have been a number of ongoing issues that have not been addressed in the past. While I cannot change what has happened before, I can make the commitment that these issues are now being considered seriously and action is underway to determine and implement the reforms that will address the issues in this report and to restore community confidence in water compliance and enforcement. In late July I commissioned Ken Matthews to investigate the serious issues that were raised about water compliance in New South Wales. In September Mr Matthews provided a report that

outlined a very concerning picture about water management in New South Wales and this evening we will have an opportunity to take one of the first steps in rectifying that in this State.

BROKEN HILL WATER PIPELINE

The Hon. TREVOR KHAN (15:12): My question is addressed to the Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry. Will the Minister please outline the importance of the planned Broken Hill pipeline and the jobs that it will bring to New South Wales?

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (15:13): I had great pleasure in visiting the Illawarra a few weeks ago alongside my colleague Gareth Ward as I unveiled the successful tenderer to build the Broken Hill pipeline. A joint venture between John Holland and MPC Group will construct the \$467 million pipeline from the Murray River at Wentworth to Broken Hill under the guidance of WaterNSW, which has a proven track record of infrastructure delivery, and we will build it using substantially Australian-rolled steel. This is undoubtedly good news for the people of Broken Hill because finally a New South Wales Government has had the foresight and the economic credentials to secure Broken Hill's water supply. It is also a big win for steelworkers in the Illawarra.

We are shipping steel from Port Kembla to the spiritual home of BHP. Up to 30,000 tonnes of Australian steel will come out of the BlueScope plant in Wollongong destined for the Silver City. This is not some pie in the sky aspiration; it is not part of a wish list. This is happening as I stand here today. WaterNSW was able to place initial orders with BlueScope because we had included the requirement for substantially Australian steel to be used in the project, meaning steel has already been rolling out of its Port Kembla strip mill for weeks. This project will inject around \$50 million into the Wentworth and Broken Hill economies, generating more than 150 local jobs, with the project expected to reach 500 at its peak. There are also the multiplier effects of the spin-off for the Illawarra.

What price can one put on water security? What price can one put on job security? This project delivers both. The people of Broken Hill have as much right to a safe and reliable supply of water as anyone else across New South Wales and the Government is delivering it to them. The New South Wales Government had the option to build this 270-kilometre pipeline out of imported synthetic product but the Government understands the importance of jobs, especially steel manufacturing jobs. While those opposite call for a moratorium on the pipeline, we are getting on with building what is a game-changing piece of regional infrastructure—the pipeline is the centrepiece of our \$1 billion Safe and Secure Water fund. This fund is devoted purely to regional water projects, including \$5.25 million towards a new wastewater treatment plant at Hay and \$5 million to replace the Junee treatment plant; the list goes on.

The Government will not be decommissioning Menindee Lakes but will reconfigure them to reduce the amount of evaporation. This has been one of the big challenges that Broken Hill has faced. It has been reliant on a most unreliable source of water. The new pipeline will now draw water from the vastly more reliable Murray River. This will have a virtually negligible effect on flows downstream as the Broken Hill water supply will account for just 0.5 per cent of total water down the Murray River. Conversely, the amount of water lost in evaporation from Menindee Lakes can be 40 times Broken Hill's water requirements for a year, or roughly 460 billion litres; that can be saved by reconfiguring the lakes. That is good news for Broken Hill and good news for the Illawarra and it has been done by this Liberal-Nationals Government. We are here for jobs. [*Time expired.*]

WATER COMPLIANCE AND ENFORCEMENT

Mr JEREMY BUCKINGHAM (15:17): My question without notice is directed to the Hon. Niall Blair, Minister for Regional Water. This morning an interim report was tabled by the Ombudsman that exposes "systemic failures" in compliance and enforcement of water regulation from 2007 to the present day. The Ombudsman intends to complete the final report by April 2018. The interim report notes that many of the serious issues raised were included in earlier reports by the Ombudsman in 2009, 2012 and 2013 but these have never been made public. Will the Minister table the Ombudsman's reports of 2009, 2012 and 2013 and will he commit to publicly release the final report when it is completed next year?

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (15:18): I thank the honourable member for his question. What he has just demonstrated is a clear lack of understanding of the role of the Ombudsman. The New South Wales Ombudsman is an independent and impartial watchdog. In order for the Ombudsman and his office to be able to undertake their work effectively it is important that there is a level of confidentiality afforded to their work. In relation to the 2009 and 2013 reports, I am advised they were not written to be published, which is evident from the detailed nature of the commentary and also because individuals are identifiable. I am further advised the 2009 report names a number of individuals and the 2013 report enables identification through role titles.

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

The Hon. NIALL BLAIR: As individuals have not been provided with procedural fairness, releasing the reports now would not be consistent with principles of fairness and it is not necessary given that the Ombudsman's office has published an overview of the content in a way which does not divulge confidential information. As we have seen here today, the Ombudsman has the ability to publish reports and the fact that the earlier reports were not published suggests that the Ombudsman's office did not think that they were appropriate to publish. The overview nature of the current report suggests that it is intended to be a proxy for the previous reports without divulging confidential information.

Mr JEREMY BUCKINGHAM (15:19): I ask a supplementary question. Will the Minister elucidate his answer regarding the Ombudsman's report and the advice he received that it was not for public release?

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (15:20): I have to elucidate the part of my previous answer about the Ombudsman's report. The entire answer was related to the 2009, 2013, 2017 reports that were not released. I clearly outlined the independence of the Ombudsman, the role and the decisions that the Ombudsman makes as to whether it publishes a report or not and the fact that the Minister does not direct the Ombudsman to publish those reports. I will refer to my previous answer.

WATER COMPLIANCE AND ENFORCEMENT

The Hon. MICK VEITCH (15:21): My question without notice is directed to the Minister for Primary Industries, Minister for—

The Hon. Niall Blair: Point of order: Mr President, it was difficult to hear the question or who it was directed to because of the interjections.

The PRESIDENT: I remind members that interjections are disorderly at all times. I ask the Hon. Mick Veitch to ask his question again. The Clerk will restart the clock.

The Hon. MICK VEITCH: My question without notice is directed to the Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry. In light of the Ombudsman's report "Investigation into water compliance and enforcement 2007 to 2017", which found that since water compliance was shifted from the Department of Primary Industries—Water to WaterNSW there has been a 72 per cent drop in enforcement actions, an 80- to 85 per cent drop in penalty infringement notices, an 80 per cent drop in warning letters and zero prosecutions in the first 12 months after the transition, will the Minister now admit the Government's failure to properly enforce the regime has allowed the proliferation of water theft?

The Hon. NIALL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (15:22): I clearly addressed these issues in my earlier answer. I think it is worth reiterating the direct parts of the question in relation to the performance of WaterNSW.

The PRESIDENT: I call Mr Scot MacDonald to order for the first time.

The Hon. NIALL BLAIR: What I said in that earlier answer is directly relevant to this question. There is little joy in the report today for me as Minister, for the many good public servants who work in this area or for water users across the State. All of us, including me as Minister, depend on good governance structures and practices to maintain confidence in the administration of surface and groundwater resources in New South Wales. To the extent the Ombudsman's report is an accurate reflection of systemic issues that have bedevilled regulation since the turn of the century then we have all been let down. The little joy in today's report is an acknowledgment of the work done by WaterNSW. As I said earlier, that is listed on page 25. The Ombudsman states:

WaterNSW advise that it has engaged a number of experienced investigators since 1 July 2017 leading to a significant increase in enforcement outcomes in the four months to 3 November 2017. The adjusted number of enforcement outcomes for the period 1 July 2016 to 3 November 2017 as provided by WaterNSW is:

- 115 formal warnings
- 192 advisory letters
- 274 no action
- 105 penalty infringement notices
- 12 prosecutions
- 63 statutory directions
- 187 others.

For the record, WaterNSW advises me that it has not yet been formally engaged by the Ombudsman for input into this investigation and looks forward to doing so. By way of example, it advises it has reduced the number of compliance matters open on 1 July 2016 from 364 to 43 and is working towards promptly finalising those legacy matters still outstanding. That clearly provides more information than was asked by the member in his question about the up-to-date performance of WaterNSW.

What the report highlights is that there have been a number of ongoing issues that have not been addressed in the past. The decision the Government made, coming off the back of the advice that I was given when I first became water Minister in 2015, was that there should be the transformation project that the agencies were working on at that time, the legislation for which we took through this House. There have been a number of issues since then. I have outlined to the House this afternoon the latest up-to-date performance of WaterNSW.

What I do not want is the previous serious systemic problems, that the Ombudsman quite rightly makes mention of, to be seen as the current performance of WaterNSW. WaterNSW has been doing a mountain of work to address the systemic dysfunction. The Government has made a broader decision, based on the recommendations from Ken Matthews, to do further work in this area and it is something that will be debated before the House. Rather than have the questions ruled out of order because we have a bill before the House— [*Time expired.*]

MINERALS INDUSTRY

The Hon. SCOTT FARLOW (15:27): I address a question to the Minister for Resources. Will the Minister update the House on the New South Wales minerals industry and are there any lesser-known minerals that are playing a role in the industry?

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts) (15:27): I thank the Hon. Scott Farlow for the question. It is always a pleasure to have the opportunity to talk about how New South Wales is developing its world-class minerals, especially lesser-known minerals such as zirconium. Zirconium is a lustrous grey-white metal that not many of us would have handled in its pure form and yet it has so many applications we take for granted. Its biocompatibility with our bodies is so strong that zirconium alloys are used to make long-lasting hard-wearing joints such as knee and hip implants or for removing ammonia from kidney dialysis machines. It has replaced lead in paints, created better water repellents and increased the resistance to fire in fabrics. Zirconium is highly resistant to corrosion and can be found in pipes in chemical manufacturing plants. Members may be interested to know that we hear it in our mobile phones as zirconium amplifiers are used to boost signal strength and clarity. If you were to chemically combine oxygen to it you would have a white crystalline zirconium oxide or zirconia.

I realise that when I say "zirconia", many immediately think of the lab-produced cubic zirconia—fake diamonds. But zirconia is much more than cheap jewellery. It is a non-reactive, non-toxic material that is used to add strength or to give an opaque finish to products. I know that members in this place brush and floss regularly so they have no need for fillings but if they did they may benefit from zirconia as it replaces traditional materials for brighter, whiter and more hard-wearing false teeth. The zirconia ceramics are so strong that they are added to jet turbines to give them a diamond-like protective coating which allows them to run hotter and cleaner with lower emissions. Zirconia is used in solid oxide fuel cells, which provide clean, reliable, affordable and portable power. It is also used in the exhausts of all modern cars through catalytic converters, which directly help reduce emissions.

Currently, 97 per cent of zirconia is produced from zircon. Zircon contains the metal zirconium and oxygen with the added element of silicon and they are all chemically bonded. Australia leads the world in zircon mining. It produces 31 per cent of the world's total and accounts for 66 per cent of world economic demonstrated resources. New South Wales has an emerging world-class heavy mineral sand province in the Murray Basin. The most recent estimate by the Geological Survey of NSW is that it contains 15.1 million tonnes of zircon and this number has been growing rapidly as more exploration is undertaken. New South Wales also has one of the world's largest in-ground hard rock deposits of zirconium near Dubbo. Whether your product needs zirconium, zirconia or zircon, New South Wales is well placed to benefit from playing a major role in supplying these necessary minerals.

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

Deferred Answers

NEPEAN HOSPITAL

In reply to Ms DAWN WALKER (11 October 2017).

The Hon. NIAL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry)—The Minister provided the following response:

A recent evaluation of outcomes for trauma patients in New South Wales undertaken by the Agency for Clinical Innovation found the New South Wales trauma system is operating effectively in reducing deaths for major trauma patients.

SPRING GULLY RESORT DEVELOPMENT

In reply to **the Hon. PENNY SHARPE** (11 October 2017).

The Hon. DON HARWIN (Minister for Resources, Minister for Energy and Utilities, and Minister for the Arts)—The Minister provided the following response:

I am advised this matter is still being assessed.

Bills

ELECTRICITY SUPPLY AMENDMENT (EMERGENCY MANAGEMENT) BILL 2017

Returned

The PRESIDENT: I report receipt of a message from the Legislative Assembly returning the Electricity Supply Amendment (Emergency Management) Bill without amendment.

STATUTE LAW (MISCELLANEOUS PROVISIONS) BILL (NO 2) 2017

Second Reading Debate

Debate resumed from 18 October 2017.

The Hon. ADAM SEARLE (15:34): I lead for the Opposition on the Statute Law (Miscellaneous Provisions) Bill (No. 2) 2017. The objects of the bill are to make minor amendments to various Acts and instruments and to amend certain other Acts and instruments for the purposes of effecting statute law revision, in this case in schedule 4; to repeal various Acts and instruments and provisions of Acts, in this case an instrument in schedule 5; and to make other provisions of a consequential or ancillary nature contained in schedules 1, 2, 3 and 6. I will not enumerate the many minor matters that are attended to, but in keeping with the tradition of statute law provisions that are meant to be of a minor housekeeping nature the bill proceeds on the basis of a convention of consensus. When parties or members have difficulties with one or more provisions, by convention those matters are removed.

The Hon. Mick Veitch: That is the convention.

The Hon. ADAM SEARLE: I acknowledge that interjection. In keeping with the tradition applicable to legislation of this kind, which I note in recent times has not always been followed, the Opposition has identified changes to the National Parks and Wildlife Act on page 9, clause 1.14, items [1] and [2], and schedule 5 on page 38, item [3], and also to the Residential Tenancies Act 2010 on page 2, clause 1.18, items [1] and [2]. I note that in its circulated amendments the Government has encapsulated those amendments and a couple of others that were no doubt raised by other members. I thank the Government for doing so. It seems that in Government amendment No. 3 the draftsman was trying to overcome a policy matter that this House dealt with in a substantive bill when the Government, in its wisdom, accepted a Christian Democratic Party amendment in debate. This bill would have had the unintentional effect of undoing that policy change. I thank the Government for adopting the longstanding tradition of proceeding by way of consensus and for proposing amendments that address those matters. The Opposition does not oppose the legislation.

Reverend the Hon. FRED NILE (15:37): On behalf of the Christian Democratic Party I speak in support of the Statute Law (Miscellaneous Provisions) Bill (No. 2) 2017. We have no objection to this legislation or the procedure that the Government uses to make minor administrative changes. It saves the time of the House by having these minor matters dealt with not in separate bills but by combining them in the Statute Law (Miscellaneous Provisions) Bill. This efficient provision works well. I indicate that the Christian Democratic Party has no objections to the aspects of the bill. Under the current procedures, if any member of the upper House does object, the Government cooperates by removing that item from the bill—and I note a couple of items have been raised by members. I support the bill.

Mr DAVID SHOEBRIDGE (15:38): I am pleased to say that The Greens support the Statute Law (Miscellaneous Provisions) Bill (No. 2) 2017. We commend the Government for the way in which it has gone about consulting on the bill. The engagement we received when we raised substantive concerns was extremely helpful and substantive answers were provided. On our initial examination of this bill, we had concerns about changes to the Barangaroo Delivery Authority Act, the Children and Young Persons (Care and Protection) Act, the Government Sector Employment Act, the Motor Accident Injuries Act and the Ombudsman Act. The Government provided substantive answers that address all of our concerns in relation to all those Acts bar the

Government Sector Employment Act. I thank the Government for engaging in that process and for providing us with helpful, useful and detailed information.

The Hon. Dr Peter Phelps: You say it like it is a rare thing.

Mr DAVID SHOEBRIDGE: I note that interjection. We are not of one mind at this stage in relation to the Government Sector Employment Act. The proposed changes in the bill would make the definition of "misconduct" an inclusive rather than exclusive definition and would broaden the scope of misconduct, which may see public servants have their employment prejudiced or, in some cases, terminated. If that is a substantive policy change, then at this stage The Greens would not support it. Having conveyed that sentiment to the Government, it has complied with the conventions of the House and removed that provision from the statute law bill. I thank the Government for doing that. Maybe we can have that fight another day. The Greens support the bill together with the amendments that have been foreshadowed, which will be moved in Committee. I note that my colleague Ms Jenny Leong raised issues in relation to the Residential Tenancies Act. Again, after an exchange of information, the Government has agreed to remove that part from this bill. If it wishes to proceed with those amendments it will proceed by way of a substantive bill. Assuming the Committee stage process runs smoothly, The Greens support the bill.

The Hon. DAVID CLARKE (15:41): On behalf of the Hon. Don Harwin: In reply: I thank the Hon. Adam Searle, Reverend the Hon. Fred Nile and Mr David Shoebridge for their contributions to this debate on the Statute Law (Miscellaneous Provisions) Bill (No. 2) 2017. I will move amendments in Committee to remove certain provisions from the bill that were objected to by non-government parties. I commend the bill to the House.

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

Motion agreed to.

In Committee

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

The Hon. DAVID CLARKE (15:43): By leave: I move Government amendments Nos 1 to 4 on sheet C2017-119, in globo:

- No. 1 **Government Sector Employment Act 2013 No 40**
Page 8, Schedule 1.10, lines 4–12. Omit all words on those lines.
- No. 2 **National Parks and Wildlife Act 1974 No 80**
Pages 9 and 10, Schedule 1.14, lines 31–44 on page 9 and lines 1–8 on page 10. Omit all words on those lines.
- No. 3 **Residential Tenancies Act 2010 No 42**
Page 12, Schedule 1.18, lines 20–36. Omit all words on those lines.
- No. 4 **National Parks and Wildlife Act 1974 No 80**
Page 38, Schedule 5, lines 11–16. Omit all words on those lines.

Mr David Shoebridge: I am persuaded.

The Hon. DAVID CLARKE: I am pleased to hear that Mr David Shoebridge is persuaded. The longstanding practice in this place is that statute law revision bills are passed only with the agreement of all parties. In the spirit of this protocol, the Government has moved these amendments in response to objections raised by non-government parties.

The CHAIR (The Hon. Trevor Khan): The Hon. David Clarke has moved Government amendments Nos 1 to 4 on sheet C2017-119. The question is that the amendments be agreed to.

Amendments agreed to.

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

Motion agreed to.

The Hon. DAVID CLARKE: I move:

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

Motion agreed to.

Adoption of Report

The Hon. DAVID CLARKE: On behalf of the Hon. Don Harwin: I move:

That the report be adopted.

Motion agreed to.

Third Reading

The Hon. DAVID CLARKE: On behalf of the Hon. Don Harwin: I move:

That this bill be now read a third time.

Motion agreed to.

NATURAL RESOURCES ACCESS REGULATOR BILL 2017**Second Reading Debate**

Debate resumed from 18 October 2017.

The Hon. MICK VEITCH (15:47): I am pleased to lead for the Opposition on the Natural Resources Access Regulator Bill 2017. Natural resource management is one of the most critical functions of any government. The sustainable, fair and transparent management of our natural resources and the equitable access and allocation of such resources underpin the health of our environment and the cohesion of communities that rely on such resources, as well as the prosperity of our economy. We are blessed in Australia with an abundance and diversity of natural resources. We have ridden on the sheep's back, rode the mining boom and now hopefully will lead the world in the use of solar, wind and other renewable sources of energy. We will feed Asia with our clean and safe product.^o

But throughout our history we have failed to recognise the preciousness of many of our natural resources, most notably water. While we live in one of the most beautiful environments in the world, it is also one of the most fragile. The need to sustainably manage natural resources, particularly water on the driest continent in the world, is a fundamental responsibility for any government. This side of the House led the way in terms of protecting the environment and sustainably managing our natural resources. Labor has a proud record in this regard. The way in which a government goes about managing natural resources also reflects its outlook, its priorities, and some may say its morality.

The scandal that has unfolded in terms of alleged water theft along the Murray Darling, the role of certain senior members of the bureaucracy, and the damning role played by The Nationals has been the centre of much scrutiny of late. I will not dwell on the recent scandal that is still playing out in relation to water theft in New South Wales, suffice to say I do hope that investigations outside the control of the Government get to the bottom of what has been going on since 2011. My focus here is to unpack the bill and provide a critique.

The objects of the bill are: to constitute the natural resource regulator as a statutory corporation to have functions relating to the enforcement of natural resource management; to provide for the regulator to have a governing board; to authorise the exchange of information and records relating to the administration of natural resources management legislation; and to provide for the transfer of compliance and enforcement staff in WaterNSW to any public service agency in which staff of the regulator are employed or in which persons are employed in connection with the administration of natural resources management legislation.

I say at the outset that the Opposition supports any genuine attempt to strengthen natural resource legislation. The principles contained in the bill are sound, but we believe that what it delivers falls far short of what the community expects. On one reading of this bill, it is a fig leaf—an attempt to show that the Government is doing something when it is not really doing much at all. It is a poor attempt to establish an independent regulator without giving that body the independence and rigour it warrants. To be generous, at the very least the Minister acknowledges that part of this bill addresses the governance and probity issues that were created through the transfer of water compliance staff from the Department of Primary Industries to WaterNSW through the Water NSW Amendment (Staff Transfer) Act 2016.

I will not dwell too much on that aspect, suffice to say that the Opposition held grave concerns when the Government used its numbers to push through that poorly conceived bill. At the time, the Minister sought to explain in 500 words why the transfer of compliance staff to the body that is responsible for the supply and allocation of water was a positive development. Unfortunately, we are unable to access the briefs and documents that accompanied the bill in 2016 and, more importantly, who was behind it. I hope further rigorous investigation will unearth that. What we do have hot off the press is the Ombudsman's latest investigation into water compliance and enforcement that concludes with some concern that "the potential conflict in combining industry promotion,

licensing and regulation in one agency we identified in our 2013 investigation has not been addressed until this year". Yet last year the Government introduced a bill that further consolidated these aspects of water management. I will not linger on that legislative low point in the history of this Government but I will restate the concerns I expressed during debate on 10 May 2016 when I said:

The third front is the problem of embedding regulators with operators. DPI Water is responsible for policy and regulation of water authorities and corporations while WaterNSW is responsible for the supply of water. The separation of those functions is important because it means there is a layer of independent and external supervision of operators.

While Opposition members consider some of the principles contained within the proposed legislation to be sound, we are concerned that they do not go far enough and do not deliver on the full recommendations or the spirit of the Matthews report. We can sense that the Government is still resentful of the need for reform and the need for the regulator and is doing its best to ensure a minimalist response. When Ken Matthews delivered his initially damning response the Government said it would accept the principles of his report. This Minister is very clever. The way he has been able to duck and weave and obfuscate ever since the *Four Corners* program is testament to his wily political skills. He is in fact the elusive little halfback of the New South Wales Coalition.

Accepting the principles of the report has allowed the Minister and the Government to continue to obfuscate and present what I see as a minimalist approach. Even in his second reading speech the Minister stated "the Matthews report has provided us with a guide". The Minister's own words betray his party's sentiment towards the entire scandal. The Matthews report makes for sobering reading. I am concerned that elements within The Nationals do not take this matter seriously, which was clearly spelled out in the less than sober words of the former Deputy Prime Minister and current National Party candidate for New England when he told his mates:

You know what's [the Four Corners program is] all about—it's about them trying to take water off you, [to] paint a calamity. A calamity, for which the solution is that they're going take more water off you, and shut more of your towns down.

This is why The Nationals should be stripped of Water portfolios at the State and Federal levels. While we welcome the principle of the establishment of the natural resource regulator as an initial step in righting recent wrongs, it must be a strong, robust and fiercely independent body. We are gravely concerned that this is a tokenistic effort on behalf of the Government. Labor has the utmost respect for Ken Matthews and his team and believes that the recommendations contained within his report should not be taken merely as a guide or as principles but be delivered in full and be made as robust as possible. I flag that we will be moving a number of amendments to give full effect to the recommendations made by Ken Matthews.

I will now address our concerns in more detail. We believe a number of aspects of the bill attempt to dilute the recommendations of the Matthews report. The first relates to an Indigenous representative on the Natural Resources Access Regulator [NRAR] board. Water is sacred to Aboriginal peoples. Besides providing drinking water, it plays an integral role in their communities socially, recreationally and spiritually. When rivers run dry and Aboriginal communities lose water it has a tremendous impact on them. We only have to visit towns such as Brewarrina and Bourke, stand on the river and talk to those communities to appreciate the importance of healthy, sustainable rivers.

Ken Matthews recommended that it would be desirable for the board to have a member with knowledge of Indigenous interests in natural resources. The legislation makes no mention of that requirement. Indeed, the Government's advertising for the position makes no reference to an applicant having that knowledge. I seek the Minister's advice on this aspect of the bill. Labor will move amendments to secure an Indigenous voice on the board in keeping with the Matthews report. Our second area of concern is including a board member with extensive natural resource conservation experience. This goes to the heart of sustainable management of water. The Nationals have overridden agencies like the Office of Environment and Heritage and Fisheries NSW on water management. Matthews recommended that at least one board member have experience in conservation in order to ensure that environmental concerns are addressed as part of the new agency. There is no mention of this requirement in the legislation or in the advertisements. The Opposition will be moving amendments to deliver this recommendation.

It is also our view that the NRAR should be established as an independent agency. The Matthews report accepted that the Minister would appoint the board but following these appointments would "not subsequently subject it to ministerial direction". This is not reflected in the bill, and there is a concern that the regulator could again be subject to political pressure. Labor will move an amendment in keeping with the Matthews report to establish the NRAR as an independent separate agency akin to the Director of Public Prosecutions [DPP], the Ombudsman and the Health Care Complaints Commission.

The Opposition will also move an amendment that would give the regulator the ability to advise the Minister and the Independent Pricing and Regulatory Tribunal on how much should be recovered from licence holders to fund enforcement. This goes to the heart of having an effective and well-resourced regulator. The

Opposition believes the Government can continue to weaken oversight of water extraction in New South Wales by simply ensuring that the regulator does not have the resources it needs to adequately carry out its role. This amendment will give the regulator the scope and power to ensure resources are at hand to oversee the lawful use of water in New South Wales.

The Opposition also has concerns about the reporting of enforcement action and the publishing of details of those who are prosecuted. Mr Matthews rightly called for transparency of enforcement action against those who steal water; however, this is not mentioned in the bill and nor is it required of the regulator. Our amendment will propose that the agency must publish details of enforcement action. The Matthews report was also clear in recommending six-monthly published reports of the actions of the agency. The bill calls for annual reporting. The Opposition will be moving an amendment to make that so.

This bill presented an opportunity for the Minister and the Government to restore confidence and demonstrate that they are serious about natural resource management in New South Wales. The Opposition is concerned that this bill is a fig leaf—an attempt to be seen to be taking action when not much is being done. That is why Labor will again move a series of amendments to beef up the powers of the regulator. I have already flagged an amendment to establish the regulator as a truly independent agency akin to the DPP and the Ombudsman.

Division 2 sets out the functions of the regulator. It is a fairly perfunctory list, seemingly centred on preparing strategies, policies, procedures and giving advice to the Minister and so on. Labor wants to see a powerful regulator established through this bill, and we will be moving an amendment to ensure the regulator's prime function will be to oversee the exercise of enforcement powers under the natural resource management legislation. This goes to the heart of the water scandal overseen by The Nationals. This will send a message to those who break the law as well as to the broader community that this Parliament takes natural resource management seriously. I urge the Minister to support this amendment.

Division 2 also sets out a register of offences but, as is typical, it is a bare, minimalistic approach with a vague reference to the regulator publishing undefined details of convictions. The Opposition will move amendments setting out the specific contents of the register of offences, including the name of the person who committed the offence, the date on which the offence occurred, the summary of the offence and what constitutes an offence. The amendment will also ensure the register is publicly available and up to date. Other aspects such as metering are not considered in this bill. Southern irrigators are metered. It would appear that metering northern irrigators will be looked at sometime next year.

I note with concern the Minister's reflection in his second reading speech that the Government acknowledges mandatory metering might be perceived in some circles as a step too far. Metering again lies at the heart of a transparent system of water use in this State. We seek clarification from the Minister as to whom he refers when he says "some circles". Metering goes to the core of the failings in water management in New South Wales and lies at the heart of the Matthews report. The logbook system just has not worked. Yet we have a Nationals Minister for Water, the second most senior Nationals Minister in this State, musing in his second reading speech that this may be a step too far. It follows his reference to Ken Matthews' report that water is a public asset over which there is less transparency than real estate. This reveals the internal tensions within the Coalition.

One of the most serious concerns held by the Opposition is that if any wrongdoing is unearthed, time may beat us and the statute of limitations may prevent the prosecution of those who have broken the law. The community does not want these indiscretions to go unpunished. I seek the Minister's advice as to why the Government did not seek to extend the statute of limitations in relation to breaches of water legislation. Many of the alleged breaches occurred some time ago, and we fear that time may run out and justice may not be done to ensure any punishment that fits the crime. I seek a detailed explanation from the Minister as to why this was not considered when he brought this bill before the House. Eighteen months ago, the Minister declared in this House:

The management of water in New South Wales is an important issue that is vital for the ongoing prosperity of the State. The future health and wellbeing of the people of New South Wales is dependent on the efficient and effective management of our State's water resources.

The harsh reality of the Minister's words has been exposed in the past few months. But what is missing is the concept of fairness and sustainability. There needs to be a fair and equitable allocation of resources to balance the needs of the environment and the community with that of business. This bill should have delivered all of the recommendations contained in the Matthews report. It has not. There should have been an inquiry into water theft with royal commission powers, but The Nationals refused. Mr Matthews should have been able to investigate the actions of previous Nationals Ministers over the Barwon-Darling scandal, but he could not.

Public servants should have been able to blow the whistle without fear of retaliatory actions but they have not been able to do so. And the Government should surely have accepted the full recommendations of

Ken Matthews, but it is not so. This bill is a fig leaf; it is an attempt by the Minister to try to demonstrate that he is doing something. Yet in doing so, he has watered down aspects of the Matthews report, and what is more concerning is that he has hijacked it for his own political purposes. Page 39 of the Matthews report raises the issue of public consultation and states:

Importantly, it is suggested that comment on the proposals be invited from interested parties, including industry and community groups and members of the public.

That has not occurred and that is why Labor will move that this bill be referred to a committee to allow further consultation. At the very least, the Minister and the Government should have accepted and enacted the recommendations of Mr Matthews. He has carried out fine work under difficult circumstances and brought his considerable expertise and experience to this task. Considering the obstacles and limitations imposed on him and his team, the report does begin to address some of the systemic failures in water management over which this Coalition Government has prevailed. Possibly, as a result, the bill does not give full effect to his report. It waters down some recommendations and delays the implementation of others such as metering.

Labor takes independent advice and expert recommendations seriously, which is why it will move a series of amendments in Committee to deliver on Ken Matthews' recommendations. We believe this bill is an opportunity to send a strong message to the community that this Parliament takes natural resource management seriously. We support the concept of a regulator. We do not support weak and vague legislation that undermines the Ken Matthews report and fails to address community concern over the management of water. If our amendments are not supported, we will oppose this bill. I move:

That the question be amended by omitting "be now read a second time" and inserting instead:

be referred to a select committee for inquiry and report.

- (2) That, notwithstanding anything to the contrary in the standing orders, the committee consist of eight members comprising:
 - (a) three government members;
 - (b) two opposition members; and
 - (c) three crossbench members.
- (3) That members may be appointed to the committee as substitute members for any matter before the committee by providing notice in writing to the Committee Clerk, with nominations made as follows:
 - (a) nominations for substitute government or opposition members are to be made by the Leader of the Government, Leader of the Opposition, Government or Opposition Whip or Deputy Whip, as applicable; and
 - (b) nominations for substitute crossbench members are to be made by the substantive member or another crossbench member.
- (4) That a committee member who is unable to attend a deliberative meeting in person may participate by electronic communication and may move any motion and be counted for the purpose of any quorum or division, provided that:
 - (a) the Chair is present in the meeting room;
 - (b) all members are able to speak and hear each other at all times; and
 - (c) members may not participate by electronic communication in a meeting to consider a draft report.
- (5) That, unless the committee decides otherwise:
 - (a) submissions to inquiries are to be published, subject to the Committee Clerk checking for confidentiality and adverse mention and, where those issues arise, bringing them to the attention of the committee for consideration;
 - (b) the Chair's proposed witness list is to be circulated to provide members with an opportunity to amend the list, with the witness list agreed to by email, unless a member requests the Chair to convene a meeting to resolve any disagreement;
 - (c) the sequence of questions to be asked at hearings alternate between opposition, crossbench and government members, in that order, with equal time allocated to each;
 - (d) transcripts of evidence taken at public hearings are to be published;
 - (e) supplementary questions are to be lodged with the Committee Clerk within two days, excluding Saturday and Sunday, following the receipt of the hearing transcript, with witnesses requested to return answers to questions on notice and supplementary questions within 21 calendar days of the date on which questions are forwarded to the witness; and
 - (f) answers to questions on notice and supplementary questions are to be published, subject to the Committee Clerk checking for confidentiality and adverse mention and, where those issues arise, bringing them to the attention of the committee for consideration.

The Opposition will be moving amendments. If our amendments are not supported, we will oppose the third reading of the bill.

Mr JEREMY BUCKINGHAM (16:07): On behalf of The Greens I speak in debate on the Natural Resource Access Regulator Bill 2017. Unless the Government agrees to significant amendments, we will not support this bill in its current form. We believe this is a massive missed opportunity. Again, we see an ad hoc, knee-jerk reaction from Government and, as we saw with the Murray-Darling Basin inquiry, it is a boom or bust, flood or famine situation. It is ephemeral and episodic and the attention of the Government is episodic. Rather than consistent, long-term policy consideration with consultation delivering consensus between environmentalists and industry, and between the economy and the environment, we have an ad hoc response to this bill.

This bill was introduced as a result of the scandal revealed in the *Four Corners* program, the Matthews inquiry which has been well aired in this place, the water management compliance improvement package put forward by Matthews which has been discussed, and the independent investigations into New South Wales water management and compliance. There is a century-long history of water mismanagement in this country. We have seen the response from various Coalition and Labor governments yet we still face a major crisis. I noted with concern the Minister's contribution in question time earlier today when I asked whether the Government had received any advice from the Ombudsman on whether or not to release reports into water management.

The Ombudsman does not advise the Government not to release reports; it is entirely at the discretion of the Government whether they are released. It is very rare for the Ombudsman to provide a report without the approval of government but we saw an example of that today when the report of the Ombudsman entitled "Investigation into water compliance and enforcement 2007-2017" was tabled. That report says this is a disaster that most people recognise the Government must have known about. The Ombudsman conducted a series of earlier investigations in 2009, 2012 and 2013. Surely the relevant Ministers and their departmental staff would have availed themselves of those reports, which clearly showed a complete compliance failure, systemic failures and cultural issues.

The report tabled today shows an inherent conflict of interest—namely, the customer focus of the Department of Primary Industries is far too close to the compliance unit. Who wins the day? Those interested in getting as much out of water users for the financial benefit of the State, but at the expense of the environment and good government. The Ombudsman initiated his investigation in July 2016 and referred one matter to the Independent Commission Against Corruption in April 2017. The report says that compliance officers were press-ganged into the role without proper training or skills. Effectively, people were trying to keep some of the biggest users of water in this State to account. The report states:

Water NSW staff allege they were directed not to investigate or had their delegations removed.

It is alleged that:

No enforcement action had been taken on unlicensed dams that contained large volumes of water and were being used for irrigation purposes without the required water access licences or water allocations in a water sharing plan area.

The transfer of some compliance and enforcement functions to Water NSW under the transformation was having a debilitating effect on the conduct activities across the State.

That is completely contrary to what the Minister has put to the House—namely, it was a great idea to put it into the hands of State-owned corporations [SOCs]. I continue the quote:

There were systemic failures by senior management, in both past and current regimes, to take action on water compliance matters.

Expenditure on compliance in 2012 and 2016 was \$10 million less than recommended by the Independent Pricing and Regulatory Tribunal [IPART]. All of these matters would clearly have been before the current and previous Ministers. They manifested into water theft on a monumental scale and the scandal now before us. The Matthews inquiry was well received by The Greens. We had hoped that the Government would adopt all the recommendations contained in the report and not cherry-pick. I agree with the Hon. Mick Veitch that this bill is a half-measure. We need considered legislation to deal with this in a systemic way. Unfortunately, the Government has failed to do the key thing required by Mr Matthews—namely, to undertake public consultation on measures.

This half-baked legislation has been rushed into this place. Even at the crossbench briefing our questions about how these powers would be conferred to the regulator could not be answered. There has been no consultation with water users, environmentalists or the wider community. Mr Matthews suggested that comment on the proposals be invited from interested parties, including industry and community groups and members of the public. In particular, it was recommended that DPI Water, WaterNSW and the wider Department of Industry prepare and lodge with the secretary their retrospective assessments of the proposals. Who has seen those? Where is the exposure draft? Where were the workshops about reform in the water space? Zero, nil, nada. What we have is a piecemeal approach by an access regulator that does nothing of the sort.

The institutional separation of compliance staff from water policy planning and water regulation, water delivery, environment and agricultural staff is another key failing of this bill. The concept is to separate approvals of rights and conditions from enforcement conditions of related legislation. The Greens have consistently argued for a common-sense approach. I give the example of alcohol licensing. We would not have those responsible for selling alcohol responsible for overseeing the licence of those onselling the alcohol.

The Hon. Robert Brown: Like the EPA.

Mr JEREMY BUCKINGHAM: I note the interjection of the Hon. Robert Brown. It makes sense that the regulator should be the Environment Protection Authority [EPA]. It has occurred in jurisdictions such as coal-seam gas. The EPA should be overseeing the protection of the environment and making sure that the compliance regime in this State is robust. I foreshadow that The Greens will be moving a number of amendments, and we will be looking forward to the support of the Shooters, Fishers and Farmers Party. The Greens contend there is a missed opportunity. We are concerned about the failure to list the powers that will be conferred on the regulator. We will also be moving amendments to give the regulator clear roles and powers regarding compliance under the Water Management Act, including requiring information to be produced or assistance to be given on issues such as receiving money from penalty notices.

We want to create a separate staff agency for the regulator to ensure that it is entirely separate from the Department of Primary Industries. We want the regulator to be able to make at any time non-binding directions to the Minister regarding improvements or corrective actions that the regulator thinks are necessary. We want to mandate for inclusion in the annual report the details of any strategies, policies or procedures or any advice or report the regulator has prepared or provided under section 10, and allow the regulator to include other matters in the report as it sees fit. It will enable members of the board to be appointed on a full-time basis. If this is a serious regulator, board members should take their role seriously and be full-time. Importantly, and we will be supporting Labor's amendment in this regard, we want to include an Aboriginal representative on the board, as recommended by Matthews. Finally, we want these important board appointments to be made by the Premier.

This is a missed opportunity and we will be seeking to amend the legislation. We are hoping that the Government will listen to this debate and move amendments to its own bill. We will certainly be supporting all of Labor's amendments. Members are probably thinking about other things at this time of year, and we have other important business, but one of the key roles of the State is to oversee natural resources. The Murray-Darling Basin—that magnificent asset in New South Wales—has been mismanaged, and the Ombudsman's report is a damning indictment on that. A key part of the Ombudsman's report states:

It is important to place on the record—

and I do that in the Legislative Council of New South Wales—

that much of the evidence we obtained in our third investigation and so far in our current investigation has come from public interest disclosures made to this office by staff working in the organisations responsible for water regulation.

Who did the Government go after? Who was the Government interested in finding out about when this scandal broke? Who was blowing the whistle? Those people in the Department of Primary Industries who appeared on *Four Corners* and made those disclosures are the heroes because we are having the debate in this Chamber. This issue is in the spotlight and it is under the microscope now because those good staff, those good public servants, made those disclosures. The Ombudsman states:

So many staff members are driven to approach an independent investigation body to bring forward concerns and invite inquiries as to whether there is both a lack of trust between staff and management and a perception by staff that internal reporting mechanisms are not effective. We have been impressed by the evidence of the complainants and their views find support in other documentary and oral evidence in this investigation.

I commend those whistleblowers for coming forward. I commend the Ombudsman for bringing forward this report for the benefit of the people of New South Wales and the health of the Murray-Darling Basin, which is a critical item of business for this House and for the Government. I hope that the Minister begins the process of turning the Government around and amending the bill so that it reflects what the Matthews inquiry was hoping to achieve and what the people of New South Wales demand.

The Hon. ROBERT BROWN (16:22): I will be brief. The Shooters, Fishers and Farmers Party will be supporting the Natural Resources Access Regulator Bill 2017. However, I have a couple of questions for the Minister. We are not in favour of the amendments moved by the Opposition or The Greens except for the amendment moved by the Opposition regarding Indigenous representation on the board of the regulator. I would like to hear in the Minister's speech in reply how that could be accomplished because we think it is an important consideration. As to Mr Buckingham's misinterpretation of my interjection, I was not suggesting that the Environment Protection Authority [EPA] should be the regulator, given the EPA's unfortunate position of having been a licensor and regulator within the same area. I do not believe that would be the way to go.

Given all that has happened, it is probably understandable that the Government should move, and move quickly, to do something about the perceived and actual problems that are being shown up in the public arena—the alleged theft of water, and compliance people being too close to their customers, et cetera. At the same time, we all know that a number of investigations are underfoot, one of which is the ICAC investigation. As chair of Portfolio Committee No. 5, which is currently considering issues related to water, we have considered extending the terms of reference, and I think I have mentioned in the House before that we have written to the ICAC commissioner asking for advice on whether we should do so. Later this afternoon we will be considering the ICAC commissioner's reply.

With all of that in place, I think that the route the Government has taken, whilst not perfect, is probably needed in the public arena so that the public can see that the Government is prepared to split the nexus between compliance and licensing and stand back from it. If we see that it does not work or it is not working properly, I am certain that, given the depths of inquiries being undertaken currently, and not having any knowledge at all as to when ICAC may conclude its investigations, we may very well need to revisit what is here today. But on the face of it, I believe this issue needs to be dealt with and dealt with quickly. Yes, it may be considered a minimalist approach, but I would rather have a minimalist approach than more obfuscation and delay. We will be supporting the bill. I do not think we will be supporting any of the amendments, but we would like the Minister to address the situation raised in one of the Opposition's amendments relating to Indigenous representation.

The Hon. JOHN GRAHAM (16:26): Sometimes in government bad things happen. The key issue is: What is the response? I believe that has been the case here, and the scale of what is alleged to have gone on has been of considerable surprise to the community and to the Minister. The scale of what has gone on has become clear in recent days when the Environmental Defenders Office NSW [EDO] has launched a court case into this matter. But whatever has happened, when bad things happen there is a pretty clear template for dealing with these things in government. In any ministerial office there are a number of steps that any Minister in any government would normally take—I believe there are five steps.

The first is to break the glass, get out the manual and say that this is a crisis and we will deal with it. Secondly, an independent inquiry should be launched. Thirdly, usually on behalf of the government, there are pretty tight terms of reference—we say that these terms of reference were too tight, but usually the government will have some defined terms of reference to deal with the issue. Fourthly, when the report comes back, accept the report and its recommendations. Fifthly, get on with and implement all the recommendations in that report. That is normally the manual and how these issues are dealt with in government. But that is not the way the Minister is dealing with these issues currently.

The Minister started out strongly, breaking the glass and getting out the manual, and he has been up-front in acknowledging that there is an issue, that bad things have happened and that he was surprised. He did launch an independent inquiry. He did, as is usually the case, have some tight terms of reference. We say they were too tight and that the terms of reference should include examining the scope of former Ministers. We say that this inquiry was too narrow; however, that is not an unusual argument between an opposition and a government on terms of reference. But at steps four and five the Opposition says we have really run off the rails on this issue. Step four is to accept the report, and we just have not got that far. The Minister has not accepted this independent report and he has not said he will implement the recommendations. Instead, we have had talk about principles, talk about using this as a guide and talk about the Minister's Cabinet colleagues. This is what the Minister said in the House:

I have accepted the principles set out in the Water Management Compliance Improvement Package which will form the basis of a submission I will take to Cabinet. There is a robust Cabinet process in this State and some of the proposals I have outlined may evolve during that process. This is to be expected and welcomed.

We want specifics not principles. We want this report implemented not used as a guide. We do not want to hear talk about the Minister's Cabinet colleagues. We are off track when it comes to accepting the report; we have only had this talk about principles. We are now debating the legislation for the first time, yet with respect to implementation we can apply the test of how we have gone in step five and the answer is that we have not done very well. We are not implementing the views outlined in the Matthews report. The foreshadowed Opposition amendments relate to that matter and we urge the House to implement those principles so that we act in accordance with the report.

I listened carefully to the views put to the House by the Hon. Robert Brown. We accept that these issues are best dealt with quickly but properly. There are still unanswered questions and I raised some of those when we debated this matter previously, questions such as: Will commitments be given, as suggested in the Matthews review, about adequate resourcing and cost recovery? We know the answer to that now. The answer is no if the Opposition amendments about cost recovery are not accepted to enable a high level of confidence about enforcement. We will not do that. Will we have a more transparent system enabling the public to readily access

data from a single source as suggested by Matthews? I do not think we know the answer to that, although I am happy to be corrected. The Minister has not come back to us about that recommendation.

Will we have a more independent system, third party auditing, including by other States? I do not think we have, but I am happy to be corrected. I would be interested in the Minister's answer. Will we get a system that protects environmental water and the implementation of individual daily extraction limits? I do not think we have a view on that question, but we should have a view. If we were following the manual we would have a view on those questions. We would have looked at the report and said, "We will implement these recommendations" and we would have proceeded. However, that is not what is happening today.

I listened carefully to the Minister's response to the Ombudsman's report. It is concerning to see the collapse in enforcement numbers, although I listened carefully to the Minister's response on that. It is also concerning to see the Ombudsman's report and the appendix to the report entitled "The Shell Game: Administrative History of Water Management". I note that that stretches over a number of governments, not just this Government, but it goes to some of the failures we are seeing here and we want to see those failures addressed. Sometimes bad things happen in government. This Minister has broken the glass, but the Opposition encourages him to follow the manual.

The Hon. PAUL GREEN (16:33): On behalf of the Christian Democratic Party I speak on the Natural Resources Access Regulator Bill 2017, which establishes a Natural Resources Access Regulator. The bill has four objects, the first of which is to establish a Natural Resources Access Regulator. The purpose of the regulator will be to enforce natural resources management legislation and decide whether proceedings for offences should be instituted. The regulator will not be controlled by the Minister, but will advise and report to the Minister, publish prosecutions and provide an annual report. I commend the Hon. Niall Blair for recognising the need to restore community confidence in the regulation of water and other natural resources within New South Wales. After the release of the Matthews report it was apparent that change was needed. It is important that the Natural Resources Access Regulator is independent. The Matthews reports highlights:

There has been a potential loss of confidence in the professionalism and even-handedness of the Department of Primary Industries, and therefore the wider NSW public service.

To restore the public's confidence in compliance and regulation of New South Wales natural resources any regulator had to be independent. I understand there may be parties who had benefited from a broken system and therefore may not be on board with these reforms, however, to rebuild public confidence will require more than incremental change. It is my conviction that we need to secure water security and ensure the affordability of water for our regional communities. This independent regulator is a start in the right direction. We welcome further legislation in 2018 to help rectify the previous issues and to improve water administration and accountability.

The Natural Resources Access Regulator will be governed by a board of three part-time members appointed by the Minister. The role of the board is to oversight water compliance and to determine when the Government should introduce proceedings for water legislation breaches. The board will be made up of members from a wide variety of experiences to ensure that it is well balanced with skills and expertise from law, natural resources management, compliance and regulation. I agree it is important that the board stays as a separate entity to the Minister and WaterNSW to ensure that independence is not compromised. The decision to have this independent board supported by the Department of Primary Industries as opposed to the previous arrangement where the link was back to the Department of Primary Industries is an important move in restoring the community's faith in this sector and hopefully will make way for an effective working relationship.

The compliance function of WaterNSW is proposed to be absorbed by the Water Resources Access Regulator, not by way of disapproving the role played by WaterNSW but to streamline compliance and allow WaterNSW to continue to operate as a competent organisation and continue its operations of customer service and metering. Streamlining it and placing the compliance role with the Natural Resources Access Regulator while ensuring information and records are shared should result in a more effective system and better working relationship. These changes will help reduce unnecessary costs of duplicating compliance and regulation services. We commend the Hon. Niall Blair for acknowledging that these changes may appear to be a backflip on recent changes, with staff being absorbed by WaterNSW to now being transferred out.

Admitting the benefit of hindsight and that further changes needed to be made to ensure the new regulator can operate effectively is a sign of wisdom not cowardice. To delay changes because of pride would have resulted in the continuation of a broken system that would continue to fail the people of New South Wales. It is important to the Christian Democratic Party that staff are never disadvantaged by necessary changes that we, as a Parliament, make. On behalf of the staff being transferred again into the new regulator, I thank the Hon. Niall Blair for protecting their entitlements and accrued leave. I agree with the Hon. Niall Blair that change needs to begin immediately; we all acknowledge that.

For public confidence to be restored we must act on the findings of the Matthews report. I congratulate Mr Ross Carter on his appointment as Chief Regulatory Officer and welcome his expertise. In his report Mr Ken Matthews, AO, highlights the desperate need for change. He noted four specific areas: the poor standard of New South Wales compliance and enforcement work; the metering, monitoring and measuring of water extractions—especially on the Barwon Darling river system—below the standard that the New South Wales community expects and below sound water management practices; the cases of noncompliance have remained unresolved, which is unacceptable; and water regulation arrangements in New South Wales have lacked transparency for members of the public, and compliance and enforcement arrangements should underpin public confidence. The Natural Resources Access Regulator Bill 2017 is the first step towards addressing much-needed changes to natural resource management. I am sure amendments will be required at a later date. This bill is an appropriate step in the right direction of beginning the reform process. The Christian Democratic Party commends the bill to the House.

The Hon. DANIEL MOOKHEY (16:40): As I am inclined to do, I concur with all the words uttered by the Hon. Mick Veitch earlier in this debate and I look forward to an equal amount of eloquence from the member for Kogarah in the other place. Ahead of this debate I had the opportunity to dust my wheels with red on a 2,000-kilometre drive through western New South Wales. Although the dominant purpose of my trip was not to inquire into or find other information about this water scandal, the noise coming from each of the towns was deafening. I listened and committed to relay their concerns in this debate and future debates. I started in the town of Warren where I had the opportunity to meet with the rather amazing longstanding mayor. Warren is heavily dependent on irrigation. It is home to Auscott Limited.

Mr Scot MacDonald: My first job.

The Hon. DANIEL MOOKHEY: I acknowledge that interjection. Warren has a number of cotton farms and cotton gins. It is a town that identifies strongly with irrigator interests, and a conservative model of water and land resource management regulation. The overwhelming message from the people of Warren is that the scandal has tarred everyone with the same brush. They explained that every irrigator who is investing in that area and every job related to that industry depends on a social licence and a high degree of social trust. Their concern and fear is that the close association of northern irrigators to certain departed personnel in the Department of Primary Industries and WaterNSW has called into question the element of social trust that people have in them and their industry and that jeopardises their future.

I heard similar concerns from the people of Bourke, which has undergone wrenching social change as a result of the Murray Darling Basin Plan and the Murray Darling Basin Authority. They described to me what it was like for the town's citrus industry to end as a result of buy-backs. As destructive as that was to many of the property interests and businesses in Bourke, part of the reason they were prepared to undertake that change and persevere was the high degree of trust they had in the independence of regulators. They understood that everybody had the opportunity for an equal hearing, to put their case, and they may win or lose.

The overwhelming view when they saw the *Four Corners* program was that it was clear evidence that the sacrifices they were making were in vain. That view came from one of the strongest irrigator towns in the State. I met with the Aboriginal Land Council and the Bourke tribal council. They have been struggling to have their fishing rights acknowledged. They put it simply: They are the water people. Their culture and civilisation depend on access to a healthy river. They say they have not had anyone pay attention to the loss of water and what it means to their land rights and native title claims as well as their established fishing rights. They too are now suffering a deficit of trust.

Brewarrina is another town I visited where I spent extensive time with the Brewarrina Shire Mayor Phil O'Connor, who is an icon of the town and deeply respected by everyone I met. As an irrigator he took a courageous position when he described on the *Four Corners* program what he saw and recorded. He showed me his irrigation facility and the size of one of the suspect properties now being investigated. The difference between industrial scale and family-scale irrigation is huge. Most members are familiar with that concept. He is another person in another town who depends on the impartial administration of the law, fairness and transparency. His view is that when he submitted his conspicuously recorded evidence to DPI Water and it languished there with no response it was a breach of faith. In that sense he was joined by his local Aboriginal Land Council, which has the same issues as Bourke.

I had the opportunity to visit Walgett, which is not part of the Barwon-Darling river system, but the mayor was anxious about the effect of the program on his town. It is a different part of the river system, but their concerns were almost identical. It is good that these people have the opportunity to make representations to both sides of the House and agencies to pass on relevant information to those authorities. It is no shock to anybody here that they have made public statements at a variety of times not dissimilar to what I have said previously in this place. When they had the opportunity to read the Matthews report their longstanding concerns were validated.

Finally, someone was noticing. It took a massive national media program to focus the attention of regulators on this question. They want the Matthews inquiry to extend beyond its present terms of reference and provide statutory protection for those willing to talk and whistleblowers, and to provide for the compelling of evidence, all of which the Matthews inquiry lacked. They appreciated the speed of the Matthews inquiry and look forward to the final report. Their view is simple: There is a law and it should be followed. Their concern is that it has not been. They would like the Parliament to take action. This bill is the first opportunity to meaningfully restore trust to all the various regulators involved. It is the case that this bill is somewhat of a scant bill and deficient in many ways. It does not meet the threshold of trust restoration, which is its prime purpose. It would be better for the regulator to have statutory independence. I am sure an amendment to that effect will be moved during the Committee stage.

When we understand how interrelated the river is with Indigenous culture, it is of the utmost importance that a person with some knowledge of Indigenous interests in natural resources is on the board. When dealing with a massive trust deficit, transparency is premium. Therefore, there is a requirement to put in place mechanisms akin to a continuous disclosure regime. If that is not possible updates on enforcement should be scheduled. That is the amendment this bill needs to satisfy the trust deficit problem that I alluded to earlier. Other members have said it is urgent that this bill be progressed. It is a good sign that Parliament is acting with haste, but no member in this House should be under any illusion that this is not a big scandal in western New South Wales. Those western communities are clearly calling for action to be taken. I am proud to say that Labor has heard them. I sincerely hope that the Government demonstrates in Committee that it has heard them as well.

The Hon. NIAL BLAIR (Minister for Primary Industries, Minister for Regional Water, and Minister for Trade and Industry) (16:50): In reply: I thank members for their contribution to this debate, particularly the Hon. Mick Veitch, Mr Jeremy Buckingham, the Hon. Robert Brown, the Hon. John Graham, the Hon. Paul Green and the Hon. Daniel Mookhey. As we have heard throughout the second reading debate, this bill will establish the Natural Resources Access Regulator with an independent board and provide for the transfer of compliance staff from WaterNSW to enable the regulator to perform its functions and exercise enforcement powers. The board will not be subject to the control of the Minister when considering operational compliance matters.

However, the Minister may issue a direction to the board with respect to its other functions if the Minister is satisfied that it is in the public interest. The bill also establishes the Chief Regulatory Officer to be employed as a public servant. The Chief Regulatory Officer will be responsible for the day-to-day management of the regulator and will report to the board. During the second reading debate, a number of members commented on the NSW Ombudsman's investigation into the Department of Industries, which was tabled earlier today. In its concluding remarks the Ombudsman states:

The current actions taken by Government to establish a Chief Natural Resources Regulator to be governed by an independent three person board appear to be a positive development.

The Ombudsman's report cannot be used as an excuse to not support the bill. While noting that this is a progress report and that a final report is not due until at least April next year, as Minister I was shocked to read many of the details outlined by the Ombudsman. Most worrying for me is his comment that there is a lack of trust between staff and management, and that internal reporting mechanisms have not been effective. Those comments are consistent with the Ombudsman's ongoing theme that continual restructures—according to the report there have been at least 20 over the past two decades—have had "a devastating impact" on staff, contributing to loss of expertise and corporate knowledge, disruptions to systems and strategy, and continuity of service delivery. This issue presents a dilemma for governments of any political colour.

While members on this side of the House strenuously oppose the view that water regulation should sit in the Environment portfolio, I accept that members on the other side of the House feel just as strongly that it should. While we wage our ideological battles on this matter and think that shifting it from one portfolio to another will effect lasting change, the reality is that by engaging in this political Game of Thrones we are undermining the ability of dedicated public servants to continue their work, which is to manage this resource in the public interest. This must stop and we have the opportunity to make it stop today. Given the highly evolved state of our political institutions, it does not matter where the water regulation portfolio sits, as long as the arrangements put in place by Government are effective and transparent, and allow it to do its job. That is the intent of the bill. Mr Jeremy Buckingham, the Hon. Mick Veitch and particularly the Hon. Robert Brown raised Aboriginal representation. I note that the recommendation of Mr Matthews is:

It would be desirable to include a person with Indigenous background, especially with knowledge of Indigenous interests in natural resources.

The Government supports the notion that Aboriginal values and interests are fundamental to the water planning process. That is why we are taking steps to embed an Aboriginal voice and representation in our water planning

process. Aboriginal groups are represented alongside diverse stakeholder interests in stakeholder advisory panels making up the framework for delivering 22 water resource plans by 2019 as part of our commitment to the Murray-Darling Basin plan. As the bill makes clear, the board will comprise three members who together have expertise in law, natural resource management, compliance and regulation. The merit-based selection process for appointing the board will result in recommendations made to the Minister and appointment of the selected candidates will be considered by Cabinet.

The Government is actively seeking candidates who may have the correct skills and competencies to meet the recommendations of Mr Matthews. We are strongly committed to increasing Indigenous representation, and Indigenous people are encouraged to apply. I also note that the recruitment process is consistent with the Department of Premier and Cabinet's guidelines on board appointments. Applications for the three board member positions closed on 5 November 2017. The board members are expected to be appointed before the end of 2017.

A number of questions were raised during the second reading debate, including the fact that we went through the transfer of enforcement functions to WaterNSW less than 18 months ago. The transfer of compliance resources is not a reversal of the previous move. Compliance staff are not returning to Water or Primary Industries. The water management compliance improvement package of Mr Matthews recommended that all compliance and enforcement functions for non-metropolitan water activities in New South Wales be consolidated. Staff will sit within the Crown lands and Water division, and will carry out statutory compliance and enforcement functions as a delegate of the Minister as well as assist the regulator in carrying out its functions. Compliance staff will report to the Chief Regulatory Officer, who will report to the regulator on carrying out its day-to-day management of the activities of the regulator. This move is not a criticism of WaterNSW and will enable WaterNSW to build on its excellent customer services.

Some questions were raised about governance arrangements, which are similar to the Environment Protection Authority [EPA] in that the Minister's ability to control and direct the board of the Natural Resources Access Regulator and the board of the EPA is limited. I note that the EPA is subject to the direction and control of the Minister. The board of the Natural Resources Access Regulator and the board of the EPA have similar functions, including determining where proceedings should be instituted and to develop policies and strategic plans. The new Natural Resources Access Regulator will be governed by a board that is independent of ministerial direction and control except in limited circumstances.

The bill makes it clear that the Minister cannot give directions about specific matters that are being considered or determined by the regulator, the content of any advice or report given by the regulator, or whether proceedings for offences should be instituted. The new regulator will have oversight of the delivery of the compliance and enforcement activities, and provide direction to the Chief Regulatory Officer. The regulator will determine whether proceedings for offences under the water legislation should be instituted, and will publish details of convictions and prosecutions for offences under water legislation. The Chief Regulatory Officer is responsible for the day-to-day management of the activities of the regulator and will report to the board. The regulator's independence sends a strong message that compliance will be removed from potential partisan or sector influence. The Hon. John Graham asked what other actions will be undertaken off the back of the interim report of Mr Matthews. He probably did not look at my second reading speech when I introduced the bill. I clearly said that this is the first of a number of legislative changes that will occur as a result of the report of Mr Matthews.

As we have said before, the Government accepts the principles set out in the Water Management Compliance Improvement Package and has already started taking action on the issues identified in the report. The department has already appointed Ross Carter to act in the Chief Regulatory Officer role. A number of recommendations are structural and policy reforms and the Government will move quickly to progress them. Public consultation will be needed on many proposals, including a suite of transparency measures. Installation of meters for all larger water users is a priority and we will move to ensure that this requirement is rolled out as soon as possible across New South Wales. This will be consulted on in early 2018.

The Department of Industry is developing and will implement a new stakeholder engagement and community consultation framework for implementation across all its activities. The secretary of the Department of Industry has the statutory function of managing misconduct, including staff who may have acted outside of departmental policies and procedures. This is currently underway. Additionally, the department is already implementing a cultural change program to address potential gaps in values and behaviours and has called for tenders to establish an externally hosted "speak up" service where staff or others can lodge instances of observed apparent maladministration or unprofessional conduct.

In relation to metering and public register reforms, a number of recommendations within Mr Matthews' report referred to metering. As I have said, it is proposed in the first half of 2018 that the Government will consult on a new metering policy which would include: metering for most water users, with the principle "no meter, no pump", subject to prescribed thresholds; adoption of modern technology for large commercial users, including

telemetry and other measures, as appropriate; and staged implementation for large water users. It is a top priority for New South Wales in the next 12 months that meters are installed for all large water users.

To achieve this, close consultation with all stakeholders is required. This will require implementation faster than the current Council of Australian Governments timetable, which has grandfathering arrangements under the National Framework for Non-urban Water Metering which is in place until June 2020. Additionally, public consultation on a public register that enables the community to readily access water entitlement and pump details from a single source is proposed to support a suite of transparency measures which aim to provide public access to information.

In relation to the five-step plan for Ministers referred to by the Hon. John Graham, what the Government is doing today is just part of the implementation process. We will see more reform but we need to get it right. Mr Matthews has provided us with a guide and a pathway but we also need to make sure that all stakeholders that are impacted by these potential changes need to be adequately consulted. We do not want to rush into areas and in some cases make it worse and in others impractical. We need to consult with those who will be affected by these changes and who will be subject to other changes in 2018.

The issue around compliance and the compliance regulator has been identified as the top priority. That is why this Government is starting with this legislation. This is the next step in the Government's continual efforts to improve the management of water in New South Wales. The introduction of the Water Management Act in 2000 has laid a strong foundation for the management of water resources in New South Wales. Section 3 of the Water Management Act includes as a key objective the sustainable and integrated management of water across the State, including that water is available for the benefit of the environment. Under the Water Management Act, water sharing plans are required for all water sources. New South Wales has introduced water sharing plans for most of the State. Water sharing plans are a critical tool in the planning and sharing of water resources.

The New South Wales Government is now developing water resource plans that will work in conjunction with water sharing plans and be compliant with the Basin Plan. The Basin Plan is a key driver of future water planning and reform and the Government is committed to the implementation of the Basin Plan. We will continue to work with communities and other water users to ensure that implementation of the Basin Plan results in economic, social and environmental benefits across the State. While I firmly believe New South Wales leads the way in water management, it is clear that we could have and can do some things better. The establishment of the Natural Resources Access Regulator puts us firmly on the path towards a more transparent and effective compliance regime for water in New South Wales.

Throughout my consultations with the Opposition and members of the crossbench in relation to not only the content of the bill but also some of the proposed amendments, I have shown the Government's willingness to engage in dialogue. I have seen a willingness by the Opposition and the crossbench to provide feedback on some of their concerns about the bill and the amendments that have been expressed in this debate. This is about getting it right. For that reason, the Government will not try to rush this legislation through the House. As the Minister, I am prepared to adjourn the consideration of those amendments until the next sitting week. It will give the Government more time to look at the issues that have been raised during the debate and the content of the foreshadowed amendments and next week we can return in good faith to get this done properly.

The issues raised in the Ombudsman's report today date back many years and across many governments of both political persuasions. We have an opportunity to get this right once and for all. My focus is to address the areas that have been identified and to make changes that will give back confidence to the people of New South Wales secure in the knowledge that this important natural resource is managed in a way that the community expects and deserves. For those reasons, the bill will not go to the Committee stage today.

Debate adjourned.

Committees

PORTFOLIO COMMITTEE NO. 5 – INDUSTRY AND TRANSPORT

Membership

The DEPUTY PRESIDENT (The Hon. Shayne Mallard): I inform the House that this day the Clerk has received advice from the Leader of the Government nominating the Hon. Wes Fang as a member of the Portfolio Committee No. 5 - Industry and Transport, in place of the Hon. Greg Pearce.

*Bills***STATE REVENUE LEGISLATION AMENDMENT (SURCHARGE) BILL 2017****Second Reading Speech**

Mr SCOT MacDONALD (17:08): On behalf of the Hon. Don Harwin: I move:

That this bill be now read a second time.

As part of the Government's Housing Affordability Strategy announced in the 2017-18 New South Wales budget, amendments were introduced to allow for Australian corporations with foreign ownership to claim a refund of the surcharges on the sale of new homes to the public. Given increased supply is an integral component of the strategy and the potential contribution to supply of Australian-based, foreign-owned developers, the amendments were designed to avoid the application of surcharges to these developers, placing them at a competitive disadvantage relative to Australian-owned developers.

Subsequent discussions with building industry bodies suggested that additional flexibility would be beneficial, without encouraging land banking or weakening incentives for timely development. In particular, two key issues were raised. First, an exemption would be appropriate for reputable builders and developers and help reduce the significant up-front costs involved in property development. Second, corporations that service land—that is, they install infrastructure such as electricity, water supply and drainage systems and roads and then sell the land to home buyers who engage separately with the builder for the construction of a home—should also receive concessionary tax treatment because they are major contributors to the supply of new homes. In principle, we accept these arguments. In relation to surcharge purchaser duty, the bill amends section 104ZJA of the Duties Act in two key respects.

First, it permits the Chief Commissioner of State Revenue to provide an exemption to an Australian corporation in lieu of a refund if it is satisfied that the corporation would be likely to satisfy requirements for obtaining a refund of the full amount of the surcharge. The chief commissioner will develop guidelines setting out in more detail the criteria that applicants will need to meet along with the documentation required to support an application for the chief commissioner to be satisfied that an exemption should be granted. In addition, it is important to note that an exemption may be given subject to conditions and such conditions may be varied by the chief commissioner by notice to the applicant. An exemption remains in force until it is revoked by the chief commissioner by notice to the applicant. Revocation of the exemption can be backdated to when surcharge liability would have arisen but for the exemption, with the result that the applicant will be liable to pay the surcharge purchaser duty.

The Government believes that these provisions strike an appropriate balance between ensuring that Australian-based foreign-owned developers are not placed at a competitive disadvantage and making sure, through robust accountability measures, that the Government's policy objectives are met, in particular the timely undertaking of development. The second change is to extend eligibility for concessionary tax treatment to a corporation that subdivides land for the purpose of new home construction and then sells the land after the issue of a subdivision certificate. This addresses the second concern raised by industry, which is that the eligibility requirements for a concession did not capture the full range of property developers who play a significant role in helping people to buy a home.

I draw the attention of honourable members to one other refinement. The current conditions for a refund of surcharge purchaser duty require the corporation to make an application to the chief commissioner no later than five years after the property has been acquired by the corporation. The five-year period was designed to provide a disincentive to the housing industry to excessively delay the construction and sale of new homes and discourage speculation and land banking. However, industry expressed the view that in light of the need to meet planning and other requirements the construction of new homes may not take place for some years after the acquisition of the property, making completion of new home construction within five years of the original purchase of the property sometimes unrealistic. This is particularly the case for larger staged developments.

The legislation therefore extends this five-year period to 10 years for land acquired after 21 June 2016. We believe this extension accommodates industry's need for sufficient time to complete staged developments and to obtain planning consents and other approvals before land is developed whilst still safeguarding against behaviour that does not support new housing supply being delivered and the Housing Affordability Strategy. These surcharge purchaser duty reforms have been applied to land tax surcharge, and schedules 2 and 3 to the bill detail the corresponding land tax surcharge reforms.

Separately, the bill amends section 259C (2) of the Duties Act to remove the requirement for a small business declaration to be made in writing in order for a small business contract of insurance to be exempt from duty. Instead the amendment gives the chief commissioner the discretion to determine the appropriate form in

which a declaration should be made. This reflects the insurance industry's increasing use of technologies that do not involve written declarations. The amendment also provides flexibility for any future changes in such technologies. As with other tax liabilities, the Chief Commissioner of State Revenue will rely on provisions in the Taxation Administration Act 1996 requiring taxpayers to keep records, ensure access to those records and so on in order to address any potential non-compliance. The Act imposes penalties for breaches of these provisions. I commend the bill to the House.

Second Reading Debate

The Hon. PAUL GREEN (17:15): I speak briefly in debate on the State Revenue Legislation Amendment (Surcharge) Bill 2017. Every person in this State should have a place to call home that provides stability, security, safety and connection to family and community, whether it is a cottage, terrace, studio, bedsit, unit, caravan or a room in a boarding house. Access to affordable, safe and sustainable housing is important. It can ameliorate disadvantage and enable people to participate in society both economically and socially. As the population of New South Wales continues to age, demand for social and affordable housing is expected to increase, particularly in Sydney where it is estimated that the population will rise from 4.7 million to between 8 million and 8.9 million by 2061.

I put on record my support for the foreign investors who are investing in the building and construction of new subdivisions and new homes. The exemption will ensure that foreign investors are not expected to pay the surcharge purchaser duty or land tax. This change will remove red tape and additional costs that may have previously been included in house and land prices. It will enable Australian companies and investors to continue to produce housing supply. Housing is a key indicator of wellbeing. In the CommBank State of the States report for October this year New South Wales retained the lead position for the thirteenth quarter in a row as well as top ranking for dwelling starts.

I note that since the Premier came into her new role housing affordability has been a key concern for her and this Government. The New South Wales Government is committed to tackling housing affordability with a key policy being increasing the amount of supply within the market. New South Wales is leading the nation in housing approvals, with 68,945 new homes being approved in the past 12 months. The Christian Democratic Party is committed to ensuring that owning a family home can be an affordable reality for those who want it. We need to ensure that housing prices remain within a reasonable range that will ensure our children and their children will have the same opportunity that we had to invest in our own home. I commend the bill to the House.

The Hon. PETER PRIMROSE (17:18): In making a contribution to debate on the State Revenue Legislation Amendment (Surcharge) Bill 2017 I can do no better job at presenting the Opposition's case than did shadow Minister Clayton Barr in the other House. I indicate to the House that the Opposition will be opposing the bill for the reasons he outlined in detail. I refer all honourable members to his contribution.

The Hon. JOHN GRAHAM (17:19): Like my colleague, I oppose this bill. I will make some brief remarks on some of the issues and choices that lie behind this bill and speak about the impact of this bill on revenue. This would have to be one of the most misleading titles for a bill. It talks about State revenue, but it does very little other than to give it away. This is a misleading bill in that way. We cannot say how much revenue is given away by this bill. The shadow Minister asked a number of questions in the Treasury briefing about the number of firms affected, the impact of this bill, and particularly about how much revenue will be lost by the proposed amendments to the legislation. Simply put, the Government cannot say how much will be lost. That underlines the concern that the Opposition has about this bill. The shadow Minister has outlined the secrecy around some of these measures, such as the foreign investor surcharge refund which was outlined by the Government. To be clear about what happened, because this was a pretty hot issue, the Treasurer said in his Budget Speech in the other place that:

... good Liberal budgets do not increase tax, they decrease tax.

The Treasurer made no mention of these measures or this refund. But in the second reading speech in this place, the Leader of the Government tabled documents with additional paragraphs that outlined not a decrease in tax but an increase. Unheralded and in secret, the Treasurer left it to the Leader of the Government in this place to outline these changes. The secrecy with which some of these changes have been made is of real concern to the Opposition. We are now debating a third set of changes to this bill. That is no way to manage the budget or revenue measures. These sorts of changes are confusing to the outside world and to the business world. It is no way to manage the revenue side of the budget. We need stability if we are to make sure this revenue will be collected.

I will make two other points about the choices in this bill, because the Government is making the difficult choice of who to give money to and who to take money from. By lifting the foreign investor surcharge from foreign developers, the Government is taking money out of the budget which it formerly committed to education,

health and to first home buyers. That was its line in 2016. The money to foreign developers comes from those areas of the budget. That is the choice that has been made with this legislation.

The Government made a big deal about imposing a five-year limit on land banking, saying that it would press developers and provide them incentives to use the land within five years. But this legislation waives that limit, extending it from five years to 10 years for this class of developer. Given the housing market in Sydney and in New South Wales, this is no time to make an exception. It is the wrong choice at the wrong time. The Opposition has indicated in the other place that it is concerned about this issue. We are concerned about the process and the choices that this Government has made in this bill.

Debate adjourned.

LOCAL GOVERNMENT AMENDMENT (REGIONAL JOINT ORGANISATIONS) BILL 2017

First Reading

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

The Hon. BRONNIE TAYLOR: According to sessional order, I declare the bill to be an urgent bill.

The DEPUTY PRESIDENT (The Hon. Shayne Mallard): The question is that the bill be considered an urgent bill.

Declaration of urgency agreed to.

Second Reading Speech

The Hon. BRONNIE TAYLOR (17:26): On behalf of the Hon. Niall Blair: I move:

That this bill be now read a second time.

It gives me great pleasure to introduce the Local Government Amendment (Regional Joint Organisations) Bill 2017. Joint organisations are a major part of the Government's plan to revitalise regional New South Wales and provide the governance structures and funding to allow communities across the State to grow to their full potential. Feedback has informed this bill. The Minister for Local Government and the Deputy Premier have worked together with councils and communities across regional New South Wales through the pilot joint organisation period and listened to their feedback. The lessons learnt are reflected in this bill.

This bill also captures work with the Premier and other Ministers to deliver a brand-new model of collaboration that will strengthen our regional councils and communities. I also mention the strong support and advocacy of the Hon. Paul Green and Reverend the Hon. Fred Nile from the Christian Democratic Party. The Hon. Paul Green has long campaigned for the introduction of joint organisations and has made representations to the Premier, the Deputy Premier and the Minister for Local Government to bring forward the introduction of the legislation. Reverend Fred Nile has also been active in this area, introducing his own private members' bill last year that proposed regional joint authorities. The Government commends the Christian Democratic Party's keen interest and work on issues that affect regional New South Wales.

The passage of this bill is a key plank of our reforms and investment to ensure regional New South Wales continues to be a great place to live, work and invest. It delivers on our vision of a strengthened and transformational model of collaboration for councils—regional joint organisations. This is an Australian-first reform that will benefit regional centres, towns and villages across New South Wales. It will allow local government to voluntarily create a network of innovative joint organisations to help them better deliver on the ambitions and priorities of their regional communities.

Regional joint organisations will provide a forum for councils, the State Government and other partners to work together on the issues that matter most for regional communities: boosting regional economies, providing more jobs and improving regional transport, community infrastructure and services. Once-in-a-generation investment needs the right organisations in place to ensure effective delivery. The timely passage of this bill is crucial to ensure that flexible, innovative and regionally relevant governance structures are in place so councils have the opportunity—along with the State Government and other stakeholders in regional development—to most effectively deliver the services, infrastructure, strategies and investments that will support the people of regional New South Wales.

In November last year, the Government delivered a new regional development framework to drive investment across the State. That framework sets out a new model of investment that will provide quality services and infrastructure, align efforts to support growing regional centres and activate local economies. The improved regional governance structures joint organisations can provide will facilitate the effective delivery of this

framework and our commitments to improving local amenity, supporting growth in regional centres and unlocking potential across the State.

The regional development framework and delivery of regional economic development strategies calls for us to have the right governance structures in place to ensure a truly regional perspective. Effective region-wide delivery is possible—regional joint organisations can help deliver that for the people of New South Wales. A once-in-a-generation period of investment is currently underway in regional New South Wales through the recently announced \$1.3 billion Regional Growth Fund and the long-term investments the Government is making into regional New South Wales through Restart NSW and Rebuilding NSW. We are in the unique position of simultaneously updating the Government's key strategic documents for planning and investment decisions, including regional plans under the Environmental Planning and Assessment Act, State Infrastructure Strategy and Future Transport Plan. All of these strategies emphasise the importance of taking a regional perspectives approach understanding, developing and delivering on the priorities of communities across this State.

We know that these new joint organisations can deliver for regional communities, and the Government has been listening to councils in developing the final model and how it will be implemented. Councils have freedom to choose—there is no compulsion to join. The joint organisation model proposed in this bill gives councils the flexibility they need to design a joint organisation that will really work for their region. We have listened to what councils have told us about the different needs of their communities. They want the freedom to choose the membership of their joint organisation and the certainty of a long-term commitment to regional collaboration with State agencies. The Government will help them to achieve both outcomes. Those councils that choose to take up this option will get a seat at the table in planning infrastructure and investment for their region, as well as access to better ways for getting things done, in partnership with State agencies and other key regional stakeholders. It is about helping councils to make sure they are getting the best possible value for local ratepayers.

Importantly, I make it clear that this Government will not compel any council to join a joint organisation. It will be voluntary and a matter for each council to determine in consultation with its neighbours. Once councils have become a member of a particular joint organisation they will be bound to that decision to make sure the other members of their joint organisation are not disadvantaged. I am confident that all councils in regional New South Wales will see the great benefits of being involved in a joint organisation. To ensure that local government and the State can work together for the benefit of regional communities, it is the Government's intention that joint organisations only be established within State regional planning boundaries. Councils are already working with these boundaries and, through three years of consultation, councils have told us how important it is that both State and local governments work within a common set of regional boundaries.

Joint organisations will give councils the changes they have been asking for to make regional collaboration stronger and more effective. These changes will give them a seat at the table in planning their region's future as well as removing the barriers to successful regional initiatives and projects. The Government has made its support for and long-term commitment to joint organisations clear, while working with councils over the past three years to get the model right. The Government is reinforcing its financial commitment to joint organisations with funding of \$3.3 million to help establish the joint organisations across rural and regional New South Wales, with a proposed start date of 1 July 2018. There will be a range of financial and other incentives available to councils which further demonstrate this Government's commitment to growing regional economies and supporting regional communities. Those councils that choose not to participate will not be able to take advantage of the investment opportunities delivered through joint organisations. To make sure each joint organisation has the best chance of success, the Government will also be providing hands-on support to participating councils as joint organisations are established and begin working together.

This bill benefits from a collaborative design approach and the learnings from the successful pilot program. It is the outcome of a process of collaborative design and consultation with the local government sector. That process began in 2014, when the Independent Local Government Review Panel advocated new options for local government structures in New South Wales, including regional joint organisations. In response, the Government established a pilot program that explored ways to strengthen regional planning and service delivery. The pilot program was conducted across five regions in 2015 and was an outstanding success. It has shown that joint organisations can work for regional communities and will deliver real benefits for regional New South Wales. Successful outcomes from the joint organisation pilot program have included the development and delivery of an economic investment strategy focusing on new agricultural export markets in the Namoi region, and a regional youth employment strategy in the Illawarra.

Specifically, an independent evaluation of the joint organisation pilots showed that 84 per cent of participants across different levels of government agreed there was better alignment of State, regional and local priorities through the joint organisation pilots, and a stronger focus on outcomes; 82 per cent of participants agreed the joint organisation pilots improved collaboration between councils and provided better working relationships

with State agencies; and 76 per cent of participants agreed the joint organisation pilots improved the ability of councils to be effective regional leaders, with many acknowledging that the joint organisation pilots increased recognition of the role and value of local government in helping to drive better planning, stronger economies and quality services.

We know that joint organisations will work. Councils have been strongly supportive of the concept and the Government has carefully considered their feedback in refining the model proposed in this bill and how it will be implemented. It builds on the successes achieved by many voluntary regional organisations of councils. It will allow those groups that choose to boost their joint work program to do so and enable regions without a strong history of collaboration to gain the same benefits for their ratepayers. This is a fresh start that will require new relationships, new ways of working together and a real commitment to change from everyone involved. The Government is delivering on its commitments to rural and regional New South Wales and encourages local councils to be part of this exciting future by actively participating in the opportunities joint organisations will present. I turn now to the details of the bill.

The bill establishes a model that will give joint organisations considerable flexibility to meet the differing needs of each region, within a sensible governance framework based on the existing legislative provisions under which councils operate. Importantly, the bill ensures that joint organisations will only be established where the relevant councils agree to join a joint organisation. New section 400P requires where the Minister wishes to recommend the proclamation of a joint organisation, the Minister must certify the relevant council has passed a resolution approving inclusion of the council's area in the joint organisation's area. Further, new section 400P also requires that the council resolution must have been passed at least 28 days before certification and must not have been rescinded at the time of certification.

At the heart of this new legislative framework the principal functions of a joint organisation are found in new section 400R (1). These principal functions focus on effective strategic planning and project delivery across regions. The bill provides that a joint organisation must not only identify what the region's strategic priorities are but also develop a plan on how to deliver them. The bill also recognises that a joint organisation has an important leadership role. It will perform this role through talking to and consulting with communities in its region, as well as other agencies and stakeholders about its priorities and plans. In new section 400R (1) (c) a joint organisation must also focus on opportunities available to it for collaborating with other agencies and taking up those opportunities.

This proposed joint organisation model will make it easier to deliver important projects across council boundaries to achieve the things that communities need such as jobs, education, transport, secure water supplies, roads, bridges, other vital services and infrastructure. Joint organisations will bring the changes for which councils, business and ratepayers across the State have been asking. To support collaboration that works, the bill will establish links between strategic planning by local councils, joint organisations and State agencies. In new section 400R (2) the bill provides that a joint organisation's strategic regional priorities need to be set by reference to the relevant strategic plans of member councils and the State Government. The bill does not require consistency between the three areas of strategic planning, but it does ensure that they will not exist in isolation from each other.

New section 400S extends the potential role of each joint organisation beyond its core strategic planning and regional leadership functions. It confers on joint organisations the ability, with the agreement of member councils, to engage in service delivery to or on behalf of councils, including capacity building for councils themselves. This gives joint organisations the option of providing councils with a more efficient mechanism for shared services where councils choose to assign those services to the joint organisation. This might capture services like information technology, human resources management, waste services management, library services and community strategic planning. This creates exciting potential for better services as well as efficiencies that will have a positive impact on ratepayers.

These are only examples and there will no doubt be other areas in which participating councils can decide to collaborate, including with State agencies, to improve the quality of services and infrastructure in regional communities and to achieve cost savings for ratepayers. Items [4] to [7] of schedule 1 to the bill will also allow member and neighbouring councils to delegate functions to a joint organisation if agreed to by the joint organisation. This is necessary to facilitate more efficient service delivery and regulation across regions. The bill also provides structural mechanisms to support strong governance and good decision-making by joint organisations.

In new section 400T the bill provides that each joint organisation will be governed by a board. Based on extensive public and local government sector consultation, the Government believes that mayoral commitment to joint organisations is crucial for success. That is why the bill provides that mayors of member councils are all ex officio representatives on the board of the joint organisation. For joint organisations to be effective, the voting

representatives on the board must have authority as local leaders within their own communities. Their mayoral status will permit them to focus on the interests of the whole region while still being clear spokespersons for their own communities.

New section 400T (1) (b) also provides that each joint organisation has the option to include a further councillor from each member council on the board who will each have an additional equal vote. It is not anticipated that this will be used by most joint organisations but it may be useful in some circumstances. Non-voting representatives of other organisations, such as New South Wales and interstate agencies, neighbouring councils and non-government organisations, may also be invited to be on the board of a joint organisation. Each joint organisation will also have a nominee of the Secretary of the Department of Premier and Cabinet as a non-voting representative on the board under new section 400T (2) (a) to facilitate whole-of-government engagement with the joint organisation and ensure that there is a clear mechanism to support ongoing dialogue and collaboration between the joint organisation and the State Government.

New section 400U (3) requires each joint organisation's board to develop and adopt a charter to guide the governance and operation of the organisation. This charter is intended to be the guiding document both for the joint organisation and the communities it serves. In the absence of any more stringent requirement adopted by the board in its charter, decisions of a joint organisation will be determined by a simple majority of voting representatives on the board. Each joint organisation will elect a chairperson under new section 400V who must be one of the mayoral voting representatives of the board.

The chairperson will have an important role in facilitating the progress of the joint organisation and encouraging collaboration across the region. Importantly, however, the chairperson will not have a casting vote. This is consistent with the general principle underpinning joint organisations that all communities in the region should have equal representation. Joint organisations, once established by proclamation, will be statutory corporations that do not represent the Crown. They will have all the usual powers of bodies corporate so they can operate flexibly and meet the service delivery and regulatory needs of local government in regional areas. To protect the public interest, the bill will generally require joint organisations to meet the standards of conduct and good governance, transparent reporting, accountability and oversight expected of councils, councillors and council staff.

In new subsections 400ZH (1) and (2), the bill provides that most provisions in the Local Government Act apply to joint organisations and their office holders and staff in the same way as it applies to local councils. In relation to staff, the Government has made a clear commitment that joint organisations are intended to remain within the New South Wales industrial relations system. To that end, the Government will be seeking the necessary endorsement from the Commonwealth that joint organisations, once established by proclamation, are not national system employers under the Commonwealth Fair Work Act. To provide certainty around the Government's position, new section 400ZG prevents joint organisations from employing staff, other than their executive officer, unless the joint organisation is not a national system employer for the purposes of the Commonwealth Fair Work Act.

Where particular provisions of the Local Government Act that apply to councils are not appropriate to be applied to a joint organisation, they are explicitly excluded by new section 400ZH (3). There is also a regulation-making power to prescribe further provisions of the Local Government Act as either applying or not applying to joint organisations. This allows for some flexibility if it becomes apparent that further or fewer provisions of the Act should apply as joint organisations' governance and operations are further developed and become more complex over time. Joint organisations are also intended to operate with minimal cost and red tape. For that reason there is a broad regulation-making power that will allow adjustments to be made to a range of standard governance requirements, including planning and reporting requirements that would apply to councils. This will help to make sure that joint organisations remain lean and effective.

Schedule 2 to the bill inserts references to joint organisations in a range of New South Wales legislation. These changes have been made where it was consequentially necessary to do so because there were existing references to councils and county councils. Schedule 2 is not intended to confer a broader role for, or powers on, joint organisations than is set out in new sections 400R and 400S or that might be acquired through delegations by councils. It makes necessary consequential amendments only, including to privacy, integrity, data management, land management and revenue laws, among others.

The bill provides that a joint organisation is established by proclamation and will encompass all of the areas of its member councils. Once councils have advised the Government that they wish to participate in a joint organisation, the intention is to proceed to arrange for the establishment of those joint organisations so they can be ready to operate from July 2018. However, the Government's intent is there should be at least three councils wishing to participate in a joint organisation and they should all be within an existing regional planning area. The

formation of a joint organisation should also not have boundaries that adversely impact other councils or potential joint organisations.

At this stage the option to participate in a joint organisation will be available in regional planning areas outside of the far west, where the Government continues to work with communities on future options, and the Central Coast, which is now served by a single new council. To support the rollout of joint organisations, the Government will invest funding of \$3.3 million. Funding will be available to each region whether or not they participated in the pilot process to develop the models set out in this bill. The final allocation of funds to joint organisations will be dependent on the number of joint organisations to be formed and the extent of membership within those regions. The Government will ensure support is available to councils to facilitate these discussions and to support each region through the nomination process.

The establishment of joint organisations is a key part of the Government's commitment to both strengthen local government and improve service delivery and infrastructure across rural and regional New South Wales. The Government will also support joint organisations as they are established. There are a number of State agencies which are ready to work with joint organisations and this will be facilitated through a State agency working group and regional leadership groups across New South Wales. These forums will help new joint organisations connect and collaborate with State agencies, bringing projects and funding operations directly to local government. My thanks go to the many councils across the State that helped to develop this model through their feedback and, in particular, their participation in the pilot process.

I acknowledge those peak bodies and members of the community that provided extremely constructive feedback on the proposal and approach to implementing joint organisations. The Government is committed to the bright future of regional New South Wales and to a long-term, collaborative and mutually beneficial relationship with local councils through regional joint organisations. We have taken the time to listen to councils and to get the final model right. Joint organisations can and will make a positive difference for regional communities. Now it is time to start making it happen. I commend the bill to the House.

Debate adjourned.

Visitors

VISITORS

The PRESIDENT: I take the opportunity on behalf of members to welcome to the public gallery those attending "A little night sitting". I understand that tonight's program focuses on the democratic system.

Bills

ELECTORAL BILL 2017

Second Reading Speech

The Hon. BEN FRANKLIN (17:50): On behalf of the Hon. Don Harwin: I move:

That this bill be now read a second time.

The Electoral Bill 2017 is the product of an extensive review of the Parliamentary Electorates and Elections Act 1912, which governs the conduct of State parliamentary elections in New South Wales. In 2013, following its review of the State's electoral legislation, the chair of the Joint Standing Committee on Electoral Matters stated:

... whilst the essential principles of our representative democracy remain valid, the legislative framework through which they are given effect, requires modernisation.

This bill honours the Government's longstanding commitment to undertake that significant task in respect of the Parliamentary Electorates and Elections Act. The bill updates that Act, which was passed more than 100 years ago, to reflect contemporary electoral practices. It will simplify, modernise and improve the conduct of elections in this State. The revision of the current Act has involved a meticulous rewrite and implements many recommendations made by the committee following its inquiries into the State's electoral legislation and the administration of the 2011 and 2015 elections. The bill also contains a number of reforms requested by the Electoral Commissioner of New South Wales, which align with the overarching goal of this update to refresh and modernise the legislation.

The bill before the House today benefits from the input of the many organisations and individuals who made submissions on an exposure draft that was released for public consultation in August. Each one of those submissions has been considered closely in preparing the bill for Parliament. I turn now to the specific provisions of the bill. As I have mentioned, the bill is an update of the Parliamentary Electorates and Elections Act, but it is not a radical overhaul of the electoral system in this State. In substance, there is much that this bill carries over

from the current Act. In outlining the bill I will seek to highlight those aspects of the bill that introduce key reforms. Part 1 of the bill contains preliminary machinery provisions. It includes a definitions section which updates terminology used throughout the bill to take account of modern electoral practice and technological advances. In line with the intent of this rewrite, that the legislation be clarified and simplified and consistent with a recommendation of the committee, it also includes a general objects provision to assist with judicial interpretation.

Part 2 of the bill is concerned with the administration of elections in New South Wales, and contains provisions relating to the New South Wales Electoral Commission, the New South Wales Electoral Commissioner and the staff of the Electoral Commission. As with the current Act, the bill makes it clear that the Electoral Commission has the function of instituting proceedings for electoral offences under the proposed Act and other electoral legislation. It also provides that the Electoral Commission may make applications to the Supreme Court for injunctions, declarations, or other orders within the jurisdiction of the court for the purpose of ensuring compliance with these same Acts. A robust electoral system is one of the cornerstones of our democracy. This bill gives the Electoral Commission a clear mandate to enforce the provisions of the proposed Act and related legislation, and to maintain the integrity of the electoral process in New South Wales.

Part 3 sets out the scheme for the redistribution of electoral districts in New South Wales in accordance with the Constitution Act 1902. Similar to the current Act, it provides for a three-person redistribution panel comprising: a current or former judge appointed by the Governor as the chairperson of the redistribution panel; the Electoral Commissioner; and the Surveyor-General. Part 4 of the bill provides for a person's entitlement to enrol and vote. The bill does not depart in substance from the current Act in the franchise in New South Wales. However, in keeping with the general modernising tenor of this bill it does clarify that the Electoral Commissioner is required to keep and maintain an accurate electoral information register rather than a roll for each district. This reflects the shift from paper-based rolls for each district to a centralised electronic register of New South Wales electors, which is used to generate the printed rolls for each district at an election.

The bill also provides for a system whereby enrolment is a legal status conferred on a person by the Electoral Commissioner rather than the process of the person's name being entered on a roll for a district by the Electoral Commissioner. Part 5 of the bill establishes enrolment procedures in New South Wales and is also concerned with electoral information, including its collection and distribution. As with the current Act, the bill requires persons who are entitled to vote to enrol and keep their enrolment updated. It also maintains the practice of SmartRoll enrolment, which allows the Electoral Commissioner to enrol persons automatically on the Electoral Commissioner's own initiative.

The bill will repeal outdated procedures governing objections to enrolment in the current Act. It simplifies this process by imposing a duty upon the Electoral Commissioner to investigate complaints about enrolment errors and providing complainants with the right to seek a review by the NSW Civil and Administrative Tribunal—rather than the Local Court—of enrolment decisions made by the Electoral Commissioner. The processes and procedures for the registration of political parties are provided for in part 6 of the bill. This part substantially replicates the relevant provisions in the current Act, with some enhancements.

Consistent with recommendation 12 of the committee's 2013 report on its review of the State's electoral laws, the bill will ensure that a party is required, at the time of applying for registration, to provide sufficient information about its internal governance rules to enable the Electoral Commission to carry out its statutory functions. The New South Wales Electoral Commission considers that access to accurate and detailed information of this kind is critical to its ability to perform its functions. For example, it may be necessary for the Electoral Commission to confirm that an office bearer in a party was validly appointed or discharged in accordance with the party's internal governance rules. The bill will facilitate this.

The most significant reforms are contained in part 7 of the bill, which provides for the conduct of parliamentary elections. One reform in this part stems from a committee recommendation that the Government review the current role of a returning officer in New South Wales State elections to "determine whether there is a more effective and efficient way to carry out the functions associated with this position". Consistent with that recommendation, the bill designates the Electoral Commissioner as the returning officer responsible for the conduct and administration of all parliamentary elections, and provides for the appointment of election officials to assist the Electoral Commissioner.

The bill implements two additional committee recommendations that were made following both the 2011 and the 2015 State elections by fixing the date for the issue of the writs for normal quadrennial elections. The writs must be issued on the Monday following the expiry of the Legislative Assembly. There is no fixed date in the current Act as the writs are only required to be issued "within four clear days after...the Assembly has been allowed to expire by effluxion of time". This change ensures that the Electoral Commissioner can publicise the dates for the close of the authorised rolls and the close of nominations in advance of the formal election period.

The bill will allow for the opening of nominations before the issue of the writs for normal quadrennial elections. That will, in turn, allow for a longer period between the close of nominations, the subsequent ballot draw, and the opening of the pre-poll period. Part 7 of the bill also makes a number of improvements relating to the nomination of candidates for elections. For example, the bill increases the number of required nominators for independent Legislative Assembly and Legislative Council candidates from 15 to 25. This is intended to ensure that candidates have a reasonable level of community support before being eligible to nominate for election.

The bill will ensure that the number of candidates in a Legislative Council group must not exceed the number of members required to be elected. These two reforms both derive from recommendations made by the committee in its report on the 2015 State election, and will help to reduce the size, cost and complexity of the ballot papers. Following a recommendation in the committee's 2013 report the bill will also strengthen the existing requirement that a child-related conduct declaration accompany the nomination paper of a candidate. By enhancing the declaration process and ensuring greater consistency with the Child Protection Working with Children Act 2012 the bill will ensure that candidates declare whether or not they hold a Working With Children Check clearance and whether or not any apprehended violence order has ever been made against them for the purpose of protecting a child from sexual assault.

In addition, candidates who do not hold a Working With Children Check clearance must declare whether they have made a current application for a Working With Children Check clearance, whether they have been refused a clearance, and whether they have ever been convicted of any of the offences, or been the subject of any of the proceedings listed in schedules 1 and 2 to the Child Protection (Working With Children) Act. These child protection declarations are to be made public by the Electoral Commissioner, and, after his or her election, the Children's Guardian is to audit the child protection declarations of candidates elected to Parliament for accuracy. These provisions will require that a candidate's past history of child-related conduct is disclosed to the voting public before they cast their vote.

Debate adjourned.

Members

VALEDICTORY SPEECH

The PRESIDENT: I welcome into my gallery this evening members of the Hon. Greg Pearce's family who are here for his valedictory speech. They include his wife, Shauna Jarrett; his sister-in-law, Mairied Jarrett; his nephew Jake Tully; and many friends and former staff. On behalf of everyone, I welcome you, especially Jake Tully, who may take this opportunity to consider following in the steps of his wonderful uncle.

The Hon. GREG PEARCE (18:01): Mr President, colleagues and friends, what a great pleasure it is to follow my friend the Hon. Ben Franklin in speaking tonight. Seventeen years ago today I delivered my first speech in this House. I endorse and repeat everything I said and, in particular, give thanks to all of those I mentioned who supported me. I sincerely thank the people of New South Wales for giving me the opportunity to serve as a member of Parliament. I particularly thank the members of the New South Wales Liberal Party who made it possible. I thank all serving members and all those who have served in the past for their hard work and sacrifice. I thank all of my staff over the years—with a special thanks to Pam—and all the people who work in Parliament and make this place a remarkably harmonious place considering the nature of our business and some of the personalities—Walt. I especially thank my family, particularly my sisters, Susie and Deb, and my friends and supporters. But most particularly I thank my beautiful wife, Shauna Jarrett, who has endured and enjoyed the whole experience and has made it possible for me to make a contribution in here.

Colleagues, I guess you can say I have had a full political experience—the highs and the lows; the achievements and the disappointments. However, I am proud of my efforts here and I am genuinely honoured to have had the privilege to serve. I have mentioned the objectives that I set out in my first speech and, as members know, in more recent years I have set out in various speeches and adjournment speeches—including on such exciting subjects as statute law, social housing, revenue, budget estimates, compulsory third party [CTP]—what I attempted to achieve. I invite you all to reread any of those speeches, if you are interested.

My time as a Minister, as for others who have served as Ministers, was the highlight. I determined to be an effective reforming Minister, guided by my principles and conscience and with the sole objective of improving government in New South Wales, and delivering better sustainable infrastructure and services to the people of New South Wales. Members know of my role in fixing the New South Wales budget and establishing the basis for our current and future financial strength, and many of the reforms I implemented to move the New South Wales public sector from the 1960s into the twenty-first century. I have talked about information communications technology [ICT], procurement reform, establishing New South Wales property and public housing reform. I am

particularly proud of the ICT work, introducing a strategy for the first time for any government in Australia which, believe it or not, included a pilot use of the cloud just five years ago.

One of the achievements that particularly pleased me and probably did not get appropriate recognition was my intervention as portfolio Minister for Sydney Water and Hunter Water in the Independent Pricing and Regulatory Tribunal [IPART] pricing reviews in 2011. I wrote a submission arguing for price increases to be limited to about consumer price index [CPI], which contradicted the submissions lodged by the water companies who were seeking to continue gold plate increases of 15 per cent or more per annum. I am not actually sure whether I obtained Cabinet approval for my submission at the time, but IPART agreed with me and Sydney Water and Hunter Water customers have had real relief from cost-of-living pressures since.

Not everything was plain sailing in water. It began with the Tillegra Dam fiasco. The former Labor Government got into a problem with the Tillegra Dam proposal. Then, without warning, Barry O'Farrell made an Opposition Leader's captain's call promising that we would abandon the dam and reallocate the \$300 million cost to a dedicated Hunter Infrastructure Fund. The problem was that Barry's office did not understand that water infrastructure is paid for from water rates, so we had a \$300 million hole in our figures. Worse than that, the Government's water directorate was in the process of preparing a new Hunter five-year plan and was determined to revive Tillegra as an option. Shall we say I navigated both problems.

Next, a dubious developer named Johnson started knocking on my door. I refused to see him. Then Barry went on the Alan Jones show one morning and after getting flogged by Jones over a series of issues, he promised on air that I would see this Johnson bloke. I went up to his project one rainy Saturday and dragged the grumpy Hunter Water engineers along. Members will remember that under the former Government housing starts in New South Wales had fallen to the lowest in 50 years. We had a Cabinet subcommittee dedicated to accelerating housing and I instructed Hunter Water to go through the process with the Johnson project. I hate to think where New South Wales would be if we had not succeeded in reversing the decline in housing.

The Water portfolio had much more. I introduced amendments to the Water Industry Competition Act—really obscure legislation, but it was essential to enable the long-term lease of the desalination plant, which I believe some members opposed at the time. That lease was the first under our asset recycling policy and delivered a fantastic \$2.5 billion, which allowed us to establish the RestartNSW Fund. We do not have a section 44 of the Constitution but we have a provision excluding holders of an office from profiting under the Crown. In my first week as a Minister, my second phone call from the Premier was, "Greg, tell me it is not a [expletive] by-election." The new member for Rockdale, which was an electorate I never expected we would win, was receiving a disability pension from the State. I did not have a ministerial office or staff; I was still working here with a single staff member. The Crown Solicitor gave me advice—the member was in breach. There would have to be a by-election. I sat up with my staff member and we read the legislation. We came to the conclusion that I could make a regulation retrospectively authorising the member to surrender the pension. I did, and he did—reluctantly.

In my first sitting week I had 28 questions, more than many of my lower House colleagues receive in a year, including a dozen on the member for Rockdale, and there was an order for production of papers. Fortunately for him, no-one thought to ask the question in the Court of Disputed Returns. I mentioned one staff member, and that was Jo McCafferty, who became my chief of staff. Jo is smart, tough and committed. She gave a 200 per cent effort in her time here. Without her I would have achieved very little. It is a disgrace that she was treated so dishonourably and shabbily. Thank you, Jo.

I have mentioned Tillegra and section 44. I was a bit of a troubleshooter. We had contractors collapse, and desperate unpaid subbies and their families. Amongst the worst was Reed Constructions. Barry invited Mr Reed in to make his case. I suggested that Reed mortgage his Hunters Hill waterfront to pay the subbies—of course to no avail. Then there was St Hilliers. The owner Tim Casey is an absolute shonk. We spent an enormous amount of time doing our best to get the subbies back to work and paid, but we were up against those sorts of people.

Then the roof blew off WIN Stadium in Wollongong. I personally worked with Public Works to get that fixed in time for the Dragons games. We had a controversy over contaminated material at Hunters Hill, which could only be disposed of in the facility at Mulgoa. Talk about a catch 22 dealing with two local members—both from my side. We had a mess with the Valuer General and some very sharp practices by government agencies in compulsory land acquisition. This year the Russell review, initiated by me, was adopted by the Government and I hope it helps a lot in that area.

The worst thing in my time here also occurred in my first week as a Minister. One of my department's assistant directors, Anthea Kerr, a talented, dedicated public servant and mother, died suddenly and tragically. It shocked me and drove home to me how fragile our existence really is. I have been assured by my former

director-general that Anthea's husband, Chris Waugh, and her two children, Lewis and Sarah, are doing well and that the program of mentoring young women in the public service to commemorate her continues.

The award for the best putdown I received has to go to Bob Carr in estimates when he called me a traffic court lawyer—a lower traffic court lawyer! My best line, or at least my most annoying line—and I know it is bad in so many ways—was when I asked then Premier Kristina Keneally if she was "Joe's girl". It was in the context of donations he had made to her campaign, but it seems to have stuck. The most unexpected interjection was Greg Donnelly's in the WorkCover debate at about 9.35 p.m. on 20 June 2012. I invite adults in the room to read that one.

The weirdest experience I had was my first visit to WorkCover in Gosford. We telephoned the afternoon before for a sort of surprise visit. I and my staff were greeted with coffee and tea and muffins. We were then taken on a walk to meet staff. The WorkCover building has large floor plates, just a few floors. I was taken around to meet employees, shake hands and chat but by the time I reached the ground floor again I felt something curious. I said to one of my staff there seem to be a lot of twins here. Later someone fessed up that there were so many people on leave that they had orchestrated people to run down the stairs to be ahead of me on the next floor as I came round.

The most fun I had was when I commenced proceedings to put a receiver into the Health Services Union [HSU]. Kathy Jackson, who was then still a hero, stalked me here in Parliament. I do not know what she was trying to achieve. Bill Shorten—do you know that name—as Federal Minister was forced to go to the Federal Court himself to put a receiver into the HSU.

I have spoken quite a bit about my time as a Minister. However, some of the most significant achievements came in opposition through work on committees. Probably the most effective was my very first, the inquiry into drugs and policing in Cabramatta. We worked for several years and succeeded in shining the spotlight on the drug and crime syndicates. The outcome was concerted government and stakeholder action to change. Today Cabramatta is a vibrant multicultural destination. The Moon Festival is a showcase of global cultures, food and performances. More recently I had the opportunity to chair a committee that has worked harmoniously on Aboriginal enterprise, defence and Sydney as a global city and regional New South Wales. The committees in this House make a great contribution.

To the extent that I have made any useful or positive contribution, I dedicate that to my late mother. She came into the world in the 1930s as Margaret Ann Liston and left in early 2013 as Margaret Ann Clifton. Altogether 2013 was a pretty crook year for me. Mum was a woman of her times. Bright and vivacious, from a strong Irish Catholic family. She attended school in Rozelle, but did not have the opportunities to go to university or have a career. She married young and rapidly had three babies. My father went broke within a few years and shot through—a not uncommon thing in those times. Mum was too proud to accept help. She worked two or three jobs to ensure my sisters and I had fun childhoods and opportunity. Mum knew too much sacrifice and experienced unfair maladies, but she never lost her unstinting faith, joy in life and belief in people.

Friends and colleagues, I wish my successor Natalie Ward a long and satisfying career and I hope the Government serves at least another dozen years. I mentioned Shauna, who is a far better person than I deserve. She has that Irish humour and independence plus unstinting loyalty. She has an almost frustrating commitment to justice and fairness, and an abhorrence of intolerance and discrimination. I did not get to meet her parents, whom she adores but I have come to know them through a couple of their sayings.

Shauna says her mum, Ann Dunne, came from a line of princesses. She was practical and used to say, "No mon', no fun." Her and Mairéad's dad, Jake, who is Jake's grandfather, had a motto that is represented by the tie that I am wearing today and that I wore to almost every Cabinet meeting. That is why it is frayed. I do not think I could have stayed any longer, because the tie would have to be replaced. It has little monkeys on it. Jake's motto was, "The higher the monkey climbs, the more he bares his behind." This is the last time I will wear this tie. It has been a lovely Sydney day. Thank you. That's all folks.

Members and guests stood in their places and applauded.

Bills

EDUCATION AMENDMENT (SCHOOL SAFETY) BILL 2017

Returned

The PRESIDENT: I report receipt of a message from the Legislative Assembly returning the abovementioned bill without amendment.

*Adjournment Debate***ADJOURNMENT**

The Hon. DON HARWIN: I move:

That this House do now adjourn.

CANADA STUDY TOUR

The Hon. MICK VEITCH (18:24): Recently I had the privilege of undertaking a Commonwealth Parliamentary Association [CPA] study tour to Canada. The purpose of my tour was to look at how cooperatives work in Canada. I travelled to Saskatoon in Saskatchewan where I met with Victoria Morris, who is Executive Director of the Saskatchewan Co-operative Association, and an enthusiastic and passionate advocate for the cooperative movement. I learnt a lot about the intrinsic nature of co-ops to societies in Saskatoon. While in that town I met with Wanda Boudreau at Affinity Credit Union to talk about the financing of co-ops. In order to function co-ops need access to a reliable and reasonable source of finance. I also had the opportunity to inspect the Saskatoon Community Clinic, which is a medical co-op providing access to essential medical services to low socio-economic communities. I thank Lisa Clatney for her time.

I then visited the innovate Crocus Co-Op, where Robin Mitchell and his staff gave freely of their time. The Crocus is a drop-in centre near the Saskatoon central business district for people with an acquired brain injury. It provides lessons in food preparation and runs recreational activities. As co-ops go, it was different and innovative. I also inspected the brand new Saskatoon Co-op Home Centre, where general manager Grant Wicks provided an inspiring appraisal of how his retail co-op is meeting the needs of the people of Saskatoon. It was unbelievable. The enterprise has a substantial turnover and a very large workforce to service the area. It was evident that co-ops are a vital and important part of the Saskatoon community. I was able to meet Audra Krueger, who is Executive Director of Co-operatives First, based in Saskatoon. Audra talked me through a range of innovative co-ops and spoke about her organisation's fresh take on co-op promotion and thought leadership. Members who are interested can look up the Co-operatives First blog that explores some of the co-ops in western Canada. It is an interesting read.

I also had an opportunity to spend time with Professor Murray Fulton, who heads up the Centre for the Study of Co-ops at the University of Saskatchewan. I quickly realised that there is not a lot that Murray Fulton does not know about the governance of co-ops in Canada at both the provincial and Federal level. As an aside, I was able to inspect the grounds and buildings of the University of Saskatchewan. At the time it was about minus two degrees, so it was not too cold. I was quite taken with the Tyndall stone used in the construction of the university buildings. Tyndall stone is also used in the construction of the Federal Parliament Building in Ottawa and the Saskatchewan Legislative Building in Regina.

As members know, as part of a CPA study tour you must visit a branch of the CPA. I visited the Saskatchewan Legislature and observed the Sasky Party in action. The Speaker of the Twenty-eighth Legislative Assembly of Saskatchewan is Corey Tochor, who represents the electoral district of Saskatoon Eastview. The Legislature is a beautiful parliamentary building indeed. I extend my appreciation to Corey Tochor for his hospitality during my visit to Regina.

The main purpose of my study tour was to attend the Canadian Worker Co-op Federation conference in Gatineau, Quebec. The guest speaker at the conference was Senator Lucie Moncion. I met privately with Senator Moncion to discuss a number of co-ops in Canada. The Senator has a 30-year history in co-ops and was appointed to the Canadian Senate just 12 months ago. I was impressed by a couple of the co-ops that she raised with me. The first was the Green Bay Packers National Football League team. People who follow North American sport know of the Green Bay Packers; however, most people do not know that it is in fact a co-op.

We also spoke about Fogo Island and the Fogo Process. Fogo Island is a part of Newfoundland and the Fogo Process is a great example of participatory community development. Co-ops in Canada are involved in almost every facet of life including insurance, freight logistics, housing, taxis, rail, agriculture, retail, accommodation, bottle shops and even craft breweries. I might have consumed some wonderful Great Western Brewing Company Original 16 from a worker-owned, unionised brewery based in Saskatoon. The Original 16 is a drop that I would recommend to all. This study tour was a worthwhile exercise. I can see co-ops re-emerging in New South Wales as one solution to some of our service delivery issues in regional areas, particularly in the Far West.

AUTOMOTIVE REPAIR INDUSTRY

The Hon. LOU AMATO (18:29): In 1876 Nikolaus August Otto developed the world's first four-stroke internal combustion engine. Now, 141 years later, the internal combustion engine has become an essential

component in our daily survival. Every day machines equipped with internal combustion engines ferry goods and services across the vast regions of our State. Motor vehicles ensure children arrive safely at school each day for their preparation as contributors to our State's future growth. Machines move volumes of earth and build endless corridors of new roads, connecting communities and opening up new frontiers of opportunity for our State. All of these activities would not be possible without the internal combustion engine.

Machines do not contain the ability to self-repair as do biological systems. To maintain operational status, machines must undergo regular service intervals. The ever-increasing complexity of modern machinery requires highly trained technicians to perform maintenance and repairs. End users of complex machines must be confident that maintenance is conducted to acceptable standards. To ensure standards are met, the New South Wales Government requires all professional technicians to obtain accreditation and hold a valid licence authorising repairers to maintain the manufacturer's logbook servicing and warranty requirements. This system maintains healthy competition, benefitting consumers and supporting automotive repair businesses that make substantial contributions to this State by providing employment and maintaining local skills.

The system also prohibits original equipment manufacturers [OEMs] from restrictive trade practices through the application of harsh and unconscionable warranty terms. Regardless of the terms contained in a manufacturer's warranty, it will not be voided or reduced if an authorised repairer conducts the service in accordance with OEM requirements. In recent times, OEMs have devised ways to circumvent the protective measures instigated by anti-competition laws. These circumventions have in effect created an environment of increasingly restrictive trade practices which is in direct contravention of Federal competition laws. The methods used to restrict competition are quite extensive and it must be noted that countries other than Australia have enacted legislation to outlaw all restrictive practices by OEMs.

Modern machines are equipped with complex on-board computing systems known as Engine Control Modules [ECMs]. ECM units control multiple actuators on internal combustion engines to ensure optimal engine performance which is essential for engine longevity and emission reductions. ECMs process raw data received via multiple engine sensors which are matched against multidimensional performance maps ensuring engine actuators align the combustion cycle within defined limits. Engine diagnostics can only be performed by the technician communicating directly to the ECM unit using model-specific software patches. Countries that have enacted specific anti-competition legislation have access to purchase all software patches without restrictions. Many OEMs refuse to sell software patches to independent Australian repairers, making it impossible to conduct vehicle servicing. Many OEMs restrict maintenance data and no longer provide hard copy service logbooks. Service data is maintained on the OEMs computer database so independent repairers no longer have access to the service requirements of the vehicle, nor is there a logbook where the service can be recorded. Soft copy logbooks cause warranty concerns in the minds of consumers.

In recent times there has been considerable emphasis on emissions reductions. European countries have legislated tough policies that outlaw the sale of vehicles that do not meet ever-increasing emissions reduction targets. This has placed considerable pressure on vehicle manufacturers to achieve emissions reductions through increased efficiency and after-exhaust treatment systems. OEMs adopted different methods in achieving emissions levels which gave rise to an increase in the types of lubricating fluids in vehicles. Incorrect fluid usage may cause component failure and voiding of the vehicle's warranty. OEMs have seized on this opportunity and are increasingly restricting lubricating specifications to independent repairers. A repairer wishing to perform a simple oil change is further restricted as OEMs have a practice of refusing to sell anything but huge quantities at ridiculously inflated costs. Most workshops cannot afford to purchase 200 litres of specialised differential oil for a service that requires less than two litres.

When one considers that all OEMs are foreign-owned entities and all local independent repair shops are Australian owned, it should not be too difficult to establish where our loyalty should lie. The automotive repair industry employs thousands of workers and maintains local essential skills. As a government we must ensure the protection of the automotive repair industry. Tragically, we are no longer smart enough to make automobiles. Let us hope we at least retain the intelligence to service them.

ELECTRICITY PRICES

The Hon. ADAM SEARLE (18:34): I make a contribution tonight about skyrocketing electricity prices and the pressure they put on households and small businesses across New South Wales. The Government is fond of saying that these increases are due to national issues and interstate issues, but as I have said in this place on a number of occasions and elsewhere, this Government has done a number of things that have made a direct contribution to this problem. I will return to that in a moment. But to quickly paint a picture, the Australian Competition and Consumer Commission [ACCC] recently produced a report that said that electricity prices nationwide have increased by 63 per cent on average over the past 10 years. Many households and small businesses have experienced much greater increases. While this is not necessarily encapsulated in the ACCC

report, the data in relation to New South Wales shows that when we consider reports from St Vincent de Paul and others we see that electricity prices in New South Wales—insofar as they can be determined given the different information sources—have increased by about 60 per cent over the past six years. Electricity prices have gone up by 15 per cent to 20 per cent from 1 July this year alone.

That is a staggering and unsustainable level of growth. The supermarket chain Coles commissioned its own research which showed that one in four households were not buying enough fruit and vegetables, presumably at its stores, because they were struggling to pay household energy costs. Whether we look at the figures held by the national regulator or those produced in each annual report by the Energy and Water Ombudsman, we see a growth in complaints, disconnections and the average amount of energy debt held by households with energy debt. It is a considerable problem. While I have no doubt the national electricity market has a role to play in this, the State Government has, through its own deliberate actions, made a direct contribution to increasing household and business electricity costs.

At the last State election, those opposite campaigned and were re-elected on a commitment that there would be—and I quote from the Liberal Party website at the time and from its election paraphernalia—"guaranteed lower electricity prices". The basis of the pitch was that if the Liberals were re-elected and they privatised the State-owned electricity distribution system prices would come down. Prices have continued to spiral out of control ever since. It is interesting that Government members are now strenuously saying, "We did not mean electricity prices; we meant network prices." They are saying that the prices of the network companies would be lower and have been going down. This House has now established an electricity inquiry and no doubt we will hear from all those electricity companies about where the network prices are at.

It is clear that the Australian Energy Regulator [AER] said there should be up to \$60 million worth of cuts. The State Government went to court to overturn that determination. As a result, Ausgrid customers will pay about \$3 billion more over the regulated period for their electricity bills; Endeavour Energy customers—which includes everybody in the Illawarra—will pay \$1.25 billion more; and the customers of Essential Energy, which is the distributor servicing regional and rural New South Wales, will pay up to \$1.7 billion more as a result of the determination being overturned.

Interestingly, under the Government Information (Public Access) Act 2009, or GIPA, we have obtained a disturbing document from Essential Energy that says that it did not need to overturn the AER determination because it could live within the original determination. The document is dated at a point in time before the Federal Court proceedings were determined. That puts a big question mark over the propriety of its conduct and shows that this matter should be inquired into. It should be made to explain the circumstances around why it did not need to participate in that appeal, why it did, how much extra its customers will have to pay, and where the \$1.7 billion will go. It is a matter that I will return to and that members of this House will continue to investigate until we get some straight answers about whether it has breached any regulatory obligations.

PLANNING AND DEVELOPMENT

Mr DAVID SHOEBRIDGE (18:39): In his first nine months on the job—from January to September this year—the Liberal planning Minister has had 40 meetings with property developers, property groups and lobbyists and their corporate backers. These corporations stand to make billions of dollars—not millions, but billions—from favourable planning decisions. In the same nine months, the Liberal planning Minister met with just 10 community and not-for-profit groups to discuss planning policy. From what we can tell from the records, he has not yet met with anyone in their capacity as an ordinary resident to discuss planning. Residents are invisible from the Minister's lofty heights. Who does the Minister work for? Does he work for the people of New South Wales or the property industry?

The groups the Minister met with have made a total \$4 million in payments to the Liberal Party in the last two decades. They have made similar donations to Labor. Property developer donations are supposed to have been banned in New South Wales since 2010, but loopholes mean that payments are still happening. Most of the money just flows around the New South Wales electoral laws, with payments being funnelled to the federally, not State, registered political parties. This is the loophole used by Meriton, Walker Group Holdings and the Toga Group to shovel \$794,600 to the New South Wales and Federal branches of the Liberal Party since developer donations were banned in New South Wales. And maybe, just maybe, it is also relevant that each of these developers has managed to get a meeting with the New South Wales Minister for Planning this year. Money, it seems, always finds a way.

Meriton is run by the richest man in Australia and it just made \$1.7 billion in profit. This is who the Liberal Party represents—an elite few from the property industry who lined up to give \$2 million to their party of choice in the 2015-16 financial year. That is just one year's payments and the last year's public records. It is unlawful for corporations to just give shareholder funds away. They can only hand over money if they get

something in return. What are they looking for with these payments? The evidence is all around us; neighbourhoods are being destroyed to feed corporate and political greed. The Labor and Liberal parties take millions of dollars in payments from the property industry and they have laws that allow one of their Ministers to decide that your neighbourhood is a "priority precinct". Soon you will not be able to get a seat on the train, there is nowhere for kids to play, schools are so overcrowded they will have to stagger play times, the wait gets longer at hospital emergency and traffic snarls occur seven days a week.

Everyone who lives in Sydney knows this story. Apartments rise up like mushrooms but without the essential infrastructure such as schools, green open spaces, hospitals and public transport needed to keep our city liveable. When the only consideration is profit, ordinary people on the street pay the price. Sydney needs more affordable housing, not unthinking overdevelopment. When any government tells us that the answer to housing affordability is to churn out an additional 20,000 apartments a year, with prices starting at \$700,000 a pop, it is lying. This city needs affordable housing for the people of Sydney, not profiteering for property barons. Having a planning Minister meet with developer after developer who has given his party millions of dollars while ignoring the community will not make housing more affordable in Sydney. The property industry has no interest in housing being cheaper. Put simply, the system is rigged.

The Greens have a plan to clean up politics and to close the loophole so that people, not property billionaires, shape the future of Sydney. We need nationally consistent laws that place caps on donations or bans on donations from for-profit entities and sectors that are prone to corruption like the property industry. We desperately need to put the control of our neighbourhoods back into the hands of local councils, if we want to fight back against the power of the property developers who have literally taken over our city. We are the only party with a plan to give real power to local residents. This, together with new planning laws that mandate affordable housing and require the up-front provision of infrastructure, will allow Sydney to grow. We know Sydney needs to grow but that growth needs to be fair, affordable and sustainable. We can stop our neighbourhoods being ruined to make profits for a greedy few in the property industry. It does not have to be this way. We can save Sydney.

MARRIAGE EQUALITY SURVEY

The Hon. SHAYNE MALLARD (18:43): Tonight I congratulate the people of New South Wales and the Australian people on their overwhelming yes vote in the same-sex marriage postal survey conducted by the Commonwealth Government which concluded today. The Australian marriage law postal survey was mailed out to 16,006,180 people and asked the question: Should the law be changed to allow same-sex couples to marry? The results of the non-compulsory postal ballot were a 61.6 per cent yes vote and a 38.4 per cent no vote. Staggeringly, just under 80 per cent of eligible Australians returned a survey form during the six-week campaign period—that is, 12,727,838 people participated in this voluntary survey. I am told that the number of people who voted yes is greater than the primary vote for any Labor or Liberal government in history. It was an incredible response.

Every State and Territory returned a yes vote, including New South Wales, which returned a yes vote of 57.8 per cent, or 2,374,362 people, including a yes vote in every New South Wales rural and regional electorate, which underlines the inclusiveness of country people and their families. I congratulate The Nationals on that great result in the rural and regional areas of New South Wales. I highlight some of the Federal electorate results because they are informative. The Sydney electorate, which encompasses this Parliament, returned a yes vote of 83.7 per cent; the Wentworth electorate, represented by the Prime Minister, who is a big supporter of same-sex equality, returned a yes vote of 80.8 per cent; Warringah, the seat of the former Prime Minister, who campaigned strongly against marriage equality, returned a yes vote of 75 per cent; and North Sydney, where my good friend Trent Zimmerman is the Federal member, returned a yes vote of 71.8 per cent. I congratulate Trent on his leadership and advocacy for the yes campaign.

Conversely, the Federal seats that returned the lowest yes vote are enlightening. Werriwa, in south-west Sydney, returned a yes vote of 36.3 per cent; Fowler returned a yes vote of 36.3 per cent; Parramatta returned a yes vote of 38.4 per cent; and Chifley returned a yes vote of 41.3 per cent. I am sure more analysis will be done but Antony Green suggested in the media today that it is a reflection of first-generation Australian migrants and their concerns around the proposal. This demonstrates to me, to those in the gay community and to others generally that more work is needed to break down the barriers so that people understand there is no need to fear differences in our society, and marriage equality is a good example.

It is no secret to members here that I opposed the initial plebiscite or the postal survey compromise that came out of the party room as I strongly believed it was the responsibility of the Commonwealth Parliament to decide this matter. Federal members of Parliament are elected to do that job. In fact, I was of the view, and I am still of the view, that those who pushed the survey sought to make marriage equality unachievable. However, the

Prime Minister has promised this will happen by Christmas, and I am confident that is the case. With Labor's support of the Dean Smith bill, it looks like marriage equality can be achieved.

It is my belief that the debate and vote on allowing same-sex couples to marry should have been undertaken in the Parliament. If the vote had been decided in Parliament it would have avoided some of the hateful, disrespectful and discriminatory rhetoric that was exchanged during the debate—on both sides, I will admit. While I respect the right of those on the no side to voice their opinion, for some in this camp the plebiscite created a national platform that allowed some on the no side to pull apart and dissect the relationships of same-sex couples and their families—and we have seen that in this Chamber—speaking of them as though in some way they are lesser people. Furthermore, there was the unnecessary expenditure of \$122 million, which could have been better invested.

On the positive side, I walked to Parliament this morning and people were dancing in the streets in the inner city holding gay flags. I walked through Hyde Park at lunchtime and I felt I could hold my head high because Australians had acknowledged that we had equality; it really felt good. I acknowledge Vic Alhadeff and the NSW Jewish Board of Deputies for their courage in supporting marriage equality. It was very good of them to do that. The Jewish community in particular would understand discrimination. However, the fight is not over and it is the responsibility of the Commonwealth Government to ensure that the appropriate bill is adopted into law. There are two proposed bills on same-sex marriage; one by Senator James Paterson and one by Senator Dean Smith.

The proposed bill by Senator Paterson has been criticised by Australia's top lawyers, who have said that it will erode the human rights of the lesbian, gay, bisexual, transgender and intersex [LGBTI] community. Law Council of Australia President Fiona McLeod said on Monday that the bill will encroach on many protections for LGBTI people in an "extraordinary and perilous way". The Paterson bill gives people wide-ranging protections from legal repercussions if they hold a religious or conscientious belief that marriage should be between a man and a woman. As to businesses and corporations, under Senator Paterson's proposal, businesses such as function centres, florists and cake makers could refuse to provide their goods and services to same-sex weddings based upon their religious or conscientious beliefs. Under Senator Smith's proposed bill the protections are much narrower and are based solely on religious grounds. Under his proposal, ministers of religion can refuse to officiate at same-sex weddings on religious grounds. I might add that my wedding in Denmark will be recognised when this bill becomes law. The winner today has been marriage; over 80 per cent of Australians have endorsed marriage and made Australia a more inclusive nation. [*Time expired.*]

The PRESIDENT: The question is that this House do now adjourn.

Motion agreed to.

The House adjourned at 18:50 until Thursday 16 November 2017 at 10:00.